
2018 Federal Low Income Housing Tax Credit Program

Application For Reservation

Deadline for Submission

9% Competitive Credits

Applications Must Be Received At VHDA No Later Than **2:00 PM**
Richmond, VA Time On **March 16, 2018**

Tax Exempt Bonds

Applications should be received at VHDA at least one month before the
bonds are *priced* (if bonds issued by VHDA), or 75 days before the bonds
are *issued* (if bonds are not issued by VHDA)



Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220-6500

INSTRUCTIONS FOR THE VIRGINIA 2018 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 2010. Please note that using the active Excel workbook does not eliminate the need to submit the required PDF of the signed hardcopy of the application and related documentation. A more detailed explanation of application submission requirements is provided below and in the Application Manual.

An electronic copy of your completed application is a mandatory submission item.

Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **2:00 PM** Richmond Virginia time on **March 16, 2018**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

Please Note:

Applicants should submit all application materials in electronic format only.

There should be distinct files which should include the following:

- 1. Application For Reservation – the active Microsoft Excel workbook**
- 2. A PDF file which includes the following:**
 - Application For Reservation – Signed version of hardcopy
 - All application attachments (i.e. tab documents, excluding market study and plans & specs)
- 3. Market Study – PDF or Microsoft Word format**
- 4. Plans - PDF or other readable electronic format**
- 5. Specifications - PDF or other readable electronic format (may be combined into the same file as the plans if necessary)**
- 6. Unit-By-Unit work write up (rehab only) - PDF or other readable electronic format**

IMPORTANT:

VHDA can accept files on DVD, CD, flash/thumb drives, via our work center site Procorem.

Do not submit any application materials to any email address unless specifically requested by the VHDA LIHTC Allocation Department staff.

Disclaimer:

VHDA assumes no responsibility for any problems incurred in using this spreadsheet or for the accuracy of calculations. Check your application for correctness and completeness before submitting the application to VHDA.

Entering Data:

Enter numbers or text as appropriate in the blank spaces highlighted in yellow. Cells have been formatted as appropriate for the data expected. All other cells are protected and will not allow changes.

Please Note:

▶ **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another.

▶ Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.

▶ The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the application has been entered.

▶ Also note that some cells contain error messages such as “#DIV/0!” as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

Assistance:

If you have any questions, please contact the VHDA LIHTC Allocation Department. Please note that we cannot release the copy protection password.

VHDA LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
JD Bondurant	johndavid.bondurant@vhda.com	(804) 343-5725
Hope Rutter	hope.rutter@vhda.com	(804) 343-5574
Sheila Stone	sheila.stone@vhda.com	(804) 343-5582
Stephanie Flanders	stephanie.flanders@vhda.com	(804) 343-5939
Pamela Freeth	pamela.freeth@vhda.com	(804) 343-5518
Alena Henderson	alena.henderson@vhda.com	(804) 343-5908

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2018 Low-Income Housing Tax Credit Application For Reservation

Please indicate if the following items are included with your application by putting an 'X' in the appropriate boxes. Your assistance in organizing the submission in the following order, and actually using tabs to mark them as shown, will facilitate review of your application. Please note that all mandatory items must be included for the application to be processed. The inclusion of other items may increase the number of points for which you are eligible under VHDA's point system of ranking applications, and may assist VHDA in its determination of the appropriate amount of credits that may be reserved for the development.

- Electronic Copy of the Microsoft Excel Based Application **(MANDATORY)**
- Scanned Copy of the **Signed** Tax Credit Application with Attachments (excluding market study and plans & specifications) **(MANDATORY)**
- Electronic Copy of the Market Study **(MANDATORY - Application will be disqualified if study is not submitted with application)**
- Electronic Copy of the Plans **(MANDATORY)**
- Electronic Copy of the Specifications **(MANDATORY)**
- Electronic Copy of the Unit By Unit Work Writeup **(MANDATORY if rehab)**
- Electronic Copy of Appraisal **(MANDATORY if acquisition credits requested)**
- \$1,000 Application Fee **(MANDATORY)**
- Tab A: Documentation of Development Location:
 - A.1 Revitalization Area Certification
 - A.2 Location Map
 - A.3 Surveyor's Certification of Proximity To Public Transportation
- Tab B: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests **(MANDATORY)**
- Tab C: Virginia State Corporation Commission Certification **(MANDATORY)**
- Tab D: Principal's Previous Participation Certification **(MANDATORY)**
- Tab E: Nonprofit Questionnaire **(MANDATORY for points or pool)**
- The following documents need not be submitted unless requested by VHDA:
 - Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status
 - Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable)
- Tab F: Architect's Certification **(MANDATORY)**
- Tab G: Relocation Plan **(MANDATORY, if tenants are displaced)**
- Tab H: PHA / Section 8 Notification Letter
- Tab I: Locality CEO Response Letter
- Tab J: Homeownership Plan
- Tab K: Site Control Documentation & Most Recent Real Estate Tax Assessment **(MANDATORY)**
- Tab L: Plan of Development Certification Letter
- Tab M: Zoning Certification Letter **(MANDATORY)**
- Tab N: Copies of 8609s To Certify Developer Experience and Partnership agreements
- Tab O: Resumés , Org Chart and List of LIHTC Developments (Schedule A) **(MANDATORY)**
- Tab P: Plans and Specifications and UXU Work Write-Up **(MANDATORY)**
- Tab Q: Documentation of Rental Assistance
- Tab R: Documentation of Operating Budget
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- Tab U: Documentation to Request Exception to Restriction-Pools With Little/No Increase in Rent Burdened Population
- Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
- Tab W: Attorney's Opinion **(MANDATORY)**
- Tab X: (Reserved)
- Tab Y: Marketing Plan for units meeting accessibility requirements of HUD section 504

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 5/8/2018

1. Development Name: Baker School Apartments
2. Address (line 1): 100 West Baker Street
 Address (line 2):
 City: Richmond State: VA Zip: 23219
3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 37.55188 Latitude: -77.43820
 (Only necessary if street address or street intersections are not available.)
4. The Circuit Court Clerk's office in which the deed to the property is or will be recorded:
 City/County of Richmond City
5. The site overlaps one or more jurisdictional boundaries..... FALSE
 If true, what other City/County is the site located in besides reponse to #4?.....
6. Development is located in the census tract: 301.00
7. Development is located in a **Qualified Census Tract**..... TRUE
8. Development is located in a **Difficult Development Area**..... FALSE
9. Development is located in a **Revitalization Area**..... FALSE (If True, **Action:** Provide required form in **TAB A**)
10. Development is located in a census tract with a poverty rate of?.....

	3%	10%	12%
	FALSE	FALSE	FALSE

Enter only Numeric Values below:

11. Congressional District: 4
- Planning District: 15
- State Senate District: 9
- State House District: 71

Click on the following link for assistance in determining the districts related to this property:

[Link to VHDA's HOME - Select Virginia LIHTC Reference Map](#)

12. **ACTION:** Provide Location Map (**TAB A**)

13. Development Description: In the space provided below, give a brief description of the proposed development

The Baker School Apartments project is the adaptive reuse of a vacant historic school in Richmond into 50 one bedroom senior housing apartments.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 5/8/2018

14. Local Needs and Support

- a. Provide the name and the address of the chief executive officer (City Manager, Town Manager, or County Administrator of the political jurisdiction in which the development will be located:

Chief Executive Officer's Name: Selena Cuffee-Glenn
 Chief Executive Officer's Title: Chief Administrative Officer Phone: (804) 646-7978
 Street Address: 900 East Broad Street, Suite 200
 City: Richmond State: VA Zip: 23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Mark Olinger, Director of Planning

- b. If the property overlaps another jurisdiction, please fill in the following:

Chief Executive Officer's Name: _____
 Chief Executive Officer's Title: _____ Phone: _____
 Street Address: _____
 City: _____ State: _____ Zip: _____

Name and title of local official you have discussed this project with who could answer questions for the local CEO: _____

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

a. If requesting 9% Credits, select credit pool:

or

b. If requesting Tax Exempt Bonds, select development type:

For Tax Exempt Bonds, Skip Numbers 2 and 3 below.

2. Type(s) of Allocation/Allocation Year

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2018.

b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2018, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2018 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

Note regarding Type = Acquisition and Rehabilitation: Even if you acquired a building this year and "placed it in service" for the purpose of the acquisition credit, you cannot receive its acquisition 8609 form until the rehab 8609 is issued for that building.

4. Planned Combined 9% and 4% Developments

A site plan has been submitted with this application indicating two developments on the same or contiguous site. One development relates to this 9% allocation request and the remaining development will be a 4% tax exempt bond application which will be submitted by December 31, 2018. (25, 35 or 45 pts)

Listed below are the units planned for each allocation request (which cannot be changed or 9% Credits will be lost):

Total Units within 9% allocation request?	0
Total Units within 4% Tax Exempt allocation Request?	0
Total Units:	0

% of units in 4% Tax Exempt Allocation Request: 0.00%

5. Extended Use Restriction

Note: Each recipient of an allocation of credits will be required to record an **Extended Use Agreement** as required by the IRC governing the use of the development for low-income housing for at least 30 years. However, the IRC provides that, in certain circumstances, such extended use period may be terminated early.

Must Select One:

Definition of selection:

Development will be subject to the standard extended use agreement which permits, under certain circumstances early termination of the extended use period (after the mandatory 15-year compliance period.)

C. OWNERSHIP INFORMATION

NOTE: VHDA may allocate credits only to the tax-paying entity which owns the development at the time of the allocation. The term "Owner" herein refers to that entity. Please fill in the legal name of the owner. The ownership entity must be formed prior to submitting this application. Any transfer, direct or indirect, of partnership interests (except those involving the admission of limited partners) prior to the placed-in-service date of the proposed development shall be prohibited, unless the transfer is consented to by VHDA in its sole discretion. **IMPORTANT: The Owner name listed on this page must exactly match the owner name listed on the Virginia State Corporation Commission Certification.**

1. Owner Information:

Must be an individual or legally formed entity.

Name: Baker School LLC

Contact: M/M ▶ Mr. First: Christopher MI: Last: LoPiano

Address: 8403 Colesville Road, Suite 1150

City: Silver Spring St. ▶ MD Zip: 20910

Phone: (202) 885-9567 Ext. Fax: (202) 895-8805

Email address: clopiano@cpdc.org

Federal I.D. No. 47-5486063 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ▶ Limited Liability Company Formation State: ▶ VA

Additional Contact: Please Provide Name, Email and Phone number.

Lee Alford; lalford@cpdc.org; (804) 303-2330

- ACTION:** a. Provide Owner's organizational documents (e.g. Partnership agreements) (**Mandatory TAB B**)
 b. Provide Certification from Virginia State Corporation Commission (**Mandatory TAB C**)

2. Principal(s) of the General Partner: List names of individuals and ownership interest.

Names **	Phone	Type Ownership	% Ownership
Community Housing Inc.	(202) 885-9567	Sole Member	100.000%
J. Michael Pitchford	(202) 885-9567	CEO of CHI	0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%

The above should include 100% of the GP or LLC member interest.

** These should be the names of individuals who make up the General Partnership, not simply the names of entities which may comprise those components.

C. OWNERSHIP INFORMATION

- ACTION:**
- a. Provide Principals' Previous Participation Certification (**Mandatory TAB D**)
 - b. Provide resumés of each principal, chart of ownership structure (Org Chart) and list of all LIHTC Developments. (**Mandatory at TAB O**)

3. Developer Experience: Provide evidence that the principal or principals of the controlling general partner or managing member for the proposed development have developed:

- a. as a controlling general partner or managing member, (i) at least three tax credit developments that contain at least three times the number of housing units in the proposed development or (ii) at least six tax credit developments. **TRUE**

Action: Must be included on VHDA Experienced LIHTC Developer List or provide copies of 8609s and partnership agreements (**Tab N**)

- b. at least three deals as principal and have at \$500,000 in liquid assets..... **FALSE**

Action: Must be included on the VHDA Experienced LIHTC Developer List or provide Audited Financial Statements and copies of 8609s (**Tab N**)

- c. The development's principal(s), as a group or individually, have developed as controlling general partner or managing member, at least one tax credit development that contains at least the same number of units of this proposed development (can include Market units). **FALSE**

Action: Must provide copies of 8609s and partnership agreements (**Tab N**)

D. SITE CONTROL

NOTE: Site control by the Owner identified herein is a mandatory precondition of review of this application. Documentary evidence of it, in the form of either a deed, option, purchase contract, or lease for a term longer than the period of time the property will be subject to occupancy restrictions must be included herewith. (For 9% Competitive Credits - An option or contract must extend beyond the application deadline by a minimum of four months.)

Warning: Site control by an entity other than the Owner, even if it is a closely related party, is not sufficient. Anticipated future transfers to the Owner are not sufficient. The Owner, as identified previously, must have site control at the time this Application is submitted.

NOTE: If the Owner receives a reservation of credits, the property must be titled in the name of or leased by (pursuant to a long-term lease) the Owner before the allocation of credits is made this year.

Contact us before you submit this application if you have any questions about this requirement.

1. Type of Site Control by Owner:

Applicant controls site by (select one and provide documentation - **Mandatory TAB K**)

Select Type: Long Term Lease

Expiration Date: 12/28/2092

In the Option or Purchase contract - Any contract for the acquisition of a site with an existing residential property may not require an empty building as a condition of such contract, unless relocation assistance is provided to displaced households, if any, at such level required by VHDA. See QAP for further details.

FALSE There is more than one site for development and more than one form of site control.

(If **True**, provide documentation for each site specifying number of existing buildings on the site, if any, type of control of each site, and applicable expiration date of stated site control. A site control document is required for each site (**Tab K**.)

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

TRUE Owner already controls site by either deed or long-term lease.

FALSE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than.....

FALSE There is more than one site for development and more than one expected date of acquisition by Owner.

(If **True**, provide documentation for each site specifying number of existing buildings on the site, if any, and expected date of acquisition of each site by Owner (**Tab K**.)

D. SITE CONTROL

3. Seller Information:

Name: Richmond Redevelopment & Housing Authority

Address: 901 Chamberlayne Parkway

City: Richmond St.: VA Zip: 23220

Contact Person: Marcia Davis Phone: (804) 780-4193

There is an identity of interest between the seller and the owner/applicant..... **FALSE**

If above statement is **TRUE**, complete the following:

Principal(s) involved (e.g. general partners, controlling shareholders, etc.)

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

2018 Low-Income Housing Tax Credit Application For Reservation

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team. Provide Contact and Firm Name.

1. Tax Attorney: Chris Hornig This is a Related Entity. FALSE
Firm Name: Klein Hornig LLP
Address: 1325 G Street NW Suite 770, Washington, DC 20005
Email: chornig@kleinhornig.com Phone: (202) 495-4088
2. Tax Accountant: Ed Ryan This is a Related Entity. FALSE
Firm Name: Cohn Reznick
Address: 7501 Wisconsin Avenue Suite 400 E, Bethesda, MD 20814
Email: edward.ryan@cohnreznick.com Phone: (301) 652-1900
3. Consultant: Mimi Sadler This is a Related Entity. FALSE
Firm Name: Sadler & Whitehead Architects Role: Historic Consultant
Address: 7226 W 33rd Street, Richmond, VA 23225
Email: sadler@sadlerandwhitehead.com Phone: (804) 231-5299
4. Management Entity: Steve Boyce This is a Related Entity. FALSE
Firm Name: SL Nusbaum
Address: 1700 Wells Fargo Center, Monticello Avenue Norfolk, VA 23510-2670
Email: sboyce@slnusbaum.com Phone: (757) 640-2293
5. Contractor: Donald Adams This is a Related Entity. FALSE
Firm Name: Virtexco Corporation
Address: 977 Norfolk Square, Norfolk, VA 23502
Email: dadams@virtexco.com Phone: (757) 466-1114
6. Architect: Commonwealth Architects This is a Related Entity. FALSE
Firm Name: Tom Heatwole
Address: 101 Shockoe Slip, Third Floor, Richmond, VA 23219
Email: theatwole@commarchs.com Phone: (804) 200-7163
7. Real Estate Attorney: This is a Related Entity. FALSE
Firm Name:
Address:
Email: Phone:
8. Mortgage Banker: Charles Wilson This is a Related Entity. FALSE
Firm Name: Virginia Capital Advisors, Inc.
Address: 103 Archers Court, Williamsburg, VA 23185
Email: cwilson@viriniacapitaladvisors.com Phone: (757) 434-9002
9. Other: This is a Related Entity. FALSE
Firm Name: Role:
Address:
Email: Phone:

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... **TRUE**
- b. The development is listed on the RD 515 Rehabilitation Priority List?..... **FALSE**
- c. This development is an existing RD or HUD S8/236 development..... **FALSE**
Action: (If True, provide required form in TAB Q)

Note: If there is an identity of interest between the applicant and the seller in this proposal, and the applicant is seeking points in this category, then the applicant must either waive their rights to the developer's fee or other fees associated with acquisition and/or rehabilitation, or obtain a waiver of this requirement from VHDA prior to application submission to receive these points.

- i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition and/or rehab..... **FALSE**
- ii. Applicant has obtained a waiver of this requirement from VHDA prior to the application submission deadline..... **FALSE**

2. Ten-Year Rule For Acquisition Credits

- a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/\$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement..... **TRUE**
- b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i),..... **FALSE**
 - i. Subsection (I)..... **FALSE**
 - ii. Subsection (II)..... **FALSE**
 - iii. Subsection (III)..... **FALSE**
 - iv. Subsection (IV)..... **FALSE**
 - v. Subsection (V)..... **FALSE**
- c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6)..... **TRUE**
- d. There are different circumstances for different buildings..... **FALSE**
Action: (If True, provide an explanation for each building in Tab A)

3. Rehabilitation Credit Information

- a. Credits are being requested for rehabilitation expenditures..... **TRUE**

F. REHAB INFORMATION

b. Minimum Expenditure Requirements

- i. All buildings in the development satisfy the rehab costs per unit requirement of IRC Section 42(e)(3)(A)(ii)..... TRUE
- ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only)..... FALSE
- iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception..... FALSE
- iv. There are different circumstances for different buildings..... FALSE
Action: (If True, provide an explanation for each building in Tab A)

4. Request For Exception

- a. The proposed new construction development (including adaptive reuse and rehabilitation that creates additional rental space) is subject to an assessment of up to minus 20 points for being located in a pool identified by the Authority as a pool with little or no increase in rent burdened population..... FALSE
- b. Applicant seeks an exception to this restriction in accordance with one of the following provisions under 13VAC10-180-60:
 - i. Proposed development is specialized housing designed to meet special needs that cannot readily be addressed utilizing existing residential structures..... FALSE
 - ii. Proposed development is designed to serve as a replacement for housing being demolished through redevelopment..... FALSE
 - iii. Proposed development is housing that is an integral part of a neighborhood revitalization project sponsored by a local housing authority..... FALSE

Action: If any of 4 (b) responses are true, provide documentation at Tab U.

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section must be completed in order to compete in the nonprofit tax credit pool.

All Applicants - Section must be completed for points for nonprofit involvement under the ranking system.

1. Tax Credit Nonprofit Pool Applicants: To qualify for the nonprofit pool, an organization (described in IRC Section 501(c)(3) or 501(c)(4) and exempt from taxation under IRC Section 501(a)) should answer the following questions as TRUE:

- TRUE a. Be authorized to do business in Virginia.
TRUE b. Be substantially based or active in the community of the development.
TRUE c. Materially participate in the development and operation of the development throughout the compliance period (i.e., regular, continuous and substantial involvement) in the operation of the development throughout the Compliance Period.
TRUE d. Own, either directly or through a partnership or limited liability company, 100% of the general partnership or managing member interest.
TRUE e. Not be affiliated with or controlled by a for-profit organization.
TRUE f. Not have been formed for the principal purpose of competition in the Non-Profit Pool.
TRUE g. Not have any staff member, officer or member of the board of directors materially participate, directly or indirectly, in the proposed development as a for-profit entity.

2. All Applicants: To qualify for points under the ranking system, the nonprofit's involvement need not necessarily satisfy all of the requirements for participation in the nonprofit tax credit pool.

A. Nonprofit Involvement (All Applicants)

There is nonprofit involvement in this development..... TRUE (If false, go on to part III.)

Action: If there is nonprofit involvement, provide completed Non-Profit Questionnaire (Mandatory TAB E).

B. Type of involvement:

Nonprofit meets eligibility requirement for points only, not pool..... FALSE

or

Nonprofit meets eligibility requirements for nonprofit pool and points..... TRUE

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Other

Name: Community Housing, Inc. (Please fit NP name within available space)

Contact Person: Christopher LoPiano

Street Address: 8403 Colesville Road, Suite 1150

City: Silver Spring State: MD Zip: 20910

Phone: (202) 895-8900 Extension: Contact Email: clopiano@cpdc.org

G. NONPROFIT INVOLVEMENT

D. Percentage of Nonprofit Ownership (All nonprofit applicants):

Specify the nonprofit entity's percentage ownership of the general partnership interest: 100.0%

3. Nonprofit/Local Housing Authority Purchase Option/Right of First Refusal

A. TRUE After the mandatory 15-year compliance period, a qualified nonprofit or local housing authority will have the option to purchase or the right of first refusal to acquire the development for a price not to exceed the outstanding debt and exit taxes. Such debt must be limited to the original mortgage(s) unless any refinancing is approved by the nonprofit.

Action: Provide Option or Right of First Refusal in Recordable Form (TAB V)
Provide Nonprofit Questionnaire (if applicable) (TAB E)

Name of qualified nonprofit: [Redacted]
Date of Recorded Form: [Redacted]
Title of Recorded Form provided: [Redacted]

or indicate true if Local Housing Authority TRUE
Name of Local Housing Authority Richmond Redevelopment and Housing Authority

2. FALSE A qualified nonprofit or local housing authority submits a homeownership plan committing to sell the units in the development after the mandatory 15-year compliance period to tenants whose incomes shall not exceed the applicable income limit at the time of their initial occupancy.

Action: Provide Homeownership Plan (TAB J)

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a.	Total number of all units in development	50	bedrooms	50
	Total number of rental units in development	50	bedrooms	50
	Number of low-income rental units	50	bedrooms	50
	Percentage of rental units designated low-income	100.00000%		
b.	Number of new units:.....	0	bedrooms	0
	Number of adaptive reuse units:	50	bedrooms	50
	Number of rehab units:.....	0	bedrooms	0
c.	If any, indicate number of planned exempt units (included in total rental units).....			0
d.	Total Floor Area For The Entire Development.....			67,827.00 (Sq. ft.)
e.	Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			0.00 (Sq. ft.)
f.	Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g.	Total Usable Residential Heated Area.....			67,827.00 (Sq. ft.)
h.	Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i.	Exact area of site in acres	1.690		
j.	Locality has approved a final site plan or plan of development..... If True , Provide required documentation (TAB L).			FALSE
k.	Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB M)			
l.	Property is eligible for Historic Rehab credits.....			TRUE

Definition:

The structure is historic, by virtue of being listed individually in the National Register of Historic Places, or due to its location in a registered historic district and certified by the Secretary of the Interior as being of historical significance to the district, and the rehabilitation will be completed in such a manner as to be eligible for historic rehabilitation tax credits.

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

a. Specify the **average size and number per unit type** (as indicated in the Architect's Certification):

Note: Average sq foot should include the prorata of common space.

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	1356.54	SF	50	50
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			50	50

Note: Please be sure to enter the number of units in the appropriate unit category. If not, you will find errors on the self scoresheet.

3. Structures

- a. Number of Buildings (containing rental units)..... 1
- b. Age of Structure:..... 77 years
- c. Number of stories:..... 3

- d. The development is a scattered site development..... FALSE

- e. Commercial Area Intended Use: Not applicable

- f. Project consists primarily of : **(Only One Option Below Can Be True)**
 - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
 - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
 - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

H. STRUCTURE AND UNITS INFORMATION

g. Indicate **True** for all development's structural features that apply:

i. Row House/Townhouse	<u>FALSE</u>	v. Detached Single-family	<u>FALSE</u>
ii. Garden Apartments	<u>TRUE</u>	vi. Detached Two-family	<u>FALSE</u>
iii. Slab on Grade	<u>TRUE</u>	vii. Basement	<u>FALSE</u>
iv. Crawl space	<u>FALSE</u>		

h. Property contains an elevator(s).	<u>TRUE</u>
If true, # of Elevators.	<u>1</u>
Elevator Type (if known)	<u>Machine roomless; dual piston; hydrolic</u>

i. Roof Type	▶ <u>Flat</u>
j. Construction Type	▶ <u>Masonry</u>
k. Primary Exterior Finish	▶ <u>Brick</u>

4. Site Amenities (indicate all proposed)

a. Business Center	<u>FALSE</u>	f. Limited Access	<u>TRUE</u>
b. Covered Parking	<u>FALSE</u>	g. Playground	<u>FALSE</u>
c. Exercise Room	<u>TRUE</u>	h. Pool	<u>FALSE</u>
d. Gated access to Site	<u>FALSE</u>	i. Rental Office	<u>TRUE</u>
e. Laundry facilities	<u>TRUE</u>	j. Sports Activity Court	<u>FALSE</u>
		k. Other:	<u></u>

h. Describe Community Facilities: The community facilities include a lobby, business center, management

i. Number of Proposed Parking Spaces.....	<u>35</u>
Is Parking Shared?	<u>TRUE</u>

j. This proposal seeks to qualify for points associated with proximity to public transportation.
 If **True**, Provide required documentation (**TAB A**). TRUE

H. STRUCTURE AND UNITS INFORMATION

5. Plans and Specifications

- a. **Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
 - i. A location map with property clearly defined.
 - ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
 - iii. Sketch plans of all building(s) reflecting overall dimensions of:
 - a. Typical floor plan(s) showing apartment types and placement
 - b. Ground floor plan(s) showing common areas
 - c. Sketch floor plan(s) of typical dwelling unit(s)
 - d. Typical wall section(s) showing footing, foundation, wall and floor structure
Notes must indicate basic materials in structure, floor and exterior finish.

In addition: a unit-by-unit work write up is required documentation for rehabilitation properties.
Only one of the following statement should be True.

- OR
 - i. Plans and specifications/unit-by-unit work write up provided **(TAB P)**. **TRUE**
 - ii. Plans and specifications/unit-by-unit work write up will be submitted separately..... **FALSE**

NOTE: All developments must meet VHDA's **Minimum Design and Construction Requirements**. By signing and submitting the Application for Reservation of LIHTC, the applicant certifies that the proposed project budget, plans & specifications and work write-ups incorporate all necessary elements to fulfill these requirements.

6. Market Study Data:

Obtain the following information from the **Market Study** conducted in connection with this tax credit application:

Project Wide Capture Rate - LIHTC Units	6.00%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	6.00%
Project Wide Absorption Period (Months)	4

I. UTILITIES

1. Describe the Heating/AC System: Ductless mini splits

2. Services Included:

Utilities	Type of Utility (Gas, Electric, Oil, etc.)	Utilities ▶ Paid by:	Enter Allowances by Bedroom Size				
			0-bdr	1-bdr	2-bdr	3-bdr	4-br
Heating	Electric	Owner	0	0	0	0	0
Air Conditioning	Electric	Owner	0	0	0	0	0
Cooking	Electric	Owner	0	0	0	0	0
Lighting	Electric	Owner	0	0	0	0	0
Hot Water	Electric	Owner	0	0	0	0	0
Water		Owner	0	0	0	0	0
Sewer		Owner	0	0	0	0	0
Trash		Owner	0	0	0	0	0
Total utility allowance for costs paid by tenant			\$0	\$0	\$0	\$0	\$0

3. The following sources were used for Utility Allowance Calculation (Provide documentation **TAB Q**).

- a. FALSE HUD
- b. FALSE Utility Company (Estimate)
- c. FALSE Utility Company (Actual Survey)
- d. FALSE Local PHA
- e. FALSE Other: _____

Warning: The VHDA housing choice voucher program utility schedule shown on VHDA.com should not be used unless directed to do so by the local housing authority.

J. ENHANCEMENTS

Indicate **True** for the following items that apply to the proposed project:

ACTION: Provide Architect Certification (**Mandatory TAB F**)

1. For any project, upon completion of construction/rehabilitation:

- TRUE** a. A community/meeting room with a minimum of 749 square feet is provided.
- 91.00%** b. i Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls.
- 0.00%** b.ii Percentage of exterior walls covered by fiber cement board.
- TRUE** c. All kitchen and laundry appliances (except range hoods) meet the EPA's Energy Star qualified program
- FALSE** d. All windows and any glass doors are Energy Star labeled for the North-Central zone; or are NFRC labeled with a maximum U-factor of 0.27 and a maximum SHGC of 0.40
- TRUE** e. Every unit in the development is heated and cooled with either (i) heat pump equipment with both a SEER rating of 15.0 or more and a HSPF rating of 8.5 or more , or (ii) air conditioning equipment with a SEER rating of 15.0 or more, combined with gas furnaces with an AFUE rating of 90% or more.
- FALSE** f. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- TRUE** g. Each bathroom contains only of WaterSense labeled faucets and showerheads.
- TRUE** h. Each unit is provided with the necessary infrastructure for high-speed internet service.
- FALSE** i. All water heaters have an energy factor greater than or equal to 67% for gas water heaters; or greater than or equal to 93% for electric water heaters; or any centralized commercial system that has an efficiency performance rating greater than or equal to 95%; or any solar thermal system that meets at least 60% of the development's domestic hot water load.
- TRUE** j. Each bathroom is equipped with a WaterSense labeled toilet.
- FALSE** k. For new construction only, each full bathroom is equipped with EPA Energy Star qualified bath vent fan with duct size per manufacturer requirements or continuous exhaust as part of a dedicated outdoor air system with humidity control
- FALSE** l. The development currently has or the application provides for the installation of continuous R-3 or higher wall sheathing insulation. (For Rehabs: ONLY select True if existing brick and/or siding will be removed and replaced.)
- TRUE** m. Cooking surfaces are equipped with either fire prevention or fire suppression features.
- FALSE** n. All units will be equipped with electrical and plumbing hook-ups for a dehumidification system.
- FALSE** o. Each unit is equipped with integrated per unit dehumidification with humidistat that does not require manual disposal of water.

J. ENHANCEMENTS

2. For all developments exclusively serving elderly tenants upon completion of construction/rehabilitation:

- TRUE a. All cooking ranges will have front controls.
- FALSE b. All units will have an emergency call system.
- TRUE c. All full bathrooms will have an independent or supplemental heat source.
- TRUE d. All entrance doors have two eye viewers, one at 42" and the other at standard height.

3. Earthcraft or LEED Development Certification

Applicant agrees to obtain Earthcraft or US Green Building Council LEED certification prior to issuance of IRS Form 8609. The proposed architect will certify that the development's design will meet the criteria for such certification, provided that the proposed architect is on the Authority's list of LEED/EarthCraft certified architects.

- (15 Points)
- FALSE LEED Silver Certification
 - FALSE Earthcraft Certification

- (45 Points)
- FALSE ... LEED Platinum Certification

- (35 Points)
- FALSE LEED Gold Certification
 - FALSE Earthcraft Gold Certification

- (10 points)
- FALSE ... Applicant agrees to obtain an EarthCraft or Earthcraft Gold certification and perform tenant utility monitoring and benchmarking.

Action: If seeking any points associated with LEED or Earthcraft certification, provide appropriate documentation at **TAB F**.

4. Universal Design - Units Meeting Universal Design Standards

- TRUE a. Architect of record certifies that units will be constructed to meet VHDA's Universal Design standards.
- 50 b. Number of Rental Units constructed to meet VHDA's Universal Design standards:
 100% % of Total Rental Units

5. FALSE Market-rate units' amenities are substantially equivalent to those of the low income units.
If not, please explain: Not applicable

K. SPECIAL HOUSING NEEDS

1. **Accessibility:** Indicate **True** for the following point categories, as appropriate.

Action: Provide appropriate documentation (**Tab Y**)

TRUE

- a. Any development in which (i) the greater of 5 units or 10% of units will be assisted by HUD project-based vouchers (as evidenced by the submission of a letter satisfactory to the Authority from an authorized public housing authority (PHA) that the development meets all prerequisites for such assistance), or another form of documented and binding federal project-based rent subsidies in order to ensure occupancy by extremely low-income persons. Locality project based rental subsidy meets the definition of state project based rental subsidy;
- (ii) will conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.
- (iii) above must include roll-in showers, roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

Documentation from source of assistance must be provided with the application.

Note: Subsidies may apply to any units, not only those built to satisfy Section 504.

(60 points)

FALSE

- b. Any development in which the greater of 5 units or 10% of the units (i) have rents within HUD's Housing Choice Voucher ("HCV") payment standard; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits (30 points)

FALSE

- c. The above development commits to providing first preference on its waiting list to persons with a developmental disability (DD) as confirmed by the Virginia Department of Behavioral Health and Developmental Services for the greater of 5 units or 10% of all units in accordance with the plan submitted as part of the application for credits (25 points).

FALSE

- d. Any development in which 5% of the units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of this application for credits. (15 points)

For items a,b or d, all common space must also conform to HUD regulations interpreting the Rehabilitation Act.

K. SPECIAL HOUSING NEEDS

2. Special Housing Needs/Leasing Preference:

a. If not general population, select applicable special population:

TRUE Elderly (as defined by the United States Fair Housing Act.)

FALSE Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only

FALSE Supportive Housing (as described in the Tax Credit Manual)

Action: Provide Permanent Supportive Housing Certification (**Tab S**)

b. The development has existing tenants and a relocation plan has been developed. FALSE

(If **True**, VHDA policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties.)

Action: Provide Relocation Plan (**Mandatory if tenants are displaced - Tab G**)

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: No

Organization which holds such waiting list: Richmond Redevelopment & Housing Authority

Contact person: Carol A. Jones Gilbert

Title: Chief Operating Officer

Phone Number (804) 780-3445

Action: Provide required notification documentation (**TAB H**)

b. Leasing preference will be given to individuals and families with children. FALSE
(Less than or equal to 20% of the units must have of 1 or less bedrooms).

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 0
% of total Low Income Units 0%

NOTE: Property must utilize a **VHDA Certified Management Agent**. Proof of management certification must be provided before 8609s are issued.

K. SPECIAL HOUSING NEEDS

4. Rental Assistance

1. Some of the low-income units do or will receive rental assistance..... **TRUE**

2. Indicate True if rental assistance will be available:

- TRUE** Rental Assistance Demonstration (RAD)
- FALSE** Section 8 New Construction Substantial Rehabilitation
- FALSE** Section 8 Moderate Rehabilitation
- FALSE** Section 8 Certificates
- TRUE** Section 8 Project Based Assistance
- FALSE** RD 515 Rental Assistance
- FALSE** Section 8 Vouchers
- FALSE** State Assistance
- FALSE** Other: _____

3. Number of units receiving assistance: **50**
How many years in rental assistance contract: **20.00**
Expiration date of contract: **12/31/2038**
There is an Option to Renew..... **TRUE**

Action: Contract or other agreement provided **(TAB Q)**.

L. UNIT DETAILS

1. Set-Aside Election:

UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY

Note: In order to qualify for any tax credits, a development must meet one of two minimum threshold occupancy tests. Either (i) at least 20% of the units must be rent-restricted and occupied by persons whose incomes are 50% or less of the area median income adjusted for family size (this is called the 20/50 test) or (ii) at least 40% of the units must be rent-restricted and occupied by persons whose incomes are 60% or less of the area median income adjusted for family size (this is called the 40/60 test), all as described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	40% Area Median
0	0.00%	50% Area Median
50	100.00%	60% Area Median
0	0.00%	Non-LMI Units
# 50	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	40% Area Median
0	0.00%	50% Area Median
50	100.00%	60% Area Median
0	0.00%	Non - LMI Units
50	100.00%	Total

2. Unit Detail

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID

In the following grid, add a row for each unique unit type planned within the development. Enter the appropriate data for both tax credit and market rate units.

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	Number of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	60% AMI	1		551.00	\$815.00	\$815
Mix 2	1 BR - 1 Bath	60% AMI	1		642.00	\$815.00	\$815
Mix 3	1 BR - 1 Bath	60% AMI	1		658.00	\$815.00	\$815
Mix 4	1 BR - 1 Bath	60% AMI	3		659.00	\$815.00	\$2,445
Mix 5	1 BR - 1 Bath	60% AMI	1		662.00	\$815.00	\$815
Mix 6	1 BR - 1 Bath	60% AMI	1	1	665.00	\$815.00	\$815
Mix 7	1 BR - 1 Bath	60% AMI	3	1	666.00	\$815.00	\$2,445
Mix 8	1 BR - 1 Bath	60% AMI	2		667.00	\$815.00	\$1,630
Mix 9	1 BR - 1 Bath	60% AMI	2		668.00	\$815.00	\$1,630
Mix 10	1 BR - 1 Bath	60% AMI	1		673.00	\$815.00	\$815
Mix 11	1 BR - 1 Bath	60% AMI	1		675.00	\$815.00	\$815
Mix 12	1 BR - 1 Bath	60% AMI	1	1	676.00	\$815.00	\$815
Mix 13	1 BR - 1 Bath	60% AMI	4		677.00	\$815.00	\$3,260
Mix 14	1 BR - 1 Bath	60% AMI	26	1	689.00	\$815.00	\$21,190
Mix 15	1 BR - 1 Bath	60% AMI	1		745.00	\$815.00	\$815
Mix 16	1 BR - 1 Bath	60% AMI	1	1	838.00	\$815.00	\$815
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0
Mix 23							\$0
Mix 24							\$0
Mix 25							\$0
Mix 26							\$0
Mix 27							\$0
Mix 28							\$0
Mix 29							\$0
Mix 30							\$0

L. UNIT DETAILS

Mix 31								\$0
Mix 32								\$0
Mix 33								\$0
Mix 34								\$0
Mix 35								\$0
Mix 36								\$0
Mix 37								\$0
Mix 38								\$0
Mix 39								\$0
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Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0

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L. UNIT DETAILS

Mix 90							\$0
Mix 91							\$0
Mix 92							\$0
Mix 93							\$0
Mix 94							\$0
Mix 95							\$0
Mix 96							\$0
Mix 97							\$0
Mix 98							\$0
Mix 99							\$0
Mix 100							\$0
TOTALS			50	5	10,811.00	\$13,040	\$40,750

Total Units	50	Net Rentable SF:	TC Units	34,052.00
			MKT Units	0.00
			Total NR SF:	34,052.00

Floor Space Fraction (to 7 decimals)	100.00000%
---	-------------------

2018 Low-Income Housing Tax Credit Application For Reservation

M. OPERATING EXPENSES

Use Whole Numbers Only!

Administrative:			
1. Advertising/Marketing			\$500
2. Office Salaries			\$0
3. Office Supplies			\$1,500
4. Office/Model Apartment	(type _____)		
5. Management Fee			\$18,953
<u>3.92%</u> of EGI	<u>\$379.06</u>	Per Unit	
6. Manager Salaries			\$37,000
7. Staff Unit (s)	(type _____)		
8. Legal			\$3,000
9. Auditing			\$6,000
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$2,500
12. Tax Credit Monitoring Fee			\$1,925
13. Miscellaneous Administrative			\$16,000
Total Administrative			<u>\$87,378</u>
Utilities			
14. Fuel Oil			\$0
15. Electricity			\$55,000
16. Water			\$30,000
17. Gas			\$0
18. Sewer			\$0
Total Utility			<u>\$85,000</u>
Operating:			
19. Janitor/Cleaning Payroll			\$22,000
20. Janitor/Cleaning Supplies			\$4,000
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$0
23. Trash Removal			\$3,905
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$7,000
28. Maintenance/Repairs Payroll			\$7,000
29. Repairs/Material			\$5,000
30. Repairs Contract			\$7,000
31. Elevator Maintenance/Contract			\$4,000
32. Heating/Cooling Repairs & Maintenance			\$1,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,000
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$4,700
Totals Operating & Maintenance			<u>\$66,605</u>

2018 Low-Income Housing Tax Credit Application For Reservation

M. OPERATING EXPENSES

Taxes & Insurance		
38. Real Estate Taxes		\$38,642
39. Payroll Taxes		\$0
40. Miscellaneous Taxes/Licenses/Permits		\$2,000
41. Property & Liability Insurance		\$12,000
42. Fidelity Bond		\$0
43. Workman's Compensation		\$0
44. Health Insurance & Employee Benefits		\$13,000
45. Other Insurance		\$0
Total Taxes & Insurance		\$65,642
Total Operating Expense		\$304,625
Total Operating Expenses Per Unit	<u>\$6,093</u>	C. Total Operating Expenses as % of EGI <u>62.94%</u>
Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)		\$15,000
Total Expenses		\$319,625

ACTION: Provide Documentation of Operating Budgetr at **Tab R** if applicable.

2018 Low-Income Housing Tax Credit Application For Reservation

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	11/30/2016	Lee Alford
b. Site Acquisition	12/28/2017	Lee Alford
c. Zoning Approval	n/a	n/a
d. Site Plan Approval	7/1/2017	Mark Olinger
2. Financing		
a. Construction Loan		
i. Loan Application	4/1/2018	Charles Wilson
ii. Conditional Commitment	5/2/2018	Sean Campbell
iii. Firm Commitment	6/15/2018	Sean Campbell
b. Permanent Loan - First Lien		
i. Loan Application	4/1/2018	Charles Wilson
ii. Conditional Commitment	5/2/2018	Sean Campbell
iii. Firm Commitment	6/15/2018	Sean Campbell
c. Permanent Loan-Second Lien		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
d. Other Loans & Grants		
i. Type & Source, List		
ii. Application		
iii. Award/Commitment		
2. Formation of Owner	1/1/2016	Lee Alford
3. IRS Approval of Nonprofit Status	4/5/1994	Mike Pitchford
4. Closing and Transfer of Property to Owner	12/31/2017	Lee Alford
5. Plans and Specifications, Working Drawings	6/1/2017	Tom Heatwole
6. Building Permit Issued by Local Government	7/30/2018	William Davidson
7. Start Construction	8/1/2018	Lee Alford
8. Begin Lease-up	7/1/2019	Wanda Langley
9. Complete Construction	10/1/2019	Lee Alford
10. Complete Lease-Up	12/1/2019	Wanda Langley
11. Credit Placed in Service Date	12/1/2019	Wanda Langley

2018 Low-Income Housing Tax Credit Application For Reservation

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

Note: Attorney must opine, among other things, as to correctness of the inclusion of each cost item in eligible basis, type of credit and numerical calculations of this Part VIII.

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	6,103,242	0	6,103,242	0
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
Total Structure	6,103,242	0	6,103,242	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	0	0	0	0
i. Site Improvements	0	0	0	0
j. Lawns & Planting	0	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	0	0	0	0
o. Site Work	0	0	0	0
p. Other Site work	0	0	0	0
Total Land Improvements	0	0	0	0
Total Structure and Land	6,103,242	0	6,103,242	0
q. General Requirements	350,000	0	350,000	0
r. Builder's Overhead (5.7% Contract)	346,075	0	346,075	0
s. Builder's Profit (2.2% Contract)	135,000	0	135,000	0
t. Bonds	34,788	0	34,788	0
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: GC Cost Cert	17,000	0	17,000	0
y. Other 2:	0	0	0	0
z. Other 3:	0	0	0	0
Contractor Costs	\$6,986,105	\$0	\$6,986,105	\$0

O. PROJECT BUDGET - OWNER COSTS

MUST USE WHOLE NUMBERS ONLY!

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	44,929	0	44,929	0
b. Architecture/Engineering Design Fee ##### /Unit)	534,034	0	534,034	0
c. Architecture Supervision Fee \$1,221 /Unit)	61,032	0	61,032	0
d. Tap Fees	0	0	0	0
e. Environmental	75,000	0	75,000	0
f. Soil Borings	0	0	0	0
g. EarthCraft/LEED	0	0	0	0
h. Appraisal	12,000	0	12,000	0
i. Market Study	6,500	0	6,500	0
j. Site Engineering / Survey	40,000	0	40,000	0
k. Construction/Development Mgt	105,000	0	105,000	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	102,129	0	102,129	0
n. Construction Interest (0.0% for 0 months)	275,748	0	206,811	0
o. Taxes During Construction	45,136	0	45,136	0
p. Insurance During Construction	65,000	0	65,000	0
q. Permanent Loan Fee (1.0%)	120,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	10,000	0	0	0
u. Accounting	45,000	0	0	0
v. Title and Recording	10,656	0	0	0
w. Legal Fees for Closing	255,000	0	0	0
x. Mortgage Banker	42,000	0	0	0
y. Tax Credit Fee	28,223			
z. Tenant Relocation	63,750	0	0	0
aa. Fixtures, Furnitures and Equipment	90,000	0	90,000	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	267,060	0	0	0
ad. Contingency	698,611	0	698,611	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
(1) Other* specify: Historic Consultant	50,000	0	50,000	0
(2) Other* specify: Replacement reserve	15,000	0	0	0
(3) Other* specify: Holding costs	100,000	90,000	0	0
(4) Other* specify: predevelopment interest	31,500	0	0	0
(5) Other * specify: capital needs assessment	10,000	0	10,000	0
(6) Other* specify:	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(7) Other* specify: soft cost contingency	128,915	0	128,915	0
(8) Other* specify: lihtc app fee	1,000	0	0	0
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$3,333,223	\$90,000	\$2,275,097	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)	\$10,319,328	\$90,000	\$9,261,202	\$0
3. Developer's Fees	1,260,000	0	1,260,000	0
4. Owner's Acquisition Costs				
Land	84,200			
Existing Improvements	757,800	757,800		
Subtotal 4:	\$842,000	\$757,800		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$12,421,328	\$847,800	\$10,521,202	\$0

If this application seeks rehab credits only, in which there is no acquisition and **no change in ownership**, enter the greater of appraised value or tax assessment value here:

(Provide documentation at **Tab K**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$1,322,906

Proposed Development's Cost per Unit:

\$248,427

Applicable Cost Limit:

\$249,254

2018 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	12,421,328	847,800	10,521,202	0
2. Reductions in Eligible Basis				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	2,052,690	0
3. Total Eligible Basis (1 - 2 above)		847,800	8,468,512	0
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			2,540,554	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Earthcraft or LEED Certification (Eligible Basis x 5% or 10%)				0
Total Adjusted Eligible basis			11,009,066	0
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		847,800	11,009,066	0
7. Applicable Percentage <i>(Beginning with 2016 Allocations, use the standard 9% rate.)</i> <i>(For tax exempt bonds, use the most recently published rates.)</i>		3.28%	3.28%	0.00%
8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$27,808	\$361,097	\$0
			\$388,905 Combined 30% & 70% P. V. Credit	

Q. SOURCES OF FUNDS

Action: Provide Documentation for all Funding Sources at Tab T

1. Construction Financing: List individually the sources of construction financing, including any such loans financed through grant sources:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.					
2.					
3.					
Total Construction Funding:				\$0	

2. Permanent Financing: List individually the sources of all permanent financing in order of lien position:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1.	VHDA	4/1/2018	TBD	\$2,700,000	\$140,905	3.87%	35.00	35.00
2.	RRHA		2/17/2016	\$450,000		0.00%	30.00	30.00
3.	City of Richmond		6/29/2017	\$200,000		0.00%	30.00	30.00
4.	Virginia DHCD		5/4/2017	\$527,627	\$0	1.00%	30.00	30.00
5.	RRHA - Seller Financing		12/28/2017	\$742,500	\$0	4.00%	30.00	30.00
6.								
7.								
8.								
9.								
10.								
Total Permanent Funding:				\$4,620,127	\$140,905			

3. Grants: List all grants provided for the development:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.					
2.					
3.					
4.					
5.					
6.					
Total Permanent Grants:				\$0	

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	City of Richmond	6/29/2017	\$200,000
2.	DHCD	5/4/2017	\$527,627
3.	RRHA Funds	2/17/2016	\$450,000
4.			
5.			
Total Subsidized Funding			\$1,177,627

5. Recap of Federal, State, and Local Funds

Portions of the sources of funds described above for the development are financed directly or indirectly with Federal, State, or Local Government Funds..... **TRUE**

If above is **True**, then list the amount of money involved by all appropriate types.

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$6,000,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$1,500,000
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

a.	Taxable Bonds	\$0
b.	Section 220	\$0
c.	Section 221(d)(3)	\$0
d.	Section 221(d)(4)	\$0
e.	Section 236	\$0
f.	Section 223(f)	\$0
g.	Other:	\$0

Grants*

a.	CDBG	\$0
b.	UDAG	\$0

Grants

c.	State	
d.	Local	
e.	Other:	

*This means grants to the partnership. If you received a loan financed by a locality which received one of the listed grants, please list it in the appropriate loan column as "other" and describe the applicable grant program which funded it.

Q. SOURCES OF FUNDS

6. For Transactions Using Tax-Exempt Bonds Seeking 4% Credits:

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **52.39%**

7. Some of the development's financing has credit enhancements..... **FALSE**

If **True**, list which financing and describe the credit enhancement:

8. Other Subsidies **Action: Provide documentation (Tab Q)**

- a. **FALSE** Real Estate Tax Abatement on the increase in the value of the development.
- b. **TRUE** **New** project based subsidy from HUD or Rural Development for the greater of 5 or 10% of the units in the development.
- c. **FALSE** Other

9. A HUD approval for transfer of physical asset is required..... **FALSE**

2018 Low-Income Housing Tax Credit Application For Reservation

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit					
Amount of Federal historic credits	\$2,052,690	x Equity %	99%	=	\$2,021,900
Amount of Virginia historic credits	\$2,565,862	x Equity %	60%	=	\$1,539,517
b. Equity that Sponsor will Fund:					
i. Cash Investment	\$0				
ii. Contributed Land/Building	\$0				
iii. Deferred Developer Fee	\$220,000	(Note: Deferred Developer Fee cannot be negative.)			
iv. Other: <u>Sponsor Loan</u>	\$791,870				
Equity Total	\$1,011,870				

2. Equity Gap Calculation

a. Total Development Cost	\$12,421,328	
b. Total of Permanent Funding, Grants and Equity	-	\$9,193,413
c. Equity Gap		\$3,227,915
d. Developer Equity	-	\$32,282
e. Equity gap to be funded with low-income tax credit proceeds		\$3,195,633

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	Enterprise		
Contact Person:	Philip Porter	Phone:	410-772-2594
Street Address:	70 Corporate Center 11000 Broken Land Parkway, Suite 700		
City:	Columbia	▶ State:	MD
		Zip:	21044
b. Syndication Equity			
i. Anticipated Annual Credits		\$388,905.00	
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)		\$0.830	
iii. Percent of ownership entity (e.g., 99% or 99.9%)		99.00000%	
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)		\$0	
v. Net credit amount anticipated by user of credits		\$385,016	
vi. Total to be paid by anticipated users of credit (e.g., limited partners)		\$3,195,633	
c. Syndication:	<u>Select?</u>		
d. Investors:	<u>Select?</u>		

4. Net Syndication Amount

Which will be used to pay for Total Development Costs	\$3,195,633
---	-------------

5. Net Equity Factor

Must be equal to or greater than 85%	83.0000159734%
--------------------------------------	----------------

S. DETERMINATION OF RESERVATION AMOUNT NEEDED

The following calculation of the amount of credits needed is substantially the same as the calculation which will be made by VHDA to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, VHDA at all times retains the right to substitute such information and assumptions as are determined by VHDA to be reasonable for the information and assumptions provided herein as to costs (including development fees, profits, etc.), sources for funding, expected equity, etc. Accordingly, if the development is selected by VHDA for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$12,421,328</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$9,193,413</u>
3. Equals Equity Gap		<u>\$3,227,915</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>83.0000159734%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$3,889,053</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$388,905</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$388,905</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$388,905</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$7,778.1000</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$7,778.1000</u>	

9. **Action:** Provide Attorney’s Opinion (**Mandatory Tab W**)

T. CASH FLOW

1. Revenue

Indicate the estimated monthly income for the **Low-Income Units** (based on Unit Details tab):

Total Monthly Rental Income for LIHTC Units		\$40,750
Plus Other Income Source (list):	PBRA Overhang, laundry, late fees, pet fees	\$1,708
Equals Total Monthly Income:		<u>\$42,458</u>
Twelve Months		x12
Equals Annual Gross Potential Income		<u>\$509,496</u>
Less Vacancy Allowance	5.0%	<u>\$25,475</u>
Equals Annual Effective Gross Income (EGI) - Low Income Units		<u><u>\$484,021</u></u>

2. Indicate the estimated monthly income for the Market Rate Units (based on Unit Details tab):

Total Monthly Income for Market Rate Units:		\$0
Plus Other Income Source (list):		<u>\$0</u>
Equals Total Monthly Income:		<u>\$0</u>
Twelve Months		x12
Equals Annual Gross Potential Income		<u>\$0</u>
Less Vacancy Allowance	0.0%	<u>\$0</u>
Equals Annual Effective Gross Income (EGI) - Market Rate Units		<u><u>\$0</u></u>

Action: Provide documentation in support of Operating Budget (**TAB R**)

3. Cash Flow (First Year)

a.	Annual EGI Low-Income Units	<u>\$484,021</u>
b.	Annual EGI Market Units	<u>\$0</u>
c.	Total Effective Gross Income	<u>\$484,021</u>
d.	Total Expenses	<u>\$319,625</u>
e.	Net Operating Income	<u>\$164,396</u>
f.	Total Annual Debt Service	<u>\$140,905</u>
g.	Cash Flow Available for Distribution	<u>\$23,491</u>

T. CASH FLOW

4. Projections for Financial Feasibility - 15 Year Projections of Cash Flow

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	484,021	493,702	503,576	513,647	523,920
Less Oper. Expenses	319,625	329,214	339,090	349,263	359,741
Net Income	164,396	164,488	164,485	164,384	164,179
Less Debt Service	140,905	140,905	140,905	140,905	140,905
Cash Flow	23,491	23,583	23,580	23,479	23,274
Debt Coverage Ratio	1.17	1.17	1.17	1.17	1.17

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	534,399	545,086	555,988	567,108	578,450
Less Oper. Expenses	370,533	381,649	393,098	404,891	417,038
Net Income	163,866	163,438	162,890	162,217	161,412
Less Debt Service	140,905	140,905	140,905	140,905	140,905
Cash Flow	22,961	22,533	21,985	21,312	20,507
Debt Coverage Ratio	1.16	1.16	1.16	1.15	1.15

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	590,019	601,820	613,856	626,133	638,656
Less Oper. Expenses	429,549	442,436	455,709	469,380	483,461
Net Income	160,470	159,384	158,147	156,753	155,194
Less Debt Service	140,905	140,905	140,905	140,905	140,905
Cash Flow	19,565	18,479	17,242	15,848	14,289
Debt Coverage Ratio	1.14	1.13	1.12	1.11	1.10

Estimated Annual Percentage Increase in Revenue 2.00% (Must be \leq 2%)
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be \geq 3%)

U. Building-by-Building Information

Must Complete

Qualified basis must be determined on a building-by building basis. Complete the section below. Building street addresses are required by the IRS (must have them by the time of allocation request).

Number of BINS: 1

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN BUILDING GRID

DO NOT use the CUT feature

Bldg #	BIN if known	NUMBER OF		30% Present Value Credit for Acquisition					30% Present Value Credit for Rehab / New Construction				70% Present Value Credit								
		TAX CREDIT UNITS	MARKET RATE UNITS	Street Address 1	Street Address 2	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	
1.		50	50	100 W. Baker Street		Richmond	VA	23219	\$847,800	08/01/18	3.28%	\$27,808	\$11,009,066	12/01/19	3.28%	\$361,097					\$0
2.												\$0				\$0					\$0
3.												\$0				\$0					\$0
4.												\$0				\$0					\$0
5.												\$0				\$0					\$0
6.												\$0				\$0					\$0
7.												\$0				\$0					\$0
8.												\$0				\$0					\$0
9.												\$0				\$0					\$0
10.												\$0				\$0					\$0
11.												\$0				\$0					\$0
12.												\$0				\$0					\$0
13.												\$0				\$0					\$0
14.												\$0				\$0					\$0
15.												\$0				\$0					\$0
16.												\$0				\$0					\$0
17.												\$0				\$0					\$0
18.												\$0				\$0					\$0
19.												\$0				\$0					\$0
20.												\$0				\$0					\$0
21.												\$0				\$0					\$0
22.												\$0				\$0					\$0
23.												\$0				\$0					\$0
24.												\$0				\$0					\$0
25.												\$0				\$0					\$0
26.												\$0				\$0					\$0
27.												\$0				\$0					\$0
28.												\$0				\$0					\$0
29.												\$0				\$0					\$0
30.												\$0				\$0					\$0
31.												\$0				\$0					\$0
32.												\$0				\$0					\$0
33.												\$0				\$0					\$0
34.												\$0				\$0					\$0
35.												\$0				\$0					\$0

50 50

Totals from all buildings

\$847,800

\$11,009,066

\$0

Total Units should match Sturcture: Total Rental Units

\$27,808

\$361,097

\$0

Qualified Basis Totals (must agree with VIII-A10)

Credit Amount Totals (must agree with VIII-A-12)

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless VHDA and its assigns against all losses, costs, damages, VHDA's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to VHDA's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.
3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.
4. that this application form, provided by VHDA to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of VHDA in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.
5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by VHDA prior to allocation, should one be issued.
6. that, for the purposes of reviewing this application, VHDA is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.
7. that VHDA may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.
8. that reservations of credits are not transferable without prior written approval by VHDA at its sole discretion.

2018 Low-Income Housing Tax Credit Application For Reservation

V. STATEMENT OF OWNER

9. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or VHDA regulations, or other binding authority.
10. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
11. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission, and
12. that the applicant has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The applicant hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
13. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The applicant may refuse to supply the information requested, however, such refusal will result in VHDA's inability to process the application. The original or copy of this application may be retained by VHDA, even if tax credits are not allocated to the applicant.

In Witness Whereof, the undersigned, being authorized, has caused this document to be executed in its name on the date of this application set forth in DEV Info tab hereof.

Legal Name of Owner: Baker School, LLC

By: CHDC Baker School LLC
Its: Managing Member
By: Community Housing Inc.
Its: Sole Member

By: 
Its: Senior Vice President

(Title)

W.

LIHTC SELF SCORE SHEET

Self Scoring Process

This worksheet is intended to provide you with an estimate of your application score based on the selection criteria described in the QAP. Most of the data used in the scoring process is automatically entered below as you fill in the application. Other items, denoted below in the yellow shaded cells, are items that are typically evaluated by VHDA's staff during the application review and feasibility analysis. For purposes of self scoring, it will be necessary for you to make certain assumptions about your application and enter the appropriate responses in the yellow shaded cells of this score sheet. All but two require yes/no responses, in which case enter Y or N as appropriate. Item 5f would require a numeric value to be entered. Please remember that the score is only an estimate based on the selection criteria using the reservation application data and the responses you have entered on this score sheet. VHDA reserves the right to change application data and/or score sheet responses where appropriate, which may change the final score.

MANDATORY ITEMS:

	Included		Score
a. Signed, completed application with attached tabs in PDF format	Y	Y or N	0
b. Active Excel copy of application	Y	Y or N	0
c. Partnership agreement	Y	Y or N	0
d. SCC Certification	Y	Y or N	0
e. Previous participation form	Y	Y or N	0
f. Site control document	Y	Y or N	0
g. Architect's Certification	Y	Y or N	0
h. Attorney's opinion	Y	Y or N	0
i. Nonprofit questionnaire (if applicable)	Y	Y, N, N/A	0
j. Appraisal	Y	Y or N	0
k. Zoning document	Y	Y or N	0
l. Universal Design Plans	Y	Y or N	0
m. List of LIHTC Developments (Schedule A)	Y	Y or N	0
Total:			<u>0.00</u>

1. READINESS:

a. VHDA notification letter to CEO (via Locality Notification Information Application)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 or 40	0.00
d. Location in a revitalization area	N	0 or 10	0.00
Total:			<u>0.00</u>

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	N	0 or up to 5	0.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Waiting list preference to disabilities (DD) within marketing plan	N	0 or 25	0.00
d. Subsidized funding commitments	0.094807	Up to 40	18.96
e. Tax abatement or new project based rental subsidy (HUD or RD)	Y	0 or 10	10.00
f. Census tract with <12% poverty rate	0%	0, 20, 25 or 30	0.00
g. Development listed on the Rural Development Rehab Priority List	N	0 or 15	0.00
h. Dev. located in area with little or no increase in rent burdened population	N	Up to -20	0.00
i. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
Total:			<u>48.96</u>

2018 Low-Income Housing Tax Credit Application For Reservation

3. DEVELOPMENT CHARACTERISTICS:

a. Amenities (See calculations below)			50.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 60	60.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	N	0 or 15	0.00
e. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
f. Development will be Earthcraft, LEED certified or includes benchmarking	N	up to 45	0.00
g. Units constructed to meet VHDA's Universal Design standards	100%	Up to 15	15.00
h. Developments with less than 100 units	Y	up to 20	20.00
i. Historic Structure	Y	0 or 5	5.00
Total:			<u>160.00</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$78,700	\$55,200

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	0.00%	Up to 15	0.00
c. Units with rents at or below 40% of AMI	0.00%	Up to 10	0.00
d. Units with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
or e. Units with rents at or below 50% rented to tenants at or below 60% of AMI	0.00%	Up to 25	0.00
or f. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			<u>0.00</u>

5. SPONSOR CHARACTERISTICS:

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	Y	0 or 50	50.00
or b. Developer experience - 3 developments and at least 500,000 in liquid assets	N	0 or 50	0.00
or c. Developer experience - 1 development with 1 x units	N	0 or 10	0.00
d. Developer experience - life threatening hazard	N	0 or -50	0.00
e. Developer experience - noncompliance	N	0 or -15	0.00
f. Developer experience - did not build as represented	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements	N	0 or -20	0.00
h. Developer experience - termination of credits by VHDA	N	0 or -10	0.00
i. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
Total:			<u>50.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	79.74
b. Cost per unit		Up to 100	-61.19
Total:			<u>18.55</u>

7. BONUS POINTS:

a. Extended compliance	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	Y	0 or 60	60.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 45	0.00
e. RAD participation and competing in Local Housing Authority pool	N	Up to 10	0.00
Total:			<u>60.00</u>

425 Point Threshold - all 9% Tax Credits
 325 Point Threshold - Tax Exempt Bonds

TOTAL SCORE: 337.51

2018 Low-Income Housing Tax Credit Application For Reservation

Amenities:

		Max Pts	
All units have:			
a.	Community Room	5	5.00
b.	Exterior walls constructed with brick and other low maintenance materials	22	20.00
c.	Kitchen/Laundry Appl - EPA Energy Star qualified	5	5.00
d.	Windows and Glass Doors - EPA Energy Star qualified or NFRC	5	0.00
e.	Heat/AC-SEER-AFUE	10	10.00
f.	Sub-metered water expense	5	0.00
g.	WaterSense faucets & showerheads	2	2.00
h.	High speed internet service	1	1.00
i.	Energy efficient water heaters	5	0.00
j.	WaterSense labeled toilet	2	2.00
k.	<u>New Construction only:</u> EPA Energy Star qualified bath vent fans	2	0.00
l.	R-3+ wall sheathing insulation	5	0.00
m.	Cooking surfaces - fire prevention/suppression features	2	2.00
n.	Hook-ups for dehumidification system	FALSE	N/A
o.	Unit dehumidification with humidistat	FALSE	N/A
			<u>47.00</u>
All elderly units have:			
a.	Front-control ranges	1	1.00
b.	Emergency call system	3	0.00
c.	Independent/suppl. heat source	1	1.00
d.	Two eye viewers	1	<u>1.00</u>
			<u>3.00</u>
Total amenities:			<u>50.00</u>

X. Development Summary

Summary Information

2018 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Baker School Apartments

Cycle Type: 4% Tax Exempt Bonds Credits
Allocation Type: 0
Total Units: 50
Total LI Units: 50
Project Gross Sq Ft: 67,827.00
Earth Craft/Leeds? FALSE

Requested Credit Amount: \$388,905
Jurisdiction: Richmond City
Population Target: Elderly
Owner Contact: Christopher LoPiano

Total Score
337.51

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$4,620,127	\$92,403	\$68	\$140,905

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$6,103,242	\$122,065	\$90	49.14%
General Req/Overhead/Profit	\$831,075	\$16,622	\$12	6.69%
Other Contract Costs	\$51,788	\$1,036	\$1	0.42%
Owner Costs	\$3,333,223	\$66,664	\$49	26.83%
Acquisition	\$842,000	\$16,840	\$12	6.78%
Developer Fee	\$1,260,000	\$25,200	\$19	10.14%
Total Uses	\$12,421,328		\$248,427	

Total Development Costs	
Total Improvements	\$10,319,328
Land Acquisition	\$842,000
Developer Fee	\$1,260,000
Total Development Costs	\$12,421,328

Income		
Gross Potential Income - LI Units		\$509,496
Gross Potential Income - Mkt Units		\$0
Subtotal		\$509,496
Less Vacancy %	5.00%	\$25,475
Effective Gross Income		\$484,021

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$87,378	\$1,748
Utilities	\$85,000	\$1,700
Operating & Maintenance	\$66,605	\$1,332
Taxes & Insurance	\$65,642	\$1,313
Total Operating Expenses	\$304,625	\$6,093
Replacement Reserves	\$15,000	\$300
Total Expenses	\$319,625	\$6,393

Cash Flow	
EGI	\$484,021
Total Expenses	\$319,625
Net Income	\$164,396
Debt Service	\$140,905
Debt Coverage Ratio (YR1):	1.17

Proposed Cost Limit/Unit: \$248,427
Applicable Cost Limit/Unit: \$249,254

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	50
# of 2BR	0
# of 3BR	0
# of 4+ BR	0
Total Units	50

	Income Levels	Rent Levels
	# of Units	# of Units
40% AMI	0	0
50% AMI	0	0
60% AMI	50	50
Market	0	0

Extended Use Restriction? 30

2018 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$177.95** Credits/SF = **5.733779** Const \$/unit = **\$139,722.1000**

TYPE OF PROJECT GENERAL = 11000; ELDERLY = 12000
 LOCATION Inner-NVA=100; Outer-NV=200; NWNC=300; Rich=400; Tid=500; Balance=600
 TYPE OF CONSTRUCTION N C=1; ADPT=2; REHAB(35,000+)=3; REHAB*(15,000-35,000)=4

12000
400
2

400
2

*REHABS LOCATED IN BELTWAY (\$15,000-\$50,000) See Below

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	1,356.54	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	50	0	0	0	0
PARAMETER-(COSTS>=35,000)	0	0	149,760	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	0	149,760	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	149,760	0	0	0	0
PROJECT COST PER UNIT	0	0	241,401	0	0	0	0
PARAMETER-(CREDITS>=35,000)	0	0	12,936	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	0	12,936	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	12,936	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	7,778	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	-61.19	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	79.74	0.00	0.00	0.00	0.00

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0	0
PARAMETER-(COSTS>=35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **-61.19**

TOTAL CREDIT PER UNIT POINTS **79.74**

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	149,760	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	149,760	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	12,936	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	12,936	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	0	0	0	0	0	0

Northern Virginia Beltway (Rehab costs \$15,000-\$50,000)

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	149,760	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	149,760	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
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Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	12,936	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

2018 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$177.95** Credits/SF = **5.733779** Const \$/unit = **\$139,722.10**

TYPE OF PROJECT
LOCATION
TYPE OF CONSTRUCTION

GENERAL = 11000; ELDERLY = 12000
Inner-NVA=100; Outer-NV=200; NWNC=300; Rich=400; Tid=500; Balance=600
N C=1; ADPT=2; REHAB(35,000+)=3; REHAB*(10,000-35,000)=4

12000
400
2

400
2

*REHABS LOCATED IN BELTWAY (\$10,000-\$50,000) See Below

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	1,356.54	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	50	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	149,760	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	149,760	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	149,760	0	0	0	0
PROJECT COST PER UNIT	0	0	241,401	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	12,936	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	12,936	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	12,936	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	7,778	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	-61.19	0.00	0.00	0.00	0.00
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	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **-61.19**

TOTAL CREDIT PER UNIT POINTS **79.74**

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	149,760	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	149,760	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	12,936	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	12,936	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	0	0	0	0	0	0

Northern Virginia Beltway (Rehab costs \$10,000-\$50,000)

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
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Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	149,760	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	12,936	0	0	0	0
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Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	12,936	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

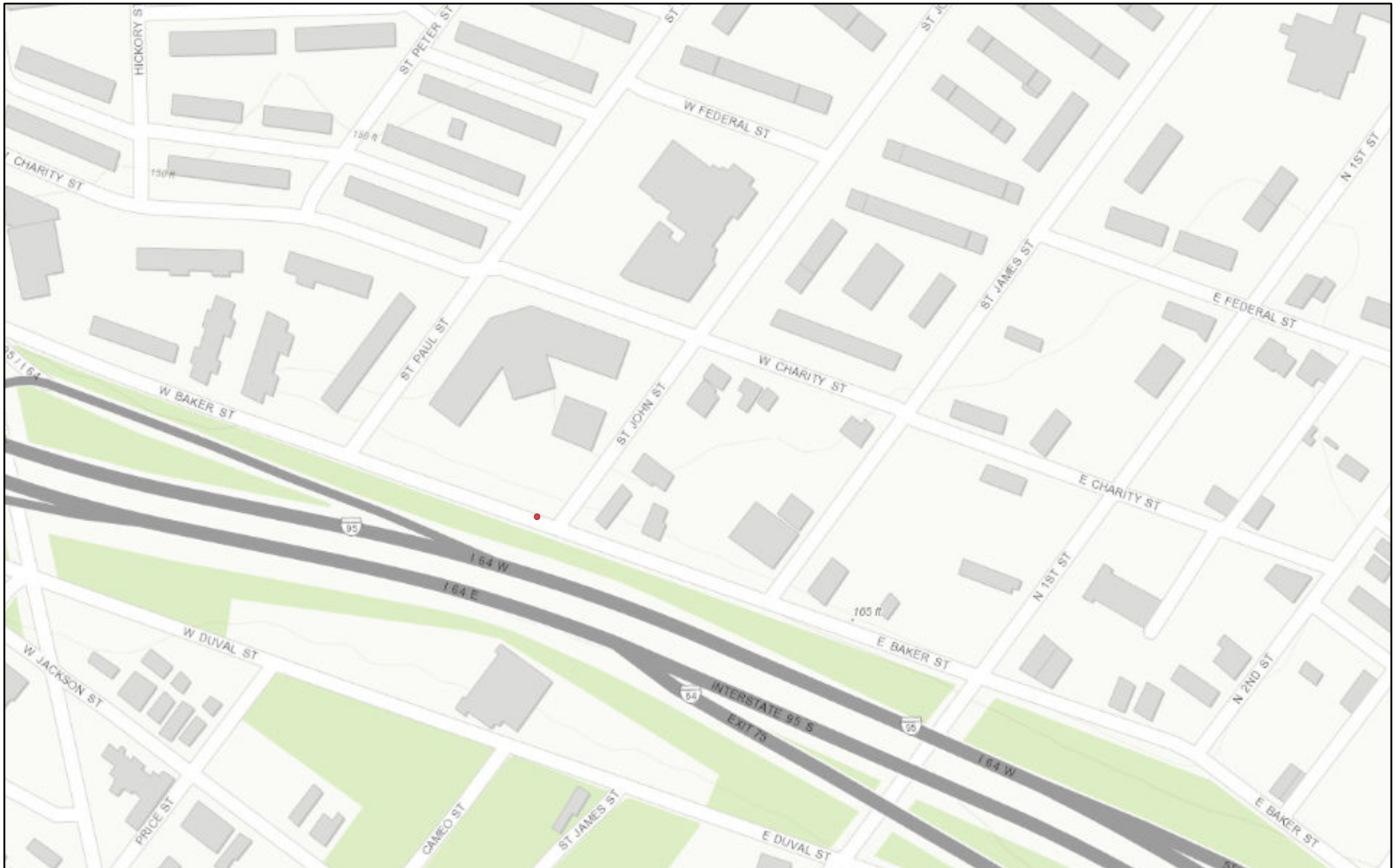
Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

A.1

Revitalization Area
Documentation

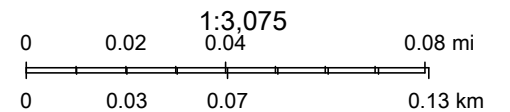
2018 Virginia LIHTC Reference Map



May 4, 2018

- Existing LIHTC Properties

Override 1



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri stephanie.flanders_VHDA

2018 Virginia LIHTC Reference Map

Census Tract Information

The address entered is situated in **Census Tract 301** in **Richmond city**.

Is this address eligible for (only one may apply):

- Points associated with being in a tract with less than 12% poverty? **No**
- Points associated with being in a tract with less than 10% poverty? **No**
- Points associated with being in a tract with less than 3% poverty? **No**

This location falls within the **Richmond MSA** geographic pool. It is also subject to current cost limits of **\$249,254** per unit for new construction or adaptive reuse and **\$192,281** per unit for acquisition/rehabilitation projects.

Additional Information regarding this site:

- Is it located within the New Construction Pool? **No**
- Is it located within a Metropolitan Difficult to Develop Area (DDA)? **No**
- Is it located within a Non-metropolitan Difficult to Develop Area (DDA)? **No**
- It is located in Congressional District **4**
- It is located in Planning District **15**
- It is located in State Senate District **9**
- It is located in State House District **71**

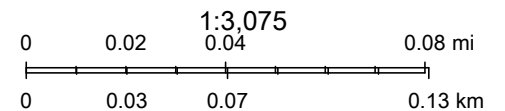
Revitalization Reference

- Is it located within a Qualified Census Tract (QCT)? **Yes**
- Is it located within a tract where 70% of more of families have incomes which are 80% or less of statewide median income? **Yes**

[Zoom to](#)

May 4, 2018

- Existing LIHTC Properties
- Override 1



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri, stephanie.flanders_VHDA

A.2

Location Map



Calhoun St

W Courtts St

Frederic A Fay Towers

Richmond Redevelopment and...

Friends Association for Children

Richmond Public Schools

Baker School

Sixth Mt Zion Baptist Church

Greater Mt Moriah Baptist Church

Black History Museum and Cultural...

Google

A.3

Surveyor's Certification of Proximity to Transportation



8090 Villa Park Drive
Richmond, Virginia 23228
804.264.2228
www.daa.com

Surveyor's Certification of Proximity to Transportation

DATE: April 23, 2018

TO: Virginia Housing Development Authority 601
South Belvidere Street
Richmond, VA 23220-6500

RE: 2018 Tax Credit Reservation Request

Name of Development: Baker School Apartments

Name of Owner: Baker School, LLC

Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**

1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.

Draper Aden Associates

Firm Name

By: Glenn W. Custis, P.E.

Its: Senior Program Manager

Title

B

Partnership Agreement or Operating Agreement (Mandatory)

- Include ownership structure chart (org chart) w/ % of interests

**First Amended and Restated Operating Agreement
of
Baker School LLC**

This First Amended and Restated Operating Agreement (this “*Agreement*”) of Baker School LLC, a Virginia limited liability company (the “*Company*”), effective as of December 26, 2017, is entered into by CPDC Baker School LLC, a Virginia limited liability company (“*CPDC*”), Community Housing, Inc., a Maryland nonstock corporation (“*CHI*”), and GBAHC Versailles LLC, a Maryland limited liability company (“*AHC*”).

RECITALS

- A. The Company was formed pursuant to Articles of Organization filed with the State Corporations Commission of the Commonwealth of Virginia on October 8, 2015, and CPDC executed that certain Operating Agreement dated October 8, 2016, which governed the Company (“*Original Operating Agreement*”).
- B. CPDC assigned 98% of its membership interest in the Company to CHI, and 1% to AHC pursuant to an Assignment of Membership Interest in Baker School LLC dated on or about the date hereof, and the parties now desire to amend and restate the Original Operating Agreement and continue the Company under the Act.

AGREEMENT

- 1. **Name.** The name of the limited liability company is “Baker School LLC” and its principal business office is located at 8403 Colesville Road, #1150, Silver Spring, MD 20910.
- 2. **Purpose.** The Company is formed for the purpose of (i) acquiring, owning, developing and operating real estate, and (ii) undertaking any other activity which a limited liability company may lawfully undertake under the Virginia Limited Liability Company Act (as amended) (“*Act*”).
- 3. **Powers.** The Company will possess and may exercise all of the powers and privileges granted by the Act, or by any other law, together with any power incidental thereto, insofar as such powers and privileges are necessary for, or convenient to, the conduct, promotion or attainment of the business, purpose or activities of the Company.
- 4. **Term.** The Company was formed on October 8, 2015, and will continue in perpetuity, unless sooner terminated pursuant to the provisions of this Agreement.
- 5. **Interests and Contributions of Members.**
 - 5.1. The name and present mailing address of each member of the Company (each a “*Member*” and together the “*Members*”) and each Member’s percentage of interest in the Company (the “*Percentage Interest*”) are set forth on the attached Schedule I. The total amount of cash constituting the initial aggregate contribution by the Members is one hundred dollars (\$100).
 - 5.2. The initial contribution of each Member will be contributed to the Company upon execution of this Agreement by such Member, the receipt of which is hereby acknowledged. No additional contributions have been agreed to as of the date of this Agreement, and none will be required or permitted without the unanimous written consent of all the Members.
 - 5.3. An individual capital account will be maintained for each Member. The capital account of

- each Member will consist of such Member's initial contribution, (i) increased by (a) additional contributions made by such Member; and (b) such Member's share of the Company's net profits, and (ii) decreased by (a) distributions made to such Member, and (b) such Member's share of the Company's losses, all in accordance with any applicable provision of the Internal Revenue Code of 1986, as amended (the "*Code*"), or any rule or regulation thereunder.
- 5.4. Except as set forth in Section 12.3, no Member will have a right to receive a return of all or any part of its capital contribution(s) to the Company until (i) all liabilities of the Company have been paid or provided for (excluding liabilities to Members on account of their capital contributions); and (ii) the dissolution of the Company.
- 5.5. The Company may distribute cash, notes, property or a combination thereof to a Member in return for its capital contribution.
6. **Allocation of Profits and Losses.** For purposes of this Agreement, the term "*fiscal year*" will mean the calendar year. The profits and losses of the Company will be determined for each fiscal year of the Company in accordance with the accounting methods followed for federal income tax purposes and otherwise in accordance with generally accepted accounting principles and procedures applied in a consistent manner and will be deemed to have been earned ratably during the fiscal year. For purposes of Sections 702 and 704 of the Code or the corresponding sections of any future internal revenue law or any similar tax law of any state or jurisdiction, and for such purposes only, the determination of each Member's distributive share of all items of income, gain, deduction, loss, credit or allowance for any period or year will be made in proportion to the amounts of the Members' respective Percentage Interests in the Company during such period or year.
7. **Distributions.** The Company will make distributions of Company funds and property at such times and in such amounts as all of the Managing Member determines. No distribution will be declared and paid if payment of such distribution would cause the Company to violate any limitation on distributions provided in the Act.
8. **Management.** The Company will be member-managed. CPDC will exercise full and exclusive control over the affairs of the Company and will carry the title "*Managing Member*." The Managing Member may appoint officers and agents for the Company and give them such titles and powers as the Managing Member may choose. Any action taken by the Managing Member in the name of the Company, and any action taken by an officer or agent of the Company in the name of the Company and with the proper authorization of the Managing Member, will be an action of the Company. No other Member will have the right to act on behalf of, bind, or otherwise manage the Company without the express written consent of the Managing Member.
9. **Rights and Powers of Members**
- 9.1. Any Member may engage in or possess an interest in other business ventures of every nature and description, whether or not in competition with the business of the Company, independently or with others, including, but not limited to, the ownership, financing, leasing, operation, management, syndication, brokerage and development of real property; and neither the Company nor the Members will have any right by virtue of this Agreement in and to such independent ventures or to the income or profits derived therefrom.
- 9.2. The Company will, to the fullest extent permitted by law, indemnify, defend, and hold the Members harmless from any and all claims, demands, actions, causes of action, suits, proceedings, losses, damage, liability, fees, charges, costs and expenses (including, without

- limitation, attorneys' fees and expenses, and court costs) asserted against or incurred or sustained as a result of any action or inaction of a Member, provided that the Member acted in good faith and in a manner such Member reasonably believed to be in, or not opposed to, the best interest of the Company and, with respect to any criminal action or proceeding, had no reason to believe that his conduct was unlawful.
- 9.3. No Member will be liable for any mistakes in judgment or for any inadvertent failure to perform any of its obligations hereunder, or for any loss due to such mistake or failure to perform, or due to the negligence, dishonesty, fraud or bad faith of any employee or other agent of the Company.
 - 9.4. No Member will be liable for the Company's liabilities, debts or obligations, all of which will be the sole obligation of the Company. The failure by the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Agreement will not be grounds for imposing personal liability on any Member or any officer.
 - 9.5. The Members, on behalf of the Company, may contract with any person related to or affiliated with the Members.
 - 9.6. This Agreement may be amended only upon the unanimous written consent of all the Members.
10. **Legal Title to the Property.** Legal title to all or any portion of the property of the Company will be held in the Company's name.
 11. **Transferability and Withdrawal.** A Member's interest in the Company can be assigned, pledged, sold or otherwise transferred, in whole or in part, only upon the unanimous written consent of all the Members. Any purported transfer or assignment without unanimous written consent will be void and of no force or effect, and may be ignored by the Company and/or the other Members. A Member has the right to withdraw from the Company only upon the unanimous written consent of all the Members.
 12. **Dissolution.** The Company will be dissolved upon the occurrence of any of the following: (i) the unanimous written agreement of all Members; (ii) the death, retirement, resignation, expulsion, bankruptcy, court declaration of incompetence with respect to, or dissolution of, a Member or the occurrence of any other event that terminates the continued membership of a Member in the Company, unless within ninety (90) days after such event there the remaining Members elect to continue the business of the Company by unanimous agreement, and (iii) the operation of applicable law. As soon as possible following the occurrence of any of the events specified in preceding sentence, (i) the Company will execute and file a certificate of cancellation in accordance with the Act; and (ii) the Company's assets will be liquidated, and the proceeds therefrom (together with assets distributed in kind) will be applied and distributed in the order of priority as follows:
 - 12.1. First, to creditors of the Company, including Members who are creditors, in the order of priority provided by law, in satisfaction of liabilities of the Company other than liabilities for distribution to Members under the Act;
 - 12.2. Second, to Members of the Company in respect of their share of the profits and other compensation by way of income on their contributions; and
 - 12.3. Third, to Members of the Company in respect of their capital contributions.

13. **Bank Accounts.** The funds of the Company will be deposited in such bank account or accounts as the Managing Member deem appropriate, and the Managing Member will arrange for the appropriate conduct of such accounts. The Company name will appear on all bank accounts in which funds of the Company are deposited.
14. **Taxation as Partnership.** The Company will file its return with the Commissioner of Internal Revenue and any applicable state taxing authorities as a partnership and will not elect to be taxable other than as a partnership without the unanimous written consent of all the Members.
15. **Tax Matters Partner.** Managing Member is hereby designated the “Tax Matters Partner” for the purposes of Section 6231(a)(7)(B) of the Internal Revenue Code of 1986, as amended. The Tax Matters Partner will comply with the responsibilities set forth in Sections 6221 through 6234 of the Code.
16. **Miscellaneous.**
 - 16.1. Unless otherwise provided in this Agreement, no Member will be liable to any other Member or to the Company for any good faith act or omission to act in the exercise of its judgment under the provisions of this Agreement.
 - 16.2. This Agreement sets forth all (and are intended by all parties hereto to be an integration of all) of the covenants, promises, agreements, warranties and representations among the parties hereto with respect to the Company, the business of the Company and the property of the Company, and there are no covenants, promises, agreements, warranties or representations, oral and written, express or implied, among them other than as set forth herein.
 - 16.3. Wherever there is any conflict between any provision of this Agreement and any statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter will prevail, but in such manner that the provision(s) of this Agreement thus affected will be curtailed and limited only to the extent necessary to conform with said requirement of law. In the event that any part, section, paragraph or clause of this Agreement will be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement will not fail on account thereof, and the balance of the Agreement will continue in full force and effect.
 - 16.4. The Company will indemnify, defend and hold each Member (including its respective members, managers, managing members, directors, officers, and/or shareholders, as applicable) (each a “**Payor Party**”) from and against any and all fees, costs, and expenses arising out of, or incurred in connection with, all third party claims, demands, losses, damages, liens, liabilities, injuries, deaths, penalties, fines, lawsuits and other proceedings, judgments and awards rendered therein, including reasonable attorneys’ fees and court costs (whether at trial or on appeal) incurred (“**Damages**”) by a Payor Party arising out of or by reason of being or having been a Member of the Company, except in relation to matters as to which such Payor Party will be adjudged in the action, suit or proceeding to be liable for gross negligence or willful misconduct. In furtherance of, and in no way limiting the foregoing, CPDC and CHI jointly and severally, agree to indemnify, defend and hold AHC (including its respective members, managers, managing members, directors, officers, and/or shareholders, as applicable) (each an “**AHC Party**”) from and against any and all Damages arising out of or by reason of AHC being or having been a Member of the Company, except in relation to matters as to which such AHC will be adjudged in the action, suit or proceeding to be liable for gross negligence or willful misconduct.

- 16.5. This Agreement will be interpreted, construed and enforced in accordance with the laws of the Commonwealth of Virginia.
- 16.6. This Agreement is binding upon and will inure to the benefit of the parties hereto and their respective heirs, guardians, executors, administrators, personal and legal representatives, and successors and to the assigns of the parties hereto to the extent, but only to the extent, the same is provided for in accordance with, and permitted by, the provisions of this Agreement.
- 16.7. Except as otherwise provided in this Agreement, any notice, consent or other communication required or permitted hereunder will be in writing and will be addressed, in the case of the Company, to its principal place of business specified in Section 2, in the case of any Member to the location specified in Schedule I, or to such other address or person as any of the foregoing parties will furnish to the other parties in writing; and any such communication so addressed will be deemed to have been given when delivered by hand or on the earlier of actual receipt and three (3) business days after being sent by registered or certified mail, postage prepaid, return receipt requested, or one (1) business day after being sent by overnight courier, electronic mail, or facsimile or on actual receipt after being sent by any means not specified herein.

[signature pages follow]

The parties have executed this First Amended and Restated Operating Agreement of Baker School LLC, effective as of the date written above.

CPDC Baker School LLC
a Virginia limited liability company

By: Community Housing, Inc.
a Maryland nonstock corporation
its sole member

By: 
Shelynda Burney-Brown, Vice President

Community Housing, Inc.
a Maryland nonstock corporation

By: 
Shelynda Burney-Brown, Vice President

GBAHC Versailles LLC
a Maryland limited liability company

By: AHC Inc.
a Virginia nonstock corporation
its sole member

By: _____
Walter D. Webdale, President

The parties have executed this First Amended and Restated Operating Agreement of Baker School LLC, effective as of the date written above.

CPDC Baker School LLC
a Virginia limited liability company

By: Community Housing, Inc.
a Maryland nonstock corporation
its sole member

By: _____
Shelynda Burney-Brown , Vice President

Community Housing, Inc.
a Maryland nonstock corporation

By: _____
Shelynda Burney-Brown , Vice President

GBAHC Versailles LLC
a Maryland limited liability company

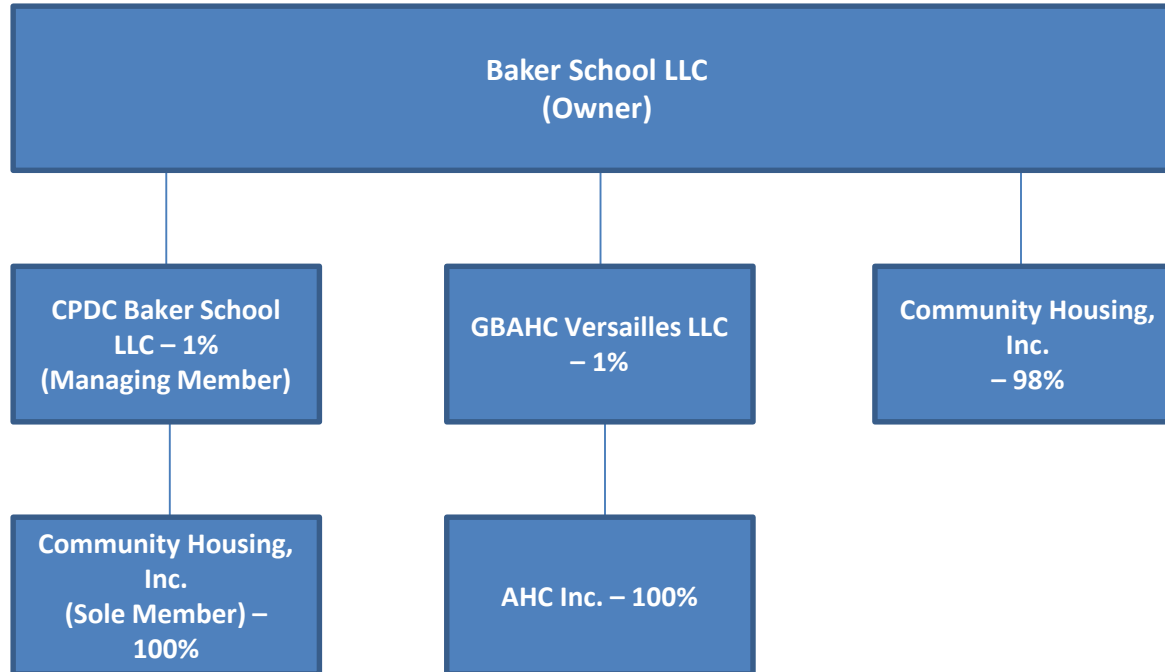
By: AHC Inc.
a Virginia nonstock corporation
its sole member

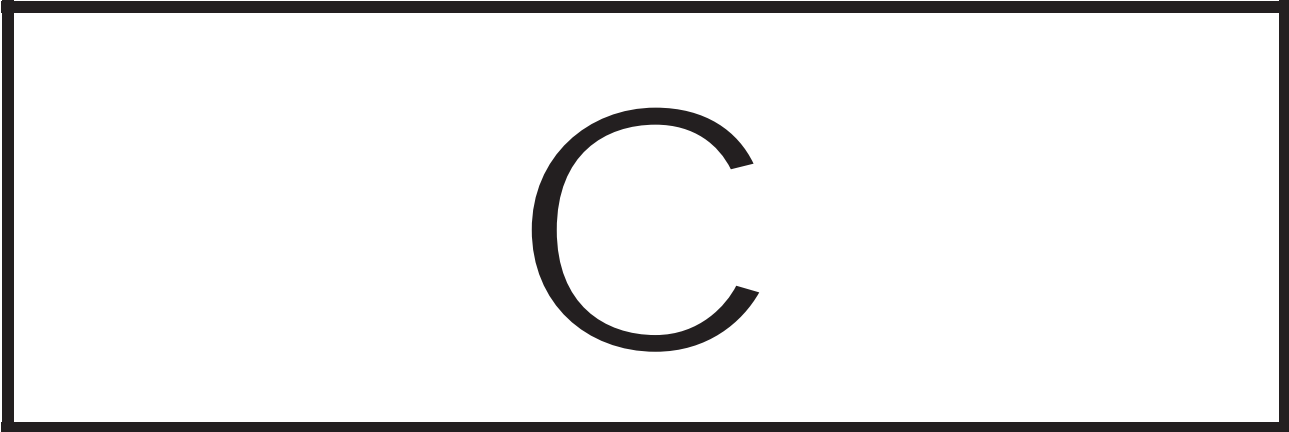
By: 
Walter D. Webdale, President

Schedule I

<u>Member Name</u>	<u>Membership Interest</u>	<u>Capital Contribution</u>
CPDC Baker School LLC 8403 Colesville Road, #1150 Silver Spring, MD 20910	1%	\$1.00
GBAHC Versailles LLC c/o AHC Inc. 2230 North Fairfax Drive Suite 100 Arlington, VA 22201	1%	\$1.00
Community Housing, Inc. 8403 Colesville Road, #1150 Silver Spring, MD 20910	98%	\$98.00

Organizational Chart of Owner
At Close of Ground Lease





C

Virginia SCC Certification
(Mandatory)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, October 8, 2015

This is to certify that the certificate of organization of

Baker School LLC

was this day issued and admitted to record in this office and that the said limited liability company is authorized to transact its business subject to all Virginia laws applicable to the company and its business. Effective date: October 8, 2015



State Corporation Commission

Attest:

Joel H. Beck
Clerk of the Commission



COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

LLC-1011
(10/11)

ARTICLES OF ORGANIZATION
OF A VIRGINIA LIMITED LIABILITY COMPANY

Pursuant to Chapter 12 of Title 13.1 of the Code of Virginia the undersigned states as follows:

1. The name of the limited liability company is

Baker School LLC

(The name must contain the words limited company or limited liability company or the abbreviation L.C., LC, L.L.C. or LLC)

2. A. The name of the limited liability company's initial registered agent is

Corporation Service Company

F1473265

- B. The initial registered agent is (mark appropriate box):

- (1) an INDIVIDUAL who is a resident of Virginia and

- a member or manager of the limited liability company.
 a member or manager of a limited liability company that is a member or manager of the limited liability company.
 an officer or director of a corporation that is a member or manager of the limited liability company.
 a general partner of a general or limited partnership that is a member or manager of the limited liability company.
 a trustee of a trust that is a member or manager of the limited liability company.
 a member of the Virginia State Bar.

OR

- (2) a domestic or foreign stock or nonstock corporation, limited liability company or registered limited liability partnership authorized to transact business in Virginia.

3. A. The limited liability company's initial registered office address, including the street and number, if any, which is identical to the business office of the initial registered agent, is

1111 East Main Street, 16th Floor Richmond, VA 23219
(number/street) (city or town) (zip)

- B. The registered office is located in the county or city of Richmond

4. The limited liability company's principal office address, including the street and number, is

8403 Colesville Road, Suite 1150 Silver Spring MD 20910
(number/street) (city or town) (state) (zip)

Organizer(s):

Shelynda Brown
(signature)

Shelynda Brown

(printed name)

10-6-15
(date)

(202) 885-9552

(telephone number (optional))

PRIVACY ADVISORY: Information such as social security number, date of birth, maiden name, or financial institution account numbers is NOT required to be included in business entity documents filed with the Office of the Clerk of the Commission. Any information provided on these documents is subject to public

SEE INSTRUCTIONS ON THE REVERSE

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 8, 2015

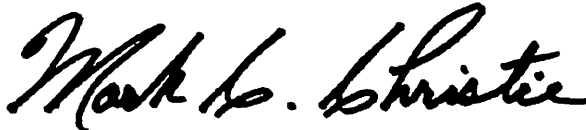
The State Corporation Commission has found the accompanying articles submitted on behalf of
Baker School LLC

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it
is ORDERED that this

CERTIFICATE OF ORGANIZATION

be issued and admitted to record with the articles of organization in the Office of the Clerk of the
Commission, effective October 8, 2015.

STATE CORPORATION COMMISSION

By 

Mark C. Christie
Commissioner

Commonwealth of Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all business entity documents on file in the Clerk's Office of the Commission relating to Baker School LLC.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
October 8, 2015*

Joel H. Peck

Joel H. Peck, Clerk of the Commission

D

Previous Participation
Certification
(Mandatory)



Previous Participation Certification

Development Name: Baker School
Name of Applicant (entity): Baker School LLC
CGP* or Managing Member (entity): Community Housing Inc. and CPDC Baker School LLC
*Controlling General Partner

I hereby certify that:

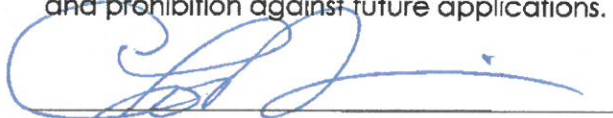
1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily rental property, no property has been foreclosed upon, in default or assigned to the mortgage insurer (governmental or private); nor has mortgage relief by the mortgagee been given;
3. During any time that any of the participants were principals in any multifamily rental property, there has not been any breach by the owner of any agreements relating to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership;
4. That at no time have any principals listed in this certification been required to turn in a property to the investor or have been removed from a multifamily rental property ownership structure;
5. That to the best of my knowledge, there are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the participants were principals;
6. During any time that any of the participants were principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for the property;
7. None of the participants has been convicted of a felony and is not presently, to my knowledge, the subject of a complaint or indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less;
8. None of the participants has been suspended, debarred or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity; and

Previous Participation Certification, cont'd

9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the participants is a Virginia Housing Development Authority (VHDA) employee or a member of the immediate household of any of its employees.
11. None of the participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the participant was a principal in such property. This does not refer to corrected 8823's.
14. None of the participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).

Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion, I have attached a true and accurate statement to explain the relevant facts and circumstances.

Failure to disclose information about properties which have been found to be out of compliance or any material misrepresentations are grounds for rejection of an application and prohibition against future applications.



Signature

Christopher LoPiano

Printed Name

09/08/2018

Date (no more than 30 days prior to submission of the Application)

E

Non-profit Questionnaire
(Mandatory)



Non-profit Questionnaire

Part II, 13VAC10-180-60, of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority") for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended (the "Code") establishes certain requirements for receiving Credits from the non-profit Pool established under the Plan and assigning points for participation of a non-profit organization in the development of qualified low-income housing.

Answers to the following questions will be used by the Authority in its evaluation of whether or not an applicant meets such requirements. [Attach additional sheets as necessary to complete each question.](#)

1. General Information

- a. Name of development: _____
- b. Name of owner/applicant: _____
- c. Name of non-profit entity: _____
- d. Address of principal place of business of non-profit entity:

Indicate funding sources and amount used to pay for office space:

- e. Tax exempt status: 501(c)(3) 501(c)(4) 501(a)
- f. Date of legal formation of non-profit (must be prior to application deadline); _____
evidenced by the following documentation:

- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):

- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):

- i. Expected life (in years) of non-profit:

Non-profit Questionnaire, cont'd

- j. Explain the anticipated future activities of the non-profit over the next five years:
-
-
-
- k. How many full time, paid staff members does the non-profit and, if applicable, any other non-profit organization(s) ("related non-profit(s)") of which the non-profit is a subsidiary or to which the non-profit is otherwise related have (i.e. by shared directors, staff, etc.)?
_____ How many part time, paid staff members? _____
- Describe the duties of all staff members:
-
-
-
- l. Does the non-profit share staff with any other entity besides a related non-profit described above?
- Yes No If yes, explain in detail: _____
-
-
- m. How many volunteers does the non-profit and, if applicable, any related non-profit have?
-
-
- n. What are the sources and manner of funding of the non-profit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development
-
-
-
- o. List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:
-
-
-

2. Non-profit Formation

- a. Explain in detail the genesis of the formation of the non-profit:
-
-
-

Non-profit Questionnaire, cont'd

- b. Is the non-profit, or has it ever been, affiliated with or controlled by a for-profit entity or local housing authority?

Yes No If yes, explain in detail:

- c. Has any for profit organization or local housing authority (including the Owner of the Development, joint venture partner, or any individual or entity directly or indirectly related to such Owner) appointed any directors to the governing board of the non-profit?

Yes No If yes, explain:

- d. Does any for-profit organization or local housing authority have the right to make such appointments?

Yes No If yes, explain:

- e. Does any for profit organization or local housing authority have any other affiliation with the non-profit or have any other relationship with the non-profit in which it exercises or has the right to exercise any other type of control?

Yes No, If yes, explain:

- f. Was the non-profit formed by any individual(s) or for profit entity for the principal purpose of being included in the non-profit Pool or receiving points for non-profit participation under the Plan?

Yes No

- g. Explain in detail the past experience of the non-profit including, if applicable, the past experience of any other related non-profit of which the non-profit is a subsidiary or to which the non-profit is otherwise related (by shared directors, staff, etc.):

- h. If you included in your answer to the previous question information concerning any related non-profit, describe the date of legal formation thereof, the date of IRS 501 (c)(3) or 501 (c)(4) status, its expected life, its charitable purposes and its relationship to the non-profit.

3. Non-profit Involvement

Non-profit Questionnaire, cont'd

- a. Is the non-profit assured of owning an interest in the Development (either directly or through a wholly owned subsidiary) throughout the Compliance Period (as defined in §42(i)(1) of the Code)?

Yes No

- (i) Will the non-profit own at least 10% of the general partnership/owning entity?

Yes No

- (ii) Will the non-profit own 100% of the general partnership interest/owning entity?

Yes No

If no to either 3a.i or 3a.ii above, specifically describe the non-profit's ownership interest:

- b. (i) Will the non-profit be the managing member or managing general partner?
 Yes No If yes, where in the partnership/operating agreement is this provision specifically referenced?

- (ii) Will the non-profit be the managing member or own more than 50% of the general partnership interest? Yes No

- c. Will the non-profit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity?

Yes No If yes, where in the partnership/operating agreement is this provision specifically referenced?

Recordable agreement attached to the Tax Credit Application as TAB V

If no at the end of the compliance period explain how the disposition of the assets will be structured:

- d. Is the non-profit materially participating (regular, continuous, and substantial participation) in the construction or rehabilitation and operation or management of the proposed Development?

Yes No If yes,

- (i) Describe the nature and extent of the non-profit's proposed involvement in the construction or rehabilitation of the Development:

- (ii) Describe the nature and extent of the non-profit's involvement in the operation or

Non-profit Questionnaire, cont'd

management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):

(iii) Will the non-profit invest in its overall interaction with the development more than 500 hours annually to this venture? Yes No If yes, subdivide the annual hours by activity and staff responsible and explain in detail:

e. Explain how the idea for the proposed development was conceived. For example, was it in response to a need identified by a local neighborhood group? Local government? Board member? Housing needs study? Third party consultant? Other?

f. List all general partners/managing members of the Owner of the Development (one must be the non-profit) and the relative percentages of their interests:

g. If this is a joint venture, (i.e. the non-profit is not the sole general partner/managing member), explain the nature and extent of the joint venture partner's involvement in the construction or rehabilitation and operation or management of the proposed development.

h. Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development? Yes No If yes, (i) explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

(ii) Explain how this relationship was established. For example, did the non-profit solicit proposals from several for-profits? Did the for-profit contact the non-profit and offer the services?

i. Will the non-profit or the Owner (as identified in the application) pay a joint venture partner

Non-profit Questionnaire, cont'd

or consultant fee for providing development services? Yes No If yes, explain the amount and source of the funds for such payments.

- j. Will any portion of the developer's fee which the non-profit expects to collect from its participation in the development be used to pay any consultant fee or any other fee to a third party entity or joint venture partner? Yes No If yes, explain in detail the amount and timing of such payments.

- k. Will the joint venture partner or for-profit consultant be compensated (receive income) in any other manner, such as builder's profit, architectural and engineering fees, or cash flow? Yes No If yes, explain:

- l. Will any member of the board of directors, officer, or staff member of the non-profit participate in the development and/or operation of the proposed development in any for-profit capacity? Yes No If yes, explain:

- m. Disclose any business or personal (including family) relationships that any of the staff members, directors or other principals involved in the formation or operation of the non-profit have, either directly or indirectly, with any persons or entities involved or to be involved in the Development on a for-profit basis including, but not limited to the Owner of the Development, any of its for-profit general partners, employees, limited partners or any other parties directly or indirectly related to such Owner:

- n. Is the non-profit involving any local, community based non-profit organizations in the development, role and operation, or provision of services for the development? Yes No If yes, explain in detail, including the compensation for the other non-profits:

Non-profit Questionnaire, cont'd

4. Virginia and Community Activity

a. Has the Virginia State Corporation Commission authorized the non-profit to do business in Virginia? Yes No

b. Define the non-profit's geographic target area or population to be served:

c. Does the non-profit or, if applicable, related non-profit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)? Yes No If yes, or no, explain nature, extent and duration of any service:

d. Does the non-profit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the non-profit on design, location of sites, development and management of affordable housing? Yes No If yes, explain:

e. Has the Virginia Department of Agriculture and Consumer Services (Division of Consumer Affairs) authorized the non-profit to solicit contributions/donations in the target community?

Yes No

f. Does the non-profit have demonstrated support (preferably financial) from established organizations, institutions, businesses and individuals in the target community?

Yes No If yes, explain:

g. Has the non-profit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input? Yes No If yes, describe the meeting dates, meeting locations, number of attendees and general discussion points:

h. Are at least 33% of the members of the board of directors representatives of the community being served? Yes No If yes,

(i) low-income residents of the community? Yes No

Non-profit Questionnaire, cont'd

(ii) elected representatives of low-income neighborhood organizations? Yes No

i. Are no more than 33% of the members of the board of directors representatives of the public sector (i.e. public officials or employees or those appointed to the board by public officials)? Yes No

j. Does the board of directors hold regular meetings which are well attended and accessible to the target community? Yes No If yes, explain the meeting schedule:

k. Has the non-profit received a Community Housing Development Organization (CHDO) designation, as defined by the U. S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? Yes No

l. Has the non-profit been awarded state or local funds for the purpose of supporting overhead and operating expenses? Yes No If yes, explain in detail:

m. Has the non-profit been formally designated by the local government as the principal community-based non-profit housing development organization for the selected target area? Yes No If yes, explain:

n. Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? Yes No If yes, note each such application including: the development name and location, the date of application, the non-profit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).

o. Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? Yes No If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).

p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? Yes No If yes, explain:

Non-profit Questionnaire, cont'd

q. Has the non-profit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the VHDA Housing Funds? Yes No If yes, explain:
In 2005, Community Housing, Inc. received Virginia Housing Partnership funds to finance accessibility improvements at Island Walk Townhomes in Reston, VA.

r. Has the non-profit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources? Yes No If yes, explain the need identified:

s. Has the non-profit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community? Yes No If yes, explain the plan:

5. Attachments

Documentation of any of the above need not be submitted unless requested by VHDA

The undersigned Owner and non-profit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for non-profit participation contained in the Plan or Section 42 of the Internal Revenue Code.

4/27/2018
Date


Owner/Applicant

By: Christopher LoPlano

Its: Senior Vice President

Title

4/27/2018
Date


Non-profit

By: Charles Werhane

Board Chairman

Non-profit Questionnaire, cont'd

By: _____
Executive Director

Attachment A:

CPDC BOARD OF DIRECTORS

NAME/TITLE	PHONE	ADDRESS	EMAIL
Laurel Blatchford <i>SVP & Chief Program Officer</i>	TEL: 202.649.3915 FAX: CELL:	Enterprise Community Investment 70 Corporate Center 11000 Broken Land Pkwy, Suite 700 Columbia, MD 21044	lblatchford@enterprisecommunity.org
Spouse:	HOME:		
Barry C. Curtis <i>President & Owner</i>	TEL: 410.768.9227 FAX: 410.768.8991 CELL: 4443.255.9742	Best Fence LLC 26 8 th Avenue NW Glen Burnie, MD 21061	barry@bestfence.biz
Spouse:	HOME:		
Conrad Eagan (Emeritus) <i>Retired President & CEO of NHC</i>	HOME: 703.281.6480 CELL: 703.501.6314	3014 Miller Heights Road Oakton, VA 2224	conradeegan@gmail.com
Spouse: Carol			
W. Kimball Griffith <i>Retired VP</i>	TEL: 202.973.0103 FAX: CELL:	Norris George & Ostrow PLLC Attorneys at Law The Army Navy Office Building 1627 I Street NW, Suite 1220 Washington, DC 20006	kgriffith@ngomunis.com
Spouse:	HOME:		
Leicester Johnson <i>Executive Director</i>	TEL: 202.269.6623 x. 111 FAX: 202.269.6632 CELL:	Academy of Hope 601 Edgewood Street NE Suite 25 Washington, DC 20017	leicester@aohdc.org
Spouse:	HOME: 703.717.9302	1425 S. E Street, Apt. 902 Arlington, VA 22202	
Michael Pitchford <i>President & CEO</i>	TEL: 202.885.9540 FAX: 202.895.8805 CELL: 202-627-9951	CPDC 8403 Colesville Road Suite 1150 Silver Spring, MD 20910	mpitchford@cpdc.org
Spouse: Sue	HOME:	2230 Mulberry Hill Road Annapolis, MD 21409	
Nancy S. Rase <i>Principal</i>	TEL: 410.299.1569 FAX: CELL:	Nancy Rase Consulting Svcs LLC 27 Acorn Drive Annapolis, MD 21401	nancyraseconsultingservicesllc@comcast.net
Spouse:	HOME:	27 Acorn Drive Annapolis, MD 21401	
Lee Reno <i>Founding Member</i>	TEL: 202.349.2444 FAX: CELL: 202.288.5667		lreno1940@gmail.com
Spouse: Gina	HOME: 202.547.6356	233 9 th Street SE Washington, DC 20003	
Adrian Washington <i>Founder</i>	TEL: 202.772.6002 FAX: 202.378.8281 CELL:	3232 Georgia Avenue NW Suite 100 Washington, DC 20010	awashington@neighborhooddevelopment.com
Spouse:	HOME:	1925 Shepherd Street NW	

Attachment A:

CPDC BOARD OF DIRECTORS

			Washington, DC 20011	
Charles Werhane <i>President & CEO</i>	TEL: FAX: CELL:	410.772.2577	Enterprise Community Investment 70 Corporate Center 11000 Broken Land Pkwy, Suite 700 Columbia, MD 21044	cwerhane@enterprisecommunity.org
Spouse:	HOME:			

Attachment B: Section 2, Question G

CPDC is a premier not for profit real estate developer focused on the acquisition, redevelopment, adaptive reuse and operation of housing communities affordable to low and moderate-income individuals and families combined with quality resident services. On January 1, 2018 CPDC entered into an Affiliation with Enterprise Community Investments (ECI). ECI and its parent Enterprise Community Partners (ECP) are national intermediaries and Section 501(c)(3) charitable organizations as well. Additional information can be provided on ECI if needed.

Attachment C: Section 2, Question H

CPDC was formed on November 13, 1989 with the mission to preserve affordable housing. CPDC's expected life is indefinite. CPDC's foundation is to preserve affordability and communities. CHI serves CPDC's real estate development and asset management needs. Enterprise Community Foundation was founded in 1982 with vision of ending poverty in the U.S. Enterprise has continued to provide deep expertise in three areas critical to improving the affordable housing system: impact capital, innovative solutions on the ground and transformative public policy.

Attachment D: Joint Ventures Between CPDC/CHI and For-Profit Companies

Development Name	Location	Date of LIHTC Application	Nonprofit Role	Nonprofit Ownership Interest	Name/Principal of Joint Venture Partner	Name/Principal of General Contractor	Name/Principal of Management Agent	Result of Application	Current Status of Development
The Residences at Wiley H. Bates Heritage Park	Annapolis, MD	Jun-03	Lead Developer	80% of General Partner Interest	Northern Real Estate Urban Ventures / Gina Merritt	Hamel Builders / Phil Gibbs	Edgewood Management Corporation / Gene Ford, Jr.	Approved	Complete
Wardman Court (f.k.a. Clifton Terrace)	Washington, DC	2000	Co-Developer	50% of General Partner Interest	Michaels Development Group / Michael Levitt	Earnest Bock & Sons / Thomas Bock	Interstate Realty Management / Michael Levitt	Approved	Complete
The Overlook at Oxon Run (f.k.a. Parkside Terrace)	Washington, DC	Jan-06	Lead Developer	80% of General Partner Interest	Crawford Edgewood Managers, Inc. / H.R. Crawford	Harkins Builders, Inc. / Mike Ibrahimi	Edgewood Management Corporation / Gene Ford, Jr.	Approved	Complete
Hampshire Towers	Takoma Park, MD	Mar-07	Lead Developer	80% of General Partner Interest	Tenacity Group / Eric Bolog	Hamel Builders / Phil Gibbs	Edgewood Management Corporation / Gene Ford, Jr.	Approved	Abandoned due to litigation with JV Partner

Attachment E: Tax Credit Applications with CPDC/CHI as Sole General Partner

Development Name	Location	Date of LIHTC Application	Result of Application	Current Status of Development
Central Gardens II	Seat Pleasant, MD	1990	Approved	Complete
Admiral Oaks	Annapolis, MD	1990	Approved	Complete
Southern Ridge	Washington, D.C.	1993	Approved	Complete
Essex House	Takoma Park, MD	1994	Approved	Complete
Edgewood Terrace Ph. II	Washington, D.C.	1998	Approved	Complete
Park Montgomery	Silver Spring, MD	1999	Approved	Complete
Edgewood Terrace Ph. III	Washington, D.C.	2001	Approved	Complete
Edgewood Terrace Ph. IV	Washington, D.C.	2001	Approved	Complete
Island Walk	Reston, VA	2003	Approved	Complete
Mayfair Mansion	Washington, D.C.	2006	Approved	Complete
Wheeler Terrace	Washington, D.C.	2007	Approved	Complete
Admiral Oaks	Annapolis, MD	2008	Approved	Complete
Buckman Road	Alexandria, VA	2009	Approved	Complete
Suburbia Fairfax	Fairfax, VA	2010	Approved	Complete
The Larkspur	Arlington, VA	2011	Approved	Complete
Brookland Park Plaza	Richmond, VA	2014	Approved	Complete
Essex House	Takoma Park, MD	2015	Approved	Complete
Fort Stevens	Washington D.C.	2016	Approved	Development
Jackson Ward Seniors	Richmond, VA	2017	Approved	Awaiting Closing

F

Architect's Certification (Mandatory & Points)



ARCHITECTS



INSTRUCTIONS FOR THE COMPLETION OF APPENDIX F ARCHITECT'S CERTIFICATION

(This Form Must Be Submitted Under Architect's Letterhead and included in the Application - Tab F)

NOTE: If the development includes any combination of New Construction, Rehabilitation or Adaptive Reuse, then separate Architect Certifications must be provided for each construction type.

The proper completion of this certification is critical to calculate the average unit square feet and net rentable square feet of each unit type, to document amenity items for which will be awarded, and to calculate certain elements of the efficient use of resources points.

If this certification is not completed correctly there may be loss of points or disqualification of the application to compete for tax credits. If this development receives an allocation of tax credits and items are not provided as indicated on this certification then VHDA, may, at its sole option, require the payment by the Owner of an amount up to 10% of the Total Development Cost (as set forth in the Application) of the development as liquidated damages for such violation or the total loss of credits may result. Therefore, it is imperative that this certification reflect the true and accurate intent of what will be provided in return for an allocation of tax credits.

Each section of this certification contains instructions on how the information should be provided. For Unit Size Calculations, the Average Unit Square Feet and Net Rentable Square Feet should be listed to two (2) decimal places. The number of units indicated should be only the units for which rent will be collected. For Average Unit Square Feet calculations, the Total Square Feet should equal the Average Unit Square Feet multiplied by the Number of Units/Type. The total at the bottom of the Total Square Feet column should equal item (D) on the same page of the certification, or be within 1 digit due to rounding. The total at the bottom of the Number of Units/Type column should equal the number of units in the tax credit application.

Accessibility certifications on page 8 are for tax credit point categories only and are not to be confused with minimum code requirements.

The architect signing this document is certifying that all unit and site amenities indicated in this certification are incorporated into the development plans and specifications and unit-by-unit work write-up, and that all products necessary to fulfill these representations are available for these purposes.

The individual who certifies this information must initial the pages where indicated, provide the personal information requested and sign on the last page. This certification should not be mailed separately to VHDA but returned to the developer for inclusion in the tax credit application.

[Acknowledge and include this instruction sheet as part of the certification]

Acknowledged:

[Handwritten signature]

Printed Name:

Thomas Heatwole

Architect's Certification

TO: Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220-6500
Attention: JD Bondurant

RE: ARCHITECT'S CERTIFICATION

Name of Development: Baker School Apartments
Address of Development: 100 W. Baker Street, Richmond,VA
Name of Owner/Applicant: Baker School , LLC

The above-referenced Owner has asked our office to provide this certification regarding (i) plans and specifications, (ii) the development square footages, average unit square footages and net rental square footages, (iii) the amenities the development will have upon completion, and (iv) federal and state requirements pertaining to development accessibility for persons with disabilities. This certification is rendered solely for the confirmation of these items. It is understood it will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credits and future consequences for failure to provide items certified below.

Plans and Specifications:

Required documentation for all properties (new construction, rehabilitation and adaptive reuse)

- 1 A location map with property(ies) clearly defined.
- 2 A site plan showing overall dimensions of main building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required. **For combination 4% and 9% properties, site plan must show all elements of both properties labeled so that the elements are distinguishable as to 4% and 9%.**
- 3 Sketch plans of main building(s) reflecting overall dimensions of:
 - a. Typical floor plan(s) showing apartment types and placement
 - b. Ground floor plan(s) showing common areas;
 - c. Sketch floor plan(s) of typical dwelling unit(s);
 - d. Typical wall section(s) showing footing, foundation, wall and floor structure.
Notes must indicate basic materials in structure, floor and exterior finish.

Plans must be complete enough to reflect dimensions so that square footages may be calculated.

In addition: required documentation for rehabilitation properties

A unit-by-unit work write-up.

DEV Name: Baker School Apartments

This certification includes two (2) separate calculations of square footage:

1. **Average Gross Unit Square Feet:** Measurements Include A Prorata Share of Heated Residential Common Area
2. **Net Rentable Square Feet:** Measurements Do Not Include A Prorata Share of Any Common Area and Reflect All Floor Plans of Each Unit Type (1-BR, 2-BR, etc.) measured from the interior face of the unit perimeter walls

1. Average Gross Unit Square Feet: (These measurements impact the scoring of tax credit applications)

For purposes of determining the total residential heated square feet (D), the building(s) were measured from the outside face of exterior walls and the centerline of any party walls. All unheated spaces (B) and nonresidential, (income producing commercial spaces) (C) were subtracted from this measurement. Community rooms, laundry rooms, property management offices and apartments, heated maintenance facilities, and other common space designed to serve residential tenants were not deducted. Based on this procedure, I certify the following calculations in determining the usable heated square feet for the above referenced development:

67,827.00		(A) Total gross floor area in (sq. ft.) for the entire development
0.00	-	(B) Unheated floor area (breezeways, balconies, storage)
0.00	-	(C) Nonresidential, (commercial income producing) area
67,827.00	=	(D) Total residential heated area (sq. ft.) for the development

INSTRUCTIONS FOR AVERAGE UNIT SQUARE FEET CALCULATIONS:

Provide the average unit size for each bedroom type, (1 bedroom elderly, 2 bedroom garden, 3 bedroom townhouse, etc.) by adding the total square feet of all the same bedroom types (2 bedroom garden with 1 bath and 2 bedroom garden with 2 baths) and adding the prorated share of heated common residential space and divide by the total number of the same bedroom types (2 bedroom garden). Do not alter any items below.

Unit Types	Average Unit Sq. Ft. *	x	Number of Units/Type	=	Total Square Feet
Supportive Housing	0.00		0		0.00
1 Story/EFF-Elderly	0.00		0		0.00
1 Story/1 BR-Elderly	0.00		0		0.00
1 Story/2 BR-Elderly	0.00		0		0.00
Efficiency Elderly	0.00		0		0.00
1 Bedroom Elderly	1,356.54		50		67,827.00
2 Bedrooms Elderly	0.00		0		0.00
Efficiency Garden	0.00		0		0.00
1 Bedroom Garden	0.00		0		0.00
2 Bedrooms Garden	0.00		0		0.00
3 Bedrooms Garden	0.00		0		0.00
4 Bedrooms Garden	0.00		0		0.00
2+ Story 2 BR Townhouse	0.00		0		0.00
2+ Story 3 BR Townhouse	0.00		0		0.00
2+ Story 4 BR Townhouse	0.00		0		0.00
Total			50	Total	67,827.00

* Including pro rata share of heated, residential common area. This information should match page 8 of the excel application

2. Net Rentable Square Feet *

For purposes of calculating Net Rentable Square Feet, the units were measured from the face of each unit perimeter wall. The values below therefore indicate the actual square footage of each unit floor plan. (For example, there may be 2 distinct 1-bedroom floor plans, 3 distinct 2-bedroom floor plans, etc. The purpose of this section of the Architect Certification is to document and certify the floor space attributable to residential rental units in the development.)

Percentage of Net Rentable Square Feet Deemed To Be New Rental Space 100.00%

	<u>Unit Type</u>	<u>Floor Plan Square Feet</u>	<u>Number of Units This Floor Plan</u>	<u>Total</u>
Mix 1	1 BR - 1 Bath	551	1	551
Mix 2	1 BR - 1 Bath	642	1	642
Mix 3	1 BR - 1 Bath	658	1	658
Mix 4	1 BR - 1 Bath	659	3	1977
Mix 5	1 BR - 1 Bath	662	1	662
Mix 6	1 BR - 1 Bath	665	1	665
Mix 7	1 BR - 1 Bath	666	3	1998
Mix 8	1 BR - 1 Bath	667	2	1334
Mix 9	1 BR - 1 Bath	668	2	1336
Mix 10	1 BR - 1 Bath	673	1	673
Mix 11	1 BR - 1 Bath	675	1	675
Mix 12	1 BR - 1 Bath	676	1	676
Mix 13	1 BR - 1 Bath	677	4	2708
Mix 14	1 BR - 1 Bath	689	26	17914
Mix 15	1 BR - 1 Bath	745	1	745
Mix 16	1 BR - 1 Bath	838	1	838
Mix 17				0
Mix 18				0
Mix 19				0
Mix 20				0
Mix 21				0
Mix 22				0
Mix 23				0
Mix 24				0
Mix 25				0
Mix 26				0
Mix 27				0
Mix 28				0
Mix 29				0
Mix 30				0
Mix 31				0
Mix 32				0
Mix 33				0
Mix 34				0
Mix 35				0
Mix 36				0
Mix 37				0
Mix 38				0
Mix 39				0
Mix 40				0
Mix 41				0
Mix 42				0
Mix 43				0
Mix 44				0
Mix 45				0
Mix 46				0
Mix 47				0
Mix 48				0
Mix 49				0
Mix 50				0
Totals			50	34052

*This information should match page 15 of the excel application

DEV Name: Baker School Apartments

Development Amenities:

I certify that the development's plans and specifications, work write-up, and proposed budget incorporate all items from VHDA's most current Minimum Design and Construction Requirements. In the event the plans and specifications and/or work write-up do not include VHDA Minimum Design and Construction Requirements, then those requirements still must be met, even though the application is accepted for credits. Please note that this may cause the Application to be ineligible for credits. The Requirements apply to any new, adaptive reuse or rehabilitated development (including those serving elderly and/or physically disabled households).

The Minimum Design & Construction Requirements may be found on VHDA's website at..... www.VHDA.com

For any development upon completion of construction/rehabilitation: (non-mandatory amenities)
(Place an X in each box where appropriate)

- a. The development will have a community/meeting room with a minimum of 749 square feet.
- 91 b.i,ii Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls (excluding triangular gable end area, doors, windows, kneewalls, columns, retaining walls, stairwells and any features that are not a part of the façade)
Community buildings are to be included in percentage calculations.
- 0 b.iii. Percentage of walls covered by fiber cement board
- c. All kitchen and laundry appliances (except range hoods) meet the EPA's Energy Star qualified program requirements
- d. Windows and glass doors are Energy Star labeled for the North-Central zone; or are NFRC labeled with a maximum U-Factor of 0.27 and maximum SHGC of 0.40
- e. Every unit in the development is heated and cooled with either (i) heat pump equipment with both a SEER rating of 15.0 or more and a HSPF rating of 8.5 or more, or (ii) air conditioning equipment with a SEER rating of 15.0 or more, combined with gas furnaces with an AFUE rating of 90% or more.
- f. Water expense will be sub-metered (tenant will pay monthly or bi-monthly bill)
- g. Each bathroom consists only of WaterSense labeled faucets and showerheads
- h. Provide necessary infrastructure in all units for highspeed internet service.
- i. All water heaters have an energy factor greater than or equal to 67% for gas water heaters; or greater than or equal to 93% for electric water heaters; or any centralized commercial system that has an efficiency performance rating greater than or equal to 95%; or any solar thermal system that meets at least 60% of the development's domestic hot water load
- j. Each bathroom is equipped with a WaterSense labeled toilet
- k. New construction only: EPA Energy Star qualified bath vent fan with duct size system per manufacturer requirements or continuous exhaust as part of a dedicated outdoor air with humidity control.
- l. Existing or new installation of continuous R-3 or higher wall sheathing insulation
For Rehabs: ONLY select if existing brick and/or siding will be removed and replaced or provide proof that R-3 currently exists behind the brick.
- m. Cooking surfaces are equipped with either non-removable fire prevention OR fire suppression features
- n. Each unit is equipped with electrical and plumbing hook-ups for dehumidification systems
- o. Each unit is equipped with integrated per unit dehumidification with humidistat that does not require manual disposal of water

DEV Name: Baker School Apartments

Architect's Certification

For all developments exclusively serving elderly tenants upon completion of construction/rehabilitation:
(optional point items)

- a. All cooking ranges will have front controls
- b. All units will have an emergency call system
- c. All full bathrooms will have an independent or supplemental heat source
- d. All entrance doors have two eye viewers, one at 42" and the other at standard height

For all rehabilitation and adaptive reuse developments, upon completion of construction/rehabilitation:
(optional point items)

- The structure is listed individually in the National Register of Historic Places or is located in a registered historic district and certified by the Secretary of the Interior as being of historical significance to the district, and the rehabilitation will be completed in such a manner as to be eligible for historic rehabilitation tax credits.

Building Structure:

Number of Stories

- Low-Rise** (1-5 stories with any structural elements being wood frame construction)
- Mid-Rise** (5-7 stories with no structural elements being wood frame construction)
- High-Rise** (8 or more stories with no structural elements being wood frame construction)

Accessibility:

I certify that the development plans and specifications meet all requirements of the federal Americans with Disabilities Act and Fair Housing Act (if applicable).

I certify that the development plans and specifications meet all requirements of HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act. Complying units must be "permanently accessible," rather than to "adaptable" standards. Please reference Uniform Federal Accessibility Standards(UFAS) for more particular information.

Check one or none of the following point categories, as appropriate:


- Any development in which (i) the greater of 5 units or 10% of the total # of units will be assisted by HUD project-based vouchers or another form of documented and binding federal, state or locality project-based rent subsidies in order to ensure occupancy by extremely low-income persons; and (ii) the greater of 5 or 10% of the units will conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act.
(All of the units described in (ii) above must include roll-in showers roll under sinks and front controls for ranges, unless agreed to by the Authority prior to the applicant's submission of its application.)
60 pts.
- Any development in which the greater of 5 units or 10% of the total # of units (i) have rents within HUD's Housing Choice Voucher payment standard; (ii) conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act
30 pts.
- Any development in which **five percent (5%)** of the total # of units (i) conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act
15 pts.

For any accessibility option elected above, all common space must also conform to accessibility requirements of HUD Section 504 regulations.

DEV Name: Baker School Apartments

Architect's Certification

As architect of record for the above referenced development, the above certifications are correct to the best of my knowledge.

Signed: 
Printed Name: Thomas Heatwole
Title: Principal
Virginia Registration #: 7021
Phone: 804.200.7163
Date: 04.25.18

NOTE TO ARCHITECT: Any change in this form may result in disqualification or a reduction of points under the scoring system. If you have any questions, please call JD Bonderant at VHDA (804) 343-5725.

Return this certification on Architect's Letterhead to the developer for inclusion in the tax credit application package.

DEV Name: Baker School Apartments



**Appendix F
VHDA's Universal Design Certification**

50 Units in the development will meet VHDA's **Universal Design Guidelines**.
Before issuance of IRS Form 8609, applicant will provide documentation to VHDA as evidence that such units meet VHDA's Universal Design guidelines.

The number of rental units that will meet these standards: 50

The total number of rental units in this development: 50

NOTE: For Elderly Developments, 100% of the units in the development must meet the Universal Design standards in order to qualify for points.

For Family Developments, points are awarded based on a percentage of the number of units meeting the Universal Design standards.

For the tax credit applicant to qualify for points associated with Universal Design, the architect of record must be on VHDA's list of Universal Design certified architects. VHDA Universal Design Certifications are only valid if received after January 1, 2012.

All tax credit applications which include amenity points for providing VHDA Universally Designed dwelling units must include plans that clearly identify the following items in the format found on vhda.com or no points will be awarded:

- Overall building plans identifying the location of Universal Design dwelling units, and the means of vertical transportation (if applicable), along the accessible route (Minimum scale 1/8"=1'-0"). Include a legend and Universal Design General Notes section. Anything other than a fully handicap accessible elevator must have been presented to and approved by VHDA for this project at least two weeks prior to submission of reservation application.
- Site plan and building plans identifying accessible pedestrian routes from all Universal Design units to accessible parking, leasing office, community room, laundry facility, mailboxes, garbage collection areas and public transportation pick up areas. Architect must identify running slope and cross slope of route, and consider any obstructions. Include required number of accessible parking spaces, a legend for the accessible route, and a Universal Design general notes section.
- Enlarged Universal Design unit plans (Minimum scale 1/4"=1'-0") identifying clearances and all Essential Elements

Signed: 

Printed Name: Thomas Heatwole
Architect of Record
(same individual as on page 8)

Date: 1.25.2018

G

Relocation Plan

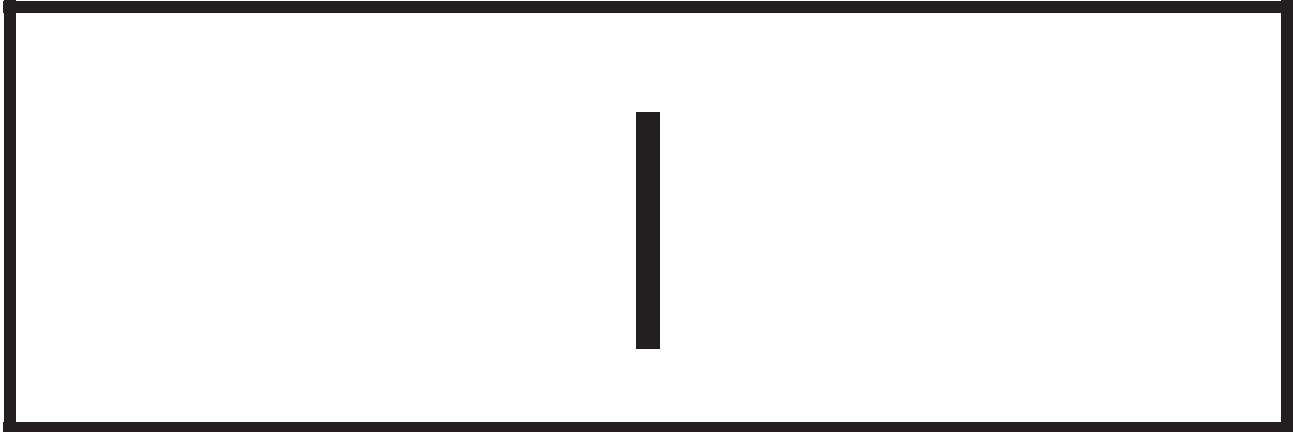
(Mandatory for LIHTC projects
where tenants will be dislocated)

Not Applicable

H

PHA/Section 8 Notification
Letter

Not Applicable



Locality CEO Response
Letters

Not Applicable

J

Homeownership Plan

Not Applicable

K

Site Control
Documentation
(Mandatory)

DEED OF GROUND LEASE

between

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY,

as Landlord,

and

BAKER SCHOOL LLC,

as Tenant

Dated as of December 28, 2017

DEED OF GROUND LEASE

DEED OF GROUND LEASE (this "Lease") is made as of the 28th day of December, 2017, between RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia ("Landlord"), and BAKER SCHOOL LLC, a Virginia limited liability company ("Tenant").

R E C I T A L S :

A. Landlord and Community Housing, Inc., a Maryland nonstock corporation ("Developer"), have entered into that certain Development Agreement for Fay Towers executed by Developer on June 17, 2014 and by Landlord on June 18, 2014, as subsequently amended by that certain First Amendment to Fay Towers Development Agreement by and between Landlord and Developer, executed by Developer on February 14, 2017 and by Landlord on March 13, 2017 (as the same may be further amended, supplemented or otherwise modified from time to time, the "Development Agreement"), wherein Landlord and Developer have set forth the terms and conditions pursuant to which Developer shall act as the master developer for the replacement housing for the Fay Towers public housing development in the City of Richmond, Virginia.

B. Pursuant to Sections 2.4 and 2.5 of the Development Agreement, Landlord and Developer have agreed upon a plan for the comprehensive and sustainable replacement of Fay Towers (the "Redevelopment Plan") in separate phases consisting of one or more components (each, a "Component").

C. One such Component is the redevelopment and adaptive re-use of the now-vacant Baker School into fifty-one (51) senior housing units and related improvements (collectively, the "Improvements") on that certain parcel of land owned by Landlord and more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with all improvements, easements and rights-of-way thereon, and rights and appurtenances pertaining thereto, if any (collectively, the "Property"). The rehabilitation, operation and maintenance of the Improvements on the Property is sometimes hereinafter referred to as the "Project."

D. Pursuant to Section 6.1 of the Development Agreement, Developer agreed to form a single-purpose entity to construct, own and operate each Component (each such entity, an "Owner Entity").

E. Pursuant to Section 9.3 of the Development Agreement, if a Component is to be developed on a parcel owned by Landlord, Landlord agreed to lease such parcel to the Owner Entity for such Component.

F. Tenant is the Owner Entity for the Project.

G. Tenant expects within the twelve (12) months following the execution date of this Lease (i) to admit into membership an Investor Member or, if an Investor Member is currently a member of Tenant, to receive a first material equity contribution from such Investor Member,

and (ii) close on financing from one or more Leasehold Mortgagees and (c) obtain all requisite building permits for the rehabilitation of the Improvements, the date of such events being referred to herein as “Construction Closing”.

H. Landlord and Tenant now desire to enter into this Lease in order to accomplish the purposes set forth in these Recitals and in the Development Agreement with respect to the Project.

NOW, THEREFORE, in consideration of the above premises, and the mutual covenants and promises contained in this Lease, Landlord and Tenant agree as follows:

ARTICLE 1 DEFINITIONS

When used in this Lease with an initial capital letter or letters, each of the following terms shall have the meaning given it below:

“Applicable Laws” means all laws, ordinances, rules, regulations and requirements of any Governmental Authority having jurisdiction over the Property, or the development, construction, operation and maintenance of the Improvements, including, without limitation, Environmental Laws.

“Bankruptcy Code” is defined in Section 8.2(f)(ii).

“City” means the City of Richmond, a municipal corporation of the Commonwealth of Virginia.

“Commencement Date” means the date hereof.

“Component” is defined in Recital B.

“Condemnation Award” means the aggregate amount of any condemnation award or awards payable with respect to a Taking, whether by agreement or pursuant to a judgment or otherwise, including consequential damages, with any interest on such amount, net of any unreimbursed costs and expenses of collecting the same.

“Construction Closing” is defined in Recital G.

“Date of Taking” means the date as of which Tenant is deprived of possession of any property involved in a Taking.

“Default Rate” means the rate of interest which is the lesser of (a) two percent (2%) per annum in excess of the Prime Rate and (b) the maximum rate of interest permitted under Applicable Laws under the circumstances, if such a maximum exists.

“Developer” is defined in Recital A.

“Development Agreement” is defined in Recital A.

“Environmental Laws” means any and all federal, state, and local laws, regulations, statutes, codes, rules, resolutions, directives, orders, executive orders, consent orders, guidance from regulatory agencies, policy statements, judicial decrees, ordinances, or any judicial or administrative interpretation of, any of the foregoing, pertaining to the protection of land, water, air, or the environment whether now or in the future enacted, promulgated or issued.

“First Leasehold Mortgagee” is defined in Section 8.2(f)(i).

“Foreclosure” is defined in Section 8.2(a)(iv).

“Governmental Authority” means all federal, state, county, municipal and other governments and all subdivisions, agencies, authorities, departments, courts, commissions, boards, bureaus and instrumentalities of any of them having jurisdiction over Landlord, Tenant and the Property or any of them, including, without limitation, HUD.

“Hazardous Substances” means “hazardous substances,” “regulated substances,” “hazardous wastes” or “solid wastes” (as such terms are defined and/or used in applicable Environmental Laws), including, without limitation, asbestos, lead paint and polychlorinated biphenyls or environmentally deleterious material in amounts and concentrations, the uncontained presence of which would require remediation or clean-up to conform to applicable Environmental Laws.

“HUD” means the United States Department of Housing and Urban Development.

“Impositions” means the taxes, utility charges and other costs to be paid by Tenant pursuant to Article 6.

“Improvements” is defined in Recital C.

“Improvements Value” is defined in Section 11.4.

“Insurance Proceeds” means the proceeds obtained under any insurance policy Tenant is required or permitted to maintain under this Lease, net of the unreimbursed costs and expenses incurred in the collection of such proceeds.

“Investor Member” means any investor making an equity investment in Tenant through the purchase of low income housing tax credits and, in connection therewith, acquiring a membership interest in Tenant or in the managing member of Tenant.

“Land Value” is defined in Section 11.4.

“Landlord” is defined in the preamble.

“Landlord Indemnities” is defined in Section 9.3.

“Landlord’s Percentage” is defined in Section 11.4.

“Leasehold Mortgage” and “Leasehold Mortgages” are each defined in Section 8.1.

“Leasehold Mortgagee” means the holder of any Leasehold Mortgage, together with its successors or assigns.

“LIHTC Value” is defined in Section 11.4.

“New Lease” is defined in Section 8.2(e).

“Owner Entity” is defined in Recital D.

“Partial Taking” is defined in Section 11.4.

“Permitted Exceptions” is defined in Section 2.3.

“Person” means any natural person, corporation, limited or general partnership, tenancy in common, joint venture, Governmental Authority, association, business trust, real estate investment trust or other entity or organization, and any combination of any of them.

“Pre-Existing Environmental Conditions” is defined in Section 7.3.

“Prime Rate” means the per annum prime rate announced as the “prime rate” in the Wall Street Journal or its successor, in effect from time-to-time.

“Project” is defined in Recital C.

“Property” is defined in Recital C.

“Public Approvals” means all licenses and permits required for the construction of the Improvements issued by all governmental authorities, whether local, state or federal, having jurisdiction over the Property, including zoning, site plan approvals, plan of development approvals, environmental approvals and building permits.

“Redevelopment Plan” is defined in Recital B.

“Remediation Plan” is defined in Section 7.3

“Rent” means the base rent described in Article 3 and any other payment of money that Tenant is obligated to make under this Lease, whether payable to Landlord or to any other Person.

“Responsible Party” is defined in Section 7.2.

“Restoration Criteria” is defined in Section 11.4.

“Taking” means any taking or damaging of all or any part of, interest in, or right appurtenant to the Premises by any Governmental Authority, or deed in lieu of any such taking, as a result of or in lieu of or in anticipation of or under threat of the power of condemnation or eminent domain, including severance damage and any change in grade.

“Taxes” is defined in Subsection 6.2(a).

“Temporary Taking” means a Taking that does not extend beyond the Term of this Lease, so that Landlord’s reversionary interest hereunder is unaffected by such Taking.

“Tenant” is defined in the preamble.

“Tenant’s Percentage” is defined in Section 11.4.

“Term” is defined in Section 2.2.

“Total Taking” means any Taking which, despite the possible use of condemnation proceeds, renders the Premises practically and/or economically unusable by Tenant, as determined jointly by Tenant and any Leasehold Mortgagee.

“VHDA” means the Virginia Housing Development Authority.

“VHDA Leasehold Mortgage” is defined in Section 15.21.

“VHDA Standard Lease Provisions” is defined in Section 15.21.

“Work” is defined in Section 10.1.

ARTICLE 2 GRANT OF LEASE AND TERM

Section 2.1 Grant. For and in consideration of the Rent and the mutual covenants and agreements contained in this Lease, Landlord hereby grants and leases the Property to Tenant, and Tenant hereby takes and leases the Property from Landlord, on the terms and conditions set forth in this Lease.

Section 2.2 Term. The term (the “Term”) of this Lease shall commence on the Commencement Date and shall, unless sooner terminated pursuant to the terms hereof, terminate at midnight on the day immediately preceding the seventy-fifth (75th) anniversary of the Commencement Date.

Section 2.3 Title. Landlord leases the Property to Tenant and Tenant takes the Property from Landlord subject to (i) any and all restrictions, reservations, covenants, conditions, rights-of-way, easements and other matters of record applicable to the Property as of the Commencement Date (however, Landlord agrees, at Tenant’s request, to use commercially reasonable efforts to assist in and execute any necessary documents to vacate, move, adjust,

amend, or create such title matters and easements reasonably necessary for the redevelopment, reconstruction and operation of the Project and as may be required by the Leasehold Mortgagees, provided any such documents are in a form reasonably acceptable to Landlord), (ii) such matters as would be shown by a current and accurate survey of the Property, and (iii) any and all municipal or other governmental zoning laws, rules, regulations and ordinances applicable to the Property (collectively, the “Permitted Exceptions”).

Section 2.4 Possession. Landlord shall deliver exclusive, actual possession of the Property to Tenant on the Commencement Date.

Section 2.5 Quiet Enjoyment. Subject to the Permitted Exceptions and the faithful performance by Tenant of the terms and provisions of this Lease, Landlord covenants, as against the claims of all Persons claiming by, through or under Landlord, that Tenant shall have and enjoy throughout the Term the quiet, peaceful, exclusive and undisturbed possession of the Property without hindrance, ejection or molestation by any Person.

Section 2.6 “Net” Lease. This Lease shall be a completely net lease and the Rent and all other sums payable hereunder by Tenant shall be paid without notice or demand, and without set off, counterclaim, recoupment, abatement, diminution, deduction, reduction or defense, except as otherwise specifically set forth herein.

Section 2.7 Condition of Property. Except as otherwise specifically provided in this Lease, Tenant shall accept the Property on the Commencement Date in its present “as-is, where-is” condition. Tenant acknowledges and agrees that there are no representations or warranties made by or on behalf of Landlord with respect to the Property (other than those expressly set forth in this Lease, if any).

Section 2.8 Title to Improvements. Title to any and all Improvements and, subject to the terms of Article 4, any alteration, changes or additions thereto, is hereby conveyed to and shall be and remain in Tenant during the Term. During the entire Term of this Lease, Tenant shall be entitled to all depreciation deductions or cost recovery deductions and the right to amortize costs and low income housing tax credits or historic tax credits or other federal or state benefits for income tax purposes relating to the Property and Improvements. Upon the termination or expiration of this Lease, the Improvements shall be deemed to be and become part of the Property and the sole and absolute property of Landlord as of the expiration or termination of the Lease and shall be surrendered to Landlord at that time, free and clear of the liens of mortgages, deeds of trust, liens of mechanics, laborers or materialmen and all other liens and encumbrances other than any such liens and encumbrances incurred by, expressly assumed by or agreed to by Landlord. To the extent it becomes necessary, in Landlord’s reasonable opinion, for Tenant to execute a deed conveying title to the Improvements to Landlord following the termination or expiration of this Lease, Tenant covenants and agrees to promptly do so. Notwithstanding the foregoing, if Tenant fails to execute such a deed within thirty (30) days after receiving a written request therefor from Landlord, Tenant shall be deemed to have appointed Landlord as its attorney-in-fact with the power and authority to execute such deed.

ARTICLE 3
RENT

Section 3.1 Rent. In consideration for the lease of the Premises, Tenant will compensate Landlord as follows:

(a) Up Front Payment. Upon execution of this Lease, Tenant shall pay landlord a one-time, up-front payment in the sum of \$825,000. Tenant shall pay \$82,500 in cash via wire contemporaneously with the execution and delivery of this Lease. Tenant shall pay the remaining \$742,500 in accordance with a promissory note executed in favor of Landlord on or about the date hereof, the payment of which shall be subordinate to any Leasehold Mortgage.

(b) Basic Annual Rent. The basic annual rent for the Property shall be \$1, which annual rent payments will commence on the first (1st) anniversary of the Commencement Date and which Tenant may prepay in part or in full at its option.

ARTICLE 4
REHABILITATION OF IMPROVEMENTS

Section 4.1 Construction. The Improvements on the Property shall be rehabilitated by Tenant in accordance with the plans and specifications provided to Landlord by Tenant and otherwise in accordance with the terms and provisions of the Development Agreement.

Section 4.2 Alterations. Following completion of the rehabilitation of the Improvements as contemplated by the Construction Closing, Tenant may not make changes, alterations and additions to the Improvements, except for routine maintenance, refurbishments and painting or any other change, alteration or addition, the costs of which in any one instance would not exceed \$125,000.00 or which would adversely affect access or reduce the number of affordable residential units on the Property, without first obtaining the prior written approval of Landlord, which approval may not be unreasonably withheld, conditioned or delayed, unless such change, alteration or addition is required by Applicable Laws. In any instance where Landlord's approval is required pursuant to this Section 4.2, Tenant shall request such approval in writing, and Landlord shall use its best efforts to review Tenant's request within thirty (30) days following the later of (i) receipt of such documentation as may be submitted by Tenant in connection with such request or (ii) the receipt of such additional information as Landlord may reasonably request in order to review Tenant's request. Within such thirty (30) day period, Landlord shall either (a) notify Tenant of its approval, or (b) notify Tenant of its disapproval with the reasons therefor. If Landlord fails to either notify Tenant of its approval or disapproval within such thirty (30) day period, Tenant shall have the right to deliver a second written notice to Landlord requesting such approval, and, thereafter, if Landlord fails to either approve or disapprove such request within ten (10) days following Landlord's receipt of such second request, Landlord's approval shall be deemed given.

Section 4.3 Legal Requirements. Tenant shall, at all times during the Term, comply with all Applicable Laws applicable to the alteration, maintenance and repair of any and all Improvements.

Section 4.4 Mechanic's Liens. If a lien or claim of lien is filed against all or any part of or interest in the Property by any contractor, subcontractor, mechanic, laborer, materialman or any other Person whomsoever, other than arising from any act or action of Landlord, its agents, employees or independent contractors, then Tenant shall, within thirty (30) days (or such shorter period if reasonably deemed necessary in order to avoid a foreclosure of such lien) after notice of such lien or claim of lien, cause the same to be discharged of record; provided, however, that Tenant shall have the right to contest the amount or validity of any such lien or claim of lien by appropriate proceedings, but in such event, Tenant shall promptly and fully insure over or fully bond such lien by a statutory bond to discharge such lien with a responsible surety company to prevent foreclosure against the Property under such lien or claim of lien. Tenant shall prosecute such proceedings with due diligence and dispatch. Tenant shall also defend for Landlord, at Tenant's expense, any action, suit or proceeding which may be brought on or for the enforcement of any such lien and shall pay damages and satisfy and discharge any judgment entered in such action, suit or proceeding and save Landlord harmless from any liability, claim or damages resulting therefrom.

ARTICLE 5 COVENANTS OF TENANT

Section 5.1 Use of Property. During the Term, Tenant shall use the Property solely for the redevelopment, reconstruction, operation and maintenance of the Improvements and for no other purpose without the prior written consent of Landlord, which consent Landlord may grant or withhold in its sole and absolute discretion.

Section 5.2 Compliance with Laws. Tenant shall obey, perform and comply with any and all Applicable Laws existing at any time during the Term in any way affecting the Property or the use or condition of the Property, including the construction, operation, alteration or demolition of the Improvements or in any other way affecting this Lease. Tenant shall have the right to contest in good faith the validity of any such Applicable Laws by appropriate legal proceedings, unless such proceedings shall operate to cause the sale of the Property or any part thereof, or the placing of any lien thereon or the imposition of fines or other civil or criminal liability prior to the final determination of such proceedings. Tenant shall, at its own expense, obtain or cause to be obtained any and all licenses and permits necessary for its use of the Property and the construction of the Improvements. Landlord shall join in the applications for any such licenses and permits and otherwise cooperate as necessary to comply with the Applicable Laws where the signature of Landlord as owner of the Property is required.

Section 5.3 Maintenance. Tenant shall maintain the Property and the Improvements in good and safe condition and repair and sightly in appearance, in a condition and quality at least equal to that of other similar projects in the metropolitan Richmond area, normal wear and tear

and damage from casualty and condemnation excepted. Landlord shall not have any obligation or responsibility for the maintenance or repair of the Property or the Improvements.

ARTICLE 6 IMPOSITIONS

Section 6.1 Utility Charges. Tenant, at its sole cost and expense, shall arrange for and obtain any and all utility services required in connection with the construction and operation of the Improvements on the Property. At all times during the Term, Tenant shall, at its sole cost and expense, pay or cause to be paid any and all charges for any such utility services provided to the Property (including normal tap-in or tie-in charges). All such charges shall be paid by Tenant directly to the applicable utility service provider on or before the due date thereof.

Section 6.2 Taxes.

(a) Inclusions. Tenant shall, at its sole cost and expense, pay to the appropriate taxing authority all taxes, general and special assessments and other public charges of every description (collectively called the "Taxes") levied on or assessed against the Property, the Improvements, any personal property located on the Property or the Improvements and owned by Tenant and Tenant's leasehold interest in the Property created pursuant to this Lease during the Term. Tenant shall pay the Taxes, or any installment of the Taxes if permitted to be paid in installments, on or before the day on which any interest or penalty is imposed upon such payment whether belonging to or chargeable against Landlord or Tenant.

(b) Tax Bills. Landlord shall deliver all tax bills to Tenant promptly after receipt of the same from the relevant taxing authorities and at least sixty (60) days (if feasible, but in any event at least thirty (30) days) before the due date of any installment, unless such bills are delivered directly to Tenant by the appropriate authorities. From and after the Commencement Date, Tenant shall use commercially reasonable efforts to have the relevant tax authorities agree to send tax bills directly to Tenant. Upon receipt of a notice from Landlord requesting same, Tenant shall deliver to Landlord receipts indicating payment or other satisfactory proof of payment of any taxes required theretofore to have been paid as provided in Section 6.2.

(c) Contests. Tenant may contest any assessment or the imposition of any Tax against the Property or the Improvements, unless such proceedings shall operate to cause the sale of the Property or the Improvements or any part thereof, the sale or foreclosure of any lien thereon or the imposition of fines or other civil or criminal liability prior to the final determination of such proceedings. Landlord agrees to execute appeals, petitions, suit papers and other documents legally necessary in connection with any such contest and to cooperate reasonably in such proceedings, all upon Tenant's request, provided, Tenant fully indemnifies Landlord for its participation and pays all reasonable costs and expenses of Landlord associated with such proceedings. During any

such contest, Tenant shall take all steps legally necessary, including payments under protest, to prevent foreclosure and public sale or other divesting of Landlord's title by reason of nonpayment of Taxes. In any event, Tenant shall pay all Taxes prior to the issuance of an execution for such payment.

Section 6.3 Failure to Make Payments. If Tenant fails to pay as and when due any Impositions, insurance premiums on any policy required to be maintained by Tenant under this Lease, or any other charges, costs or expenses required to be paid by Tenant under this Lease, then Landlord shall have the right, but not the obligation, to make all such payments, in which event Tenant shall immediately repay Landlord the amount of such payments on demand. If Tenant does not make such payment, then Landlord shall have the same rights and remedies with respect thereto as Landlord has for the nonpayment of Rent (including the right to charge interest at the Default Rate from the date Landlord first makes such payment). Payment of any such amounts by Landlord shall not be deemed a waiver of any of its rights under Article 13.

ARTICLE 7

ENVIRONMENTAL CONDITIONS, COVENANTS AND WARRANTIES

Section 7.1 Tenant's Environmental Covenants.

(a) Tenant shall not engage in operations at or on the Property that involve the generation, manufacture, refining, transportation, treatment, storage, handling, disposal, release or threat of release of Hazardous Substances which would require remediation or clean-up to conform to Environmental Laws. Tenant shall at all times comply with Environmental Laws with respect to substances first coming onto the Property following the Commencement Date and during the Term. Tenant shall not cause and shall not permit to exist as a result of an intentional or unintentional action or omission on its part (and Tenant shall use reasonable efforts not to permit to exist as a result of an intentional or unintentional action or omission on the part of any other party), the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping from or about the Property of any Hazardous Substances in amounts and concentrations the uncontained presence of which would require remediation or clean-up to conform to Environmental Laws.

(b) Nothing contained in this Section 7.1 shall be construed as prohibiting the use on the Property of substances regulated by Environmental Laws that are normally or routinely used in the construction or reconstruction of improvements such as the Improvements or are normally or routinely used in the operation, repair, maintenance, and use of residential projects, such as fuels, solvents, cleaning materials, paint and printing materials, so long as the same are used, stored and disposed of in a manner that complies with Environmental Laws.

(c) Tenant shall indemnify, hold harmless and, if elected by Landlord, defend Landlord (with counsel reasonably acceptable to Landlord) from and against any and all third party claims, demands, liabilities, losses, damages (whether direct, indirect and/or special), costs and expenses (including, without limitation, reasonable attorney's fees and litigation expenses) arising or resulting from Tenant's breach of its obligations pursuant to this Section 7.1. The foregoing indemnification obligations of Tenant shall survive the expiration or earlier termination of this Lease for the applicable statute of limitations related to the claim(s) made. Landlord shall give Tenant prompt written notice after it becomes aware of the commencement of any such proceeding against Landlord; provided, however, any failure on the part of Landlord to so notify Tenant shall not limit any of the obligations of Tenant, or any of the rights of Landlord hereunder (except to the extent such failure materially prejudices the defense of such claim or legal proceeding).

Section 7.2 Landlord as Responsible Party. Notwithstanding anything to the contrary herein, Landlord shall not be relieved from any liability that Landlord may have under Applicable Laws that relate to the environmental condition of the Property by reason of the existence of any environmental conditions on the Property for which it is a Responsible Party during the period of Landlord's ownership of the Property, and in no event shall Tenant indemnify Landlord with respect to any environmental conditions that existed on the Property prior to Tenant's acquisition of its leasehold interest in the Property pursuant to this Lease, except to the extent any such conditions were aggravated by the negligence or willful misconduct of Tenant, its agents, contractors or subcontractors. The term "Responsible Party" shall mean a party which has liability or potential liability under Applicable Laws that relate to the environmental condition of the Property.

Section 7.3 Pre-Existing Environmental Conditions. If, from and after the Commencement Date, any environmental conditions are discovered on the Property that (i) are determined to have existed prior to Tenant's acquisition of its leasehold interest in the Property pursuant to this Lease, (ii) are determined not to have been caused by Landlord during the period of Landlord's ownership of the Property, and (iii) are determined to constitute a violation of any applicable Environmental Laws (collectively, "Pre-Existing Environmental Conditions"), neither Landlord nor Tenant shall have any liability or responsibility to the other with respect to such environmental conditions or with respect to the remediation or clean-up thereof. If any Pre-Existing Environmental Conditions are discovered, Tenant shall notify Landlord of the existence of such Pre-Existing Environmental Conditions promptly following Tenant's discovery thereof, and, thereafter, Landlord and Tenant shall work in good faith to agree upon a mutually acceptable plan for remediating such Pre-Existing Environmental Conditions in accordance with Applicable Laws (the "Remediation Plan"). Thereafter, the parties shall use good faith efforts to pursue funding sufficient to remediate such Pre-Existing Environmental Conditions in accordance with the Remediation Plan from the City. If the parties are unable to obtain such funding from the City, the parties shall use good faith efforts to identify another funding source willing to provide sufficient funding to remediate such Pre-Existing Environmental Conditions in accordance with the Remediation Plan on terms mutually acceptable to the parties, and, if such a

funding source is identified, the Financing Plan (as defined in the Development Agreement) for the Project shall be amended in accordance with the Development Agreement to reflect the funding to be provided by such funding source for such purposes. If, despite the good faith efforts of the parties to identify such funding source, the parties are unable to identify such a funding source, then Tenant, in its sole discretion and subject to any requisite consent of the Investor Member and any Leasehold Mortgagees, within one hundred twenty (120) days thereafter, may elect to either (a) terminate this Lease upon written notice to Landlord, in which case Tenant shall surrender possession of the Property to Landlord and neither party shall have any further liabilities or obligations hereunder, or (b) provide the funding necessary to remediate such Pre-Existing Environmental Conditions in accordance with the Remediation Plan without impacting the Financing Plan for the Project.

ARTICLE 8 MORTGAGES

Section 8.1 Mortgages of the Leasehold. Landlord acknowledges and agrees that Tenant will enter into one or more leasehold mortgages with an institutional lender in order to secure construction and permanent financing for the Improvements, including any future refinancings thereof (each, a "Leasehold Mortgage" and, collectively, the "Leasehold Mortgages"). If required, the documentation evidencing the Leasehold Mortgages shall be in a form reasonably acceptable to HUD. Except for the Leasehold Mortgages and except as provided for in Article 12 hereof, Tenant may not assign or encumber its leasehold interest in the Property created by this Lease or its fee interest in the Improvements without the prior written approval of Landlord, which approval may be withheld by Landlord in its sole and absolute discretion.

Section 8.2 Rights of Leasehold Mortgagees and the Investor Member. In connection with the Leasehold Mortgages, Landlord agrees with and for the benefit of each Leasehold Mortgagee as follows:

(i) When delivering any notice, demand, election or other communication (any of the same being referred below in this Article as a "notice") to Tenant with respect to this Lease or any exercise of any right to terminate this Lease, Landlord will also deliver a copy of any such notice by registered or certified mail to any Leasehold Mortgagee, provided the Leasehold Mortgagee has previously notified Landlord in writing of its current address for receipt of notices. Any above notices shall also be provided to the Investor Member provided Tenant or the Investor Member of Tenant has previously notified Landlord in writing of the current address for the Investor Member for receipt of notices.

(ii) Should Tenant default in respect of any of the provisions of this Lease, any Leasehold Mortgagee and the Investor Member shall have the right, but not the obligation, to cure such default, and Landlord shall accept

performance by or on behalf of such Leasehold Mortgagee as though, and with the same effect as if, it had been done or performed by Tenant. Each Leasehold Mortgagee and Investor Member will have a period of time after the service of such notice upon it within which to cure the default specified in such notice, or cause it to be cured, which is the same period for cure, if any, as is given to Tenant under this Lease in respect of the specified default after the giving of such notice to Tenant. In the event of a default under this Lease which cannot reasonably be cured within said period, the period of time for cure shall be extended for so long as such Leasehold Mortgagee or Investor Member has initiated and is diligently proceeding to cure such default, or, if such default, by its nature, is not susceptible of being cured by such Leasehold Mortgagee until it has taken lawful possession of Tenant's interests in the Property, then such Leasehold Mortgagee shall have the right to obtain possession of the Property by itself through prosecution and foreclosure proceedings or otherwise by agreement with Tenant or through a court-appointed receiver, prior to being required to complete such cure.

(iii) If Landlord shall give notice of default under this Lease to Tenant pursuant to the provisions of Article 13 hereof, and if such default shall not be remedied within the applicable grace period provided for in said Article 13 and Landlord shall thereby, or otherwise, become entitled to give a notice of election to terminate this Lease or enter and take possession without terminating the Lease then before giving any such notice of election to terminate this Lease, or before entering and taking possession, as applicable, Landlord shall give to each Leasehold Mortgagee and Investor Member additional notice of the default, and shall allow each Leasehold Mortgagee and Investor Member an additional thirty (30) days after its receipt of such notice within which to cure the default. The rights of each Leasehold Mortgagee and the Investor Member under this subdivision (iii) are in addition to such rights as are given to each Leasehold Mortgagee under subdivision (ii) of this Section.

(iv) Any Leasehold Mortgagee may become the legal owner and holder of Tenant's leasehold interest in the Property, by foreclosure or other enforcement proceedings, or by obtaining an assignment of this Lease or Tenant's leasehold interest in the Property in lieu of foreclosure or through settlement of or arising out of any pending or threatened foreclosure proceeding (herein collectively referred to as "Foreclosure"), without Landlord's consent, subject to the applicable terms and provisions of this Lease including Landlord's right to cure any subsequent defaults, and such Leasehold Mortgagee may assign this Lease without Landlord's consent to any assignee at any time thereafter, provided such assignee expressly assumes the obligations of Tenant hereunder. Upon Foreclosure, the purchaser at such Foreclosure or the assignee under such assignment in lieu of Foreclosure shall become Tenant, and shall thereafter be the

owner and holder of this Lease, the leasehold and Tenant's interests under this Lease for all purposes and Landlord shall thereafter look solely to such purchaser or assignee with respect to performance of the terms of this Lease.

(v) In case of a default by Tenant in the performance or observance of any term, covenant, condition or agreement on Tenant's part to be performed under this Lease, if Landlord shall elect, in lieu of any other remedy available to Landlord under this Lease, to bring a proceeding to dispossess Tenant and/or other occupants of the Property or to re-enter the Property or to terminate this Lease, by reason of such default, pursuant to any statute now or hereafter enacted, then Landlord shall, before commencing such proceeding, give to each Leasehold Mortgagee written notice of such default and shall allow each Leasehold Mortgagee an additional thirty (30) days after its receipt of such notice within which to cure such default. The rights of each Leasehold Mortgagee hereunder are in addition to such rights as are given to each Leasehold Mortgagee under any other section or subsection of this Lease.

(b) Any notice or other communication which Landlord shall desire or is required to give to or serve upon each Leasehold Mortgagee shall be in writing and shall be served by registered or certified mail, addressed to each Leasehold Mortgagee at its address as set forth in its Leasehold Mortgagee, or at such other address as shall be designated from time to time by each Leasehold Mortgagee by notice in writing given to Landlord by registered or certified mail. Any notice or other communication which each Leasehold Mortgagee shall desire or is required to give to or serve upon Landlord shall be deemed to have been given or served if sent by registered or certified mail addressed to Landlord at Landlord's address as set forth in Section 15.4 below, or at such other address as shall be designated from time to time by Landlord by notice in writing given to each Leasehold Mortgagee by registered or certified mail. Any such notice or communication shall be effective on the date such notice or communication is delivered to the party to whom it is given.

(c) Subject to the standstill provision provided in Section 13.2 below, except as otherwise provided herein, Landlord will not modify or amend or, except upon an Event of Default (after affording each Leasehold Mortgagee the notice of and opportunity to cure such Event of Default as provided in this Section 8.2), cancel, surrender or terminate this Lease without the prior written consent of each Leasehold Mortgagee. Any such modification, amendment, cancellation, surrender, or termination without the written consent of each Leasehold Mortgagee (if such consent shall be required) shall be void and of no force or effect. In the event on any occasions hereafter Tenant seeks to mortgage its leasehold estate (which mortgage shall be made expressly subject and subordinate to the terms of this Lease), Landlord agrees to amend this Lease from time to time to the extent reasonably requested by a lender proposing to make Tenant a loan to be secured by a subordinate lien upon Tenant's leasehold estate,

provided that such proposed amendments do not materially and adversely affect the rights of Landlord or its interest in the Property and provided such amendments are pre-approved by HUD, if required. All reasonable expenses incurred by Landlord in connection with any such amendment, including, without limitation reasonable attorneys' fees, shall be paid by Tenant.

(d) The making of a Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Lease or of the leasehold estate hereby created, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Lease or of the leasehold estate hereby created so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of the Tenant to be performed hereunder, but the purchaser at any Foreclosure of any Leasehold Mortgage, or the assignee or transferee under any assignment or transfer in lieu of the Foreclosure shall be deemed to be an assignee or transferee within the meaning of this Section, and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of the Tenant to be performed hereunder from and after the date of such purchase and assignment or transferee, but only for so long as such purchaser or assignee or transferee is the owner of the Leasehold Estate. Notwithstanding anything to the contrary contained in this Lease, if a Leasehold Mortgagee or its designee shall become the holder of the leasehold estate created hereby, and if the Improvements on the Property shall have been or become materially damaged on, before or after the date of such purchase and assignment, the Leasehold Mortgagee or its designee shall be obligated to repair, replace or reconstruct the Improvements only to the extent of the Insurance Proceeds received by the Leasehold Mortgagee or its designee by reason of such damage; provided, however, the foregoing limitation shall not apply if the Leasehold Mortgagee or its designee has failed to maintain the insurance required to be maintained by Tenant pursuant to Article 9 of this Lease.

(e) New Lease. In the event of the termination of this Lease as a result of the occurrence of an Event of Default, Landlord shall, in addition to providing the notices of default and termination as required herein, provide each Leasehold Mortgagee with written notice that the Lease has been terminated, together with a statement of all sums which would at that time be due under this Lease but for such termination, and of all other defaults, if any, then known to Landlord. Landlord agrees to enter into a new lease (the "New Lease") for the Property with such Leasehold Mortgagee or its designee for the remainder of the Term of this Lease, effective as of the date of termination, upon the same terms and conditions set forth herein, provided:

(i) Such Leasehold Mortgagee shall make written request upon Landlord for such New Lease within thirty (30) days after the date such Leasehold Mortgagee receives Landlord's notice of termination pursuant to this subparagraph (e).

(ii) Such Leasehold Mortgagee or its designee shall pay or cause to be paid to Landlord at the time of execution and delivery of such New Lease any and all sums which would at the time of execution and delivery thereof be due pursuant to this Lease but for such termination, and, in addition thereto, all reasonable expenses, including reasonable attorneys' fees, which Landlord shall have incurred by reason of such termination and the execution and delivery of the New Lease and which have not otherwise been received by Landlord from Tenant or any other party in interest under this Lease.

(iii) Such Leasehold Mortgagee or its designee shall agree to remedy any of Tenant's defaults of which said Leasehold Mortgagee was notified by Landlord's notice of termination and which are reasonably susceptible of being so cured by Leasehold Mortgagee or its designee.

(iv) The New Lease shall be prior to any mortgage or other lien, charge or encumbrance on the fee of the Property, other than the Permitted Exceptions, and such Leasehold Mortgagee shall have the same right, title and interest in and to the Property and the Improvements thereon under the New Lease as Tenant had under this Lease.

(v) The tenant under any such New Lease shall be liable to perform the obligations imposed on the tenant by such New Lease only during the period such person has ownership of such Leasehold Estate.

(vi) If more than one Leasehold Mortgagee shall request a New Lease pursuant to subsection (e)(i) of this Section 8.2, Landlord shall enter into such New Lease with the Leasehold Mortgagee whose mortgage is prior in lien, or with the designee of such Leasehold Mortgagee. Landlord, without liability to Tenant or any Leasehold Mortgagee with an adverse claim, may rely upon a mortgagee title insurance policy issued by a responsible title insurance company doing business within the state in which the Property is located as the basis for determining the appropriate Leasehold Mortgagee who is entitled to such New Lease. The tenant under the New Lease shall grant Leasehold Mortgages to each of the Leasehold Mortgagees in the same order of priority existing prior to the termination of the Lease.

(f) Landlord's Bankruptcy.

(i) Landlord shall not, in the event of the bankruptcy, reorganization or insolvency of Tenant or Landlord, (i) surrender its leasehold estate, or any portion thereof, nor terminate, cancel or acquiesce in the rejection of this Lease; or (ii) modify, change, supplement, alter or amend this Lease in any respect, either orally or in writing. Tenant does hereby expressly release, assign, relinquish and surrender unto the Leasehold Mortgage holding the first priority

lien on the Property (the “First Leasehold Mortgagee”) all its right, power and authority to terminate, cancel, acquiesce in the rejection of, modify, change, supplement, alter or amend this Lease in any respect, either orally or in writing, at any time, including in the event of the bankruptcy, reorganization or insolvency of Tenant or Landlord under this Lease, and any attempt on the part of Tenant to exercise any such right without the consent of the First Leasehold Mortgagee shall be null and void. Notwithstanding the foregoing, in the event of a threatened termination of this Lease due to bankruptcy, reorganization or insolvency of Tenant, Tenant shall, at Leasehold Mortgagee’s election, absolutely assign to First Leasehold Mortgagee, in lieu of such termination, all of Tenant’s right, title and interest in and to this Lease.

(ii) In the event this Lease is rejected by Landlord, as debtor in possession, or by a trustee for Landlord, pursuant to Section 365 of the Bankruptcy Code, Tenant shall not exercise its right to elect under Section 365(h)(I) of the Bankruptcy Code to terminate or treat this Lease as terminated. Any such election made shall be null and void. In any event, Tenant hereby waives, for the benefit of the First Leasehold Mortgagee, its successors and assigns only, and not enforceable by anyone else, the provisions of Section 365 of the Bankruptcy Code, or of any statute or rule of law now or hereafter in effect which gives or purports to give Tenant any right of election to terminate this Lease, to acquiesce in the termination of this Lease or to surrender possession of the Property in the event of the bankruptcy, reorganization or insolvency of Tenant or any other party including, without limitation, Landlord. The term “Bankruptcy Code” as used in this Lease shall mean Title 11 of the United States Code as now in effect or as it may be amended from time to time.

ARTICLE 9 INSURANCE

Section 9.1 Coverage. Throughout the Term, Tenant shall maintain in effect the following types of insurance coverage described in this Section 9.1, at no cost or expense to Landlord:

(a) Insurance on the Improvements against loss or damage by fire and lightning, and all of the hazards included in the extended coverage endorsement, including, without limitation, lightning, vandalism, malicious mischief, sprinkler leakage and difference in conditions (including the perils of flood, earthquake, collapse and water damage and all other perils as defined in the current standard “all-risk” form), such insurance to be in an amount equal to not less than full replacement cost of the Improvements (exclusive of the cost of replacing excavation, foundation and footings). The foregoing fire and extended coverage and insurance shall include “all risk” insurance for physical loss or damage. During the construction of the Improvements, the Builder’s

Risk form of fire and extended coverage insurance (which shall include “all risk” insurance for physical loss or damage as aforesaid) shall be used;

(b) Comprehensive general liability and property damage insurance against claims for personal injury or death, or property damage suffered by others occurring on or about the Property or Improvements or any equipment located thereon, such public liability insurance to afford protection to the limits of not less than Two Million and no/100 Dollars (\$2,000,000.00) combined single limit for bodily injury or property damage, together with contractual coverage and completed operations, with respect to any accident or occurrence, all of such insurance shall, by its terms, be primary and noncontributory with respect to any other insurance carried by Landlord; and

(c) Worker’s compensation insurance (including employer’s liability insurance) providing the statutory benefits required by Applicable Laws.

Notwithstanding the foregoing, if any Leasehold Mortgagee or Investor Member requires an increase in any of the insurance limits set forth in this Section 9.1 and requires that Tenant maintain additional insurance coverage, Tenant shall comply with such requirements.

Section 9.2 Policies. The policies of insurance shall comply with the following requirements.

(a) General Requirements. All of the policies of insurance provided for in this Lease shall be with reputable companies authorized to issue such policies in such amounts in the Commonwealth of Virginia. Such insurance may be carried under blanket policies that include other properties and provide separate coverage for the Property and the Improvements. All deductibles under such policies must be commercially reasonable in light of the specific type of coverage to which the deductible applies. Upon request, Tenant shall deliver to Landlord certificates showing such insurance to be in full force and effect. In addition, upon request by Landlord, Tenant shall provide Landlord with copies of the underlying insurance policies. Such policies shall contain express waivers by the insurer of any rights of subrogation against Landlord.

(b) Insureds. All insurance to be provided by Tenant shall name Tenant as insured and Landlord as additional insured and may, at the option of Tenant, name each Leasehold Mortgagee (in a “standard mortgagee clause”) or any other Persons, all as their respective interests may appear.

(c) Payment of Loss. All policies of insurance required to be maintained by Tenant under this Lease, except for liability insurance, shall provide for payment of loss to Tenant, and may be applied by Tenant to such purposes as Tenant deems appropriate, subject to any obligations of Tenant with respect to application of insurance proceeds under this Lease and subject to the requirements of the Leasehold

Mortgages. All such policies of insurance shall provide for the adjustment of claims with the insurers under such policies by Tenant, subject other reasonable approval of Landlord.

(d) Renewal and Cancellation. Each policy of insurance required to be maintained by Tenant under this Lease shall provide that it may not be cancelled by the insurer for nonpayment of premiums or otherwise until at least ten (10) days after service of notice of the proposed cancellation upon Landlord. Tenant shall deliver certificates evidencing policy renewals ten (10) days prior to the expiration of the then current policies. If Tenant shall fail to do so within five (5) days after written request by Landlord, then Landlord may procure such insurance on behalf of Tenant and Tenant shall pay the cost thereof on demand.

Section 9.3 Indemnity. Tenant shall defend, hold harmless and indemnify Landlord and its agents, employees and contractors (each, a “Landlord Indemnitee” and, collectively, “Landlord Indemnitees”) from and against all damages, liabilities, losses, expenses, including reasonable attorneys’ fees and disbursements and costs of investigation, costs, disputes, suits, claims, demands or penalties of any kind or nature incurred by a Landlord Indemnitee, or imposed upon or claimed against any such Landlord Indemnitee by any third party, to the extent caused by or on account of, or arising from, the performance by the Tenant of, or failure to perform, its obligations hereunder except to the extent resulting from the negligence or willful misconduct of any of the Landlord Indemnitees or as provided in Section 7.3. If provided timely notice to defend such claims, Tenant shall direct the defense of any matter for which indemnification is provided under this Section 9.3, including the employment of counsel reasonable satisfactory to the affected Landlord Indemnitee and the right to negotiate and consent to settlement (which settlement shall be reasonably acceptable to the affected Landlord Indemnitee). The affected Landlord Indemnitee shall have the right to employ separate counsel in any such claim and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of said Landlord Indemnitee. Tenant shall not be liable for any settlement of any claim effected without its consent or for any claims for which Tenant does not receive timely notice from Landlord so as to enable Tenant to defend such claims. In addition, Tenant shall not be required to indemnify the Landlord Indemnitees under this Section 9.3 for claims that arise as a result of actions undertaken by Tenant that were expressly approved by Landlord in its capacity as a member of the managing member of Tenant, unless such actions were undertaken by Tenant in a negligent or unlawful manner, in which case the terms of this Section 9.3 shall apply to such claims.

ARTICLE 10 DAMAGE OR DESTRUCTION

Section 10.1 Repair or Restoration. Subject to the rights of the Leasehold Mortgagees, if at any time during the Term, all or part of the Improvements shall be damaged or destroyed by

fire or other casualty, then Tenant, using the Insurance Proceeds made available to Tenant, shall within three hundred sixty-five (365) days after the Insurance Proceeds become available to Tenant, repair, restore, replace or rebuild the Improvements to substantially the same condition as existed immediately prior to the damage or destruction and substantially in accordance with the originally approved construction documents for the Improvements (the “Work”).

Notwithstanding the foregoing, in the event of substantial damage or destruction by casualty (i) which damage Tenant in good faith determines is such that the reconstruction of economically viable Improvements is not practicable, either because (a) the Insurance Proceeds made available to Tenant are not sufficient to repair such loss or damage (provided that in all events Tenant shall have been in compliance with the insurance requirements set forth in Article 9.1(a) of this Lease), or (b) such reconstruction cannot be carried out under Applicable Laws, including then current building or zoning laws, or (ii) which damage occurs during the last three (3) years of the Term, then Tenant, subject to the rights of Leasehold Mortgagees and the Investor Member, shall have the right to terminate this Lease upon thirty (30) days’ written notice to Landlord.

Section 10.2 Insurance Proceeds: Deficits or Excess. If Tenant elects to reconstruct the Improvements as provided for in Section 10.1 above, and if the Insurance Proceeds received by Tenant are insufficient to pay the entire cost of the Work, then Tenant shall be responsible for the amount of any such deficiency. If the Insurance Proceeds received by Tenant shall exceed the entire cost of the Work, then such excess proceeds shall be the sole and absolute property of Tenant. If Tenant elects to terminate the Lease in accordance with Section 10.1, the Insurance Proceeds shall be allocated in the following order, subject to the requirements of the Leasehold Mortgagees: First, to costs of clearing the debris of casualty, demolishing the Improvements and restoring the Property to sightly, safe and buildable condition, free of any mechanics’ liens, within a reasonable period not to exceed one hundred eighty (180) days after casualty, or such longer time as may reasonably be required to obtain and apply the Insurance Proceeds; Second, to Landlord in the amount of any then outstanding Rent or other imposition or obligation hereunder owed by Tenant; Third, to pay off the outstanding Leasehold Mortgages in order of their priority or as may be otherwise agreed upon by all mortgagees; Fourth, to Tenant in an amount equal to the amount that Tenant or its general partner or managing member or any affiliate thereof is required to pay to any investor member or partner in connection with the casualty or condemnation event as a consequence of any provision of Tenant’s limited partnership agreement or operating agreement that is triggered as a result of such casualty or condemnation event providing for the repurchase of an interest, the triggering of “credit adjusters,” or otherwise; Fifth, to Tenant to pay off any outstanding indebtedness to any partner or member not otherwise covered by the sixth allocation; and Sixth, to Tenant.

Section 10.3 Landlord Not Obligated; Mutual Release. Under no circumstances shall Landlord be obligated to make any payment, disbursement or contribution towards or on account of the cost of the Work.

Section 10.4 Insurance and Casualty Prior to Construction Closing. Notwithstanding the foregoing provisions of Articles 9 and 10, Landlord shall maintain its existing insurance

coverage on the Property until the earlier of Construction Closing or notice from Tenant that it has obtained its own coverage, and Tenant will reimburse Landlord for the cost thereof. In the event of casualty prior to Construction Closing, the Landlord shall make insurance proceeds available to Tenant for use in reconstruction and rehabilitation; provided, however, in the event that a casualty event to the existing Improvements results in the removal of the historic designation of the Property, making the Project infeasible, then Tenant in its discretion shall have the right to terminate this Lease, the insurance proceeds shall be assigned and paid to Landlord less and except Tenant's documented actual out-of-pocket costs and expenses related to the Project including, without limitation to, architectural, legal, and engineering fees, which shall be paid over to Tenant.

ARTICLE 11 CONDEMNATION

Section 11.1 General. If a Taking occurs at any time during the Term, then the provisions of this Article 11 shall apply to the condemnation proceedings and the distribution of any Condemnation Awards pertaining to such Taking.

Section 11.2 Apportionment of Awards. Whether or not separate awards are made to Landlord and Tenant, the Condemnation Award(s) attributable to the respective interest of Landlord and Tenant to the Property shall be apportioned between Landlord and Tenant as provided in Subsections 11.4.2 and 11.4.3, as applicable.

Section 11.3 Requests for Separate Awards by Court. The court in such condemnation proceedings shall, if not prohibited by law, be requested by Landlord and Tenant to make separate Condemnation Awards to Landlord and Tenant apportioned in accordance with Subsections 11.4.2 and 11.4.3 hereof. The provisions of Subsections 11.4.2 and 11.4.3 concerning termination of the Term and receipt and payment of the award shall also apply to circumstances governed by this Section 11.3 and the court shall be requested to take such matters into account in rendering separate awards.

Section 11.4 Single Award by Court.

(a) General. If the court in such condemnation proceedings is prohibited by law from making separate Condemnation Awards to Landlord and Tenant, or declines to do so, then the provisions of this Section 11.4 shall apply to the distribution of the single Condemnation Award made by such court.

(b) Total Taking. Subject to the rights of any Leasehold Mortgagee, if a Total Taking (other than a Temporary Taking) occurs, then the Rent shall be prorated between Landlord and Tenant as of the Date of Taking, and this Lease shall be terminated as of the Date of Taking. The following provisions shall apply to the apportionment of any Condemnation Award for such Total Taking:

(i) All sums, including damages and interest, constituting the Condemnation Award shall be deposited promptly with a mutually agreeable escrow agent, and shall be apportioned pursuant to the terms of this Section 11.4(b); and

(ii) The Condemnation Award, after the payment of all reasonable fees and expenses related thereto, shall be apportioned and disbursed in the following amounts and priority:

A. To Landlord, a sum equal to the product of the Condemnation Award multiplied by the Landlord's Percentage (as hereafter defined); and

B. To Tenant, a sum equal to the product of the Condemnation Award multiplied by the Tenant's Percentage (as hereafter defined).

The "Landlord's Percentage" shall equal the fair market value, at the time of the Taking, of the fee simple title to the Property computed as though it remained subject to this Lease for the remainder of the scheduled Term, plus the residual fair market value of the Improvements as of the scheduled expiration of the Term (the "Land Value") divided by the sum of the Land Value, the Improvements Value and the LIHTC Value. The "Improvements Value" shall be the fair market value of the Improvements owned by the Tenant as of the date of the Taking, less the residual fair market value of the Improvements as of the expiration of the Term. The "LIHTC Value" shall equal the value of the federal low-income tax credit benefits associated with the development lost or recaptured by reason of the Taking. The "Tenant's Percentage" shall equal the sum of the Improvements Value and the LIHTC Value divided by the sum of the Land Value, the Improvements Value and the LIHTC Value.

(c) Partial Taking: Procedures and Criteria for Course of Action. Subject to the rights of any Leasehold Mortgagee, in the event of a permanent Taking of less than all of the Property (a "Partial Taking"),

(1) if Tenant reasonably determines that the continued use and occupancy of the remainder of the Property by Tenant is or can reasonably be made to be economically viable, structurally sound, and consistent with all Leasehold Mortgages, then this Lease shall remain in effect as to the remainder of the Property, and, if otherwise feasible based upon the amount of the Condemnation Award and any other available funds of Tenant as, at Tenant's option, are demonstrably available for the purpose of paying for such restoration (the "Restoration Criteria"), then the Property shall be restored pursuant to Section 11.7 hereof; or

(2) if the continued use and occupancy of the remainder of the Property by the Tenant is not or cannot reasonably be made to be economically viable, structurally sound, consistent with all Leasehold Mortgages, and otherwise feasible, then this Lease may be terminated by the Tenant and the Condemnation Award shall be applied in accordance with Section 10.2.

(d) Temporary Taking. If a Temporary Taking occurs, then the Term shall not be reduced or affected in any way and Tenant shall continue to pay in full the Rent, without reduction or abatement, in the manner and at the times specified in this Lease. Except only to the extent that Tenant is prevented (either legally or as a practical matter) from so doing pursuant to the terms of the order of the condemning authority, Tenant shall continue to perform and observe all of the other covenants, agreements, terms and provisions of this Lease as though such Taking had not occurred. Upon any such Temporary Taking, Tenant shall be entitled to receive the entire amount of any Condemnation Award made for such Temporary Taking whether such award is paid by way of damages, rent or otherwise; provided, however, if the period of temporary use or occupancy shall extend beyond the date of the expiration or termination of the Term, then such Condemnation Award shall be prorated by Landlord and Tenant of such date of expiration.

Section 11.5 Condemnation Proceedings. Tenant, Landlord and each Leasehold Mortgagee shall each have the right, at its own expense, to appear in any condemnation proceeding and to participate in any and all negotiations, hearings, trials and appeals in such proceeding.

Section 11.6 Notice of Condemnation. If Landlord or Tenant receives notification of any proposed or pending condemnation proceeding affecting the Property, then the party receiving such notification shall promptly give notice to the other party.

Section 11.7 Restoration. Subject to the rights of any Leasehold Mortgagee, if a decision is made pursuant to Section 11.4(c) following a Partial Taking to restore the remainder of the Property, and/or Improvements, as applicable, Tenant and Landlord, shall reasonably agree upon and approve plans and specifications for doing so. Upon approval of said plans and specifications, Tenant shall promptly proceed to commence and complete the restoration pursuant to the approved plans and specifications. Tenant shall use the entire Condemnation Award for such restoration, provided, however, any portion of the Condemnation Award remaining after the completion of the restoration shall be applied in accordance with Section 11.4(b)(ii). If Tenant has decided pursuant to Section 11.4(c) to restore the remainder of the Property and/or Improvements, as applicable, said restoration shall be at Tenant's expense, and if the cost of the restoration shall exceed the amount of the Condemnation Award, the deficiency shall be paid by Tenant, except if said deficiency exists by virtue of the failure or refusal of any Leasehold Mortgagee or Landlord to release all or any portion of the Condemnation Award to Tenant to pay for said restoration. Any restoration shall be undertaken in conformity with all Applicable Laws.

ARTICLE 12
ASSIGNMENT AND SUBLETTING; ENCUMBRANCES BY LANDLORD

Section 12.1 Assignment and Subletting. Tenant may not assign this Lease or its leasehold interest in the Property or sublet all or any portion of the Property or otherwise transfer (by operation of law or otherwise, including, without limitation, as a result of a transfer of the membership interests in Tenant or as a result of a transfer of the ownership interests in the constituent members of Tenant) or encumber this Lease or its leasehold interest in the Property, except as otherwise expressly permitted herein, without Landlord's prior written consent, which consent may be withheld by Landlord in its sole and absolute discretion. Notwithstanding anything in this Lease to the Contrary, Landlord's consent shall not be required for (a) the leasing by Tenant of any of the housing units to be constructed on the Property by Tenant as part of the Project, (b) the transfer of the Property to an entity controlled by the Developer (however written notice of such transfer under (b) will be promptly provided to the Landlord, together with a copy of the documentation effecting such transfer), (c) a transfer of the Investor Member's membership interest in Tenant or in the managing member of Tenant or a transfer of membership interests in Investor Member or (d) the removal and replacement of the managing member of Tenant in accordance with Tenant's Amended and Restated Operating Agreement.

Section 12.2 Encumbrances by Landlord. Landlord may not encumber its interest in the Property during the Term of this Lease without Tenant's prior written consent, which consent may be withheld by Tenant in its sole and absolute discretion.

ARTICLE 13
DEFAULTS BY TENANT AND LANDLORD'S REMEDIES

Section 13.1 Events of Default by Tenant. The occurrence and continuance of any of the following events, acts or circumstances shall be and constitute an "Event of Default" by Tenant:

(a) Failure by Tenant to pay in full any Rent or other amount payable under this Lease when due, and the continuance of such failure for ten (10) days after Landlord gives written notice of such failure to Tenant;

(b) Failure by Tenant to pay or cause to be paid any Taxes, when required to be paid hereunder, subject to Subsection 6.2(c), and the continuance of such failure for thirty (30) days after Landlord gives written notice of such failure to Tenant;

(c) Failure by Tenant to maintain in full force and effect any policies of insurance required to be maintained by Tenant hereunder, and the continuance of such failure for three (3) business days after Landlord gives written notice of such failure to Tenant;

(d) Failure of Construction Closing to occur within 365 days of the execution date hereof; or

(e) Failure by Tenant to observe, perform or comply with any of the terms, covenants, agreements or conditions contained in this Lease, and the continuance of such failure for thirty (30) days after Landlord gives written notice of such failure to Tenant, or, when the cure reasonably requires more than thirty (30) days, the failure of Tenant to (i) commence to cure such failure within such period of thirty (30) days, and (ii) thereafter to diligently and continuously prosecute such cure to completion.

Section 13.2 Remedies of Landlord. Whenever any Event of Default by Tenant shall exist, Landlord may take any one or more of the following remedial steps:

(a) In the case of the Events of Default described in Section 13.1(a), (b) and (c) and (d) and any material Event of Default described in Section 13.1(e) only, Landlord may terminate this Lease upon written notice to Tenant, exclude Tenant from possession of the Property, and hold Tenant liable for damages;

(b) Landlord may take any and all actions at law or in equity to collect the Rent then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of Tenant under this Lease, and in connection with either, to recover any or all costs, including reasonable attorneys' fees, to Landlord for Tenant's violation or breach of this Lease provided Landlord may not re-enter, take possession or terminate this Lease except as provided above; or

(c) Landlord may pursue any combination of such remedies and/or any other remedies available at law or in equity provided Landlord may not reenter, take possession or terminate this Lease except as provided above; provided, that notwithstanding the foregoing provisions of this Section 13.2, Landlord's right to terminate this Lease or utilize other remedies by reason of default on the part of Tenant shall be subject to any applicable rights of any Leasehold Mortgagee to receive, prior to any exercise of such right of termination, Landlord's written notice of such default and to the rights of any Leasehold Mortgagee set forth in Article 8 hereof.

Section 13.3 No Remedy Exclusive. No remedy conferred upon or reserved to Landlord in this Lease is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. Upon termination of this Lease by Landlord, title to all of the Improvements shall vest in Landlord.

Section 13.4 Agreement to Pay Attorneys' Fees and Expenses. If an Event of Default by Tenant occurs under this Lease, or if Tenant holds over or continues possession after the termination or expiration of the Term, and Landlord employs attorneys or incurs other expenses in connection with such Event of Default or holding over or continuation of possession, then

Tenant shall pay the reasonable fees of such attorneys actually incurred by Landlord and such other reasonable expenses as are actually incurred by Landlord, to Landlord on demand, plus interest on such amounts at the Default Rate from the date such amounts were first incurred until the date such amounts are paid by Tenant. If a court of competent jurisdiction determined that such Event of Default did not occur and such continued possession were permitted, the Landlord shall pay the reasonable fees of such attorneys actually incurred by Tenant and such other reasonable expenses as are actually incurred by Tenant, to Tenant on demand, plus interest on such amounts at the Default Rate from the date such amounts were first incurred until the date such amounts are paid by Landlord.

Section 13.5 Holding Over. Tenant shall surrender possession of the Property and the Improvements to Landlord upon the termination or expiration of the Term. Landlord may thereupon enter upon, reenter, possess and repossess the Property, dispossess and remove Tenant, and have, hold and enjoy the Property and the right to receive all rental and other income from the Property, free of any right, title, estate, interest or claim of Tenant. If Tenant refuses to surrender possession and instead holds over, then Tenant shall be only a tenant at sufferance and not a tenant at will, upon all of the terms and conditions of this Lease, except that Tenant shall pay Rent in an amount equal to the then current fair market rental value of the Property as reasonably determined by Landlord. There shall be no renewal or extension of this Lease by operation of law.

Section 13.6 Landlord's Performance of Tenant's Obligations. If Tenant has failed to perform an obligation under this Lease and if an Event of Default has resulted from such failure to perform, then in addition to the other rights of Landlord under this Lease, Landlord shall have the right, but not the obligation, to perform such obligation. Upon receipt of notice demanding same, Tenant shall reimburse Landlord for the cost of any such performance by Landlord plus interest thereon at the Default Rate from the date of such notice until the date of repayment by Tenant. The amount of such reimbursement shall be deemed Rent.

Section 13.7 Tenant's Performance of Landlord's Obligations. If Landlord shall, at any time, fail to perform any of its obligations hereunder, Tenant shall, except in the event of an emergency, provide Landlord with written notice of such default, and if Landlord does not commence action to cure any such default within the time period specified below after the giving of such notice, or immediately, in the event of an emergency, then Tenant may, without any obligation so to do and without waiving or releasing any obligation of Landlord contained in this Lease, take such actions and make such payments as may be necessary or appropriate to fulfill Landlord's obligations or otherwise cure any default of Landlord hereunder. Where no emergency exists, and after giving written notice to Landlord, Tenant shall allow Landlord thirty (30) calendar days to commence a cure and shall thereafter diligently pursue completion thereof.

All reasonable sums so paid by Tenant and all reasonable costs and expenses incurred by Tenant in connection with the performance of any of the obligations of Landlord hereunder, together with reasonable attorneys' fees incurred by Tenant in connection therewith or in enforcing its rights hereunder, and together with interest thereon at the Default Rate from the

date of Tenant's having made each such payment or incurred each such cost or expense, shall be payable by Landlord to Tenant. Tenant shall provide Landlord with invoices and other reasonable evidence of the amounts paid or incurred by Tenant in connection with its exercise of its rights pursuant to this Section 13.7.

ARTICLE 14 REPRESENTATIONS

Section 14.1 Tenant's Representations and Warranties. As a material inducement to Landlord to enter into this Lease and the transactions and the agreements contemplated hereby and by the Development Agreement, Tenant represents and warrants to Landlord that as of the date of this Lease:

- (a) Tenant is a limited liability company duly organized and validly existing under the laws of the Commonwealth of Virginia;
- (b) This Lease has been duly and validly executed and delivered by Tenant and constitutes a valid and legally binding obligation of Tenant enforceable in accordance with its terms;
- (c) The execution of this Lease and the performance by Tenant of its obligations hereunder shall not conflict with any other agreements to which Tenant is a party nor shall it be in conflict with any Applicable Laws applicable to Tenant;
- (d) Neither Tenant nor any of its managing members are currently in material default under any mortgage or any project assisted or insured by HUD or any state or local government housing finance agency, including, without limitation, VHDA;
- (e) No officer of Tenant or any of its managing members has ever been convicted of a felony and is not presently the subject of a complaint or indictment charging a felony;
- (f) No officer of Tenant or any of its managing members is a HUD employee or a member of a HUD employee's immediate household, as defined by HUD Standards of Conduct (24 CFR 0.735-205 (c));
- (g) No officer of Tenant or any of its managing members is a Member of Congress or a Resident Commissioner; and
- (h) There is no action, suit, litigation or proceeding pending or, to the best of Tenant's knowledge, threatened against Tenant which would prevent or impair Tenant's performance of its obligations hereunder.

Section 14.2 Landlord's Representations and Warranties. As a material inducement to Tenant to enter into this Lease and the transactions and agreements contemplated hereby and by

the Development Agreement, Landlord represents and warrants to Tenant that as of the date of this Lease:

- (a) Landlord is a duly organized and validly existing political subdivision of the Commonwealth of Virginia;
- (b) This Lease has been duly and validly executed and delivered by Landlord and constitutes a valid and legally binding obligation of Landlord enforceable in accordance with its terms
- (c) The execution of this Lease and the performance by Landlord of its obligations hereunder shall not conflict with any other agreement to which Landlord is a party nor shall it be in conflict with any Applicable Laws applicable to Landlord;
- (d) Landlord owns fee simple title to the Property, free and clear of all liens, but subject to the Permitted Exceptions;
- (e) Except as otherwise set forth in Section 2.4 above, there are no tenants or other occupants of the Property having any right or claim to possession or use of the Property; and
- (f) There is no action, suit, litigation or proceeding pending or, to the best of Landlord's knowledge, threatened against Landlord and/or the Property which could prevent or impair Landlord's entry into this Lease and/or performance of its obligations hereunder.

Section 14.3 Changes to Representations and Warranties. Each party shall be required to notify the other in writing within five (5) business days of the date that any of the above representations and warranties by such party become untrue.

ARTICLE 15 MISCELLANEOUS GENERAL PROVISIONS

Section 15.1 Rules of Interpretation.

- (a) Applicable Law. This Lease shall be governed by and interpreted and construed under the laws of the Commonwealth of Virginia.
- (b) References: Headings. Unless expressly provided otherwise in this Lease, each reference in this Lease to a particular Article, Section, Subsection, paragraph or clause shall be to such Article, Section, Subsection, paragraph or clause of this Lease. Headings of Articles and Sections are inserted only for convenience and are not, and shall not be deemed, a limitation on the scope of the particular Articles, Sections or Subsections to which they refer.

(c) “Including.” In this Lease, whenever general words or terms are followed by the word “including” (or another form of the word “include”) and words of particular and specific meaning, the general words shall be construed in their widest extent to mean “including, without limitation”, and shall not be limited to persons or things of the same general kind or class as those specifically mentioned in the words of particular and specific meaning.

(d) No Construction Against Drafting Party. No provision of this Lease shall be construed against or interpreted to the disadvantage of either Landlord or Tenant by any court or other governmental or judicial authority by reason of such party having or being deemed to have drafted, structured or dictated such provision.

(e) Exhibits. Each exhibit referred to in this Lease is attached to and incorporated by reference in this Lease.

Section 15.2 Negation of Partnership. Nothing in this Lease shall be construed to render or constitute Landlord in any way or for any purpose a partner, joint venture or associate in any relationship with Tenant, nor shall this Lease be construed to authorize either party to act as agent for the other party except as expressly provided in this Lease.

Section 15.3 Time of Essence. Time is of the essence of each and every provision of this Lease, provided, however, that any time deadline or limitation shall be subject to extension for any delay which arises from unforeseeable causes beyond the reasonable control and without the fault or negligence of Landlord or Tenant. Examples of such causes include (a) acts of God, or public enemy, (b) acts or failure to act of any governmental entity in either its sovereign or contractual capacity, to the extent action by such governmental entity is required hereunder, provided that the party hereunder seeking such action by such governmental entity properly requests same in a timely manner and thereafter diligently pursues same, (c) fires, (d) floods, (e) epidemics, (f) quarantine restrictions, (g) strikes or labor disputes, (h) freight embargoes, (i) unusually severe weather, and (j) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the reasonable control and without the fault or negligence of the Landlord or Tenant, as applicable.

Section 15.4 Notices. All notices, requests, demands, approvals, or other formal communications given hereunder or in connection with this Lease shall be in writing and shall be deemed given if (a) delivered personally or by courier, (b) sent by overnight express delivery, or (c) mailed by registered or certified mail (return receipt requested), postage prepaid, to a party at its respective address set forth below (or at such other address as shall be specified by the party by like notice given to the other party):

If to Landlord, to: Richmond Redevelopment and Housing Authority
 901 Chamberlayne Parkway
 Richmond, VA 23220
 Attention: Chief Executive Officer

Telephone: (804) 780-4200

with copies to: Richmond Redevelopment and Housing Authority
901 Chamberlayne Parkway
Richmond, VA 23220
Attention: General Counsel
Telephone: (804) 780-4200

Edmund S. Pittman, Esquire
McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, VA 23219
Telephone: (804) 775-1038

Reno & Cavanaugh PLLC
455 Massachusetts Avenue, NW, Suite 400
Washington, DC 20001
Attention: Efrem Levy
Telephone: (202) 349-2476

If to Tenant, to: c/o Community Housing, Inc.
8403 Colesville Road, Suite 1150
Silver Spring, MD 20910
Attention: Christopher LoPiano
Telephone: (202) 895-8900

with a copy to: Klein Hornig LLP
1325 G Street NW, Suite 770
Washington, DC 20005
Attention: Mo Smith
Telephone: (202) 495-4088

All such notices and other communications shall be deemed to have been received (a) in the case of personal or local courier delivery, on the date of such delivery, (b) in the case of delivery by overnight courier or express delivery service, on the date specified in the delivery receipt, and (c) in the case of mailing, on the date specified in the return receipt therefor

Section 15.5 Broker's Commissions. Each party represents and warrants to the other that it has not dealt with any real estate brokers in connection with this Lease, and, as between the parties, each party shall be solely responsible for paying any fees or commissions to which

any real estate broker claiming to have worked with such party may be entitled in connection with this Lease.

Section 15.6 Waiver. The failure of either Landlord or Tenant to insist upon strict performance of any of the terms or provisions of this Lease or to exercise any option, right or remedy contained in this Lease, shall not be construed as a waiver or as a relinquishment of the future of such term, provision, option, right or remedy. No waiver by either Landlord or Tenant of any term or provision of this Lease shall be deemed to have been made unless expressed in writing and signed by such party.

Section 15.7 Certifications. Each party shall, without charge, at any time and from time to time, within twenty (20) days after request by the other party, certify to any person identified by the requesting party, by written instrument, duly executed, acknowledged and delivered, to the effect that this Lease is unmodified and in full force and effect (or if there shall have been modifications that the same is in full force and effect as modified and stating the modifications) and the dates to which the Rent and other charges, if any, have been paid, the date of expiration of the Term, the Rent then payable under this Lease, and stating whether or not any notice of default has been given to the other party which has not been cured and, whether or not, to the best knowledge of the Person executing such instrument on behalf of such party, the other party is in default in performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which the Person executing such instrument may have knowledge.

Section 15.8 Amendments. This Lease and its provisions may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

Section 15.9 Severability. If any provision of this Lease or the application of any provision to any Person or circumstance is or becomes invalid or unenforceable to any extent, then the remainder of this Lease and the application of such provisions to any other any other Person or circumstances shall not be affected by such invalidity or unenforceability and shall be enforced to the greatest extent permitted by law.

Section 15.10 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single document.

Section 15.11 Binding Effect. Subject to any restrictions on transfer contained in this Lease, this Lease shall inure to the benefit of and be binding on Landlord and Tenant and their respective legal representatives, successors and assigns.

Section 15.12 Joint and Several. If either Landlord or Tenant at any time consist of more than one Person, then the obligation of all such Persons under this Lease shall be joint and

several. The foregoing shall not be deemed to impose liability on any stockholder, general or limited partner or principal of any entity which constitutes either Landlord or Tenant.

Section 15.13 No Merger of Estates. Landlord and Tenant intend that this Lease continue in effect and not be terminated or otherwise affected by the doctrine of merger of estates upon the ownership by the same Person of both the reversion and the leasehold estate under this Lease, except as reflected otherwise by such Person owning both estates in a written and recorded document. As such, so long as any Leasehold Mortgage is in existence, unless all Leasehold Mortgagees shall otherwise expressly consent in writing, the fee title to the Property and the leasehold estate of Tenant therein created by this Lease shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said Leasehold Estate by Landlord or by Tenant or by a third party, by purchase or otherwise.

Section 15.14 Date for Performance. If the time period or date by which any right, option, election, act or notice provided under this Lease must be exercised, performed or given, expires or occurs on a Saturday, Sunday or legal or bank holiday, then such time period or date shall be automatically extended through the close of business on the next regularly scheduled business day.

Section 15.15 Litigation Costs. In the event of litigation between the parties to this Lease arising out of the terms and conditions hereof or the performance of either party hereunder, the unsuccessful party in such litigation shall reimburse the successful party for all costs and expenses, including without limitation reasonable fees of the successful party's attorneys.

Section 15.16 Short Form. Simultaneously with the execution hereof, the parties hereto shall execute a short form or memorandum of lease for recording. Any recording, realty transfer, documentary, stamp or other tax imposed upon the execution or recording of the short form or this Lease shall be paid by Tenant. Upon the expiration or termination of this Lease, such short form or memorandum shall be terminated. Upon the expiration or termination of this Lease, Landlord shall prepare and tender to Tenant documents necessary to effect the termination of the short form or memorandum, which documents shall be executed by Tenant and recorded by Landlord at the sole cost and expense of Tenant.

Section 15.17 Non-Liability of Landlord and Tenant Officials and Employees; Other Limitations. Landlord's responsibility and liability under this Lease shall be limited to its interest in the Property, and Tenant shall look solely to Landlord's interest in the Property for the collection of any judgment obtained by Tenant against Landlord in connection with this Lease. No member of the Board of Commissioners, officer, official, employee, agent or representative of Landlord shall be personally liable to Tenant or any successor in interest, in the event of any default or breach by Landlord for any amount which may become due to Tenant or any successor in interest, or on any obligation incurred under the terms of this Lease. No officer, official, employee, agent, member or representative of Tenant shall be personally liable to Landlord or any successor in interest, in the event of any default or breach by Tenant for any amount which

may become due to Landlord or any successor in interest, or on any obligation incurred under the terms of this Lease. Subject to Tenant's express indemnification obligations as stated in this Lease, neither party shall be liable to the other party for claims of the other party for indirect, consequential, special or punitive damages.

Section 15.18 Consent to Exclusive Jurisdiction. The parties agree to submit to personal jurisdiction in the Commonwealth of Virginia in any action or proceeding arising out of this Lease and, in furtherance of such agreement, the parties hereby agree and consent that without limiting other methods of obtaining jurisdiction, personal jurisdiction over the parties in any such action or proceeding may be obtained within or without the jurisdiction of any court located in the Commonwealth of Virginia. Any legal suit, action or other proceeding by one party to this Lease against the other arising out of or relating to this Lease shall be instituted only in the Circuit Court for the City of Richmond, Virginia, or the United States District Court for the Eastern District of Virginia, as determined by Landlord, and each party hereby waives any objections which it may now or hereafter have based on venue and/or forum non-conveniens of any such suit, action or proceeding. In addition to any form of service of process otherwise permitted by law, service in any such action may be given by certified or registered mail, return receipt requested, and shall be deemed served upon the actual delivery thereof in such manner to the party intended to be served, which service shall be adequately established by the receipt for such delivery.

Section 15.19 Access to Property. Landlord, its employees, representatives and agents shall have the right, at any time during the Term, to enter onto the Property at all reasonable times for the purpose of reasonably examining or inspecting the same in order to confirm Tenant's compliance with its obligations under this Lease. Except in the event of an emergency, any such entry shall be made only after at least twenty-four (24) hours prior notice to Tenant (which notice may be given verbally). Except in the event of an emergency, Tenant shall have the right to have a representative of Tenant present during any entry onto the Property by Landlord, its employees, representatives or agents.

Section 15.20 Entire Agreement. This Lease and the Exhibits hereto embody the entire agreement and understanding between the parties hereto with respect to the leasing of the Property by Landlord to Tenant, and supersedes all prior agreements and understandings between the parties with respect to the leasing of the Property by Landlord to Tenant.

Section 15.21 VHDA Rider. Attached hereto as Rider 1 are the standard lease provisions that VHDA requires be incorporated in any ground lease that will serve as a collateral for a loan made by VHDA (collectively, the "VHDA Standard Lease Provisions"). If, during the Term of this Lease, Tenant obtains financing from VHDA and, in connection therewith, Tenant grants VHDA a Leasehold Mortgage (the "VHDA Leasehold Mortgage"), the parties acknowledge and agree that for so long as the VHDA Leasehold Mortgage remains in full force and effect: (i) this Lease shall be amended to incorporate herein the VHDA Standard Lease Provisions; and (ii) in the event of any conflict between any of the terms and conditions of this

Lease and any of the terms and conditions of the VHDA Standard Lease Provisions, the terms and conditions of the VHDA Standard Lease Provisions shall control

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IN WITNESS WHEREOF, Landlord and Tenant have caused this Deed of Ground Lease to be executed by their respective duly authorized officers as of the day and year first hereinabove written.

LANDLORD:

RICHMOND REDEVELOPMENT AND HOUSING
AUTHORITY, a political subdivision of the
Commonwealth of Virginia

By: 

Lawrence Pearson
Acting Chief Executive Officer

IN WITNESS WHEREOF, Landlord and Tenant have caused this Deed of Ground Lease to be executed by their respective duly authorized officers as of the day and year first hereinabove written.

TENANT:


BAKER SCHOOL LLC,
a Virginia limited liability company

By: CPDC Baker School LLC
a Virginia limited liability company

Its: Managing Member

By: Community Housing, Inc.,
a Maryland nonstock corporation

Its: Sole Member

By: 
Shelynda Burney Brown

Its: Vice President

EXHIBIT A

PROPERTY

ALL that certain lot, piece or parcel of land, lying and being in the City of Richmond, Virginia and designated as 100 W. Baker Street and City Tax Parcel No. N0000126001.

RIDER 1

VHDA STANDARD LEASE PROVISIONS

(attached behind)

STANDARD LEASE PROVISIONS

Exhibit A

Notwithstanding anything to the contrary contained in the ground lease:

1. Leasehold Mortgage Loan Obtained by Tenant. Tenant, at its option and without the consent of Landlord, shall have the unlimited and unrestricted right, at any time and from time to time, at Tenant's own expense, to negotiate and obtain one or more loans secured by deeds of trusts or mortgages (any such deed of trust or mortgage, together with any regulatory agreement or other agreement(s) relating thereto and recorded therewith, is referred to herein as a "Leasehold Mortgage", and each mortgagee secured by any Leasehold Mortgage is referred to herein as the "Leasehold Mortgagee") on all or any part of Tenant's leasehold estate (the "Leasehold Estate") in the Leased Premises. Landlord agrees to execute and deliver any amendments to this Lease which are required in order for Tenant to obtain a Leasehold Mortgage and which do not materially and adversely affect its rights and interests hereunder.

2. Notice to Landlord of Leasehold Mortgage. Upon the recording of a Leasehold Mortgage, Tenant shall notify Landlord thereof and in such notice shall specify the address of the Leasehold Mortgagee to which notices shall be sent pursuant to this Lease.

3. Foreclosure. In the event of a transfer of the Leasehold Estate to any person (including, without limitation, a Leasehold Mortgagee or its designee or nominee) by trustee's sale or foreclosure pursuant to a Leasehold Mortgage or by other enforcement proceedings or by assignment of this Lease in lieu of trustee's sale or foreclosure through settlement of or arising out of any pending or threatened trustee's sale or foreclosure proceeding (hereafter collectively referred to as "Foreclosure"), the transferee and its successors and assigns shall have no liability for the payment of any sums or the performance of any obligation required by this Lease to be paid or performed by Tenant prior to such transfer. Such transferee and each of its successors and assigns shall become Tenant, shall be the owner and holder of the Leasehold Estate under this Lease for all purposes, shall be responsible for the payment of all sums and the performance of all obligations as Tenant thereafter becoming due or arising under this Lease, and shall be entitled to all of the rights, benefits and privileges of Tenant under this Lease; provided, however, that any Leasehold Mortgagee (or its designee or nominee) who has acquired the Leasehold Estate by such transfer shall have no liability for the payment of any sums or the performance of any obligations to be paid or performed after any subsequent assignment or transfer of the Leasehold Estate to any other party.

4. Notice by Landlord to Leasehold Mortgagee. No later than seven (7) calendar days after delivery of notice to Tenant of any default by Tenant in accordance with the terms and provisions hereof, Landlord will also deliver a copy of such notice to each Leasehold Mortgagee (of whom Landlord has been notified in writing or has actual knowledge) by registered or certified mail, postage prepaid, return receipt requested, addressed to each such Leasehold Mortgagee at its address last given in writing to, or otherwise known by, Landlord. No notice of default to Tenant shall be effective unless such notice to each such Leasehold Mortgagee shall be given by Landlord in accordance herewith. Each Leasehold Mortgagee will have the right to cure such default during the same period of time as Tenant is provided under this Lease for curing the default, plus an additional period of thirty (30) days, and Landlord shall accept any such cure by any Leasehold Mortgagee as though such cure had been performed by Tenant. In the event of any default by Tenant (other than the payment of money) which cannot reasonably

be cured by the Leasehold Mortgagee within the foregoing cure period of the Leasehold Mortgagee, such cure period shall be extended for so long as any Leasehold Mortgagee has initiated and is diligently proceeding to cure such default. If the Leasehold Mortgagee is unable to cure any default (other than the payment of money) for causes beyond its control (regardless of whether such cause were foreseeable or avoidable), such cure period of the Leasehold Mortgagee shall be extended by the period of time during which such cure is beyond the control of the Leasehold Mortgagee. Furthermore, in the case of any default by Tenant other than the payment of money, Landlord will take no action to effect a termination of this Lease for so long as any Leasehold Mortgagee is diligently proceeding to obtain possession of the Leased Premises (by Foreclosure, by taking possession pursuant to the Leasehold Mortgage, by appointment of a receiver, by court order, or by other legally permissible means) and to cure such default; provided, however, that the Leasehold Mortgage shall not be required to continue to seek or maintain such possession if the default shall be cured by Tenant. Anything herein to the contrary notwithstanding, any default by Tenant (other than the payment of money) under any provision of this Lease which is not reasonably susceptible of being cured by a Leasehold Mortgagee (including, without limitation, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant) shall be deemed to have been waived by Landlord upon completion of Foreclosure or when any Leasehold Mortgagee (or its designee or nominee) shall otherwise acquire title to the Leasehold Estate. In addition, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant shall exist only during the period that Tenant is the owner of the Leasehold Estate, and neither the bankruptcy, the insolvency nor any indebtedness of Tenant will operate, or permit Landlord, to terminate this Lease so long as all rent and other payments required to be paid by Tenant continue to be paid in accordance with this Lease.

5. Abeyance during Litigation. In the event that, prior to the termination of this Lease, Tenant or any Leasehold Mortgagee commences suit to obtain a judicial determination as to whether Landlord is legally entitled to terminate this Lease for any default by Tenant under this Lease, the Tenant and the Leasehold Mortgagee shall each have an additional cure period for such default (other than the payment of money) commencing on the date on which any and all rights to appeal of the judicial determination have expired and continuing thereafter for such period of time as is provided herein to Tenant and the Leasehold Mortgagee, respectively, to cure such default after notice thereof; provided that Tenant or the Leasehold Mortgagee, as the case may be, shall have commenced such suit in good faith and shall have proceeded with the suit with due diligence; provided, further, that during the pendency of the suit, all rent and other sums due under this Lease shall be paid when due and payable.

6. New Lease. In the event of termination of this Lease for any reason prior to its stated expiration date, Landlord will give the Leasehold Mortgagee notice of such termination within seven (7) calendar days after such termination. If the Leasehold Mortgagee gives notice of its request upon Landlord for the new lease within a period of forty-five (45) calendar days from the date such notice of termination is delivered to the Leasehold Mortgagee, Landlord shall, within fourteen (14) calendar days after Landlord's receipt of such Leasehold Mortgagee's notice of a request for a new lease, enter into a new lease of the Leased Premises with the Leasehold Mortgagee (or its designee or nominee) for the remainder of the term of this Lease, effective immediately upon such termination of such prior Lease, at the rental and upon the covenants, agreements, terms, conditions and limitations (except as may have been previously fulfilled or as may be inapplicable to the Leasehold Mortgagee or its designee or nominee) otherwise herein contained; provided that the Leasehold Mortgagee agrees in the new lease to cure, within the applicable cure period commencing on execution of the new lease, the then existing defaults of Tenant other than defaults not reasonable susceptible of being cured by the Leasehold Mortgagee (including, without limitation, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant). If there is more than one Leasehold Mortgagee at the time of such

termination, the term "Leasehold Mortgagee" as used herein shall be deemed to refer only to the senior Leasehold Mortgagee; provided that the senior Leasehold Mortgagee may, prior to the expiration of the forty-five (45) day period described above, assign to any other Leasehold Mortgagee (or its designee or nominee) such senior Leasehold Mortgagee's rights hereunder to give notice of the request for a new lease and to enter into a new lease with Landlord as provided above.

7. Rights of Leasehold Mortgagee to Renew and Revoke Notice of Termination.

Each Leasehold Mortgagee, at its election at any time prior to termination of this Lease, may exercise any renewal option granted to Tenant and may revoke any notice of Tenant's vacation of the Leased Premises and termination of the Lease or any notice of Tenant's intention to do so. If Tenant fails to exercise any renewal option or gives notice to Landlord of its election not to exercise any renewal option, its vacation of the Leased Premises and termination of the Lease, or its intention to do any of the foregoing, Landlord shall notify, within seven (7) calendar days, each Leasehold Mortgagee (of whom Landlord has been notified in writing or has actual knowledge) by registered or certified mail postage prepaid, return receipt requested in order that each Leasehold Mortgagee, at its election, may exercise any such renewal option and may revoke any such notice to Landlord, on behalf of Tenant, prior to termination of this Lease.

8. Hazard Insurance Policies. Tenant may include the interest of each Leasehold Mortgagee in all fire and other hazard insurance policies pursuant to a standard mortgagee clause or endorsement, may name each Leasehold Mortgagee as a loss payee, and may deposit an original or copy of such policies with each Leasehold Mortgagee. Tenant may name each Leasehold Mortgagee as an additional insured in all comprehensive general liability insurance policies. Landlord shall not, without the prior written consent of Tenant and each Leasehold Mortgagee, obtain any hazard insurance policies which would, in the event of loss, contribute with the insurance policy or policies required by any Leasehold Mortgagee.

9. Damage or Condemnation. In the event of any damage to or destruction of any of the buildings or improvements on the Leased Premises by fire or other casualty or in the event of any taking or condemnation, in whole or in part, of the Leased Premises or any buildings or improvements thereon (or any conveyance in lieu thereof), the rights of Landlord and obligations of Tenant hereunder shall be subject and subordinate to the rights of each Leasehold Mortgagee and obligations of Tenant under the Leasehold Mortgage as to the repair, demolition or restoration of the Leased Premises and the buildings and improvements thereon and as to the receipt, use, and disbursement of all of the insurance or condemnation proceeds (except such portion of the proceeds as is paid or awarded pursuant to this Lease to Landlord solely for its reversionary interest in the Leased Premises and is not required by any Leasehold Mortgagee to be applied to any repair, demolition or restoration of the Leased Premises or the buildings or improvements thereon); provided that proceeds for loss of rents shall be applied in the following order—first, to any sums then due and payable under this Lease; second, to the payment of any amounts then due and payable under each Leasehold Mortgage in the order of their priority; and third, unless otherwise provided in any Leasehold Mortgage, to the Tenant. Any proceeds to be applied to the repair, demolition or restoration of the Leased Premises and the buildings or improvements thereon shall be held by the Leasehold Mortgagee (if there is then more than one Leasehold Mortgagee, such proceeds shall be held by the senior Leasehold Mortgagee or its designee) and disbursed in the manner provided in its Leasehold Mortgage (or, if not so provided, in such manner as the Leasehold Mortgagee shall determine) for the payment of the costs of such repair or restoration. Any proceeds (other than loss of rent proceeds) remaining after being applied to the payment of indebtedness secured by the Leasehold Mortgage(s) and/or to the payment of the costs of repair, demolition or restoration of the Leased Premises and the buildings and improvements thereon shall be paid to Tenant and Landlord in accordance with the terms of the Lease. If any Leasehold Mortgagee (or its designee or nominee) shall acquire the Leasehold Estate by Foreclosure,

such Leasehold Mortgagee (or its designee or nominee) and its successors and assigns shall not be obligated to demolish, repair or restore the buildings or improvements (regardless of whether such damage or destruction or condemnation or conveyance in lieu thereof occurred before or after Foreclosure), except as may be otherwise required by law, and the Leasehold Mortgagee (or its designee or nominee) may apply all or a portion of the insurance or condemnation proceeds to payment of the unpaid indebtedness then or previously secured by its Leasehold Mortgage.

10. Consent of Leasehold Mortgagee. No alteration, amendment or modification of this Lease shall be effective without the prior written consent of each Leasehold Mortgagee; no cancellation or termination of this Lease by Tenant shall be effective without the prior written consent of each Leasehold Mortgagee; and no waiver by Tenant of (i) any provision of this Lease, (ii) the performance by Landlord of any of its duties or obligations hereunder, or (iii) any right, option, election, privilege or benefit of Tenant herein shall be effective without prior written consent of each Leasehold Mortgagee. Landlord shall not accept or agree to a surrender of the Leased Premises or a cancellation of this Lease from Tenant prior to the expiration or termination of this Lease without the prior written consent of each Leasehold Mortgagee. Landlord warrants that there are no existing mortgages or deeds of trust encumbering its fee title, and Landlord shall not transfer, assign, mortgage or otherwise encumber Landlord's interest in the Leased Premises without the prior written consent of each Leasehold Mortgagee. Without limiting the foregoing, each Leasehold Mortgagee shall have the right to require, as a condition to its consent to any such mortgage or deed of trust, that the secured party under the mortgage or deed of trust subordinate its lien to any new lease thereafter executed by Landlord in accordance with this Lease.

11. Leasehold Mortgagee Liability. Anything in this Lease to the contrary notwithstanding, no Leasehold Mortgagee (or its designee or nominee) shall be liable for any failure by Tenant to pay any amounts or to perform any obligations under this Lease, whether or not Tenant shall be in default hereunder.

12. Payment of Real Estate Taxes. To the extent Landlord fails to promptly pay any portion of the real estate taxes, assessments or charges on Landlord's interest in the Leased Premises, Tenant or any Leasehold Mortgagee may pay all or any portion of such real estate taxes, assessments or charges and shall, upon demand, immediately be reimbursed by Landlord therefor.

13. Merger. The interest of Landlord and the interest of Tenant shall not merge without the prior written consent of all Leasehold Mortgagees. The acquisition of all or any portion of the Leasehold Estate by any Leasehold Mortgagee shall not result in a merger thereof with the Leasehold Mortgage held by such Leasehold Mortgagee, unless such Leasehold Mortgagee shall execute a written instrument effecting such merger and shall give notice to Landlord of such merger.

14. Ownership of Buildings and Improvements. All buildings and other improvements now or hereafter constructed in or on the Leased Premises by or on behalf of Tenant shall remain the property of Tenant for and during the term of this Lease. Upon termination of this Lease, title to all such buildings and improvements remaining on the Leased Premises shall become vested in Landlord free and clear of any liens or encumbrances, including, without limitation, any and all Leasehold Mortgages.

15. Tenant's Assignment or Sublease. (a) Tenant shall have the right during the term hereof to assign this Lease or sublet the Leased Premises, in whole or in part, without obtaining the consent of Landlord; provided, however, that no assignment or sublease by Tenant shall in any way affect the terms, conditions, covenants, agreements and provisions herein set forth, and any and all such

assignment shall be at all times subject to the terms of this Lease and to the right, title and interest of Landlord in and to the Leased Premises under this Lease. Any such assignment or sublease shall not relieve or release Tenant of the responsibility for all payments, covenants, duties and obligations hereunder. In the event that Tenant shall so assign this Lease or sublet the Leased Premises, the receipt and acceptance of rent from such other party by Landlord or Landlord's consent or acquiescence in the doing of any act or performance of any covenants or conditions by such other party in place or stead of Tenant shall be construed and held to be payments of rent or performance of covenants by such other party on behalf of Tenant.

(b) The conveyance of all of or any part of the Leasehold Estate by execution and delivery of a Leasehold Mortgage or the transfer of all or any part of the Leasehold Estate by Foreclosure shall not be deemed to constitute an assignment of this Lease. Furthermore, the transfer of all or any part of the Leasehold Estate by trustee's sale or foreclosure pursuant to the Leasehold Mortgage or by other enforcement proceeding shall not be subject to the consent of Landlord, and Tenant shall have the right, without the consent of Landlord, to assign this Lease to a Leasehold Mortgagee in lieu of trustee's sale or foreclosure through settlement of or arising out of any pending or threatened trustee's sale or foreclosure proceeding.

16. Execution of Instruments and Agreements. Within seven (7) calendar days after receipt of a request by Tenant, Landlord shall execute and deliver such instruments and agreements as may be required to dedicate subdivisions, streets, roads, easements and rights of way for utilities and services, and other facilities reasonably necessary or desirable for the construction, rehabilitation, repair, use, occupancy, or operation of the buildings and improvements located or to be located on the Leased Premises and shall join in, and shall otherwise cooperate with and assist Tenant in obtaining, all applications for permits, licenses, approvals and other authorizations required by any governmental entity in connection with the construction, rehabilitation, repair, use, occupancy, or operation of the buildings and improvements located or to be located on the Leased Premises.

17. Certificates. Landlord or Tenant, from time to time upon the request of the other or of any Leasehold Mortgage, shall certify to the requesting party or its designee as to whether the Lease is valid, binding and in full force and effect, as to whether Landlord or Tenant (as the case may be) has knowledge of any defaults under the Lease, as to the status of any such defaults, as to the status of payment of rents and other sums due and payable under this Lease, as to any amendments, modifications or waivers of the provisions of this Lease, and as to any other requested matters under the Lease or relating to the Leased Premises or the Leasehold Estate to which Landlord or Tenant, as the case may be, can reasonably certify. In addition, Landlord shall provide any certificate required by any Leasehold Mortgage pursuant to the terms of its Leasehold Mortgage. Any such certificate required hereby may be made subject to such exceptions, conditions or limitations as Landlord or Tenant (as the case may be) shall deem necessary to cause the matters set forth therein to be materially correct and complete. Failure to deliver such certificate within fourteen (14) days after delivery of such request, together with the form of such certificate, shall be deemed to be certification of the matters set forth in the form of such certificate so requested.

In addition to the foregoing provisions, the following requirements shall be satisfied:

1. A Memorandum of Lease acceptable to VHDA must be recorded among the land records of the appropriate jurisdiction.
2. The term of the Lease (exclusive of any renewals) shall be at least twice the term of the VHDA mortgage loan.

3. Notices required by the Lease shall be sent by certified mail, return receipt requested, or by hand delivery to the parties' addresses specified in or pursuant to the Lease or at such other addresses as the parties may thereafter designate by notice in writing. Notices shall be deemed to be delivered when received.

4. If Tenant is obligated under the Lease to commence and complete construction or rehabilitation of any buildings or improvements on the Leased Premises, the Lease shall provide that if VHDA (or its designee or nominee) shall acquire the Leasehold Premises by Foreclosure, VHDA shall have the right, but shall not be obligated, to commence and complete such construction or rehabilitation; provided, however, that if VHDA (or its designee or nominee) shall not have completed such construction or rehabilitation as of the date that VHDA (or its designee or nominee) assigns this Lease, the assignee shall be obligated under the Lease to complete such construction or rehabilitation within such period of time after such assignment as is reasonable for the completion thereof, as determined by VHDA.

5. The provisions of the Lease governing the use and distribution of insurance and condemnation proceeds shall provide for distributing such proceeds between Landlord and Tenant in accordance with relative values of their interest in the real property and building and improvements thereon damaged or destroyed by casualty or taken by condemnation determined without regard to any termination of this Lease as a result of such damage or destruction or condemnation. The Lease shall expressly provide that any such distribution shall be subject to the provisions set forth in paragraph 9 above. If Landlord, Tenant and all Leasehold Mortgagees cannot agree upon such distribution within thirty (30) days after such proceeds are available for distribution, then the matters may be submitted by Landlord, Tenant or any Leasehold Mortgagee to a court of competent jurisdiction for a decision.

6. Any provision requiring Landlord's approval for repairs, alterations, demolition, additions or other changes to the Leased Premises or the buildings and improvements thereon shall contain an exception for repairs, alterations, demolition, additions or other changes required by any Leasehold Mortgagee pursuant to the terms of its Leasehold Mortgage.

7. If the Lease grants to Tenant an option or right of first refusal to purchase Landlord's fee interest in the Leased Premises, the Lease shall provide for all notices to or from Tenant with respect thereto to be delivered by Landlord to each Leasehold Mortgagee (of whom Landlord has been notified in writing or has actual knowledge) and shall further provide that such option or right of first refusal shall be exercisable by the senior Leasehold Mortgagee or its nominee or designee (or any other Leasehold Mortgagee, or its nominee or designee, to whom such senior Leasehold Mortgagee may assign its right to exercise such option or right of first refusal), on its own behalf or on behalf of Tenant, within the same time period and on the same terms and conditions as are provided to Tenant under the Lease.

8. The Lease shall not contain any provisions which materially and adversely affect the value or use of the Leasehold Estate or the ability of Leasehold Mortgagees to prevent termination of the Leasehold Estate or to foreclose, possess and sell the Leasehold Estate pursuant to their Leasehold Mortgages.



Property Search

City of Richmond Real Estate Assessor

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[New Search](#)

Property: 100 W Baker St **Parcel ID:** N0000126001

[Detail](#)

[Land](#)

[Assessments](#)

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[Planning](#)

[Services](#)

[Government](#)

[Extensions](#)

[Images](#)

[Sketches](#)

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2018	\$118,000	\$1,815,000	\$1,933,000	Reassessment
2017	\$118,000	\$1,815,000	\$1,933,000	Reassessment
2016	\$118,000	\$1,815,000	\$1,933,000	Reassessment
2015	\$123,000	\$1,841,000	\$1,964,000	Reassessment
2014	\$123,000	\$1,841,000	\$1,964,000	Reassessment
2013	\$123,000	\$1,841,000	\$1,964,000	Reassessment
2012	\$123,000	\$1,841,000	\$1,964,000	Reassessment
2011	\$123,000	\$1,841,000	\$1,964,000	CarryOver
2010	\$123,000	\$1,841,000	\$1,964,000	Reassessment
2009	\$123,000	\$1,841,000	\$1,964,000	Reassessment
2008	\$123,000	\$1,691,000	\$1,814,000	Reassessment
2007	\$105,600	\$1,690,200	\$1,795,800	Reassessment
2006	\$96,000	\$1,536,500	\$1,632,500	Reassessment
2005	\$48,600	\$1,627,000	\$1,675,600	Reassessment
2004	\$44,200	\$1,549,500	\$1,593,700	Reassessment
2003	\$38,400	\$1,408,600	\$1,447,000	Reassessment
2002	\$38,400	\$1,408,600	\$1,447,000	Reassessment
1998	\$29,500	\$1,083,500	\$1,113,000	Not Available



L

Plan of Development
Certification Letter

Not Applicable



M

Zoning Certification
(Mandatory)



Zoning Certification

CITY OF RICHMOND

DEPARTMENT OF
PLANNING AND DEVELOPMENT REVIEW
ZONING ADMINISTRATION

TO: Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220
Attention: JD Bondurant

RE: ZONING CERTIFICATION

Name of Development: Baker School Apartments

Name of Owner/Applicant: Baker School LLC

Name of Seller/Current Owner: Richmond Redevelopment and Housing Authority

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credits.

DEVELOPMENT DESCRIPTION:

Development Address:

100 W. Baker Street
Richmond, Virginia 23220

Legal Description:

All that certain lot of parcel of land, lying and being in the City of Richmond, Virginia and designated as 100 W. Baker Street and City Tax Parcel No. N000-0126/001.

Proposed Improvements:

<input type="checkbox"/> New Construction:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Adaptive Reuse:	<u>50</u> # Units	<u>1</u> # Buildings	<u>73,365</u> Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Total Floor Area Sq. Ft.

Zoning Certification, cont'd

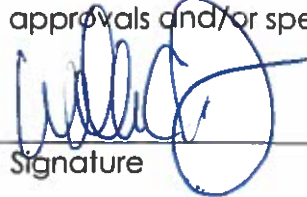
Current Zoning: R-53 (Multifamily Residential) allowing a density of
35 units per acre, and the following other applicable conditions: Minimum of 40%
of the area of the lot must be usable open space.

Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following as appropriate:

- The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.
- The development described above is an approved non-conforming use. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.



Signature

William C. Davidson
Printed Name

Zoning Administrator
Title of Local Official or Civil Engineer

804-646-6353
Phone:

May 7, 2018
Date:

NOTES TO LOCALITY:

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.



N

To certify Developer Experience,
include:

- Copies of 8609s to
- Partnership Agreements
- Org Charts

VHDA Experienced LIHTC Developers

Notes:

Updated:

4/13/2018

- Listed if 'named' Controlling General Partner or Managing Member (as confirmed by supporting documentation)
- Listed if documentation supported at least 6 LIHTC developments
- Listed if a principal who has developed at least 3 LIHTC deals and has at least \$500,000 in liquid assets

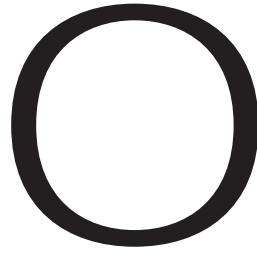
See LIHTC Manual for instructions on being added to this list

INDIVIDUALS

- | | | |
|--------------------------|---------------------------|---------------------------|
| 1 Alexander, Randall P. | 26 Gardner, Mark E. | 51 Orth, Kevin |
| 2 Arista, Roberto | 27 Gunderman, Timothy L. | 52 Park, Richard A. |
| 3 Barnhart, Richard K. | 28 Haskins, Robert G. | 53 Park, William N. |
| 4 Baron, Richard | 29 Heatwole, F. Andrew | 54 Pasquesi, R.J. |
| 5 Bennett, Vincent R. | 30 Honeycutt, Thomas W. | 55 Pedigo, Gerald K. |
| 6 Burns, Laura P. | 31 Hunt, Michael C. | 56 Poulin, Brian M. |
| 7 Connelly, T. Kevin | 32 Jester, M. David | 57 Queener, Brad |
| 8 Connors, Cathy | 33 Johnston, Thomas M. | 58 Ripley, F. Scott |
| 9 Copeland, M. Scott | 34 Jones Kirkland, Janice | 59 Ripley, Ronald C. |
| 10 Copeland, Robert O. | 35 Kirkland, Milton L. | 60 Ross, Stephen M. |
| 11 Copeland, Todd A. | 36 Kittle, Jeffery L. | 61 Salazar, Tony |
| 12 Cordingley, Bruce A. | 37 Koogler, David M. | 62 Sari, Lisa A. |
| 13 Crosland, Jr., John | 38 Koogler, David Mark | 63 Sinito, Frank T. |
| 14 Curtis, Lawrence H. | 39 Lancaster, Dale | 64 Stockmaster, Adam J. |
| 15 Daigle, Marc | 40 Lawson, Phillip O. | 65 Stoffregen, Phillip J. |
| 16 Dambly, Mark H. | 41 Lawson, Steve | 66 Surber, Jen |
| 17 Deutch, David O. | 42 Leon, Miles B. | 67 Woda, Jeffrey J. |
| 18 Dischinger, Chris | 43 Lewis, David R. | 68 Wohl, Michael D. |
| 19 Douglas, David D. | 44 Margolis, Robert B. | 69 Wolfson, III, Louis |
| 20 Ellis, Gary D. | 45 McCormack, Kevin | |
| 21 Fekas, William L. | 46 McNamara, Michael L. | |
| 22 Fitch, Hollis M. | 47 Melton, Melvin B. | |
| 23 Fore, Richard L. | 48 Midura, Ronald J. | |
| 24 Franklin, Wendell C. | 49 Mirmelstein, George | |
| 25 Friedman, Mitchell M. | 50 Nelson, IV, John M. | |

NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

- 1 AHC, Inc.
- 2 Alexandria RHA
- 3 Arlington Partnership for Affordable Housing (APAH)
- 4 Better Housing Coalition
- 5 Buckeye Community Hope Foundation
- 6 Community Housing Partners
- 7 **Community Housing, Inc.**
- 8 ElderHomes (dba Project: Homes)
- 9 Fairfax County RHA
- 10 Homes for America, Inc.
- 11 Humanities Foundation, Inc.
- 12 Huntington Housing, Inc.
- 13 Newport News RHA
- 14 NHT-Enterprise Preservation Corporation
- 15 Norfolk Redevelopment Housing Authority
- 16 People Incorporated
- 17 Piedmont Housing Alliance
- 18 Portsmouth RHA
- 19 RHA/Housing, Inc.
- 20 The Community Builders
- 21 Virginia Supportive Housing
- 22 Virginia United Methodist Housing Development Corporation
- 23 Wesley Housing Development Corporation



List of LIHTC Projects (Schedule A)

List of LIHTC Developments (Schedule A)



Development Name: Baker School Apartments
 Name of Applicant: Baker School LLC
 or Managing Member: CPDC Baker School LLC

- IN
- that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- A resume is required for each principal of the General Partnership or Limited Liability Company (LLC).
 - For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
 - List only tax credit development experience since 2002 (i.e. for the past 15 years)
 - Use separate pages as needed, for each principal.

Community Housing Inc. Controlling GP (CGP) or 'Named' Managing Y
 Member of Proposed property? Y or N

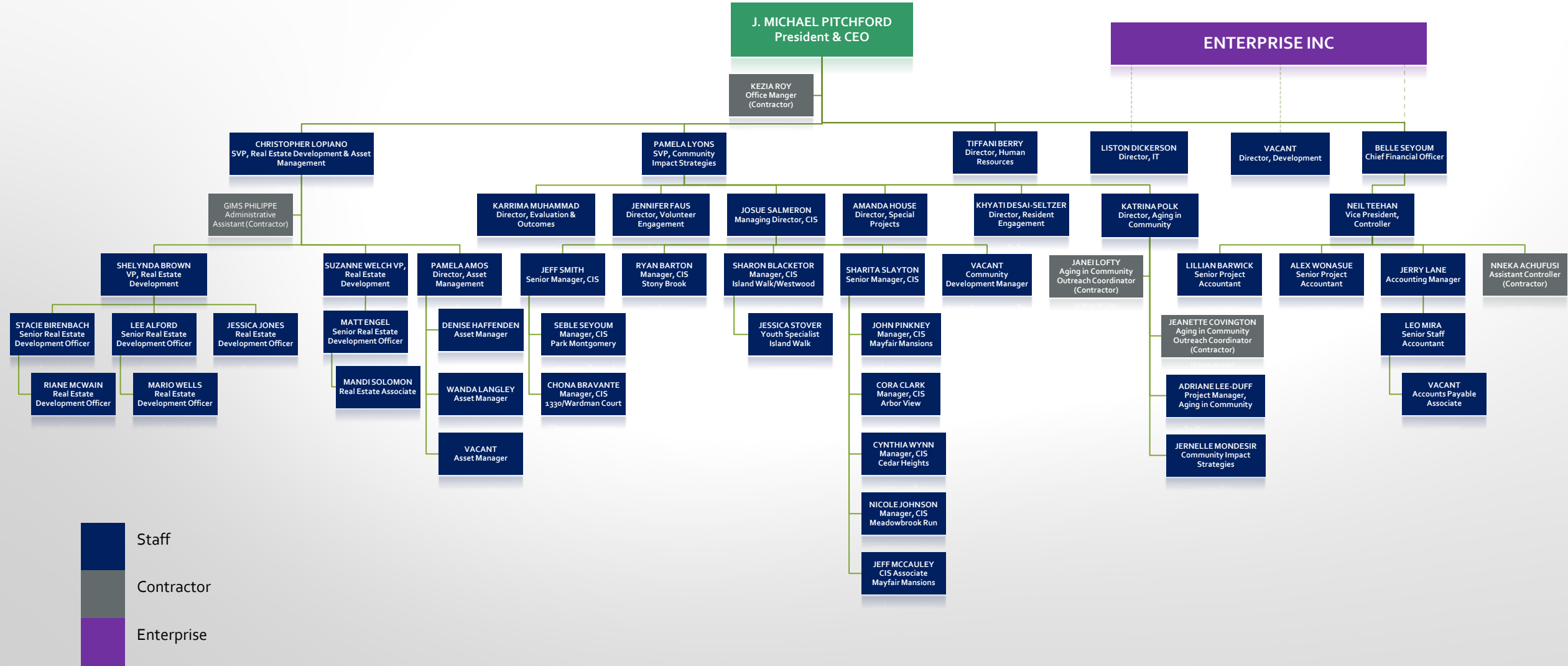
Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1330 7th St, Washington, DC	1330 Limited Partnership 202.895.8900	Y	136	129	12/31/2004	10/14/2015	N
Bates School, Annapolis, MD	Bates Limited Partnership 202.895.8900	Y	71	71	7/21/2006	12/18/2006	N
Buckman Road Apartments, Alexandria, VA	Buckman Road Development LLC 202.895.8900	Y	204	204	8/9/2010	8/20/2012	N
Edgewood Terrace III, Washington DC	Edgewood Seniors LP 202.895.8900	Y	127	127	8/4/2003	10/12/2004	N
Edgewood Terrace IV, Washington DC	Edgewood IV Limited Partnership 202.895.8900	Y	258	124	5/1/2002	5/11/2014	N
Island Walk, Reston, VA	Island Walk Limited Partnership 202.895.8900	Y	102	102	12/1/2005	6/15/2006	N
Mayfair Mansions, Washington, DC	Mayfair Mansions Limited Partnership	Y	409	390	9/30/2009	12/2/2010	N
Oxford Manor, Washington, DC	Oxford Manor Limited Partnership 202.895.8900	Y	226	139	1/14/05-6/5/0	10/20/2006	N
The Overlook at Oxon Run, Washington, DC	Parkside Terrace Development Limited Liability Corporation 202.895.8900	Y	316	316	7/1/2009	12/2/2010	N
Suburbia Fairfax, Fairfax, VA	Suburbia Fairfax Development LLC 202.895.8900	Y	54	54	12/16/2010	5/20/2013	N
Wardman Court Apartments, Washington, DC	Clifton Terrace Limited Partnership 20.895.8900	Y	152	152	5/22/2004	6/26/1905	N
Wheeler Terrace, Washington, DC	Wheeler Terrace Development Limited Partnership 202.895.8900	Y	116	116	12/31/2009	5/27/2011	N
The Larkspur, Arlington, VA	Howard Manor Limited Liability Corporation 202.895.8900	Y	76	69	7/29/2011	10/23/2014	N
Edgewood I, Washington, DC	Edgewood Terrace One LLC 202.895.8900	Y	292	205	9/21/2016	Awaiting State Agency approval/issuance	N
Admiral Oaks	Captains Circle LLC 202.895.8900	Y	159	159	12/31/2010	12/20/2011	N
Essex House	Essex House LLC 202.895.8900	Y	135	123	5/28/2015	1/9/2017	N
Brookland Park Plaza	Highland Park Senior Housing LLC 202.895.8900	Y	77	77	12/19/2016	1/30/2018	N
Hollins House	Hollins House LLC 202.895.8900	Y	130	130	5/31/2017	Awaiting State Agency approval/issuance	N
Jackson Ward Senior	Jackson Ward Senior LLC 202.895.8900	Y	72	72	Awaiting Closing	Awaiting Closing	N
Fort Stevens	Fort Stevens LLC 202.895.8900	Y	59	59	TBD- Currently under renovation	TBD- Currently under renovation	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 3,171 2,818 LIHTC as % of 89% Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB

CPDC Organizational Chart



J. Michael Pitchford
2047 North Abingdon Street
Arlington, VA 22207

Home (703) 527-0534
Office (202) 885-9540
Cell (202) 627-9951

mpitchford@cpdc.org

PROFESSIONAL EXPERIENCE:

Community Preservation and Development Corporation (CPDC)

President and CEO 2005 - present, Washington, DC

- Lead a diverse team of over 55 real estate, education and community development professionals.
- Fiscally stabilized the company by balancing the budget in the first few months of tenure. Achieved a modest positive net income (just over half a million) in 2005 and 2006 from less than break even in 2004.
- Guided a small team to a complete strategic reinvention of the resident services business in the first half of 2006, which has fully realigned it with existing corporate mission.

Bank of America Corporation and predecessors;

Operational Risk Executive 2003-2005, Charlotte, North Carolina

- Built and lead a team of risk professionals
- Created a risk assessment and mitigation strategy and accompanying programs for the Marketing Group

Community Development Equity Executive 1994-2003, Charlotte, North Carolina

- Lead a real estate team that developed or rehabilitated over 23,000 units of affordable housing. Team grew 10 members doing several hundred units a year to over 35 doing several thousand units a year.
- Equity commitment rose to \$3 billion up from just over \$100 million in 1994.
- Increased net income after tax to over \$46 million in 2002 from these businesses, up from break even in 1994, with a 2002 shareholder value add of over \$36 million.
- Lead a team from 25 to as many as 180 associates, with an expense budget in excess of \$25 million, to nine successive years of exceeding plan income.
- Co-created, from scratch, the credit and investment risk management policy for the equity businesses.

Real Estate Lender and Team Leader 1984-1994, Norfolk and McLean, Virginia

Recruiting/Training Officer 1982-1984, Norfolk, Virginia

CIVIC ACTIVITIES:

- Urban Land Institute, Full Member, 1994-present, Vice Chairman of the Inner-City Council 1998-2001, Chairman of the Affordable Housing Council 2003-2006, ULI in the Community Committee 2003 to present, Policy and Practice Committee 2003- 2006, Vice Chairman of the Program Committee 2006 - present
- National Housing Conference, Board of Governors, 1996 to present, First Vice President 1996-1999, President 2000 to 2003
- National Equity Fund, Board of Directors 1999 to present, Executive Committee, Project Review Committee, Investment Management and Asset Management Committee member
- Charlotte Mecklenburg Housing Partnership, Board of Directors, 1994-2000, Vice Chairman 1996-1998
- Northwest Corridor Community Development Corporation, Board of Directors, 1994-2000
- Washington Area Housing Partnership, Affordable Housing Preservation Committee, Employer Assisted Housing Committee, 1992-1994

EDUCATION:

MPA, College of Business & Public Administration, Old Dominion University, Norfolk, Virginia
BS, College of Science, Old Dominion University, Norfolk, Virginia

Christopher B. LoPiano

(202) 885-9579

clopiano@cpdc.org

SUMMARY OF PROFESSIONAL ACCOMPLISHMENTS

- Over 20 years of real estate development experience specializing in urban development and community revitalization.
- Director of development for a 15 acre TOD PUD, a 400,000 sf mixed-use redevelopment and a 300,000 sf retail portfolio for entrepreneurial developer in Washington, DC.
- Senior Project Executive for a mixed-use PUD project in excess of 3 million square feet in Washington, DC and for a \$100MM whole-block redevelopment on the Westside of downtown Baltimore.
- Planned and executed \$25MM redevelopment of the Hillsdale neighborhood in Anacostia.
- Established the Washington, D.C. and Baltimore offices of Bank of America CDC
- Established the Housing and Economic Development Division of the Marshall Heights Community Development Organization

EXPERIENCE

CPDC, Washington, DC

2011- present

Senior Vice President for Real Estate

- Direct all real estate development and asset management activities of a leading non-profit housing developer in the Mid-Atlantic region.
- Oversee the operations of a 4,500+ unit residential portfolio comprised of over 25 properties in the Mid-Atlantic region representing \$500 million in investment.
- Oversee all real estate development activities from acquisition and financing through development and stabilization.
- Supervise a team of five real estate professionals.
- Manage lender, investor and government relations related to the development, financing and operations of the real estate.
- Lead the expansion of CPDC into new markets, including the greater Baltimore region and the Hampton Roads region, including establishing relationships in the local governments and in the real estate industry and identifying acquisition opportunities.
- Serve on the four member senior leadership team that provides strategic direction for the corporation.

CityInterests, Washington, DC

2007-2011

Director of Development

- Direct all development efforts of CityInterests including project design, entitlement, financing, permitting, construction and leasing.
- Manage relationship with DC Government, including City Council and pertinent agencies, e.g., Office of Planning, Department of Consumer and Regulatory Affairs, Department of Transportation and Deputy Mayor's Office. Testify before City Council and the Zoning Commission regarding street and alley closings, PUDs and TIFs.
- Lead community engagement for all projects, plan community outreach strategy and present to civic associations, Advisory Neighborhood Commissions and homeowners and tenant associations.
- Attain all entitlement approvals for 400,000 sq. ft. mixed-use project and a 15 acre, 3,000,000 sq. ft. mixed-use PUD, including site plan approval (LTR), PUD approvals, zoning variances and permits.
- Recapitalized the 15 acre PUD holdings in 2010 with new equity partner and restructured debt in a tax-neutral structure allowing \$5 million cash out.
- Identified and negotiated two land parcel sales that will bring new primary care clinics to Wards 7 and 8.
- Manage two fee-development projects for CityInterests of \$25,000,000 – a primary care clinic and an early childhood education center.
- Senior asset management of 300,000 sf retail portfolio, guiding leasing strategy, tenant fit-out and financing efforts. Achieved a 33%, \$1 million increase in net operating income despite sale of an asset.

KSI/Kettler, Baltimore, MD

2005-2007

Senior Project Executive, Baltimore Office

- Directed the development of an urban revitalization project, including PUD and design approvals. The project was a 17 acre redevelopment of an industrially-zoned site into a residential community of town homes and five high-rise condominium and apartment buildings.
- Opened and managed the Baltimore office of KSI. Cultivated new real estate opportunities in the Baltimore region.
- Managed the close-out of two large town house sub-divisions, turning over final lots, completing community amenities and securing bond releases.

Bank of America CDC, Washington, DC

1994-2005

Senior Vice President, Community Development Banking, Mid-Atlantic Region

- Directed Bank of America Community Development Corporation (CDC) real estate development efforts and offices in Baltimore, Maryland and Washington, DC.
- Led team of five development professionals. Oversaw all aspects of the CDC, an equity investor and an active owner/developer of real estate properties. Invested debt and equity in the Mid-Atlantic totaling approximately \$250 million.
- Partnered with local and state governments, community-based organizations and developers. Revitalized communities based upon small-area plans that were the collaborative vision of Bank of America CDC, communities and government. Developed affordable housing, both rental and for-sale, and commercial and industrial projects.
- Developed \$100 million downtown, mixed-use redevelopment project including historic preservation, high-rise construction, residential and retail development and leasing. Developed over 2000 units of multi-family rental, 150 units of for-sale housing and retail and office space.
- Gained extensive experience with various financing tools such as FHA, Fannie, fixed and variable rate bonds, historic, low-income housing and New Market tax credits, and interest rate risk mitigation tools, e.g., swaps, caps and forward purchase of MBS.

Marshall Heights Community Development Organization, Washington, DC

1985-1994

Deputy Director and Chief Financial Officer

- Assisted CEO with organizational development, strategic planning and major fundraising for internationally recognized community development corporation.
- Managed Housing and Economic Development Division, which developed single and multi-family for-sale and rental projects, industrial parks and office/retail space.
- Negotiated construction, permanent and gap financing for projects in excess of \$5 million.
- Established relationships with lenders and investors and provided technical assistance to small businesses in all aspects of obtaining financing.

EDUCATION

Georgetown University, Washington, DC

Bachelor of Arts, dual major in Economics and Government - 1975

PROFESSIONAL AFFILIATIONS

- District of Columbia Local Advisory Committee of the Local Initiatives Support Corporation (LISC).
- D.C. area NonProfit Finance Fund (NFF) Advisory Committee. Chair, Loan Committee
- D.C. Comprehensive Housing Strategy Task Force
- Past President of the Board of Neighborhood Design Center (NDC), Baltimore, MD.
- Urban Land Institute. Study and advisory panel member for City of Norfolk, VA and City of Rochester, NY



Pamela Lyons
plyons@cpdc.org

Community Preservation and Development Corporation
Washington, D.C.

Senior Vice President Community Impact Strategies
July 2006 - Present

- Manage the development and direction of Community Preservation and Development Corporation's community and economic development business strategy
- Direct Strategic Planning and development of Resident Services
- Provide day-to-day leadership and management for all sites
- Oversee a \$2.8 million budget used to provide staff and services to residents in the CPDC portfolio
- Lead the measurement and evaluation of all business and program processes internal and external
- Identify and build partnerships with private sector groups and local government agencies that provide economic opportunities and resources for development efforts
 - Raised 98 percent of our fundraising goal in fiscal year 2011
 - Expanded membership and service hours in the volunteer membership program
 - Developed proposal and received award of \$1.4 million to develop collaborative resident services programs that include out-of-school time programs, parent engagement, mentoring programs, job skills training and placement, and adult literacy programs
 - Collaborate with senior management to develop and implement plans for the operational infrastructure of systems, processes, and personnel designed to accommodate the growth objectives of the corporation

Director of Administration
July 2001 – June 2006

- Oversee employee relations, culture building, and communications, salary benchmarking, and benefits programs, compliance and reporting functions, performance management and organization feedback, diversity and affirmative action processes, operations and IT
- Maintain current knowledge and understanding of regulations, current practices, new developments, and applicable laws regarding human resources
- Act as senior level advisor on human resources issues to senior management and all level of employees throughout the company
- Provide consulting support to President and senior management on matters of goals setting, policy development, and strategic implementation in support of achieving corporate objectives and business growth
- Plan, develop, organize, implement, direct and evaluate the organization's administration function and performance
- Implement and enforce policies and procedures of the organization by way of systems that will improve the overall operation and effectiveness of the corporation e.g. human resource management, logistics, etc.
- Provide technical/professional advice and knowledge to others within the various administrative areas
- Work with President to define the human resources goals and objectives
- Work with senior management to define staffing plans
- Determine the needs for, assess viability of internal or external sourcing of, and manage the ongoing provision of activities and services for IT

The Appalachian Regional Commission

Washington, D.C.

Human Resources Manager

April 2000 – July 30, 2001

- Provide a variety of human resource services including recruitment, retention planning, placement, position classification and salary administration, employee relations and benefits, employee development and training, health and safety, equal employment opportunity, and workforce diversity programs
- Develop direct lines of employee-human resource office communication, and speak for top management on all human resource matters dealing with employees and employee groups, and with individuals outside the agency
- Provide sound, technical advice on all personnel matters and management decisions affecting personnel
- Serve as EEO officer and provide guidance and direction to EEO counselors
- Direct the administrative tasks necessary in processing personnel actions, maintain records, and processing the biweekly payroll.
- Establish a positive two-way communication with employees to learn employee views, obtain employee suggestions on proposed policies and actions, and insure understanding of management's actions
- Develop and recommend or implement personnel programs and policies consistent with the Commission's strategic plan

The Council of Chief State School Officers

Washington, D.C.

Chief of Staff

August 1994 – April 2000

- Support the executive director in all matters related to overall operation of the Council and manage the daily activities
- Coordinate the efforts of the management team and plan and manage meeting agendas
- Work closely with the executive director to develop effective relations with the Board
- Manage special projects
- Responsible for recruitment at all levels, manage compensation and benefit programs, position classification, and employee relations
- Fund raise to support annual membership meetings
- Coordinate Council internal correspondence and communication systems
- Serve as officer-in-charge in the absence of the executive director

EDUCATION

Bachelor of Science, Education

The American University, Washington, D.C.

Shelynda Burney Brown

3305 Theodore R. Hagans Drive NE Washington, DC 20018
• 202-635-2690 (home) • 404-375-6831 (cell) • shelyndab@gmail.com

SUMMARY OF QUALIFICATIONS

- Proven real estate development professional with extensive knowledge of affordable housing development, implementation and policies.
- Nearly a decade of banking experience in the areas of: operations management, portfolio/relationship management and real estate finance and lending.
- Demonstrated success in managing complex financial structures and working with a variety of partners to complete development projects on time and on budget.
- Proven ability to direct multi-disciplinary teams and activities: lead by example, formulate and execute organization wide goals and objectives, and access achievement.
- Effective communication and strong problem-solving and conflict-resolution skills.
- Entrepreneurial spirit that thrives in a fast-paced environment with diverse challenges and extensive public contact.

PROFESSIONAL EXPERIENCE

COMMUNITY PRESERVATION AND DEVELOPMENT CORPORATION

Silver Spring, MD

Vice President, Real Estate, 02/14-present

- Lead strategic growth in affordable rental, acquisition/rehabilitation, mixed income, mixed use, and senior development.
- Primary driver of new development which has resulted in \$150M of new projects providing over 1000 units of housing in our expansion into new markets (Richmond and Hamptons Roads).
- Supervise the execution of real estate development projects from initial conception through construction, to lease-up and stabilized occupancy.
- Direct and motivate a team of development staff located at headquarters and at our satellite office in Richmond, VA.
- Serve as an integral member of the expanded leadership team as well as CPDC's Strategy Group, a cross-functional team engaged to support in the development of our 2014 – 2018 Strategic Plan.
- Cultivate and maintain strong relationships with existing and potential capital providers, including lenders, equity investors, foundations, and public housing finance entities.
- Work with President and SVP of Real Estate to formulate and implement the strategic direction of the Real Estate Development department. Act as a liaison to the Board of Directors and the Real Estate Committee.
- Represent CPDC to a wide variety of audiences, including public officials, financing organizations, community organization and low-income communities.
- Participate in relevant organizations (ULI, state/local affiliation organizations) to keep industry knowledge current and enhance CPDC's networks.

Senior Real Estate Development Officer, 01/10-02/14

- Managed over \$250M of real estate development activity for affordable housing development projects providing 1300+ units of housing.
- Structured and secured project financing for affordable housing developments under consideration using Low Income Housing Tax Credits, Tax-Exempt Bonds, Section 8, Housing Production Trust Funds, CDBG, HOME, AHP, HUD 221 (d) 4, 223(f), and Conventional financing.
- Lead project teams of architects, property managers, general contractors and other third-party vendors throughout development process.
- Directed dozens of contract negotiations (i.e., construction contracts, development agreements, lending term sheets, limited partnership operating agreements and other legal documents) to ensure completion of development projects.
- Identified and secured new business opportunities for the organization to include expansion to the Richmond and Hampton Roads geographic areas.
- Advised executive leadership and board on progress of projects; mentor and develop associate level staff.

Real Estate Development Officer, 06/04-01/10

- Initiated and executed completion of multiple tax credit rental developments in DC and Maryland to include finance closing, construction, lease and stabilization. Built and maintained relationships with residents in housing developments throughout the development process; facilitated resident engagement and empowerment during the development cycle.
- \$26M rehabilitation project received the 2007 HAND Award for "Project of the Year for DC."
- \$94M historic renovation project, completed ahead of schedule and under budget, received the 2009 HAND Award for "Project of the Year for DC."
- Presented to City Council(s) and other local government entities to obtain financial support of projects, (i.e., Payment in Lieu of Taxes, other local funding and Special Use Permits).

GA DEPARTMENT OF COMMUNITY AFFAIRS

Atlanta, GA

Tax Credit Underwriter, 03/02-7/02

- Assessed and recommended selection of projects from host of applications for tax credit allocations from the State's annual volume cap.
- Determined eligibility of projects financed with tax-exempt private activity bonds.
- Performed project cost, revenue and expense, and financial analyses of approved projects and underwrote those that met state, Federal and program regulations and guidelines.
- Participated in planning and program development of the annual revisions to the Qualified Allocation Plan.

BANK OF AMERICA 1992-2001

Atlanta, GA

Relationship Manager/Assistant Vice President, 01/01-10/01

- Originated and approved affordable housing loans, which resulted in commitments in excess of \$15M.
- Negotiated appropriate credit structure, terms, and rates for construction and permanent loans.
- Managed existing client relationships and yields, increasing deposits and ROE by \$1M and 9% respectively.

Real Estate Analyst, 08/99-01/01

Atlanta, GA

- Executed comprehensive analysis and underwriting of Real Estate Lending Opportunities.
- Performed monthly audit of credit files to ensure compliance guidelines are adhered to.
- Managed a \$30M portfolio of construction loans from funding to conversion.
- Supported a team of four client managers, which underwrote 16 deals totaling \$93M in closed transactions, exceeding annual goal by 163%.

Underwriting Associate, 08/98-08/99

San Francisco, CA

- Performed comprehensive analyses of income producing commercial properties which securitize loans sold to Wall Street Investors. Reviewed third party reports, credit reports, lease abstracts and determined probable risk.
- Determined critical lending risks and appropriate mitigates. Developed initial underwriting assumptions for up to 25 deals simultaneously, using fundamental real estate concepts.
- Created cash flow models to interpret and analyze financial data with focus on project cash flow. Prepared financial spreadsheets; performed market research and industry peer comparisons. Models were used to present underwriting findings to loan officer(s) and credit committee.

Personal Banker, 06/92-08/98

Las Vegas, NV

- Provided financial services to banking clients ranging from opening deposit accounts, certificate of deposits, and referrals to mortgage and investment departments.

EDUCATION

**John F. Kennedy School of Government at Harvard University,
Executive Education**

*Certificate of Completion for NeighborWorks
Achieving Excellence Program-August 2016-
January 2018*

**Georgetown University, School of Continuing Education
Terry College of Business, University of Georgia
University of Nevada, Las Vegas**

*Certificate in Project Management – August 2011
MBA: Real Estate and Finance – May 2004
BS: Business Administration: Finance – May 1998*

PROFESSIONAL MEMBERSHIPS/AFFILIATIONS/ACCOMPLISHMENTS

- Arlington County Affordable Housing Task Force-Non-Profit Representative, 2012-2015
- Virginia Housing Coalition, Recipient of 2014 “Innovator of Change” Award
- Lowe Economic Development Company Advisory Board, 2011-present
- Emerging Leaders Network-DC Chapter, Board Member, 2010-2012
- African American Real Estate Professionals, Recipient of 2009 “Member of the Year” Award
- Delta Sigma Theta Sorority Incorporated, Member
- Prince George’s County Delta Alumnae Foundation, Board Member, 2008-2010
- Urban Land Institute, Member, Finance Committee Chair-Urban Marketplace, 2008
- African American Real Estate Professionals, Treasurer, Board of Directors 2007-2008, Chair of Annual Awards Gala 2005-2007
- Net Impact, Professional member
- National Black MBA Association, Life Member

P

Plans and Specifications or
UxU Work Write-Up
(Mandatory)

Q

1. Real Estate Tax Abatement
2. New project based subsidy from HUD or Rural Development
3. Rental Assistance Documentation (ex. RD/HUD HAP Contract; CHAP contract)

Cover Memo- Baker School Apartments
Reference: Tax Exempt Bond Application

Baker School Apartments is apart of the Fay Towers Redevelopment and is known as Fay Phase II.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410

March 22, 2018

Orlando Artze
Interim Executive Director
Richmond Redevelopment & Housing Authority
P.O. Box 26887
Richmond, VA 23261-6887

Dear Mr. Artze:

Attached please find an amended CHAP Exhibit A for your RAD project, FAY (VA007000501), whose initial CHAP was awarded September 11, 2015. As this project is already being processed for conversion, all of the established CHAP milestone due dates will remain in effect, with any extension requests subject to the same approvals as established in the original CHAP.

With the issuance of this amended CHAP Exhibit A, you are required to update all relevant information on the RAD Resource Desk, including, but not limited to, the Transaction Log and Rent Schedule, so that the transaction accurately reflects these rents, number of units and configuration presented herein. In addition, please take appropriate action if this amendment requires a Significant Amendment to your Public Housing Agency Five Year or Annual Plan.

If you have any questions regarding this Amendment, please contact your Transaction Manager.

Sincerely,

A handwritten signature in blue ink that reads "Thomas R. Davis".

Thomas R. Davis
Director
Office of Recapitalization

EXHIBIT A

**IDENTIFICATION OF UNITS (“CONTRACT UNITS”)
BY SIZE AND APPLICABLE CONTRACT RENTS**

The Contract Rents below for the subject project were determined in accordance with PIH Notice 2012-32, REV-1 based on Fiscal Year 2012 Federal Appropriations and assumptions regarding applicable rent caps. The final RAD contracts rents, which will be reflected in the RAD HAP contract, will be based on Fiscal Year 2012 Federal Appropriations, as well as applicable program rent caps and Operating Cost Adjustment Factors (OCAFs), and, as such, may change.

Existing PIC Development Number: VA007000501

Updated PIC Development Number* (for tracking purposes only): VA007000501B

New Project Name* (for tracking purposes only): FAY PHASE II

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
1	0	\$814	\$0	\$814
49	1	\$869	\$0	\$869

Please note that this rent schedule includes the 2014, 2015, 2016, 2017 and 2018 OCAF adjustment that the PHA is eligible for, and will be confirmed during the Financing Plan review.

*The revised PIC and Project name are only applicable as references for the RAD conversion. No formal changes to PIC have been made.

R

Operating Budget
Documentation

Not Applicable

S

Permanent Supportive
Housing Certification

Not Applicable



T

Financing Sources

(incl Subsidized Funding)

- Donated land or below market land leases
- Financing commitment from Locality or LHA
- Tap fee waivers
- Virginia Housing Trust Fund
- VOICE \$
- Bank loan commitment
- Locality resolution

Subsidized Funding = \$ used to reduce development costs (but not REACH \$)



February 17, 2016

AUTHORIZATION TO EXECUTE LEGAL DOCUMENTATION TO PROVIDE ADDITIONAL FINANCING FOR THE THIRD PHASE OF THE RENTAL ASSISTANCE DEMONSTRATION (RAD) DEVELOPMENT

To the Honorable Board of Commissioners:

RECOMMENDATION: It is recommended that the Board of Commissioners authorize the Chief Executive Officer or her designee to execute all documents necessary for the gap financing commitment for the financing application of Phase III Fay Towers RAD redevelopment project.

FUNDING RRHA Development funds /Replacement Housing Factor Funds

PROPOSED VENDOR: Community Preservation Development Corporation (CPDC)

GENERAL BACKGROUND INFORMATION

The Board of Commissioners approved, by Resolution 12-38, the Rental Assistance Demonstration Application for Fay Towers dated October 24, 2012. Phase I of the Fay Towers RAD included redevelopment of 77 unit structure located at 1221 East Brookland Park Boulevard. The renovation started on Phase I during September 2015 and to be completed by November 2016.

Phase III of the Fay Towers replacement will be located at the Baker City School where 51 senior units will be developed.

The proposed redevelopment of Baker City School was made possible by the Richmond Public School Board Members authorizing the surplus of this property back to the City of Richmond for RRHA's proposed use for senior housing. The rehabilitation of the former Baker Public School will preserve the 1939 Art Deco building that was originally constructed for African American elementary students.

The revitalization of this building will serve 51 RAD replacement units for the residents of Fay Towers. Most recently, RRHA and CPDC submitted an application to the Department of Historic Resources to designate Baker School as a Historic Building.

Under our the existing Master Development Agreement, RRHA will ground lease or transfer the Baker School to the established partnership, which RRHA will participate in the ownership. Also, RRHA shall be compensated for its land through a capitalized lease payment at closing and if not possible through an amount up to 50% of available cash flow. The remaining cash flow will be distributed 50/50 to the RRHA affiliate and CHI affiliate. For the Fay Towers development an RRHA affiliate will be an administrative member of the General Partnership (GP). The managing member will be an affiliate of CHI. CHI will provide all guarantees to investors and lenders as needed and required. RRHA will have the ability to approve the financing for the project but will not be responsible for any guarantees to investors or lenders. RRHA will place all of the new construction and rehabilitated units under a RAD rental assistance contract. RRHA shall be entitled to earn a developer fee equal to 25% of the total fee earned for the project. Any deferred fee will be paid proportionately to CHI and RRHA on the same basis out of cash flow or other eligible distributions. Cost savings during development will be shared 50/50 between RRHA and CHI.

As a part of the financing structure RRHA will provide up to \$450,000 in gap financing to this development phase.

Baker School

Project Costs	
Acquisition	\$100,250
Hard Costs	\$,6,360,499
Soft Costs	\$1,857,108
Developer Fee	\$1,028,143
Total Dev Cost	\$9,346,000
Development Schedule	
Acquisition	N/A
LIHTC Award	May 2016
Construction Closing	March 2017
Construction Start	March 2017
Construction Completion	November 2018
100% Lease Up	January 2019
Proposed Financing	
LIHTC Equity	\$2,745,779
Private Debt	\$2,445,318
Other	\$4,057,928
Deferred Fee	\$96,975
Total Dev Sources	\$9,346,000

RRHA and CPDC plan to submit a Low Income Housing Tax Credit (LIHTC) application to Virginia Housing Development Authority (VHDA) in March 2016 to support the development of Phases II of the Fay Towers RAD development. There is a financing gap of \$450,000 for the development of Phase II.

RRHA has identified the following funding sources available to provide the necessary gap financing for the completion of the Fay Towers replacement units. RRHA will utilize a forthcoming CDBG commitment of \$200,000 from the City of Richmond, \$18,802 of HUD Replacement Housing Factor Funds, and \$231,198 from RRHA RECD restricted funds account.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date February 17, 2016 Agenda Item No. 5

WHEREAS, the Board of Commissioners has reviewed the Funding Source Recommendation requesting Authorization to execute documents necessary for the financing of Phase III for the Rental Assistance Demonstration project for the replacement of Fay Towers

THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY THAT, THE BOARD OF COMMISSIONERS:

- (i) Authorizes the Chief Executive Officer, or her designee, to negotiate and execute all documents necessary to carry out the intent of this resolution, and to provide up to \$450,000 of gap financing required to complete Phase III of the Fay Towers RAD replacement units. Any future amendments increasing the amount of gap financing and /or changing the parcel of land identified for this Development Phase shall require the prior approval of the Board of Commissioners of RRHA.
- (ii) Authorizes the Chief Executive Officer, or his designee, to negotiate and execute all documents necessary to carry out the intent of this resolution, including but not limited to entering into a long term ground lease, transferring, or assigning some part or all of RRHA's interest in the following parcel: **Parcel ID:** N0000126001 100 West Baker Street.

Recommended by Marcia Davis Date February 11, 2016
Chief Real Estate Officer

Approved by T.K. Somanath Date February 11, 2016
Chief Executive Officer

COMMISSIONERS' ACTION

Approved FEB 17 2016 Disapproved _____

Summarized Sources and Uses

Fay Towers Phase II - Baker School (53 units)

Construction/Permanent Sources

		Sources	Per Unit
LIHTC Equity	3.20%	\$2,745,779	\$51,807
First mortgage	5.25%	\$2,445,318	\$46,138
Federal HTC		\$1,616,594	\$30,502
Virginia HTC		\$1,368,211	\$25,815
Section 108 Loan		\$273,124	\$5,153
VHDA/DHCD/AHP Funds		\$350,000	\$6,604
Richmond CDBG Funds		\$200,000	\$3,774
RRHA		\$250,000	\$4,717
Deferred Fee	9%	\$96,975	\$1,830
TOTAL PERMANENT		\$9,346,000	\$176,340

Summarized Uses

	Eligible Basis	Uses	Per Unit
Acquisition Expenses	\$90,000	\$100,250	\$1,892
Construction	\$6,360,499	\$6,360,499	\$120,009
Architectural	\$542,988	\$542,988	\$10,245
Prof. Services and Fees	\$294,130	\$323,543	\$6,105
Financing	\$0	\$287,865	\$5,431
Partnership Expenses	\$0	\$195,000	\$3,679
Carrying Costs+Reserves	\$194,000	\$507,714	\$9,580
Developer Fee	\$1,028,143	\$1,028,143	\$19,399
TOTAL USES	\$8,509,759	\$9,346,001	\$176,340

EXCESS (GAP) Permanent		(\$0)	(\$0)
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Terence R. McAuliffe
Governor

Todd P. Haymore
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

William C. Shelton
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

May 4, 2017

Michael Pitchford
Director
Community Housing, Inc.
413 Stuart Circle
Richmond VA 23220-3741

Re: Affordable and Special Needs Funding
Proposal

Dear Mr. Pitchford:

On behalf of Governor McAuliffe, it gives me great pleasure to inform you that Community Housing, Inc. has been offered an Affordable and Special Needs Funding award in the amount of \$527,627 in support of the Baker School Apartments project. This proposal was offered funding under the 2016-17 Affordable and Special Needs Housing Competitive Loan Pool.

Willie Fobbs, Associate Director within the Department's Housing Division, will soon be contacting you to begin the contract negotiation process. We are pleased to be of assistance to Community Housing, Inc. in its affordable housing efforts.

Sincerely,

Bill Shelton

cc: Lee Alford, Real Estate Development Officer
Pam Kestner, DHCD
Willie Fobbs, DHCD





CITY OF RICHMOND

ECONOMIC & COMMUNITY
DEVELOPMENT

June 27, 2017

M Pitchford
Executive Director
Community Housing
8403 Colesville Road
Silver Spring, MD 20910

AHTF 17-16
Loan Number

Dear Mr. /Ms. Pitchford

I am pleased to inform you that the City of Richmond Affordable Housing Trust Fund has approved a Forgivable Loan in the amount of \$100,000 to the Community Housing Inc. to support the Baker School Apartment projects located at 100 W. Baker Street.

The Forgivable Loan will have similar requirements for disbursement, but will require that a note and Deed of Trust be recorded. In addition disbursement will be executed in one payment as oppose to two. The funding shall be used to provide 51 affordable new housing to the senior residents of Fay Towers.

The AHTF Forgivable Loan will be made in accordance with the following terms and conditions:

CHI will use the AHTF Forgivable Loan proceeds to complete the development of 51 affordable units on site. The development will be comprised of 45 units at or below 50% AMI and 6 units at or below 80% AMI.

This Forgivable Loan shall be in effect for a one-year period that will begin upon execution of a contract between the City and CHI. The Forgivable Loan term may be extended in writing for an additional year through a written amendment agreement to be issued by AHTF and signed by both parties. Such extension shall be based on project status and funding availability.

AHTF shall disburse the Forgivable Loan funds to CHI in one installment upon satisfaction of the conditions listed below. The installment will be disbursed following the submission of:

- two countersigned copies of this letter
- a written request by CHI for the first disbursement, which shall contain (i) the disbursement amount requested, (ii) the requested date of disbursement, (iii) a breakdown of the costs to be paid with the disbursement, and (iv) invoices or bills supporting the costs to be paid with the disbursement, if applicable;
- a good standing certificate for CHI dated no more than 12 months prior to the date of this Agreement;

AHTF Forgivable Loan
CHI
June 27, 2017

- a corporate resolution, signed by CHI's Board, authorizing the receipt of the AHTF Forgivable Loan in support of the Project;
- the most recent audited financial statements of CHI;
- proof of commitments for all project funding
- project budget
- projected closing and disbursement timeline
- City issued Building permit allowing construction to begin
- Proof of hard construction cost incurred up to or exceeding \$100,000
- tax credit reservation letter (if applicable)

The Affordable Housing Trust Fund (AHTF) shall not make any disbursement of Forgivable Loan funds unless, CHI is in compliance with all the terms and conditions of this letter applicable to the AHTF Forgivable Loan.

Any funds not disbursed by the expiration date of the AHTF Forgivable Loan period indicated above shall be automatically reprogrammed by AHTF and shall no longer be available under the AHTF Forgivable Loan. The AHTF Forgivable Loan term may be extended, provided that a written request is submitted to the AHTF Program Administrator for approval and an amendment to this letter is duly executed.

AHTF reserves the right to recapture disbursed funds if the project does not proceed. In its use of funds provided by AHTF, and in its development, marketing and operation of the Project, CHI shall fully comply with all applicable federal, state, local, anti-discrimination laws, executive orders, rules and regulations.

AHTF shall not be obligated to disburse any proceeds of the AHTF Forgivable Loan if, at the time of the proposed disbursement, CHI or any other subsidiary of CHI or any partnership affiliated with CHI is in default under the terms of any AHTF financing, whether for the Project or provided by AHTF for any other project or purpose. In addition, AHTF shall not be obligated to disburse any proceeds of the AHTF Forgivable Loan if there have been any material adverse changes in the financial or other condition of CHI or the Project, including, but not limited to, any adverse changes in the key personnel of CHI working on the Project (AHTF will determine, in its discretion, what would constitute an adverse change in key personnel).

CHI must submit quarterly progress reports and annual financial statements to the AHTF Program Administrator.

A written final report relating to the Forgivable Loan and covering the entire Forgivable Loan period, as described in Paragraph 1, above, shall be sent to AHTF's Program Administrator at City of Richmond Department of Economic and Community Development 1500 East Main Street, Suite 400, Richmond, Virginia 23219 upon completion. Such reports shall be signed by an appropriate officer of CHI and contain: (i) a financial statement reflecting all expenditures of Forgivable Loan funds by CHI according to the purposes of the Forgivable Loan described in this letter, as of the end of

AHTF Forgivable Loan
CHI
June 27, 2017

the period covered by the report, and (ii) a narrative account of what was accomplished during that period toward achieving the goals of the AHTF Program by the expenditure of Forgivable Loan funds.

AHTF may monitor and conduct an evaluation of operations under the AHTF Forgivable Loan. Such evaluation may include a visit from AHTF personnel to observe CHI's program/project, to discuss said program/project with CHI's personnel, and/or to review financial and other records and materials relating to the activities financed or facilitated by the AHTF Forgivable Loan.

By countersigning the enclosed copies of this letter below, CHI confirms that its tax-exempt status under Section 501(c)(3) is still in effect. If determination is revoked or modified, CHI shall so notify AHTF as soon thereafter as possible.

AHTF may include information regarding the AHTF Forgivable Loan in its periodic public reports. AHTF may also refer to the AHTF Forgivable Loan in press releases, in which case a copy of each such release will be sent to you in advance. AHTF asks that, until such a press release is issued, CHI not make any public announcement relating to the AHTF Forgivable Loan without first consulting the AHTF contact person referred to below.

The principal AHTF contact person in connection with the Forgivable Loan described in this letter shall be Douglas Dunlap, ECD Interim Director for City of Richmond. All correspondence concerning said Forgivable Loan should be addressed to him.

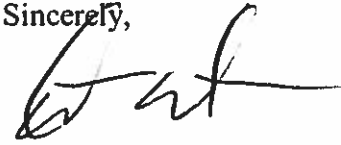
CHI may not assign or transfer its rights, or delegate any of its obligations associated with this award.

If this letter correctly sets forth CHI's understanding of the terms and conditions of the AHTF Forgivable Loan, please indicate acceptance of and agreement to said terms and conditions by having two of the enclosed copies of this letter countersigned and dated by an authorized officer of CHI in the spaces provided below and returned to City of Richmond, Department of Economic and Community Development, AHTF's Program Administrator, at 1500 East Main Street, Suite 400 Richmond, Virginia 23219, no later than July 7, 2017. If the AHTF Forgivable Loan letters are not returned by that date, the AHTF commitment shall be withdrawn.

AHTF Forgivable Loan
CHI
June 27, 2017

On behalf of AHTF, I extend every good wish for the success of this endeavor.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dunlap', written over a light grey rectangular background.

Douglas Dunlap
Interim ECD Director

cc:

(Please see next page for countersignature)

AHTF Forgivable Loan
CHI
June 27, 2017

TERMS OF AHTF FORGIVABLE LOAN ACCEPTED AND AGREED TO:

By: _____ (name & address)

Title: _____ (Title)

Date: _____

Payment check should be directed to:

at the following address:

AHTF Forgivable Loan
CHI
June 27, 2017

EXHIBIT A

FORGIVABLE LOAN BUDGET *

USES OF FUNDS

\$

SOURCES OF FUNDS

AHTF Forgivable Loan
\$

*



CITY OF RICHMOND
ECONOMIC & COMMUNITY
DEVELOPMENT

August 16, 2017

Desi Wynter
Senior Project Manager
Richmond Redevelopment and Housing Authority (RRHA)
901 Chamberlayne Parkway
Richmond, VA 23220

RE: Committed FY18 CDBG Funds

We are pleased to inform you that City Council has adopted the FY 2017-2018 budget for CDBG, HOME, ESG, and HOPWA funds. The following project was approved for your agency:

<u>Project Name</u>	<u>Grant Type</u>	<u>Amount</u>	<u>Adopted/Amended</u>
Baker School	CDBG	\$100,000	Adopted FY 2017

Allocation of these funds is contingent upon receipt of the official award letter from HUD.

We are still drafting the Item Plans and Contracts for your review. You shall receive them by the first week of September.

We look forward to working with you in the year ahead. If you have any questions, please feel free to contact me at denise.lawus@richmondgov.com.

Sincerely,

Denise Lawus
Deputy Director II

U

Documentation to Request
Exception to Restriction
(Pools w/Little or No Increase in
Rent Burdened Population)

Not Applicable

W

Attorney's Opinion
(Mandatory)

May 8, 2018

TO: Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2018 Tax Credit Reservation Request

Name of Development: Baker School Apartments
Name of Owner: Baker School, LLC

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated May 8, 2018 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary in order to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Parts VIII and IX of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development in Part VIII of the Application form and (b) of the Estimated Qualified Basis of each building in the Development in Part IX of the Application form comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

ATTORNEY'S OPINION LETTER, continued

3. The information set forth in Subpart VII-C of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
4. The site of the captioned Development is controlled by the Owner, as identified in Subpart II-A of the Application.
5. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.
6. The nonprofit organizations' ownership interest in the development is as described in Subpart II-D of the Application form.
7. It is more likely than not that the representations made under Subpart I-F of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

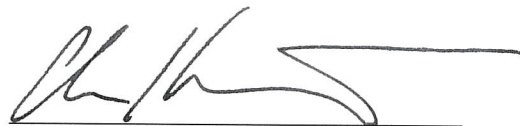
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("VHDA") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by VHDA and may not be relied upon by any other party for any other purpose.

This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.

Klein Hornig LLP

By:



Chris Hornig, Partner

Y

Marketing Plan
(Mandatory for Units Meeting
Accessibility
Requirements of HUD Section 504
& Developmental Disability)

This marketing plan must indicate that the
development will be listed on
virginiahousingsearch.com

Baker School

Marketing Plan for Handicapped Accessible Units

Five (5) of those (50) units (10% of total) will also be designed to meet the Uniform Federal Accessibility Standards(UFAS) as outlined in Section 504 of the Rehabilitation Act and as Type A dwelling units as outlined in the ICC/ANSI A117.1 standard. Complying with Universal Design and the Americans with Disability Act within the building, there will be accessible access to all amenity and public spaces. Elevators will serve all floors and there will be dedicated garage access and handicap parking. The location of the site promotes the use of public transportation and nearby communal services.

The units will be actively marketed to persons with disabilities as defined in the Fair Housing Act, and they will all include roll-in showers and roll under sinks and front control ranges. At initial occupancy and upon turnover, each of the accessible units will be held vacant for 60 days during which ongoing marketing will be documented. If a qualified household of an individual with a disability is not located in that timeframe, the management company/owner will submit evidence of marketing to VHDA's program compliance officer and request approval to rent the unit to any income qualified household. If the request is approved the lease will contain a provision that the household must move to a vacant unit if a household with disabilities applies for the unit. The move will be paid for by the owner.

The Owner and Managing Agent will distribute marketing material that lists the basic accessibility features of the units that meet the requirements of HUD Section 504 regulations. This information will be made available in alternative formats upon request; including large print, computer diskette or audiotape. Additionally, information will be forwarded via US postal service or email to organizations whose emphasis is placed on assisting persons with special needs; including:

accessva.org

virginiahousingsearch.com

Central Virginia Community Services- 434.847.8050

Department of Rehabilitative Services-434.947.6721

Area Center for Independent Living-434.528.4971

Virginia Board for People with Disabilities-804.786.0016

Virginia Vocational and Rehabilitation Agency-804.662.7000

CONSTRUCTION

The marketing team, architect, and accessibility consultants will coordinate closely with the construction staff to ensure quality control. The delivery schedule will be obtained from construction at the start of the construction phase. This schedule will be updated daily to insure accuracy. The construction staff will inform the team of delays in the delivery of units. The Community Manager or his/her designee will inspect the unit and sign a copy of the punch-out list if the work and the unit are acceptable to management. A copy of the inspection and sign off on the punch-out list will be kept on site in the unit file. If further work is needed, construction will complete same and advise the Community Manager when the work has been completed. After Management has accepted the unit, and has scheduled a move-in date for an acceptable resident construction, will obtain the final approvals from the regulating agencies, and obtain a Certificate of Occupancy for the unit just prior to move in of the new resident. If there is a disagreement about the work needed or acceptance standards, then the issue will be brought to the attention of the Owner or Owner's designee for action.

The Owner will inform Management about construction changes that will affect leasing. Management, in turn, will provide the Owner with weekly, or more often if requested, status reports as to acceptance and leasing of units. Construction shall not interfere with the marketing function. A written plan outlining construction activity will be drawn up and agreed to by the General Contractor.

The plan will also establish liaisons from the construction staff. A procedure to deal with latent defects and construction "call backs" that is acceptable to all parties will be developed.

Construction Administration will be provided by the architect and a third party accessibility consultant to ensure that compliance with all accessibility regulations is ensured.

STAFFING

The Property Manager for the project—Nusbaum Realty Co. has extensive experience with Section 504 compliance. Nusbaum Realty Co. manages many communities that receive funding or other support from HUD and other federal and state administered programs. These include new construction projects, major rehab projects, as well as many older properties that have been refinanced with HUD loans. Bringing non-compliant properties into compliance with fair housing, ADA and Sect. 504 is often a significant and important aspect of these deals.

In addition to vast experience with the physical requirements with Section 504 compliance, Nusbaum also has adopted internal management practices to assure operational compliance with both the spirit and letter of the regulations related to accessibility, including: staff training, formal processes for requests for reasonable accommodations and reasonable modifications, and relationships with contractors and third-party consultants. These practices are included in Nusbaum policies and procedures and are often also referenced in property management agreements and management plans (where applicable).

Specific responsibility for the units will be led by the following parties:

Community Manager- Resident relations, marketing, rent collection, certification and recertification procedures, selection of applicants, maintenance of resident files, preparation and submission of required reporting, supervision of project staff, physical maintenance of property, and other duties assigned by the Regional Property Manager.

Resident Services Coordinator- There will be a dedicated resident services coordinator who will be responsible for identifying the service needs to the senior residents and will also focus on the residents with physical and intellectual disabilities. This coordinator will not provide direct services but will serve as a link between residents and existing service networks.