
2019 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 14, 2019**

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 2019 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 2016. 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 14, 2019**. 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 via our work center site Procorem or on flash/thumb drives. Contact Hope Rutter for access to 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 Coleman 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) 343-5563
Jovan Burton	Jovan.burton@vhda.com	(804) 343-5518

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2019 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.

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input checked="" type="checkbox"/> | Scanned Copy of the Signed Tax Credit Application with Attachments (excluding market study and plans & specifications) (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input type="checkbox"/> | Electronic Copy of the Physical Needs Assessment (MANDATORY if rehab) |
| <input type="checkbox"/> | Electronic Copy of Appraisal (MANDATORY if acquisition credits requested) |
| <input type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested) |
| <input checked="" type="checkbox"/> | Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab F: Architect's Certification and RESNET Rater Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab I: 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) |
| <input type="checkbox"/> | Tab J: Relocation Plan (MANDATORY, if tenants are displaced) |
| | Tab K: Documentation of Development Location: |
| <input checked="" type="checkbox"/> | K.1 Revitalization Area Certification |
| <input checked="" type="checkbox"/> | K.2 Location Map |
| <input checked="" type="checkbox"/> | K.3 Surveyor's Certification of Proximity To Public Transportation |
| <input checked="" type="checkbox"/> | Tab L: PHA / Section 8 Notification Letter |
| <input checked="" type="checkbox"/> | Tab M: Locality CEO Response Letter |
| <input type="checkbox"/> | Tab N: Homeownership Plan |
| <input checked="" type="checkbox"/> | Tab O: Plan of Development Certification Letter |
| <input type="checkbox"/> | Tab P: Developer Experience documentation and Partnership agreements |
| <input type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Operating Budget and Utility Allowances |
| <input type="checkbox"/> | Tab S: Supportive Housing Certification |
| <input checked="" type="checkbox"/> | Tab T: Funding Documentation |
| <input type="checkbox"/> | Tab U: Documentation to Request Exception to Restriction-Pools With Little/No Increase in Rent Burdened Population |
| <input checked="" type="checkbox"/> | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal |
| <input type="checkbox"/> | Tab W: (Reserved) |
| <input checked="" type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504 |

2019 Low-Income Housing Tax Credit Application For Reservation

VHDA TRACKING NUMBER

2019-C-102

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/14/2019

- 1. Development Name: Daffodil Gardens Phase Two '19
- 2. Address (line 1): Fiddlers Green Road
 Address (line 2):
 City: Gloucester State: VA Zip: 23061
- 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: -76.55000 Latitude: 37.41690
 (Only necessary if street address or street intersections are not available.)
- 4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:
 City/County of Gloucester County
- 5. The site overlaps one or more jurisdictional boundaries..... FALSE
 If true, what other City/County is the site located in besides response to #4?.....
- 6. Development is located in the census tract of: 510731002.02
- 7. Development is located in a **Qualified Census Tract**..... FALSE
- 8. Development is located in a **Difficult Development Area**..... FALSE
- 9. Development is located in a **Revitalization Area based on QCT** FALSE
- 10. Development is located in a **Revitalization Area designated by resolution** TRUE
- 11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... FALSE
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
- 12. Development is located in a census tract with a poverty rate of.....

3%	10%	12%
<u>TRUE</u>	<u>FALSE</u>	<u>FALSE</u>

Enter only Numeric Values below:

- 13. Congressional District: 1
- Planning District: 18
- State Senate District: 3
- State House District: 98

Click on the following link for assistance in determining the districts related to this development:
[Link to VHDA's HOME - Select Virginia LIHTC Reference Map](#)

14. **ACTION:** Provide Location Map (**TAB K2**)

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

Daffodil Gardens Phase Two involves the new construction of 40 one- and two-bedroom apartments targeting elderly households. The project will be constructed near Gloucester Court House on Fiddlers Green Road just off of Route 17. The project will be constructed adjacent to Daffodil Gardens, a project constructed using HUD's Section 202 program, Bay Aging's Gloucester Adult Day Break Center, and the Bay Transit facility. Daffodil Gardens Phase Two is also located within about a mile of Riverside Walter Reed Hospital, Food Lion, and numerous other services and shops. The project will provide 5 fully accessible apartments and all apartments will meet Universal Design criteria. The project will also be constructed to EarthCraft Gold standards with ongoing utility monitoring.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/14/2019

16. 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: J. Brent Fedors
 Chief Executive Officer's Title: County Administrator Phone: (804) 693-4042
 Street Address: P.O. Box 329
 City: Gloucester State: VA Zip: 23061

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Anne Ducey-Ortiz, Planning and Zoning Director

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

Chief Executive Officer's Name:
 Chief Executive Officer's Title:
 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:

ACTION: Provide Locality Notification Letter at **Tab M** if applicable.

B. RESERVATION REQUEST INFORMATION

1. **Requesting Credits From:**

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

Non Profit Pool

or

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

2. **Type(s) of Allocation/Allocation Year**

Carryforward Allocation

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2019.

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, 2019, 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 2019 credits pursuant to Section 42(h)(1)(E).

3. **Select Building Allocation type:**

New Construction

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. Is this an additional allocation for a development that has buildings not yet placed in service?

TRUE

If True, additional Credit Request cannot exceed 10% of the prior credit award.

5. **Planned Combined 9% and 4% Developments**

FALSE

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. (25, 35 or 45 pts)

a. Has the developer met with VHDA regarding the 4% tax exempt bond deal?

FALSE

b. List below the number of units planned for each allocation request. This stated count cannot be changed or 9% Credits will be cancelled.

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%

6. **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. Applicant waives the right to pursue a Qualified Contract.

Must Select One: 30

Definition of selection:

Development will be subject to the standard extended use agreement of 15 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.

Owner Name: Daffodil Gardens Phase Two, LLC

Developer Name: Chesapeake Bay Housing, Inc.

Contact: M/M ▶ Mr. First: Joshua MI: Last: Gemerek

Address: 309 Virginia St, Suite B; P.O. Box 1260

City: Urbanna St. ▶ VA Zip: 23175

Phone: (804) 758-1260 Ext. 1300 Fax:

Email address: jgemerek@bayaging.org

Federal I.D. No. 823156971 (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.
Dianne Wilkins, 804-758-1260 x1304 or dwilkins@bayaging.org

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

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

<u>Names</u> **	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Chesapeake Bay Housing, Inc.; Kathy Vesley, Chair	(804) 758-2386	Sole Member	100.000%
			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 C**)
 - b. Provide a chart of ownership structure (Org Chart) and a list of all LIHTC Developments within the last 15 years. (**Mandatory at TABS A/D**)

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. **FALSE**

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

- 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 P**)

- 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 P**)

D. SITE CONTROL

NOTE: Site control by the Owner identified herein is a mandatory precondition of review of this application. Documentary evidence 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.

Contact VHDA before submitting this application if there are any questions about this requirement.

1. Type of Site Control by Owner:

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

Select Type: Deed

Expiration Date:

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 E**.)

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

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

b. 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..... 00/00/0000 .

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

(If c is **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 E**.)

D. SITE CONTROL

3. Seller Information:

Name: Bay Aging

Address: 5306 Old Virginia St; P.O. Box 610

City: Urbanna St.: VA Zip: 23175

Contact Person: Kathy Vesley Phone: (804) 758-2386

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

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>
Bay Aging	(804) 758-2386	Fee Simple	100.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

2019 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: | <u>Matt McKay</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Applegate & Thorne-Thomsen</u> | | |
| Address: | <u>425 S. Financial Place, Suite 1900, Chicago, IL 60605</u> | | |
| Email: | <u>mmckay@att-law.com</u> | Phone: | <u>(312) 491-4449</u> |
| 2. Tax Accountant: | <u>Michael Vicars</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Dooley & Vicars CPAs, L.L.P.</u> | | |
| Address: | <u>21 South Sheppard Street; Richmond, VA 23221</u> | | |
| Email: | <u>mike@dvcpas.com</u> | Phone: | <u>(804) 355-2808</u> |
| 3. Consultant: | <u></u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | Role: | <u></u> |
| Address: | <u></u> | | |
| Email: | <u></u> | Phone: | <u></u> |
| 4. Management Entity: | <u>TBD - VHDA Certified Management Agent</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | | |
| Address: | <u></u> | | |
| Email: | <u>TBD</u> | Phone: | <u></u> |
| 5. Contractor: | <u>Bryan E. Parker</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Parker General Contractors, LLC</u> | | |
| Address: | <u>P.O. Drawer 630; 130 Corporate Parkway; Benson, NC 27504</u> | | |
| Email: | <u>bryanp@parker.net</u> | Phone: | <u>(919) 701-4568</u> |
| 6. Architect: | <u>Richard J. Funk, Jr., AIA</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>dbf Associates, Architects</u> | | |
| Address: | <u>311 10th Street NE; Charlottesville, VA 22902</u> | | |
| Email: | <u>rick@dbfassociates.com</u> | Phone: | <u>(434) 977-2791</u> |
| 7. Real Estate Attorney: | <u>Andrew M. Franck</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Geddy, Harris, Franck & Hickman, LLP</u> | | |
| Address: | <u>1177 Jamestown Road; Williamsburg, VA 23185</u> | | |
| Email: | <u>afranck@ghfhlaw.com</u> | Phone: | <u>(757) 220-6500</u> |
| 8. Mortgage Banker: | <u></u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | | |
| Address: | <u></u> | | |
| Email: | <u></u> | Phone: | <u></u> |
| 9. Other: | <u></u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | Role: | <u></u> |
| Address: | <u></u> | | |
| Email: | <u></u> | Phone: | <u></u> |

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... **FALSE**
If no credits are being requested for existing buildings acquired for the development, skip this tab.
- b. This development has received a previous allocation of credits..... **FALSE**
 If so, in what year did this development receive credits?
- c. The development is listed on the RD 515 Rehabilitation Priority List?..... **FALSE**
- d. 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, 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..... **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..... **FALSE**
- 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)..... **FALSE**
- d. There are different circumstances for different buildings..... **FALSE**
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

a. Credits are being requested for rehabilitation expenditures..... FALSE
If no credits are being requested for rehabilitation expenditures, go on to Part 4

b. Minimum Expenditure Requirements

- i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii)..... FALSE
- 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 K)

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 Non Profit tax credit pool.

All Applicants - Section must be completed to obtain points for nonprofit involvement.

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 I**).

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: Applicant

Name: (Please fit NP name within available space)

Contact Person:

Street Address:

City: State: VA Zip:

Phone: Extension: Contact Email:

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 I)**

Name of qualified nonprofit: Chesapeake Bay Housing, Inc.

or indicate true if Local Housing Authority FALSE
Name of Local 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 N)**

NOTE: Applicant waives the right to pursue a Qualified Contract.

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	40	bedrooms	68
Total number of rental units in development	40	bedrooms	68
Number of low-income rental units	40	bedrooms	68
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	40	bedrooms	68
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....			50,662.08 (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.....			50,662.08 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i. Exact area of site in acres	5.004		
j. Locality has approved a final site plan or plan of development..... If True , Provide required documentation (TAB O).			TRUE
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....			FALSE

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

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

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

h. Development contains an elevator(s).	TRUE
If true, # of Elevators.	1
Elevator Type (if known)	

i. Roof Type	▶	Pitched
j. Construction Type	▶	Frame
k. Primary Exterior Finish	▶	Combination

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: _____

m. Number of Proposed Parking Spaces.....	49
Parking is shared with another entity	FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing public bus stop. **TRUE**
 If **True**, Provide required documentation (**TAB K3**).

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 development 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.

- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
 - i. Phase I environmental assessment.
 - ii. Physical needs assessment for any rehab only development.

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	11.90%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	11.90%
Project Wide Absorption Period (Months)	6

J. ENHANCEMENTS

Each development must meet the following baseline energy performance standard applicable to the development's construction category.

- a. **New Construction:** must meet all criteria for EPA EnergyStar certification.
- b. **Rehabilitation:** renovation must result in at least a 30% performance increase or score an 80 or lower on the HERS Index.
- c. **Adaptive Reuse:** must score a 95 or lower on the HERS Index.

Certification and HERS Index score must be verified by a third-party, independent, non-affiliated, certified RESNET home energy rater.

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

ACTION: Provide Architect Certification (**Mandatory**) and documents related to following items if applicable (**TAB F**)

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

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 80.00% b. Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations.
- TRUE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- TRUE d. Each bathroom contains only of WaterSense labeled faucets, toilets and showerheads.
- TRUE e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- TRUE f. Free WiFi access will be provided in community room for resident only usage.
- FALSE g. Each unit is provided free individual high speed internet access.
- or
- FALSE h. Each unit is provided free individual WiFi access.
- TRUE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- FALSE k. Cooking surfaces are equipped with fire prevention features
- or
- TRUE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- TRUE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- FALSE o. All interior doors within units are solid core.
- TRUE p. At minimum, one USB charging port in each kitchen, living room and all bedrooms.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- TRUE r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

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

J. ENHANCEMENTS

- TRUE a. All cooking ranges have front controls.
- TRUE b. Bathrooms have an independent or supplemental heat source.
- TRUE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.

2. Green Certification

- a. Applicant agrees to meet the base line energy performance standard applicable to the development's construction category as listed above.

The applicant will also obtain one of the following:

- | | | | |
|--------------------------------|--|--------------------------------|--|
| <input type="checkbox"/> TRUE | Earthcraft Gold or higher certification | <input type="checkbox"/> FALSE | National Green Building Standard (NGBS) certification of Silver or higher. |
| <input type="checkbox"/> FALSE | U.S. Green Building Council LEED certification | <input type="checkbox"/> FALSE | Enterprise Green Communities (EGC) Certification |

If Green Certification is selected, no points will be awarded for d. Watersense Bathroom fixtures above.

Action: If seeking any points associated Green certification, provide appropriate documentation at **TAB F**.

- b. Applicant will pursue one of the following certifications to be awarded points on a future development application. (Failure to reach this goal will not result in a penalty.)

- | | | | |
|--------------------------------|-------------------------------------|--------------------------------|-------------------------|
| <input type="checkbox"/> FALSE | Zero Energy Ready Home Requirements | <input type="checkbox"/> FALSE | Passive House Standards |
|--------------------------------|-------------------------------------|--------------------------------|-------------------------|

3. Universal Design - Units Meeting Universal Design Standards (units must be shown on Plans)

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

- 4. FALSE Market-rate units' amenities are substantially equivalent to those of the low income units.

If not, please explain: _____

I. UTILITIES

1. Describe the Heating/AC System: Energy efficient heat pumps with A/C

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	Tenant	0	26	34	0	0
Air Conditioning	Electric	Tenant	0	7	9	0	0
Cooking	Electric	Tenant	0	9	10	0	0
Lighting	Electric	Tenant	0	14	18	0	0
Hot Water	Electric	Tenant	0	13	16	0	0
Water	Public-submetering	Tenant	0	23	30	0	0
Sewer	Public-submetering	Tenant	0	27	35	0	0
Trash	Private	Owner	0	0	0	0	0
Total utility allowance for costs paid by tenant			\$0	\$119	\$152	\$0	\$0

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

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

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.

K. SPECIAL HOUSING NEEDS

NOTE: Any Applicant commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.

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

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

FALSE

- 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)

TRUE

- 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. 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 c, all common space must also conform to HUD regulations interpreting the accessibility 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 J**)

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: Yes

Organization which holds such waiting list:

Contact person:

Title:

Phone Number

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

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:

% of total Low Income Units

NOTE: Development 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

a. Some of the low-income units do or will receive rental assistance..... FALSE

b. Indicate True if rental assistance will be available from the following

FALSE Rental Assistance Demonstration (RAD) or other PHA conversion to based rental assistance.

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 8 Certificates

FALSE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers

FALSE State Assistance

FALSE Other: _____

c. The Project Based vouchers above are applicable to the 30% units seeking points.

FALSE

i. If True above, how many of the 30% units will not have project based vouchers?

0

d. Number of units receiving assistance: _____

How many years in rental assistance contract? _____

Expiration date of contract: _____

There is an Option to Renew..... FALSE

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.

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
20	50.00%	50% Area Median
20	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
40	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
4	10.00%	40% Area Median
16	40.00%	50% Area Median
20	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
40	100.00%	Total

b. The development plans to utilize income averaging..... **TRUE**
 If above is true, should the points based on the units assigned to the levels above **be waived** and therefore not required for compliance?
 20-30% Levels **FALSE** 40% Levels **FALSE** 50% levels **FALSE**

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	40% AMI	4	2	669.73	\$400.00	\$1,600
Mix 2	1 BR - 1 Bath	50% AMI	7		669.73	\$535.00	\$3,745
Mix 3	1 BR - 1 Bath	60% AMI	1		669.73	\$615.00	\$615
Mix 4	2 BR - 1.5 Bath	50% AMI	9	3	905.66	\$640.00	\$5,760
Mix 5	2 BR - 1.5 Bath	60% AMI	8		905.66	\$705.00	\$5,640
Mix 6	2 BR - 1.5 Bath	60% AMI	9		950.92	\$705.00	\$6,345
Mix 7	2 BR - 1.5 Bath	60% AMI	2		1005.14	\$705.00	\$1,410
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0

L. UNIT DETAILS

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
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Mix 41							\$0
Mix 42							\$0
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Mix 67							\$0
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Mix 69							\$0
Mix 70							\$0
Mix 71							\$0
Mix 72							\$0
Mix 73							\$0
Mix 74							\$0
Mix 75							\$0
Mix 76							\$0
Mix 77							\$0
Mix 78							\$0
Mix 79							\$0
Mix 80							\$0
Mix 81							\$0

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L. UNIT DETAILS

Mix 82							\$0
Mix 83							\$0
Mix 84							\$0
Mix 85							\$0
Mix 86							\$0
Mix 87							\$0
Mix 88							\$0
Mix 89							\$0
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			40	5	5,776.57	\$4,305	\$25,115

Total Units	40	Net Rentable SF:	TC Units	34,001.54
			MKT Units	0.00
			Total NR SF:	34,001.54

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$2,000
2. Office Salaries			\$0
3. Office Supplies			\$4,375
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$20,502
<u>6.76%</u> of EGI	<u>\$512.55</u>	Per Unit	
6. Manager Salaries			\$28,473
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$1,875
9. Auditing			\$8,000
10. Bookkeeping/Accounting Fees			\$10,000
11. Telephone & Answering Service			\$3,000
12. Tax Credit Monitoring Fee			\$1,400
13. Miscellaneous Administrative			\$3,800
Total Administrative			\$83,425

Utilities

14. Fuel Oil			\$0
15. Electricity			\$6,000
16. Water			\$13,000
17. Gas			\$0
18. Sewer			\$15,500
Total Utility			\$34,500

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$1,000
21. Janitor/Cleaning Contract			\$2,500
22. Exterminating			\$2,500
23. Trash Removal			\$2,000
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$1,000
27. Grounds Contract			\$4,500
28. Maintenance/Repairs Payroll			\$0
29. Repairs/Material			\$5,000
30. Repairs Contract			\$16,640
31. Elevator Maintenance/Contract			\$2,500
32. Heating/Cooling Repairs & Maintenance			\$2,500
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,500
35. Decorating/Payroll/Contract			\$2,000
36. Decorating Supplies			\$0
37. Miscellaneous			\$4,000
Totals Operating & Maintenance			\$47,640

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$18,000
39. Payroll Taxes	\$1,500
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$12,000
42. Fidelity Bond	\$0
43. Workman's Compensation	\$150
44. Health Insurance & Employee Benefits	\$1,600
45. Other Insurance	\$1,500
Total Taxes & Insurance	\$34,750

Total Operating Expense	\$200,315
--------------------------------	------------------

Total Operating Expenses Per Unit	\$5,008	C. Total Operating Expenses as % of EGI	66.08%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$12,000
---	-----------------

Total Expenses	\$212,315
-----------------------	------------------

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

2019 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	3/1/2017	Joshua Gemerek
b. Site Acquisition	4/25/2018	Joshua Gemerek
c. Zoning Approval	10/16/2015	Joshua Gemerek
d. Site Plan Approval	2/26/2016	Joshua Gemerek
2. Financing		
a. Construction Loan		
i. Loan Application	4/30/2019	Joshua Gemerek
ii. Conditional Commitment	7/15/2019	Joshua Gemerek
iii. Firm Commitment	7/30/2019	Joshua Gemerek
b. Permanent Loan - First Lien		
i. Loan Application	4/30/2019	Joshua Gemerek
ii. Conditional Commitment	7/15/2019	Joshua Gemerek
iii. Firm Commitment	7/30/2019	Joshua Gemerek
c. Permanent Loan-Second Lien		
i. Loan Application	5/30/2017	Joshua Gemerek
ii. Conditional Commitment	8/10/2017	Joshua Gemerek
iii. Firm Commitment	8/10/2017	Joshua Gemerek
d. Other Loans & Grants		
i. Type & Source, List	Various-DHCD, SERCAP, Bay Fdtn	Joshua Gemerek
ii. Application	9/12/2018	Joshua Gemerek
iii. Award/Commitment		Joshua Gemerek
2. Formation of Owner	2/25/2016	Joshua Gemerek
3. IRS Approval of Nonprofit Status	3/19/1999	Joshua Gemerek
4. Closing and Transfer of Property to Owner	8/1/2019	Joshua Gemerek
5. Plans and Specifications, Working Drawings	4/30/2019	Rick Funk
6. Building Permit Issued by Local Government	8/15/2019	Bryan Parker
7. Start Construction	8/15/2019	Bryan Parker
8. Begin Lease-up	7/15/2020	Management Agent
9. Complete Construction	9/15/2020	Bryan Parker
10. Complete Lease-Up	1/15/2021	Management Agent
11. Credit Placed in Service Date	12/31/2020	Joshua Gemerek

2019 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 included in Project Budget.

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)	3,728,601	0	0	3,728,601
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	3,728,601	0	0	3,728,601
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	904,521	0	0	754,521
p. Other Site work	0	0	0	0
Total Land Improvements	904,521	0	0	754,521
Total Structure and Land	4,633,122	0	0	4,483,122
q. General Requirements	269,287	0	0	269,287
r. Builder's Overhead (2.1% Contract)	95,148	0	0	95,148
s. Builder's Profit (6.1% Contract)	282,445	0	0	282,445
t. Bonds	37,145	0	0	37,145
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: <u>Builder's Risk Insurance</u>	15,572	0	0	15,572
y. Other 2: _____	0	0	0	0
z. Other 3: _____	0	0	0	0
Contractor Costs	\$5,332,719	\$0	\$0	\$5,182,719

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	17,000	0	0	17,000
b. Architecture/Engineering Design Fee \$3,125 /Unit)	125,000	0	0	125,000
c. Architecture Supervision Fee \$750 /Unit)	30,000	0	0	30,000
d. Tap Fees	50,000	0	0	50,000
e. Environmental	10,000	0	0	10,000
f. Soil Borings	0	0	0	0
g. EarthCraft/LEED	20,000	0	0	20,000
h. Appraisal	0	0	0	0
i. Market Study	8,500	0	0	8,500
j. Site Engineering / Survey	50,000	0	0	50,000
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	37,500	0	0	37,500
n. Construction Interest (4.8% for 16 months)	200,000	0	0	175,000
o. Taxes During Construction	5,000	0	0	5,000
p. Insurance During Construction	20,000	0	0	20,000
q. Permanent Loan Fee (0.5%)	11,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	12,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	25,000	0	0	25,000
w. Legal Fees for Closing	65,000	0	0	35,000
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	61,215			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	40,000	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	138,495	0	0	0
ad. Contingency	331,900	0	0	273,638
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
(1) Other* specify: Other owner costs	18,500	0	0	15,000
(2) Other* specify: Third Party Fees	10,000	0	0	10,000
(3) Other* specify:	0	0	0	0
(4) Other* specify:	0	0	0	0
(5) Other * specify:	0	0	0	0
(6) Other* specify:	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$1,286,110	\$0	\$0	\$906,638
Subtotal 1 + 2 (Owner + Contractor Costs)	\$6,618,829	\$0	\$0	\$6,089,357
3. Developer's Fees	615,000	0	0	615,000
4. Owner's Acquisition Costs				
Land	0			
Existing Improvements	0	0		
Subtotal 4:	\$0	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$7,233,829	\$0	\$0	\$6,704,357

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 E)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$824,259

Proposed Development's Cost per Unit:
per Sq Foot
Applicable Cost Limit per unit:

\$180,846 **Meets Limits**
\$143 **Meets Limits**
\$259,224

2019 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	7,233,829	0	0	6,704,357
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	0	0
3. Total Eligible Basis (1 - 2 above)		0	0	6,704,357
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>			0	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	2,011,307
c. For Green Certification (Eligible Basis x 10%)				0
Total Adjusted Eligible basis			0	8,715,664
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		0	0	8,715,664
7. Applicable Percentage (Beginning with 2016 Allocations, use the standard 9% rate.) (For tax exempt bonds, use the most recently published rates.)		0.00%	0.00%	9.00%
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)		\$0	\$0	\$784,410
			\$784,410	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. TBD			\$5,000,000	
2.				
3.				
Total Construction Funding:			\$5,000,000	

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 REACH			\$1,450,000	\$60,051	1.50%	30.00	30.00
2. DHCD HOME			\$700,000	\$3,500	0.50%	10000.00	20.00
3. DHCD VHTF			\$325,000	\$1,625	0.50%	10000.00	20.00
4. FHLB AHP			\$160,000		0.00%	0.00	30.00
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$2,635,000	\$65,176			

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. VHDA SIP			\$500,000	
2. Bay Fdtn			\$100,000	
3. Bay - SERCAP			\$100,000	
4.				
5.				
6.				
Total Permanent Grants:			\$700,000	

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	Bay Fdtn		\$100,000
2.	Bay - SERCAP		\$100,000
3.	DHCD HOME		\$700,000
4.	DHCD VHTF		\$325,000
5.	Bay Aging - land donation		\$196,328
Total Subsidized Funding			\$1,421,328

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

a.	Tax Exempt Bonds		\$0
b.	RD 515		\$0
c.	Section 221(d)(3)		\$0
d.	Section 312		\$0
e.	Section 236		\$0
f.	VHDA SPARC/REACH		\$1,450,000
g.	HOME Funds		\$700,000
h.	Other:	DHCD VHTF	\$325,000
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:	SERCAP + Bay	\$200,000

*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: N/A

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. FALSE **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

2019 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	\$0	x Equity \$	\$0.000	= \$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	= \$0
b. Equity that Sponsor will Fund:				
i. Cash Investment	\$0			
ii. Contributed Land/Building	\$0			
iii. Deferred Developer Fee	\$131,343			(Note: Deferred Developer Fee cannot be negative.)
iv. Other:	\$0			
Equity Total	\$131,343			

2. Equity Gap Calculation

a. Total Development Cost	\$7,233,829		
b. Total of Permanent Funding, Grants and Equity	-	\$3,466,343	
c. Equity Gap	-	\$3,767,486	
d. Developer Equity	-	(\$37,625)	
e. Equity gap to be funded with low-income tax credit proceeds	-	\$3,805,111	

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	Virginia Community Development Corporation		
Contact Person:	Chris Dimotsis	Phone:	(804) 343-1200
Street Address:	1840 W. Broad St. Ste 200		
City:	Richmond	▶ State:	VA
		Zip:	23220
b. Syndication Equity			
i. Anticipated Annual Credits		\$422,900.00	
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)		\$0.900	
iii. Percent of ownership entity (e.g., 99% or 99.9%)		99.99000%	
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)		\$38,000	
v. Net credit amount anticipated by user of credits		\$422,858	
vi. Total to be paid by anticipated users of credit (e.g., limited partners)		\$3,805,111	
c. Syndication:	Private		
d. Investors:	Corporate		

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$3,767,111

5. Net Equity Factor

Must be equal to or greater than 85% 89.0869649746%

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>\$7,233,829</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$3,466,343</u>
3. Equals Equity Gap		<u>\$3,767,486</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>89.0869649746%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$4,228,998</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$422,900</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$784,410</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$422,900</u>
Credit per LI Units	<u>\$10,572.5000</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$6,219.1176</u>	

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

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		\$25,115
Plus Other Income Source (list):	Submetering payments	\$2,050
Equals Total Monthly Income:		\$27,165
Twelve Months		x12
Equals Annual Gross Potential Income		\$325,980
Less Vacancy Allowance	7.0%	\$22,819
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$303,161

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):		\$0
Equals Total Monthly Income:		\$0
Twelve Months		x12
Equals Annual Gross Potential Income		\$0
Less Vacancy Allowance	0.0%	\$0
Equals Annual Effective Gross Income (EGI) - Market Rate Units		\$0

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

3. Cash Flow (First Year)

a.	Annual EGI Low-Income Units	\$303,161
b.	Annual EGI Market Units	\$0
c.	Total Effective Gross Income	\$303,161
d.	Total Expenses	\$212,315
e.	Net Operating Income	\$90,846
f.	Total Annual Debt Service	\$65,176
g.	Cash Flow Available for Distribution	\$25,670

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	303,161	309,225	315,409	321,717	328,152
Less Oper. Expenses	212,315	218,684	225,245	232,002	238,962
Net Income	90,846	90,540	90,164	89,715	89,189
Less Debt Service	65,176	65,176	65,176	65,176	65,176
Cash Flow	25,670	25,364	24,988	24,539	24,013
Debt Coverage Ratio	1.39	1.39	1.38	1.38	1.37

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	334,715	341,409	348,237	355,202	362,306
Less Oper. Expenses	246,131	253,515	261,121	268,954	277,023
Net Income	88,583	87,894	87,116	86,248	85,283
Less Debt Service	65,176	65,176	65,176	65,176	65,176
Cash Flow	23,407	22,718	21,940	21,072	20,107
Debt Coverage Ratio	1.36	1.35	1.34	1.32	1.31

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	369,552	376,943	384,482	392,172	400,015
Less Oper. Expenses	285,334	293,894	302,710	311,792	321,145
Net Income	84,218	83,049	81,772	80,380	78,870
Less Debt Service	65,176	65,176	65,176	65,176	65,176
Cash Flow	19,042	17,873	16,596	15,204	13,694
Debt Coverage Ratio	1.29	1.27	1.25	1.23	1.21

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		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit				
		TAX CREDIT UNITS	MARKET RATE UNITS						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.	VA1807001	40	0	Fiddlers Green Road		Gloucester	VA	23061					\$0					\$8,715,664	12/31/21	9.00%	\$784,410
2.													\$0								\$0
3.													\$0								\$0
4.													\$0								\$0
5.													\$0								\$0
6.													\$0								\$0
7.													\$0								\$0
8.													\$0								\$0
9.													\$0								\$0
10.													\$0								\$0
11.													\$0								\$0
12.													\$0								\$0
13.													\$0								\$0
14.													\$0								\$0
15.													\$0								\$0
16.													\$0								\$0
17.													\$0								\$0
18.													\$0								\$0
19.													\$0								\$0
20.													\$0								\$0
21.													\$0								\$0
22.													\$0								\$0
23.													\$0								\$0
24.													\$0								\$0
25.													\$0								\$0
26.													\$0								\$0
27.													\$0								\$0
28.													\$0								\$0
29.													\$0								\$0
30.													\$0								\$0
31.													\$0								\$0
32.													\$0								\$0
33.													\$0								\$0
34.													\$0								\$0
35.													\$0								\$0
		40	0	Totals from all buildings						\$0		\$0		\$0		\$8,715,664		\$784,410			

Credit Amount should equal Gap Calculation Request.

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 the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. 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.
8. 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.
9. that reservations of credits are not transferable without prior written approval by VHDA at its sole discretion.

V. STATEMENT OF OWNER

- 10. 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.
- 11. 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.
- 12. 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.
- 13. that the undersigned 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 undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
- 14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
- 15. that undersigned waives the right to pursue a Qualified Contract on this development.
- 16. 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 undersigned 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 undersigned.

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: Daffodil Gardens Phase Two, LLC

By: Matthew Vealey
Its: Chairman, Chesapeake Bay Housing, Inc., Its Member
(Title)

W. **LIHTC SELF SCORE SHEET**

Self Scoring Process

This Self Scoring Process is intended to provide you with an estimate of your application's score based on the information included within the reservation application. Other items, denoted below in the yellow shaded cells, are typically evaluated by VHDA's staff during the application review and feasibility process. For purposes of self scoring, we have made certain assumptions about your application. Edit the appropriate responses (Y or N) in the yellow shaded cells, if applicable. Item 5f requires a numeric value to be entered.

Please remember that this score is only an estimate. 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:			0.00

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	Y	0 or 40	40.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
e. Location in a revitalization area with resolution	Y	0 or 15	15.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
Total:			55.00

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	5.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	19.65%	Up to 40	39.30
d. Tax abatement on increase of property's value	N	0 or 5	0.00
e. New project based rental subsidy (HUD or RD)	N	0 or 10	0.00
f. Census tract with <12% poverty rate	3%	0, 20, 25 or 30	30.00
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:			94.30

2019 Low-Income Housing Tax Credit Application For Reservation

3. DEVELOPMENT CHARACTERISTICS:

a. Amenities (See calculations below)			56.75
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	N	0 or 60	0.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	Y	0 or 30	30.00
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 Green Certified	Y	0 or 10	10.00
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	N	0 or 5	0.00
Total:			<u>141.75</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$75,000	\$55,900

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 rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	10.00%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			<u>60.00</u>

5. SPONSOR CHARACTERISTICS:

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	N	0 or 50	0.00
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>0.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	99.29
b. Cost per unit		Up to 100	23.99
Total:			<u>123.28</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 or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
Total:			<u>60.00</u>

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

TOTAL SCORE: 534.33

2019 Low-Income Housing Tax Credit Application For Reservation

Amenities:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	23.75
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	4.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	5.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. Shelf or Ledge at entrance within interior hallway	2	2.00
s. New Construction: Balcony or patio	4	0.00
		<u>53.75</u>
 All elderly units have:		
t. Front-control ranges	1	1.00
u. Independent/suppl. heat source	1	1.00
v. Two eye viewers	1	1.00
		<u>3.00</u>
 Total amenities:		<u>56.75</u>

X. Development Summary

Summary Information

2019 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Daffodil Gardens Phase Two '19

Cycle Type: 9% Tax Credits **Requested Credit Amount:** \$422,900
Allocation Type: New Construction **Jurisdiction:** Gloucester County
Total Units: 40 **Population Target:** Elderly
Total LI Units: 40 **Owner Contact:** Joshua Gemerek
Project Gross Sq Ft: 50,662.08
Green Certified? TRUE

Total Score
534.33

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$2,635,000	\$65,875	\$52	\$65,176

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$4,633,122	\$115,828	\$91	64.05%
General Req/Overhead/Profit	\$646,880	\$16,172	\$13	8.94%
Other Contract Costs	\$52,717	\$1,318	\$1	0.73%
Owner Costs	\$1,286,110	\$32,153	\$25	17.78%
Acquisition	\$0	\$0	\$0	0.00%
Developer Fee	\$615,000	\$15,375	\$12	8.50%
Total Uses	\$7,233,829	\$180,846		

Total Development Costs	
Total Improvements	\$6,618,829
Land Acquisition	\$0
Developer Fee	\$615,000
Total Development Costs	\$7,233,829

Income		
Gross Potential Income - LI Units		\$325,980
Gross Potential Income - Mkt Units		\$0
Subtotal		\$325,980
Less Vacancy %	7.00%	\$22,819
Effective Gross Income		\$303,161

Rental Assistance? FALSE

Expenses		
Category	Total	Per Unit
Administrative	\$83,425	\$2,086
Utilities	\$34,500	\$863
Operating & Maintenance	\$47,640	\$1,191
Taxes & Insurance	\$34,750	\$869
Total Operating Expenses	\$200,315	\$5,008
Replacement Reserves	\$12,000	\$300
Total Expenses	\$212,315	\$5,308

Cash Flow	
EGI	\$303,161
Total Expenses	\$212,315
Net Income	\$90,846
Debt Service	\$65,176
Debt Coverage Ratio (YR1):	1.39

Proposed Cost Limit/Unit: \$180,846
Applicable Cost Limit/Unit: \$259,224
Proposed Cost Limit/Sq Ft: \$143
Applicable Cost Limit/Sq Ft: \$208

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	12
# of 2BR	28
# of 3BR	0
# of 4+ BR	0
Total Units	40

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	4
50% AMI	20	16
60% AMI	20	20
>60% AMI	0	0
Market	0	0

Income Averaging? TRUE

Extended Use Restriction? 30

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$139.07** Credits/SF = **8.347466** Const \$/unit = **\$133,317.9750**

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
500
1

500
1

*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	1,093.61	1,340.67	0.00	0.00	0.00
NUMBER OF UNITS	0	0	12	28	0	0	0
PARAMETER-(COSTS>=35,000)	0	0	187,800	252,356	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	0	187,800	252,356	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	187,800	252,356	0	0	0
PROJECT COST PER UNIT	0	0	152,083	186,441	0	0	0
PARAMETER-(CREDITS>=35,000)	0	0	17,016	22,865	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	0	17,016	22,865	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	17,016	22,865	0	0	0
PROJECT CREDIT PER UNIT	0	0	9,129	11,191	0	0	0
COST PER UNIT POINTS	0.00	0.00	5.71	18.28	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	27.81	71.48	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 **23.99**

TOTAL CREDIT PER UNIT POINTS **99.29**

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	187,800	252,356	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	187,800	252,356	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	17,016	22,865	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	17,016	22,865	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	187,800	252,356	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
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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
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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

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$139.07** Credits/SF = **8.347466** Const \$/unit = **\$133,317.98**

TYPE OF PROJECT
LOCATION
TYPE OF CONSTRUCTION

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

12000
500
1

500
1

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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
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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 **23.99**

TOTAL CREDIT PER UNIT POINTS **99.29**

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 - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	187,800	252,356	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 Credit Parameter	0	0	17,016	22,865	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
Standard Cost Parameter - low rise	0	0	187,800	252,356	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	187,800	252,356	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	17,016	22,865	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
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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

Partnership or Operating Agreement

Including chart of ownership structure with percentage of
interests (**MANDATORY**)

OPERATING AGREEMENT
OF
DAFFODIL GARDENS PHASE TWO, LLC

THIS OPERATING AGREEMENT is made as of the 2nd day of March, 2017, by Chesapeake Bay Housing, Inc., a Virginia nonprofit corporation, the member of Daffodil Gardens Phase Two, LLC, a Virginia limited liability company (the "Company"), such corporation being hereinafter referred to as the "Member".

W I T N E S S E T H:

WHEREAS, the Company was formed pursuant to the Virginia Limited Liability Company Act, Code of Virginia §13.1-1000, et. seq. (the "Act") as evidenced by a Certificate of Organization of the Company issued by the Virginia State Corporation Commission effective February 25, 2016; and

WHEREAS, the Company is organized to own, develop and manage an apartment complex in the County of Gloucester, Virginia to be known as Daffodil Gardens Phase Two (the "Project"); and

NOW, THEREFORE, contemplated by §13.1-1023 of the Act, the Member does hereby make this Operating Agreement relating to the affairs of the Company and the conduct of its business.

1. NAME, BUSINESS, AND REGISTERED AGENT; SINGLE MEMBER PROVISION.

(a) The Company has been formed by the Member under the name of Daffodil Gardens Phase Two, LLC in accordance with and pursuant to the Act, to engage the business of ownership, development and management of the Project, and all business incidental thereto, as well as such other lawful business as all of the members of the Company may agree to from time to time. The Member shall do or cause to be done all such filings, recordings or other acts as may be necessary or appropriate from time to time to comply with the requirements of the Act or otherwise as necessary for the operation of limited liability companies in the Commonwealth of Virginia. The Company shall promptly reimburse any cost incurred by the Member in

connection with the foregoing. The initial registered office of the Company is 5306 Old Virginia Street, Urbanna, Virginia 23175. The initial registered agent of the Company is Kathy E. Vesley, who is a director of the Member and whose business address is the same as the registered office. The initial principal office of the business is the same as the registered office. The registered agent, the registered office, and the principal office of the Company may all be changed from time to time by the Member in accordance with the Act.

(b) Single Member. At the time this Operating Agreement is made, the Company only has a single Member. Additional members may be admitted in the future. Many of the provisions of this Agreement that follow apply only to Company affairs and conduct of business involving multiple members. Any provision of this Agreement that is inapplicable to a single-member limited liability company shall, notwithstanding the inclusion of such provision in this Agreement, not apply until such time as there is more than one member of the Company.

2. TERM. The Company commenced on filing of the Articles of Organization on February 25, 2016 and shall continue perpetually unless sooner terminated as provided in this Agreement or pursuant to the Act.

3. CAPITAL; LIABILITY OF MEMBERS.

(a) Initial Capital Contribution. The Member has made an initial capital contribution to the Company. The Member's initial capital interest in the Company is 100%.

(b) Subsequent Capital Contributions. For purposes of Paragraphs 3 through 6 of this Agreement, and with respect only to allocations and distributions to a member, capital contribution obligations, and capital account maintenance rules (but not with respect to any other rights including voting rights of a member), the term "member" shall include the assignee, if any, of such member. Each member is liable for its proportionate part (determined with reference to its interest in profits as provided in paragraph 4(a)) of any capital contribution required for continuation of the Company business as determined reasonably and in good faith by the affirmative vote of at least 100% in voting interest (as determined in paragraph 7(c)) of the members. In the event that any member refuses or fails to make any such required capital contribution within thirty (30) days after written notice of the members' approval of the additional contributions, then such member (the "Defaulting Member") shall be in default of this Agreement and the other members and the Company shall have any and all remedies available at

law or in equity as a result of such default, including without limitation the right (upon the affirmative vote of a majority in voting interest of all members other than the Defaulting Member) to expel such Defaulting Member from the Company, in which event the value to be paid for the Defaulting Member's interest and the manner of payment shall be determined in accordance with the provisions of Paragraph 12 of this Agreement. In addition, but without limiting any such rights or remedies of the other members or the Company, the other members may, but shall not be required to, contribute such deficiency to the Company. To the extent that any Member does contribute any deficiency to the Company for the Defaulting Member failing to do so, such contribution at the sole election of the contributing member(s) shall be deemed to be either (i) an additional capital contribution requiring adjustments to the Percentage Interests as set forth in the next paragraph, or (ii) a loan to the Defaulting Member repayable on demand which shall bear interest from the date of such contribution at a rate computed to be four hundred basis points above the federal funds rate on the date of such contribution. The Defaulting Member shall have no voting rights on matters of Company business, and no further distributions or withdrawals may be made to or by the Defaulting Member, until such loan with interest is paid in full. Any distributions, withdrawals, or rights thereto that would otherwise be distributed to or withdrawn by the Defaulting Member (including any distribution made on expulsion of such Defaulting Member as described below) during the term of any such demand loan shall be paid, credited, or accrued to the member(s) who contributed the deficiency to the Company and shall be applied as a credit against the amount due from the Defaulting Member, but such amounts shall be treated for book and tax purposes as if they had been distributed to the Defaulting Member and then paid to the member(s) actually receiving the same in respect of the loan. Failure to repay any such demand loan within thirty (30) days after written demand therefor shall be deemed sufficient grounds for expulsion of such Defaulting Member from the Company. In such event, the value to be paid for the Defaulting Member's interest and the manner of payment shall be determined in accordance with the provisions of Paragraph 12 of this Agreement. Except for the payment to liquidate its membership interest in the Company as herein provided, such Defaulting Member shall have no further interest or rights in the Company, its business or assets.

If the contributing member(s) elect to treat the amount contributed on behalf of the Defaulting Member as an additional capital contribution by them to the Company as provided in item “(i)” above, the Percentage Interests in net profits and net losses described in paragraph 4(a) shall be re-determined for each Member based on the ratio of his capital account balance as adjusted for the new contribution and an adjustment made pursuant to the methodology of Paragraph 3(e), divided by the total capital account balances of all members as adjusted above. Following such adjustments to capital accounts and Percentage Interests, the default shall be deemed cured.

Notwithstanding anything in this Paragraph 3 or this Agreement to the contrary, the initial Member, Chesapeake Bay Housing, Inc., shall not be obligated under any circumstances to make additional capital contributions to the Company beyond its initial contribution.

(c) Credits and Debits to Capital Account. A separate capital account shall be maintained for each member

(i) to which shall be credited:

(A) The amount of money and fair market value of other property comprising the member's capital contributions,

(B) Any allocations of Company income, gains, and profits made to the member for book purposes under Paragraph 4, and

(C) The amount of any Company liabilities that are assumed by the member or that are secured by any Company property distributed to the member; and

(ii) to which shall be debited:

(A) The amount of cash and the fair market value of any Company property distributed to the member pursuant to any provision of this Agreement,

(B) Any allocations of Company deductions and losses made to the member for book purposes under Paragraph 4, and

(C) The amount of any liabilities of the member that are assumed by the Company or that are secured by any property contributed by the member to the Company.

(d) Treasury Regulations Section 1.704-1(b) Compliance. Paragraph 3(c) and any other provisions of this Agreement relating to the maintenance of capital accounts are intended to comply with Treasury Regulations Section 1.704-1(b), as amended, and shall be interpreted, applied, and modified to the extent necessary to comply with such Regulations. For all purposes of this Agreement, the phrase "for book purposes" shall be construed and applied according to the provisions of Treasury Regulations Section 1.704-1(b).

(e) Adjustment of Values. The gross value of Company property for book purposes, and the capital accounts of the members, shall be simultaneously adjusted to reflect the gross fair market value (as determined in good faith by the affirmative vote of at least 100% in voting interest of the members as required by paragraph 7(c)) of such assets as if the Company recognized gain or loss (determined with reference to the Company's bases in its assets for book purposes) in an actual disposition of such assets (i) at such times as is permitted under (and pursuant to the rules of) Treasury Regulations Section 1.704-1(b), as amended, and (ii) upon any other change in a member's Percentage Interest (defined in paragraph 4(a)). Any such adjustment to the individual capital accounts of the members shall be made by allocations of any such deemed gains or losses in accordance with the members' relative interests in such gains or losses as provided in Paragraph 4 in effect immediately before the triggering event described in items "(i)" and "(ii)" of this subparagraph (e). If the members are unable to agree by the affirmative vote described above regarding the gross fair market value of Company assets, or if any member otherwise requests the valuation determination to be made by appraisal, such value shall be determined by appraisal as follows: the members unanimously shall select two qualified appraisers, such two appraisers shall then appoint a third qualified appraiser, and the three appraisers separately shall appraise such gross fair market value; the average of the two appraisals which are closest in amount shall be binding upon the parties hereto, and the other appraisal shall be ignored. The Company shall pay all expenses involved with such appraisers unless a member requests an appraisal determination of value as provided above, in which case the costs of the appraisal shall be paid by the requesting member. For purposes hereof, a qualified appraiser shall be any entity or person who regularly engages in the valuation of assets of the kind and nature owned by the Company and who holds themselves out as being in such business and qualified to make such valuation.

(f) Transfer of Interest. In the event any interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the capital account of the transferor to the extent it relates to the transferred interest.

(g) Limitation on Personal Liability. Except as otherwise provided by the Act or this Agreement, no member of the Company, whether the initial Member or one who subsequent to the date hereof becomes a member, shall be personally liable for or obligated to contribute money or property to or in respect of the debts, liabilities, contracts, or any other obligations of the Company (unless it was so liable prior to becoming a member). Except as otherwise provided in this Agreement, no member shall be liable to restore a deficit balance in his capital account. Without limiting the generality of the foregoing, no member shall be obligated to guaranty any Company indebtedness or Company obligation without such member's consent.

(h) No Interest to be Paid. No interest shall be paid on the capital accounts of the members in the Company.

4. PROFIT AND LOSS.

(a) General. Generally, except as otherwise provided in this Paragraph 4, the net profits and the net losses of the Company for book and tax purposes shall be allocated to the members in the proportions of their "Percentage Interests", as follows:

<u>Member</u>	<u>Percentage Interest</u>
Chesapeake Bay Housing, Inc.	100%

(b) Stop Loss Allocations. Notwithstanding Paragraph 4(a), no allocation of loss or deduction shall be made which causes or increases a deficit balance in any member's capital account as adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(d) (unless such allocation is otherwise permitted by such Section); and any such deduction or loss allocation shall instead be made to the members who are permitted to receive the same in accordance with the provisions of this Agreement.

(c) Qualified Income Offset. Notwithstanding Paragraph 4(a), allocations of income and gain shall be made to the members at such times and in such manner as required by the qualified income offset provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) in order to

eliminate any "adjusted" (within the meaning of such Section) deficit capital account balances which may exist.

(d) Gross Income Allocations. In the event that any member receives a distribution that causes or increases a deficit (which he is not liable to restore) capital account balance (as maintained and adjusted pursuant to Paragraph 3) after taking into account all other provisions concerning allocations of profits and losses of this Agreement, such member shall be allocated items of gross income or gain for the tax year of such distribution in an amount sufficient to eliminate such deficit.

(e) Allocations in Respect of Nonrecourse Liabilities. To the extent that the Company incurs any nonrecourse liabilities as described in Treasury Regulations Section 1.704-2, the following provisions shall apply notwithstanding Paragraph 4(a) hereof:

(i) Nonrecourse Deductions. Partner nonrecourse deductions shall be allocated to the members based upon the ratios in which they bear the economic risk of loss for the applicable liability, and allocations of other nonrecourse deductions shall be made to the members in accordance with their Percentage Interests in effect under Paragraph 4(a); all as determined in compliance with Treasury Regulations Section 1.704-2, as amended or modified from time to time.

(ii) Minimum Gain Chargeback. Allocations of items of income and gain of the Company for any taxable year shall be made, prior to any other allocation for such year under this Agreement or otherwise, to the members as required by the minimum gain chargeback provisions of Treasury Regulations Section 1.704-2, as amended or modified from time to time.

(f) Curative Allocations. The members acknowledge that allocations made pursuant to paragraphs 4(b)-(e) above (collectively, the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulation Section 1.704-1(b) and may not be consistent with the manner in which the members intend to share distributions of the Company. Accordingly, in the event any Regulatory Allocations are made to the members, subsequent curative allocations provided for in this paragraph shall be made in a manner to prevent the Regulatory Allocations from distorting the manner in which Company allocations and distributions are shared pursuant to Paragraphs 4(a) and 5, respectively. Such curative

allocations of items of Company income, gain, loss, and deduction shall be made to the extent possible in any tax year in amounts sufficient such that the aggregate cumulative Regulatory Allocations and the cumulative curative allocations required by this sentence are made to the members in proportion to their Percentage Interests described in Paragraph 4(a) above in effect during the time period affected by such allocations, as if the Regulatory Allocations had not occurred.

(g) Other Allocations Rules. Although it is intended that paragraph 4(a) be the general rule for allocations of book and tax income or loss, such allocations shall be adjusted or modified in any given instance to the extent necessary to comply with Section 704(b) and (c) of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations promulgated thereunder. For purpose of determining the profits, losses, or any other items allocable to any period, profits, losses, and any such other items shall be determined on a daily, monthly, or other basis using any permissible method under Code Section 706 and the Treasury Regulations promulgated thereunder.

5. SALARIES AND DISTRIBUTIONS.

(a) Limitation of Member's Salary. No member shall receive any salary, commission, or fee for services rendered to the Company unless the payment of such salary, commission, or fee is approved by a unanimous vote of all the members.

(b) Distributions of Cash Flow. Subject to Paragraph 5(c), the net cash flow of the Company, as reasonably determined by the managing member(s), shall be distributed at such times as may be determined by the managing member(s) (but no less frequently than annually) to the members in accordance with the Percentage Interests which are in effect pursuant to Paragraph 4(a) at the time of the distribution.

(c) Distribution upon Liquidation. In the event of termination and liquidation of the Company, then the assets of the Company remaining after settlement of Company obligations shall be distributed to the members in accordance with their positive capital account balances as adjusted to fair market value pursuant to Paragraph 3(e), except as otherwise provided in this Agreement. Any distribution to a member to liquidate its interest in the Company other than during the liquidation of the Company, and except as otherwise provided in this Agreement, shall be in the amount of his positive capital account balance adjusted as provided above.

(d) Distribution in Kind. If any of the assets of the Company are to be distributed in kind, the fair market value of such assets shall be determined in accordance with Paragraph 3(e) as of the time of such distribution. Allocations to the members' capital accounts (using the methodology described in Paragraph 3(e)) shall be made of the amount of gain or loss, if any, which would have been realized by the Company if such assets had been sold by the Company for prices equal to their respective fair market values as so determined. Such assets shall be distributed on the basis of the fair market value thereof and any member entitled to any interest in such assets shall receive the same by separate distribution of such assets or by distributions of undivided interests therein with all other members so entitled, as is determined by the unanimous agreement of the members.

6. EXCESS LOAN AND CAPITAL TRANSACTIONS PROCEEDS. In the event that a loan is obtained on security of Company property in substitution or in addition to any existing loan or in the event of the sale or other disposition of such property in whole or in part, then, upon the consummation of such loan or the sale or other disposition of such property, as the case may be, the proceeds thereof shall be applied in the following order: (a) to the discharge of any existing loan, if necessary; (b) to the payment of the expenses incidental to such loan or the expenses of sale, and any unpaid expenses of operation or maintenance of such property, as the case may be; and (c) any remaining balance to be distributed to the members as provided in Paragraph 5(b), subject to Paragraph 5(c).

7. MEMBERSHIP.

(a) In General. The Member and any person or entity who becomes a new member upon compliance with Paragraph 18 below shall continue as a member until its membership in the Company ceases. A member's membership in the Company shall cease upon the events specified in the Act, including, without limitation: the member's voluntary withdrawal from the Company (if permitted by Paragraph 11), the member's assignment of its entire interest in the Company in accordance with this Agreement, the removal of the member as provided in this Agreement, an act of Bankruptcy by the member as defined in Paragraph 12, the member's death or adjudication of incompetency, termination of a trust which is a member, liquidation of a member which is a partnership, LLC, or corporation, or distribution of its entire interest in the Company by an estate or trust member or by a partnership, corporate, or LLC member. When

the member's membership in the Company ceases, it shall have no rights greater than those of an assignee as provided in the Act.

(b) Rights Accruing to Members. All members shall have access to such information and records of the Company as provided in the Act, subject to the limitations provided therein.

(c) Action by Members. For purposes of this Agreement, whenever a decision or action by the members on behalf of the Company is called for and except as otherwise provided in this Agreement, then each member shall be entitled to one vote (or fraction thereof) for each percentage point of its Percentage Interest as provided in Paragraph 4(a) at such time. Except as otherwise provided in this Agreement, a majority vote of the members shall be required to approve any such action or decision, provided that the following matters shall require the unanimous vote of the members:

- (i) The amendment of this Agreement;
- (ii) Merger of the Company;
- (iii) The encumbrance, sale, transfer, or other disposition of all or substantially all of the assets of the Company;
- (iv) The admission of a new member to the Company, subject to compliance with Paragraph 18 below;
- (v) The adjustment of capital account balances of the members described in Paragraph 3(e);
- (vi) The contribution of additional capital to the Company pursuant to Paragraph 3(b);
- (vii) The incurrence of indebtedness by the Company other than in the ordinary course of business;
- (viii) A fundamental change in the nature of the business of the Company;
- (ix) The dissolution and liquidation of the Company as provided in Paragraph 15 below; and
- (x) The Company's engaging in any business other than the ownership, development, and management of the Project, and activities incidental thereto.

(d) Waiver of Right of Partition. Each of the members irrevocably waives during the term of the Company any right to maintain any action for partition with respect to the Company's property.

8. MANAGEMENT.

(a) Initial Managing Member. All members are not necessarily managing members by virtue of their status as members. The initial managing member of the Company (the "Manager") is Chesapeake Bay Housing, Inc. The Manager shall continue as a Manager of the Company with all rights, authority, and responsibilities provided in this Agreement until the time that it ceases to be a Manager as provided in paragraph 8(d) below, whereupon his successor shall be appointed as provided therein.

(b) Authority of Manager. At any time that there is more than one Manager, any decisions made by the Managers shall require the affirmative vote of a majority of the Managers. Subject to the voting rights of members as provided in this Agreement, the Manager shall have all of the rights and powers which may be possessed by Managers under the Act including, without limitation, the right and power to:

(i) acquire by purchase, lease or otherwise any real or personal property which may be necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(ii) operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate and any personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(iii) borrow money and issue evidences of indebtedness necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and secure the same by mortgage, pledge, or other lien on any Company property;

(iv) execute any and all agreements, contracts, documents, certifications, and instruments necessary or convenient in connection with the management, maintenance, development and operation of Company property and Company business;

(v) execute, in furtherance of any or all of the purposes of the Company, any deed, lease, mortgage, deed of trust, mortgage note, promissory note, bill of sale, contract, or other instrument purporting to obligate the Company or convey or encumber any or all of the Company property;

(vi) prepay in whole or in part, refinance, recast, increase, modify, or extend any liabilities affecting the Company property and in connection therewith execute any extensions or renewals of encumbrances on any or all of the Company property;

(vii) care for and distribute funds to the members by way of cash, income, return of capital, or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objectives of the Company or this Agreement;

(viii) contract on behalf of the Company for the employment and services of employees and independent contractors and delegate to such persons the duty to manage or supervise any of the assets or operations of the Company; and

(ix) engage in any kind of activity and perform and carry out contracts of any kind (including contracts of insurance covering risks to Company property and Managers liability) necessary or incidental to, or in connection with, the accomplishment of the purposes of the Company, as may be lawfully carried on or performed by a limited liability company under the laws of each state in which the Company is then formed or qualified to do business.

The actions of the Manager hereunder shall be binding upon the Company. Any document, instrument, or agreement shall require the signature of the Manager in order to be a valid and binding obligation of the Company. No Manager shall be liable, responsible or accountable in damages or otherwise to any of the members for any acts performed by the Manager within the scope of his authority except for acts of willful misconduct, fraud, bad faith, gross negligence, breach of fiduciary duty, or breach of his obligations or representations under this Agreement or any other agreement with or obligation to the Company.

(c) Reimbursement of Expenses. Each of the members and the Manager shall be entitled to reimbursement from the Company for direct expenses attributable to the organization, operation, and management of the Company, provided such expenses are approved as provided in or permitted by this Agreement.

(d) Resignation or Removal of Manager. Any Manager may resign or be removed for cause by the affirmative vote of 100% of the voting interest of the members other than any member that is also a Manager as determined in this Paragraph 8. The term "for cause" shall mean:

(i) A Manager's failure or refusal to perform those duties which it is required hereunder or by law to perform in furtherance of the business of the Company;

(ii) A Manager's intentional activity which causes material injury to the Company;

(iii) A Manager's committing a fraud against the Company or using or appropriating for personal use or benefit funds or properties of the Company when not authorized to do so;

(iv) A Manager's committing an act of gross negligence regarding the business of the Company; or

(v) In conducting its own affairs or those of the Company, a Manager's jeopardizing the status of the Company for purposes of federal income taxation in accordance with the then existing provisions of the Internal Revenue Code, as amended, and the regulations promulgated thereunder, or the policies of the Internal Revenue Service.

Any member may also petition the Circuit Court for Gloucester County, Virginia for removal of a Manager for cause. Upon a Manager's resignation, removal, death, adjudication or other determination (as provided below) of incompetence, or upon any other event specified in the Act, the affected Manager shall cease to be a Manager and the members upon the agreement of a majority in voting interest shall elect a successor Manager to replace the former Manager.

(e) Other Rights of Managers. The Manager and members may have other business interests and may engage in any other business or trade, profession, or employment whatsoever,

on each own account, or in partnership with or as an employee of or as an officer, director, shareholder, manager, member or partner of any person, firm, corporation, LLC, or partnership, and it shall not be required to devote its entire time to the business of the Company. No Manager or member shall be obligated to devote more time and attention to the conduct of the business of the Company than shall be required for the supervision of the ownership, development, operation, and management of the Company's property and business. Notwithstanding the foregoing, the initial Member, Chesapeake Bay Housing, Inc., shall not be obligated to (but may in its discretion elect to) devote any amount of time or attention to the conduct of the business of the Company.

(f) Contracting with Manager. The Company is expressly permitted in the normal course of its business to enter into transactions with a Manager or with any Affiliate (as hereinafter defined) of a Manager, provided that the price and other terms of such transactions are fair to the Company and that the price and other terms of such transaction are not less favorable to the Company than those generally prevailing with respect to comparable transactions. The term "Affiliate" shall mean any member, manager, shareholder or partner in or of a Manager, or any LLC, corporation, partnership or other entity in which a Manager or any member, manager, shareholder or partner of a Manager has an interest, or any person related by blood or marriage to the Manager.

9. INDEMNIFICATION. The Company shall indemnify every Manager and member in respect of payments made and personal liabilities reasonably incurred by the Manager and/or member in the authorized conduct of the Company's business or for the preservation of its business or property. Except as provided below or as otherwise provided in the Act, no Manager shall be personally liable for monetary damages for breach of any duty to the Company, and the Company shall indemnify any Manager or member against judgments, settlements, penalties, fines, or expenses incurred in a proceeding to which such Manager or member is a party because it is or was a Manager or member of the Company, as provided in the Act. Notwithstanding the foregoing, the personal liability of a Manager shall not be limited and the Company shall not indemnify it with respect to: (i) acts or omissions that the Manager knew at the time of such acts or omissions were clearly in conflict with the interests of the Company; (ii) any transaction from which the Manager derived an improper personal benefit; (iii) acts or omissions occurring prior

to the date of this Agreement, all as provided in the Act; or (iv) matters expressed in the last sentence of Paragraph 8(b) for which the Manager would be liable.

10. ASSIGNMENT.

(a) General Prohibition on Assignment. Except as otherwise provided in this Agreement, each member is prohibited from selling, assigning, transferring, setting over, mortgaging, creating a security interest in, or hypothecating its interest in the Company or the Company assets in any manner whatsoever, including without limitation transfers incident to separation, divorce, or equitable distribution, nor may the interest of any member in the Company or the Company assets be transferred by operation of law or by any assignment by operation of law, unless otherwise agreed in writing by all members. Any assignment in violation of this Paragraph 10 shall be null and void.

(b) Right of First Refusal. The foregoing notwithstanding, the Company is expressly authorized to enter into a nonprofit purchase option and right of first refusal with Chesapeake Bay Housing, Inc., which purchase option shall satisfy the requirements of Section 42 of the Internal Revenue Code of 1986, as amended.

11. WITHDRAWAL. Without the unanimous written consent of the members, except as provided below a member may not voluntarily withdraw from the Company and thereby require the Company to dissolve and liquidate or to purchase or redeem such member's interest.

12. EXPULSION.

(a) Default of a Member. Should any member (a "Defaulting Member") violate any of the provisions of this Agreement including (but not limited to) the failure to make any capital contribution required under Paragraph 3 (which violation remains uncured thirty (30) days after written notice thereof to the Defaulting Member, or in the case of a requirement to contribute money to the Company, within five (5) days after written request therefor has been given); or withdraw or attempt to withdraw from the Company in breach of this Agreement; or transfer or attempt to transfer its interest in breach of this Agreement; or become Bankrupt as defined in Paragraph 12(c); (any of such events constituting a "default") then, a majority in voting interest of the remaining members shall have the right within the six (6) month period after the event constituting the default (irrespective of any cure or attempt to cure subsequent to the default) to

elect that the Defaulting Member's interest in the Company be purchased and redeemed by the Company, the election to be exercised by written notice to the Defaulting Member. If such written notice is given, the Defaulting Member shall be deemed to withdraw from the Company on the date fixed in such notice (the "Effective Date"), which must be on the last day of a month not later than sixty (60) days after such notice is given. On such withdrawal, the Defaulting Member shall be entitled to be paid by the Company an amount for its membership interest calculated and payable as provided below. Any loss due to such default shall be charged against the capital account of the Defaulting Member before it is entitled to receive the above payment. A Defaulting Member shall not be entitled to any voting rights as to any matter of Company business while any such default shall remain uncured. For all purposes of this Paragraph 12, any such event of default by: (i) an assignee of a membership interest hereunder (if such assignee has not in fact become a member); or (ii) a shareholder, partner, or member of a member which is a corporation, partnership, or LLC, shall be deemed a default by such assignee or member and shall subject such assignee's or such member's interest to the purchase options of this paragraph.

(b) Price to Be Paid. The price to be paid for a Defaulting Member's interest shall be equal to eighty percent (80%) of the capital account balance of the Defaulting Member as of the Effective Date, which valuation is intended to reflect liquidated damages as a compensatory measure in favor of the non-defaulting members as a result of the default. Unless otherwise agreed to by the parties, the purchase price shall be paid on a level payment amortization basis, with principal and interest being due and payable in three (3) equal annual installments beginning one (1) year after the Effective Date, with interest on the unpaid balance accruing from the Effective Date at a fixed rate equal to the Prime Rate as established by Bank of America, N.A. existing on the Effective Date but in no event less than the applicable federal rate established pursuant to the Code for such month. The Company shall execute a promissory note in the amount of the purchase price in accordance with the terms hereof which shall be secured as provided in Paragraph 14. The closing of the purchase shall occur within thirty (30) days after the Effective Date.

(c) Special Provisions. For purposes of this Agreement, the term "Bankruptcy" shall mean and a member shall be deemed "Bankrupt" upon: (i) the entry of a decree or order for relief of such member or adjudication of such Member's insolvency by a court of competent

jurisdiction in any involuntary case involving such Member under any bankruptcy, insolvency or other similar law now or hereafter in effect; (ii) the Member's seeking, consenting to, or acquiescing in, the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar agent for such member or for any substantial part of such member's assets or property; (iii) the ordering of the winding up or liquidation of such member's affairs or of any substantial part of such member's assets or property; (iv) the member's filing of a petition or answer seeking for such member any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation; (v) the commencement by such member of a voluntary case under any bankruptcy, insolvency or other similar law now or hereafter in effect; (vi) the member's filing an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the member in any proceeding described in the prior items of this paragraph; (vii) the making by such member of any general assignment for the benefit of creditors; (viii) the continuation of any proceeding against the member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, for 120 days after the commencement thereof; or (ix) the appointment of a trustee, receiver, or liquidator for the person or all or any substantial part of the person's properties without the member's agreement or acquiescence, which appointment is not vacated or stayed for 120 days or, if the appointment is stayed, for 120 days after the expiration of the stay during which period the appointment is not vacated

13. DEATH. Upon the death of any member or assignee, the surviving members shall have the right to purchase all of the decedent's interest in the Company exercisable upon written notice to the decedent's personal representative (the "P.R.") within six (6) months after the date of death. The P.R. shall continue as a member (if decedent was a Member) until the decedent's estate transfers its interest in the Company as provided below. Such right to purchase shall be exercised by all surviving members desiring to participate in the purchase in the proportions that their Percentage Interests bear one to the other; provided that if any such member does not want to purchase the full portion of the interest to which he is entitled, such portion may be purchased by the other purchasers in the manner provided above. Such rights to purchase shall apply only to and be effective only for all of the decedent's interest in the

Company. The purchase price shall be equal to the decedent's capital account balance plus the decedent's share of one hundred fifty percent (150%) of the average of the prior two (2) calendar years earnings as determined by the certified public accountant regularly employed by the Company for the most recent reporting period preceding the event which triggers the purchase.

Payment of the purchase price shall be made in the same manner as that provided in Paragraph 12 above, except that the Effective Date of withdrawal of the decedent shall be the date of such written notice to the P.R., the closing of such purchase shall occur within thirty (30) days after the Effective Date, and any deferred payment shall be secured as provided in Paragraph 14. Alternatively, if all remaining members agree the Company may exercise this option to purchase and liquidate the decedent's interest upon the terms and conditions of this paragraph. If the Company and the Company business are continued as provided in Paragraph 15 then, subject to the foregoing options, the decedent's heir, legatee or beneficiary, as the case may be, shall succeed to the decedent's interest in the Company in the same manner and in all respects as the decedent and become a member if decedent was a member, upon execution of a written undertaking to become a party to this Agreement.

14. SECURITY FOR PAYMENT. Except as otherwise provided in this Agreement, if any part of the purchase price payable to a member hereunder is paid by the purchaser's delivery of a promissory note payable to the selling member, then the purchaser shall secure such deferred payment as follows. If the purchaser is another member, then the purchasing member shall grant to the selling member a security interest in the membership interest being purchased. The security interest shall be perfected by the purchaser's: (i) executing financing statements in form suitable to the selling member and filing the same with the Virginia State Corporation Commission and in the Register of Deeds' office in the county of residence of the purchasing member and in such other places as shall be necessary to perfect the security interest of the selling member; and (ii) undertaking any other actions as shall be necessary to perfect the security interest of the selling member. If the purchaser is the Company, the Company shall deliver with its promissory note to the selling member a deed of trust on the Company's real property (subject to any existing deed of trust or other encumbrance on the same) in form suitable to the selling member, which deed of trust shall be recorded as required by law to perfect the selling member's security in the same. If the Company has no real property, the Company

shall grant to the selling member a security interest in its personal property (subject to any existing perfected security interest thereon), which shall be perfected by the Company's executing and filing financing statements as provided above. So long as any part of the purchase price is unpaid, the selling member shall have all of the rights, elections and remedies available to a secured party under the Uniform Commercial Code as in effect in the Commonwealth of Virginia.

15. DISSOLUTION AND WINDING UP. The Company shall be dissolved and its affairs wound up upon the vote of the members as provided in Paragraph 7(c). Unless otherwise required by law or this paragraph, no event, including a member's cessation of membership in the Company, shall dissolve the Company. Notwithstanding the foregoing, if any such dissolution of the Company occurs pursuant to requirement of law or otherwise, the Company shall continue and not be liquidated and terminated if: (i) there is at least one remaining member; and (ii) the remaining members elect to continue the Company pursuant to the affirmative vote of a majority of the voting interests of the remaining members, such election to be made within ninety (90) days after the event of dissolution. If the Company is dissolved and is not continued as provided above, the Manager shall wind up the affairs of the Company and liquidate and terminate the Company in accordance with the provisions of the Act and Paragraph 5(c).

16. BANKING. All funds of the Company shall be deposited in its name in such checking account or accounts as shall be designated unanimously by the Manager. All withdrawals therefrom are to be made upon checks signed by a signatory designated to the bank by the Manager.

17. BOOKS. The Company shall maintain such books and records as the Manager shall deem adequate. All books, records and accounts of the Company shall be open to all members during normal business hours. For the purpose of Company accounting and for income tax reporting, the books shall be maintained on a cash or accrual basis as the Manager shall determine. The Company's fiscal year shall be the calendar year. At the close of each fiscal year, the Company's books shall be closed and the Manager may cause the books to be audited, reviewed, or compiled by an independent certified public accountant. Statements showing the results of operation shall be prepared and supplied to all members.

18. ADMISSION OF MEMBERS. Except as otherwise provided in this Agreement, new Members shall be admitted into the Company only upon the vote of the members as provided in paragraph 7(c), and such new member's: (1) making any capital contribution to the Company required by the Manager; and (2) signing an agreement to observe and be bound by all terms and provisions of this Agreement.

19. NOTICES. All notices shall be given in person, or by registered or certified mail or by overnight mail carrier addressed to the members at their most recent addresses as maintained in the books and records of the Company. Any member may change such address by written notice sent by registered or certified mail to the Company.

20. APPLICABLE LAW. This Agreement, the relations, rights, and duties of the members among themselves, and all matters pertaining to the Company and its property shall be governed by the statutes and laws of the Commonwealth of Virginia applicable to limited liability companies.

21. INUREMENT. The covenants and agreements contained herein shall inure to the benefit of and be binding upon all of the parties hereto and their respective executors, personal representatives, successors in interest, heirs or legatees, and assigns.

22. DEVELOPMENT FEE. Provided that the Company receives an affordable housing tax credit award for the Project, at the closing of the construction loan for the construction of the Project, the Company shall pay Chesapeake Bay Housing, Inc. a development fee in an amount equal to that detailed in the Company's 2017 LIHTC application.

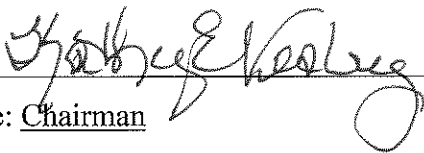
23. CHESAPEAKE BAY HOUSING, INC. NON-LIABILITY PROVISION. Notwithstanding anything to the contrary set forth in this Agreement, Chesapeake Bay Housing, Inc. shall not have any monetary obligations or other responsibilities to the Project other than those already performed as of the date that any new member is admitted to the Company. The Company and each of the other members, jointly and severally, shall indemnify, defend and hold harmless Chesapeake Bay Housing, Inc., as well as its agents, employees, officers, directors, representatives, attorneys, predecessors, successors, assigns and insurers, from, of, and against any and all claims actions, suits, accounts, charges, damages, losses, liabilities, debts, causes of action, costs, expenses (including reasonable attorneys' fees and expert witness fees) arising out of related to the Project, the conduct of the Company's business, Chesapeake Bay Housing, Inc.'s membership in the Company, any breach of this Agreement by members other than Chesapeake Bay Housing, Inc., and any acts or omissions of the Manager or members other

than Chesapeake Bay Housing, Inc. causing the limited liability status of the Company to be disregarded. This Section shall not apply to any obligations or liabilities that are caused by the misconduct of Chesapeake Bay Housing, Inc.

24. VHDA COMPLIANCE. Notwithstanding any other provisions of this Agreement, this Company and Members shall be subject to oversight by the Virginia Housing Development Authority as administering agency for the Low-Income Housing Tax Credit Program in Virginia.

In witness whereof the Member has caused this Agreement to be signed and sealed as of the date first above written.

CHESAPEAKE BAY HOUSING, INC.

By: 
Title: Chairman
Printed name: Kathy E. Vesley

Daffodil Gardens Phase Two

Owned By:

Daffodil Gardens Phase Two, LLC

Member (100%)

Chesapeake Bay Housing, Inc.
Kathy Vesley, Chair

501(c)(3) nonprofit organization

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") made as of March __, 2019 Chesapeake Bay Housing, Inc., a Virginia nonprofit corporation (the "Developer") and Daffodil Gardens Phase Two, LLC, a Virginia limited liability company (the "Company").

WITNESSETH:

WHEREAS, the Company has been formed to develop, construct, own, maintain and operate certain property as low-income residential rental housing, to be known as Daffodil Gardens Phase Two, to be located off Fiddlers Green Road, Gloucester, Virginia 23061 (the "Project"); and

WHEREAS, the Project, following the completion of construction, is expected to constitute a "qualified low-income housing project" (as defined in Section 42(g)(1) of the Code).

WHEREAS, the Developer has provided and will continue to provide certain services with respect to the Project during the acquisition, development, rehabilitation and initial operating phases thereof.

WHEREAS, in consideration for such services, the Company has agreed to pay to the Developer certain fees computed in the manner stated herein.

NOW, THEREFORE, in consideration of the recitals, covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties agree as follows:

Section 1. Development Services.

(a) The Developer has performed certain services relating to the development of the Project and shall oversee the development and construction of the Project, and shall perform the services and carry out the responsibilities with respect to the Project as are set forth herein, and such additional duties and responsibilities as are reasonably within the general scope of such services and responsibilities and are designated from time to time by the Company.

(b) The Developer's services shall be performed in the name and on behalf of the Company and shall consist of the duties set forth in subparagraphs (i)-(xiii) below of this Section 1(b) and as provided elsewhere in this Agreement; provided, however, that if the performance of any duty of the Developer set forth in this Agreement is beyond the reasonable control of the Developer, the Developer shall nonetheless be obligated to (i) use its best efforts to perform such duty and (ii) promptly notify the Company that the

performance of such duty is beyond its reasonable control. The Developer has performed or shall perform the following:

(i) Negotiate and cause to be executed in the name and on behalf of the Company any agreements for architectural, engineering, testing or consulting services for the Project, and any agreements for the construction of any improvements or tenant improvements to be constructed or installed by the Company or the furnishing of any supplies, materials, machinery or equipment therefor, or any amendments thereof, provided that no agreement shall be executed nor binding commitment made until the terms and conditions thereof and the party with whom the agreement is made have been approved by the managing member of the Company (“Managing Member”) unless the terms, conditions, and parties comply with guidelines issued by the Managing Member concerning such agreements;

(ii) Assist the Company in identifying sources of construction financing for the Project and negotiate the terms of such financing with lenders;

(iii) Establish and implement appropriate administrative and financial controls for the design and construction of the Project, including but not limited to:

(A) coordination and administration of the Project architect, the general contractor, and other contractors, professionals and consultants employed in connection with the design or rehabilitation of the Project;

(B) administration of any construction contracts on behalf of the Company;

(C) participation in conferences and the rendering of such advice and assistance as will aid in developing economical, efficient and desirable design and construction procedures;

(D) the rendering of advice and recommendations as to the selection of subcontractors and suppliers;

(E) the review and submission to the Company for approval of all requests for payments under any architectural agreement, general contractor's agreement, or any construction loan agreements with any lending

institutions providing funds for the benefit of the Company for the design or construction of any improvements;

(F) the submission of any suggestions or requests for changes which could in any reasonable manner improve the design, efficiency or cost of the Project;

(G) applying for the maintaining in full force and effect any and all governmental permits and approvals required for the lawful construction of the Project;

(H) compliance with all terms and conditions applicable to the Company or the Project contained in any governmental permit or approval required or obtained for the lawful construction of the Project, or in any insurance policy affecting or covering the Project, or in any surety bond obtained in connection with the Project;

(I) furnishing such consultation and advice relating to the construction of the Project as may be reasonably requested from time to time by the Company;

(J) keeping the Company fully informed on a regular basis of the progress of the design and construction of the Project, including the preparation of such reports as are provided for herein or as may reasonably be requested by the Company and which are of a nature generally requested or expected of construction managers or similar owner's representatives on similar projects;

(K) giving or making the Company's instructions, requirements, approvals and payments provided for in the agreements with the Project architect, general contractor, and other contractors, professionals and consultants retained for the Project; and

(L) at the Company's expense, filing on behalf of and as the attorney-in-fact for the Company any notices of completion required or permitted to be filed upon the completion of any improvement(s) and taking such actions as may be required to obtain any certificates of occupancy or equivalent documents required to permit the occupancy of the Project.

(iv) Inspect the progress of the course of construction of the Project, including verification of the materials and labor being furnished to

and on such construction so as to be fully competent to approve or disapprove requests for payment made by the Project architect and the general contractor, or by any other parties with respect to the design or construction of the Project, and in addition to verify that the construction is being carried out substantially in accordance with the plans and specifications approved by the Company or, in the event construction is not being so carried out, to promptly notify the Company;

(v) If requested to do so by the Company, perform on behalf of the Company all obligations of the Company with respect to the design or construction of the Project contained in any loan agreement or security agreement in connection with the Project, or in any lease or rental agreement relating to space in the Project, or in any agreement entered into with any governmental body or agency relating to the terms and conditions of such construction, provided that copies of such agreements have been provided by the Company to the Developer or the Company has otherwise notified the Developer in writing of such obligations;

(vi) To the extent requested to do so by the Company, prepare and distribute to the Company a critical path schedule, and periodic updates thereto as necessary to reflect any material changes, but in any event not less frequently than quarterly, other design or construction cost estimates as required by the Company, and financial accounting reports, including monthly progress reports on the quality, progress and cost of construction and recommendations as to the drawing of funds from any loans arranged by the Company to cover the cost of design and construction of the Project, or as to the providing of additional capital contributions should such loan funds for any reason be unavailable or inadequate;

(vii) At the Company's expense, obtain and maintain insurance coverage for the Project, the Company, the management agent of the Project ("Management Agent"), and the Developer and its employees, at all times until final completion of construction of the Project, in accordance with an insurance schedule approved by the Company, which insurance shall include general public liability insurance covering claims for personal injury, including but not limited to bodily injury, or property damage, occurring in or upon the Property or the streets, passageways, curbs and vaults adjoining the Property. Such insurance shall be in a liability amount approved by the Company;

(viii) To the extent applicable to the construction of the Project, comply with all present and future laws, ordinances, orders, rules, regulations and requirements (hereinafter in this subparagraph (ix) called "laws") of all federal, state and municipal governments, courts, departments, commissions, boards and offices having jurisdiction over the

Project. Any such compliance undertaken by the Developer on behalf of and in the name of the Company, in accordance with the provisions of this Agreement, shall be at the Company's expense. The Developer shall likewise ensure that all agreements between the Company and independent contractors performing work in connection with the construction of the Project shall include the agreement of said independent contractors to comply with all such applicable laws;

(ix) Assemble and retain all contracts, agreements and other records and data as may be necessary to carry out the Developer's functions hereunder. Without limiting the foregoing, the Developer will prepare, accumulate and furnish to the Company and the appropriate governmental authorities, as necessary, data and information sufficient to identify the market value of improvements in place as of each real property tax lien date, and will take application for appropriate exclusions from the capital costs of the Project for purposes of real property ad valorem taxes;

(x) Coordinate and administer the design and construction of all interior tenant improvements to the extent required under any leases or other occupancy agreements to be constructed or furnished by the Company with respect to the initial leasing of space in the Project, whether involving building standard or non-building standard work;

(xi) Use its best efforts to accomplish the timely completion of the Project in accordance with the approved plans and specifications and the time schedules for such completion approved by the Company;

(xii) At the direction of the Company, implement any decisions of the Company made in connection with the design, development and construction of the Project or any policies and procedures relating thereto, exclusive of leasing activities; and

(xiii) Perform and administer any and all other services and responsibilities of the Developer which are set forth in any other provisions of this Agreement, or which are requested to be performed by the Company and are within the general scope of the services described herein.

Section 2. Limitations and Restrictions. Notwithstanding any provisions of this Agreement, the Developer shall not take any action, expend any sum, make any decision, give any consent, approval or authorization, or incur any obligation with respect to any of the following matters unless and until the same has been approved by the Company:

(a) Approval of all construction and architectural contracts and all architectural plans, specifications and drawings prior to the construction and/or alteration of any improvements contemplated thereby, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(b) Any proposed change in the work of the construction of the Project, or in the plans and specifications therefor as previously approved by the Company, or in the cost thereof, or any other change which would affect the design, cost, value or quality of the Project, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(c) Making any expenditure or incurring any obligation by or on behalf of the Company or the Project involving a sum in excess of \$25,000 or involving a sum of less than \$25,000 where the same relates to a component part of any work, the combined cost of which exceeds \$25,000, except for expenditures made and obligations incurred pursuant to and specifically set forth in a construction budget approved by the Company (the "Construction Budget") or for such matters as may be otherwise expressly delegated to the Developer by the Company;

(d) Making any expenditure or incurring any obligation which, when added to any other expenditure, exceeds the Construction Budget or any line item specified in the Construction Budget, except for such matters as may be otherwise expressly delegated in writing to the Developer by the Company; or

(e) Expending more than what the Developer in good faith believes to be the fair and reasonable market value at the time and place of contracting for any goods purchased or leased or services engaged on behalf of the Company or otherwise in connection with the Project.

Section 3. Accounts and Records.

(a) The Developer on behalf of the Company, shall keep such books of account and other records as may be required and approved by the Company, including, but not limited to, records relating to the costs of construction advances. The Developer shall keep vouchers, statements, receipted bills and invoices and all other records, in the form approved by the Company, covering all collections, if any, disbursements and other data in connection with the Project prior to final completion of construction. All accounts and records relating to the Project, including all correspondence, shall be surrendered to the Company, upon demand without charge therefor.

(b) The Developer shall cooperate with the Management Agent to facilitate the timely preparation by the Management Agent of such reports and financial statements as the Management Agent is required to furnish pursuant to the management agreement between the Company and the Management Agent (“Management Agreement”).

(c) All books and records prepared or maintained by the Developer shall be kept and maintained at all times at the place or places approved by the Company, and shall be available for and subject to audit, inspection and copying by the Management Agent, the Company or any representative or auditor thereof or supervisory or regulatory authority, at the times and in the manner set forth in the Company Agreement.

Section 4. Obligation To Complete Construction.

The Developer shall complete the construction of the Project or cause the same to be completed in a good and workmanlike manner, free and clear of all mechanic’s, materialmen’s or similar liens, and shall equip the Project or cause the same to be equipped with all necessary and appropriate fixtures, equipment and articles of personal property, including refrigerators and ranges, provided for in the loan and other documents governing the development and operation of the Project and in the plans and specifications for the Project.

Section 5. Development Amount.

As a fee for its services in connection with the development of the Project and the supervision of the construction/rehabilitation of the Project as set forth in Section 1 and elsewhere in this Agreement, the Developer shall be paid an amount (the “Development Amount”) equal to Six Hundred Fifteen Thousand and No/100 Dollars (\$615,000.00). The Development Amount shall be deemed to have been earned as follows:

- (i) Twenty percent (20%) as of the date of this Agreement;
- (ii) Eighty percent (80%) upon substantial completion of the Project;

The Development Amount shall be paid from and only to the extent of the Company's available cash, in installments as follows:

- (i) Twenty percent (___%) on initial equity funding of the Project;
- (ii) Forty percent (___%) upon substantial completion of the Project; and
- (iii) Forty percent (___%) upon achievement of 95% occupancy for the Project.

Any installment of the Development Amount not paid when otherwise due hereunder shall be deferred without interest and shall be paid from next available cash, provided, however, that any unpaid balance of the Development Amount shall be due and payable in all events at the earlier of (i) the thirteenth anniversary of the date of this Agreement, or (ii) if the Project qualifies for Tax Credits under Code Section 42, then the end of the Project's compliance period.

Section 6. Applicable Law.

This Agreement, and the application or interpretation hereof, shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

Section 7. Binding Agreement.

This Agreement shall be binding on the parties hereto, their heirs, executors, personal representatives, successors and assigns. As long as the Developer is not in default under this Agreement, the obligation of the Company to pay the Development Amount shall not be affected by any change in the identity of the Managing Member of the Company.

Section 8. Headings.

All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section.

Section 9. Terminology.

All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 10. Benefit of Agreement.

The obligations and undertakings of the Developer set forth in this Agreement are made for the benefit of the Company and its Partners and shall not inure to the benefit of

any creditor of the Company other than a Partner, notwithstanding any pledge or assignment by the Company of this Agreement of any rights hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

COMPANY:

Daffodil Gardens Phase Two, LLC, a Virginia limited liability company

By: Daffodil Gardens Phase Two, LLC
a Virginia limited liability company

By: Chesapeake Bay Housing, Inc.,
a Virginia nonprofit corporation,
its sole member

By: _____
Name:
Title: Executive Director

DEVELOPER:

Chesapeake Bay Housing, Inc.,
a Virginia nonprofit corporation

By: _____

Its: _____

B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, February 25, 2016

This is to certify that the certificate of organization of

Daffodil Gardens Phase Two, 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: February 25, 2016



State Corporation Commission

Attest:

Joel H. Beck
Clerk of the Commission

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Daffodil Gardens Phase Two '19
Name of Applicant (entity): Daffodil Gardens Phase Two, LLC
Chesapeake Bay Housing, Inc.

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).
15. None of the participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

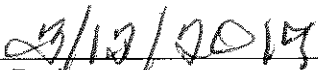
Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion, I have attached a true and accurate statement to explain the relevant facts and circumstances.

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

Kathy E. Vesley, Chairman

Printed Name


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

D

List of LIHTC Developments

(Schedule A)
(MANDATORY)

2019-C-102
Daffodil Gardens Phase Two '19

List of LIHTC Developments (Schedule A)

Enclosed, please find the following documentation:

- Organizational Chart for Daffodil Gardens Phase Two, LLC,
- Schedule A and organizational resume for Chesapeake Bay Housing
- Schedule A and resume for Kathy Vesley, Chairman of the Board of Directors for Chesapeake Bay Housing

Daffodil Gardens Phase Two

Owned By:

Daffodil Gardens Phase Two, LLC

Member (100%)

Chesapeake Bay Housing, Inc.
Kathy Vesley, Chair

501(c)(3) nonprofit organization

List of LIHTC Developments (Schedule A)



Development Name: Daffodil Gardens Phase Two '19
 Name of Applicant: Daffodil Gardens Phase Two, LLC

INSTRUCTIONS:

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 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.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Chesapeake Bay Housing, Inc. Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* Y
 Principal's Name: 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"
1	N/A - no prior experience						
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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: 0 0 #DIV/0! LIHTC as % of Total Units

Chesapeake Bay Housing, Inc. (CBH)

Resume

CBH, formerly Rappahannock Housing Services, Inc., was incorporated in 1993 as a private, non-profit organized under Section 501 (c) (3) of the IRS code. CBH was organized and is operated exclusively for charitable and educational purposes including, but not limited to, the provision and operation of decent, safe, sanitary, and affordable housing and related supportive services for low income individuals. The CBH Board of Directors is comprised of six individuals, one-third of which are low-income representatives.

In year 1994, CBH was initially certified as one of Virginia's first Community Housing Development Organization (CHDO) by the Commonwealth of Virginia Department of Housing and Community Development (VDHCD). CBH received a three year operating allocation, from VDHCD CHDO Support Fund, from 1994 to 1997. This allowed CBH to hire staff to operate and explore various affordable housing programs. Examples follow:

- CBH was a VHDA HomeSTART Program administrator. This program was designed to benefit first-time homebuyers by providing housing counseling and home inspection services.
- CBH carried out homeownership counseling classes for clients seeking U.S. Department of Housing and Urban Development (HUD) or Virginia Housing Development Authority (VHDA) home mortgages and/or supplemental home purchase money from the VDHCD-administers Regional Loan Fund. Virginia Cooperative Extension offices volunteered to provide the budgeting education portion of the classes.
- CBH began and administered a Home Maintenance Education Program for low-income beneficiaries.

CBH has actively worked with the Virginia Community Development Corporation with the goal of successfully developing affordable multi-family housing funded by VHDA's Low Income Housing Tax Credit (LIHTC) program. A development team, which includes an architect, civil engineer, general contractor, market study professional, environmental review professional, attorney and tax credit syndicator, has been established.

List of LIHTC Developments (Schedule A)



Development Name: Daffodil Gardens Phase Two '19
 Name of Applicant: Daffodil Gardens Phase Two, LLC

INSTRUCTIONS:

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 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.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Kathy E. Vesley Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* N
 Principal's Name: 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"	
1	Warsaw Manor/Warsaw, Virginia	Warsaw Manor VA LLC (704-357-6000)	N	56	56	1/1/2014	9/12/2014	N
2	Brennan Pointe/Newport News, Virginia	Brennan Pointe Limited Partnership (614-396-3200)	N	44	44	12/31/2016	12/20/2017	N
3	The Banks at Berkley/Norfolk, Virginia	The Banks at Berkley Limited Partnership (614-396-3200)	N	50	50	12/31/2016	2/8/2018	N
4	Academy Apartments/West Point, Virginia	Village Green VA LLC (704-357-6000)	N	32	32	TBD	TBD	N
5	Village Green/Gloucester, Virginia	Village Green VA LLC (704-357-6000)	N	32	32	TBD	TBD	N
6	Timberland Park/Albemarle County, Virginia	Timberland Park VA LLC (704-357-6000)	N	80	80	12/26/2018	TBD	N
7	Bermuda Crossing/Chesterfield County, Virginia	Bermuda Crossing VA LLC (704-357-6000)	N	80	80	Credits Returned	Credits Returned	N
8	Brennan Pointe II/Newport News, Virginia	Brennan Pointe II Limited Partnership (614-396-3200)	N	43	43	TBD	TBD	N
9	Freedman Point/Hopewell, Virginia	Freedman Point Limited Partnership (614-396-3200)	N	68	68	TBD	TBD	N
10	Bickerstaff Crossing/Henrico, Virginia	Bickerstaff Crossing VA LLC (704-357-6000)	N	60	60	TBD	TBD	N
11	Daffodil Gardens Phase Two	Daffodil Gardens Phase Two, LLC	N	40	40	TBD	TBD	N
12								
13								
14								
15								
16								
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40								

* 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: 585 585 LIHTC as % of Total Units 100%

ADD ADDITIONAL PROPERTIES USING NEXT TAB

Kathy E. Vesley

Professional Bio

Kathy Vesley is the President and CEO of Bay Aging (BA), a nonprofit Area Agency on Aging serving Virginia's Northern Neck and Middle Peninsula. In recent years she led the development of the state and national award winning Eastern Virginia Care Transitions Partnership (EVCTP), a CMS-certified healthcare program. This formal collaborative of Area Agencies on Aging, health systems, Managed Care Organizations (MCOs) and skilled nursing facilities recently expanded to provide services statewide. In addition, she has led Bay Aging toward excellence in other programs recognized for outstanding performance --- senior housing development, rural public transportation, the Veterans-Directed HCBS program and more.

Ms. Vesley was appointed in March 2015 to the Virginia's Housing Advisory Council representing the Northern Neck and Middle Peninsula. In this role she addressed important housing issues facing an aging population in the Commonwealth and contributed to the development of housing policy initiatives aimed at addressing Virginia's critical housing needs.

Ms. Vesley also serves as Chairman of Chesapeake Bay Housing, Inc. (CBH), a nonprofit and Virginia Department of Housing and Community Development-approved Community Housing Development Organization. CBH, formerly Rappahannock Housing Services, Inc., was created in 1993. It is operated exclusively for charitable and educational purposes including, but not limited to, the provision and operation of decent, safe, sanitary, and affordable housing and related supportive services for low income individuals in those counties that comprise the Northern Neck and Middle Peninsula planning districts of the Commonwealth of Virginia, and the surrounding region.

Prior to joining Bay Aging in 1998, Ms. Vesley served for several years as the Deputy Commissioner of the Virginia Department for the Aging and other notable positions. Her undergraduate degrees are from The College of William and Mary, and she has graduate certification from Gallaudet University.

E

Site Control
Documentation & Most
Recent Real Estate Tax
Assessment
(MANDATORY)

2019-C-102
Daffodil Gardens Phase Two '19

Site Control

Attached find an executed and recorded Deed of Gift reflecting the conveyance of the property to Daffodil Gardens Phase Two, at no charge. Additional documentation concerning the donation provisions are included in Tab T - Subsidized Funding Documentation.

Also attached, as required, is information from Gloucester County concerning the property assessment. While referred to prior to Subdivision approval by Gloucester County as Tax Map 31 Parcel 148A-2, the County's Commissioner of Revenue refers to this parcel as Tax Map 31 Parcel 148F. Both references are understood by the principals and Gloucester County.

Prepared by and return to:
 Andrew M. Franck (VSB No.48293)
 Geddy Harris Franck & Hickman, LLP
 1177 Jamestown Road
 Williamsburg, Virginia 23185

Tax Map No. 24-148F
~~RPC: 44339~~

THE TRS: UNKNOWN

THIS DEED OF GIFT IS EXEMPT FROM RECORDATION TAXES
 PURSUANT TO CODE OF VIRGINIA § 58.1-811 (D)

THIS DEED OF GIFT is made the 25th day of April, 2018, between BAY AGING, a Virginia nonstock corporation, Grantor, and DAFFODIL GARDENS PHASE TWO, LLC, a Virginia limited liability company, Grantee, having a business mailing address of Post Office Box 1260, Urbanna, Virginia 23175.

WITNESSETH: The said Grantor does hereby grant and convey unto the said Grantee with Special Warranty the following described property, to-wit:

All that certain lot, piece or parcel of land lying, situate and being in Abingdon District, Gloucester County, Virginia, containing 5.004 acres, more or less, shown and designated as "PARCEL 148A-2" on that certain plat entitled "PLAT SHOWING A SUBDIVISION OF THE LAND OF BAY AGING LOCATED IN THE ABINGDON DISTRICT OF GLOUCESTER COUNTY, VIRGINIA" dated February 8, 2016 and made by Bay Design Group (the "Plat"), a copy of which Plat is recorded the Clerk's Office of the Circuit Court for Gloucester County, Virginia in CPF 26, Page 493 and is attached to the Deed of Easement recorded as Instrument No. 160000842, reference to which is hereby made for a more particular description of the property conveyed.

TOGETHER WITH an easement for ingress and egress to and from the property hereby conveyed over and across that certain land shown and designated on the Plat as "INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2" to the extent said easement area is located upon the parcels shown and designated on the Plat as "PARCEL 148A-1" and "TAX MAP 24 PARCEL 123".

Together with all and singular the improvements thereon, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining. Subject, however, to all valid easements, conditions, and restrictions of record affecting said property.

AP 26 18 PG 0099

Grantor hereby reserves unto itself, its successors and assigns, an easement for ingress and egress to and from the parcels shown and designated on the Plat as "PARCEL 148A-1" and "TAX MAP 24 PARCEL 123" over and across that certain land shown and designated on the Plat as "INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2" to the extent said easement area is located upon the parcel conveyed by this Deed.

WITNESS the following signature and seal:

BAY AGING

By: Kathy E. Wesley
Kathy E. Wesley, President

COMMONWEALTH OF VIRGINIA
COUNTY OF MIDDLESEX, to-wit:

The foregoing instrument was acknowledged before me this 25th day of April, 2018 by Kathy E. Wesley, president of Bay Aging, on behalf of said corporation.

Lindsey Michelle Martin
NOTARY PUBLIC

My commission expires: 09/30/2020

LINDSEY MICHELLE MARTIN
NOTARY PUBLIC
REG. #7676949
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES SEPT. 30, 2020

INSTRUMENT 180001741
RECORDED IN THE CLERK'S OFFICE OF
GLOUCESTER COUNTY CIRCUIT COURT ON
April 26, 2018 AT 03:08 PM
MARGARET F. WALKER, CLERK
RECORDED BY: KJH

Jill Hain



OFFICIAL RECEIPT
GLOUCESTER COUNTY CIRCUIT COURT
DEED RECEIPT

DATE : 04/26/2018 TIME : 15:10:12 CASE # : 073CLR180001741
 RECEIPT # : 18000004752 TRANSACTION # : 18042600046
 CASHIER : KJH REGISTER # : A107 FILING TYPE : DG PAYMENT : FULL PAYMENT
 INSTRUMENT : 180001741 BOOK : RECORDED : 04/26/2018 AT : 15:08
 GRANTOR : BAY AGING EX : N EX : N LOC : CO
 GRANTEE : DAFFODIL GARDENS PHASE TWO LLC EX : N PCT : 100%
 RECEIVED OF : BAY AGING
 ADDRESS : PO BOX 1260 URBANNA 23175
 DATE OF DEED : 04/25/2018 CHECK : \$22.00 CHECK NUMBER : 126137 CHECK NUMBER : 126136
 DESCRIPTION 1 : 5.004A PARCEL 148A-2 A/D PAGES : 002 OP : 0
 NAMES : 0
 CONSIDERATION : \$0.00 A/VAL : \$0.00 MAP : 24-148F PIN :

ACCOUNT CODE	DESCRIPTION	PAID
035	VOF FEE	\$1.00
145	VSLF	\$1.50
301	DEEDS	\$14.50

ACCOUNT CODE	DESCRIPTION	PAID
106	(ITF) TECHNOLOGY TRUST FUND FEE (CIRCUIT COURT)	\$5.00
212	TRANSFER FEE	\$1.00

TENDERED : \$ 45.00
 AMOUNT PAID : \$ 23.00
 APPLIED TO NEXT CASE : \$ 22.00

0 FIDDLERS GREEN RD

Location 0 FIDDLERS GREEN RD

Tax Map # 024/ / 148/ F /

RPC 44339

Owner DAFFODIL GARDENS PHASE TWO LLC

Assessment \$157,610

Building Count 1

Legal Description KENWOOD, PARCEL 2

Magisterial Code 3

Zoning MF-1

Total Acres 5.004

Current Value

Assessment			
Valuation Year	Improvements	Land	Total
2019	\$0	\$157,610	\$157,610

Owner of Record

Owner DAFFODIL GARDENS PHASE TWO LLC

Sale Price \$0

Address PO BOX 1260
URBANNA, VA 23175

Book & Page ID/1801741

Sale Date 04/26/2018

Ownership History

Ownership History			
Owner	Sale Price	Book & Page	Sale Date
DAFFODIL GARDENS PHASE TWO LLC	\$0	ID/1801741	04/26/2018
BAY AGING	\$0	ID/0802688	02/29/2016
BAY AGING	\$0	9999/	02/29/2016

Building Information

Building 1 : Section 1

Year Built:

Living Area: 0

Replacement Cost: \$0

Building Percent

Good:

Building Attributes	
Field	Description
Style	Vacant Land

Model	
Grade	
Stories	
Units	
Exterior Wall 1	
Exterior Wall 2	
Roof Structure	
Roof Cover	
Interior Wall 1	
Interior Wall 2	
Interior Floor 1	
Interior Floor 2	
Heat Fuel	
Heat Type	
AC Percent	
Bedrooms	
Full Baths	
Half Baths	
Extra Fixtures	
Total Rooms	
Bath Style	
Kitchen Style	
Extra Kitchens	
FBM Quality	
Window Type	
Occupancy	
Basement Area	
Fin Basement Area	
Fin Basement %	
Gas FPL/Wd Stove	
Fireplaces	
Bsmt Garage	
Inoperable FPL	

Building Photo



(<http://images.vgsi.com/photos/DudleyMAPhotos//default.jpg>)

Building Layout

Building Sub-Areas (sq ft)	Legend
No Data for Building Sub-Areas	

Land

Land Use

Use Code	V4CT
Description	Vac Commercial Std
Zone	SC-1
Neighborhood	0005
Alt Land Appr	No

Land Line Valuation

Size (Acres)	5.00
Frontage	
Depth	
Assessed Value	\$157,610

Category

Outbuildings

Outbuildings	Legend
No Data for Outbuildings	

Valuation History

Assessment			
Valuation Year	Improvements	Land	Total
2018	\$0	\$157,610	\$157,610
2017	\$0	\$157,610	\$157,610

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F

Architect's Certification
and Third-Party RESNET
Rater Certification
(MANDATORY)

2019-C-102
Daffodil Gardens Phase Two '19

Tab F – Architect’s and RESNET Certifications, and Sample Internet Policies

Enclosed, please find the following documentation:

-Appendix F Architect’s Certification with Universal Design Certification

-RESNET Rater Certification done by Viridiant

-Sample Internet use, security and resident internet education/literacy policies to support the selected ‘Enhancement’ of Free Wifi access in the community room at Daffodil Gardens Phase Two



INSTRUCTIONS FOR THE COMPLETION OF APPENDIX F ARCHITECT'S CERTIFICATION

(This form must be 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.

Accessibility certifications on page 6 are for tax credit point categories only and are not to be confused with minimum code requirements.



Architect's Certification

Name of Development: Daffodil Gardens Phase Two '19

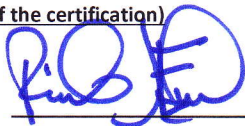
Address of Development: Fiddlers Green Road

Name of Owner: Daffodil Gardens Phase Two, LLC

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 that all products necessary to fulfill these representations are available for these purposes. The architect signing this document also certifies their understanding that both the excel application and the information in the architect certification must be the same and discrepancies between the excel application and architect's certification can result in penalties or even disqualification.

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: 
 Printed Name: Richard J. Funk, Jr.

All developments seeking Virginia Low Income Housing Tax Credits are required to meet one of the following as certified by a RESNET Rater:

- New Construction - EnergyStar Certification
The development's design meets the criteria for the EnergyStar certification.
- Rehabilitation -30% performance increase over existing, based on HERS Index
Or Must evidence a HERS Index of 80 or better
- Adaptive Reuse - Must evidence a HERS Index of 95 or better.

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);

A Unit by Unit write up is required for all Rehabilitation properties

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:

50,662.08		(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
50,662.08	=	(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	1,093.61		12		13,123.32
2 Bedrooms Elderly	1,340.67		28		37,538.76
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			40	Total	50,662.08 **

* Including pro rata share of heated, residential common area. This information should match Structure tab 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%

	Unit Type	Floor Plan Square Feet	Number of Units This Floor Plan	Total
Mix 1	1 BR - 1 Bath	669.73	12	8036.76
Mix 2	2 BR - 1.5 Bath	905.66	17	15396.22
Mix 3	2 BR - 1.5 Bath	950.92	9	8558.28
Mix 4	2 BR - 1.5 Bath	1005.14	2	2010.28
Mix 5				0
Mix 6				0
Mix 7				0
Mix 8				0
Mix 9				0
Mix 10				0
Mix 11				0
Mix 12				0
Mix 13				0
Mix 14				0
Mix 15				0
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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			40	34001.54

*This information should match Unit Details page of the excel application

DEV Name: Daffodil Gardens Phase Two '19

RJF

Development Amenities:

I certify that the development's plans and specifications and proposed budget incorporate all items from VHDA's most current Minimum Design and Construction Requirements and the Unit by Unit write up. In the event the plans and specifications do not include VHDA Minimum Design and Construction Requirements and any immediate needs and recommendations from the Physical Needs Assessment, 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)
 (Enter TRUE in each box where appropriate)

- TRUE a. The development will have a community/meeting room with a minimum of 749 square feet.
- 80% 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.
- TRUE c. Water expense will be sub-metered (tenant will pay monthly or bi-monthly bill)
- TRUE d. Each bathroom consists only of Water Sense labeled toilets, faucets and showerheads
- TRUE e. Provide necessary infrastructure in all units for high-speed internet/broadband service.
- TRUE f. Free Wi-Fi access will be provided for community room for resident only usage.
- FALSE g. Each Unit is provided free individual high-speed Internet access
- OR
- FALSE h. Each Unit is provided free individual Wi-Fi access
- TRUE i.,j. Bath fan wired to primary light with delayed timer, or, continuous exhaust by ERV/DOAS OR Bath Fan with humidistat
- FALSE k. Fire Prevention - all Ranges equipped with temperature limiting controls
- OR
- TRUE l. Fire Suppression - Cooking surfaces are equipped with fire suppression features
- FALSE m. Rehab only- Each apartment has dedicated space, drain and electrical hookups to accept a permanently installed dehumidification system OR
- TRUE n. All development types- Each Unit is equipped with a permanent dehumidification system
- FALSE o. All interior doors within units are solid core
- TRUE p. At minimum one USB charging port in each Kitchen, Living room and all bedrooms
- TRUE q. All Kitchen light fixtures are LED and meet MDCR lighting guidelines
- TRUE r. Shelf or ledge outside each primary apartment entry door located in an interior hallway
- FALSE s. New Construction only- Each unit to have balcony or patios minimum depth 5' clear from face of building.
Minimum 30 square feet.

DEV Name: Daffodil Gardens Phase Two '19

BF

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

- TRUE a. All cooking ranges will have front controls
- TRUE b. All full bathrooms will have an independent or supplemental heat source
- TRUE c. 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)

- FALSE 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

- 3 **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 (must contain permanent grab bars and fixed seats), 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.

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



Signed: _____
Printed Name: Richard J. Funk, Jr.
Title: Vice-President
Virginia Registration #: #7423
Phone: (434) 977-2791
Date: 3/12/19

NOTE TO ARCHITECT: If representaions in plans and specifications and/or any information certified in this certification is misrepresented then the architect may be penalized. 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 Bondurant at VHDA (804) 343-5725.

Return this certification to the developer for inclusion in the tax credit application package.

DEV Name: Daffodil Gardens Phase Two '19



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

TRUE 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: 40

The total number of rental units in this development: 40

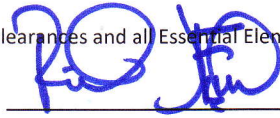
NOTE: For Elderly Developments, 100% of the units in the development must meet the Universal Design standards in order to qualify for points.

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 for 2019 applications if certification date is after January 1, 2014

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: Richard J. Funk, Jr.
Architect of Record
(same individual as on page 7)

Date: 3/12/19



Appendix F
RESNET Rater Certification of Development Plans

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP).
In the event the plans and specifications do not include requirements to meet the QAP baseline energy performance, 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).

In addition provide HERS rating documentation as specified in the manual

X New Construction - EnergyStar Certification
The development's design meets the criteria for the EnergyStar certification.
Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide EnergyStar Certification to VHDA.

Rehabilitation -30% performance increase over existing, based on HERS Index
Or Must evidence a HERS Index of 80 or better
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

Adaptive Reuse - Must evidence a HERS Index of 95 or better.
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

Additional Optional Certifications

I certify that the development's plans and specifications incorporate all items for the certification as indicated below, and I am a certified verifier of said certification. In the event the plans and specifications do not include requirements to obtain the certification, then those requirements still must be met, even though the application is accepted for credits. Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide Certification to VHDA.

TRUE Earthcraft Certification - The development's design meets the criteria to obtain Viridian's EarthCraft Multifamily program Gold certification or higher

FALSE LEED Certification - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.

FALSE National Green Building Standard (NGBS) - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification

FALSE Enterprise Green Communities - The developmen's design meets the criteria for meeting meeting the requirements as stated in the Enterprise Green Communities Criteria for this developments construction type to obtain certification.

***Please Note Raters must have completed 500+ ratings in order to certify this form

Signed: [Signature]

Date: 3/11/19

Printed Name: Matt Waring

RESNET Rater

Resnet Provider Agency
Viridiant

Signature [Signature]

Provider Contact and Phone/Email Sean Evensen-Shanley (804)212-1934 / sean.evensen-shanley@viridiant.org

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-11
 Registry ID: Unregistered
 Ekotrope ID: 9vgGkJBv

HERS® Index Score:

70

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$443

*Relative to an average U.S. home

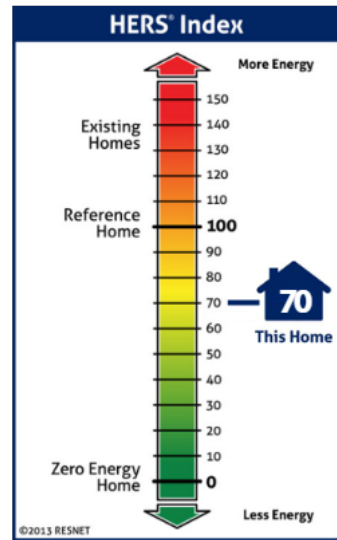
Home:
 , , MA

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	3.1
Cooling	1.5
Hot Water	4.1
Lights/Appliances	14.2
Service Charges	
Generation (e.g. Solar)	0.0
Total:	22.9

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1 BR Top Floor Corner
Community:	N/A
Conditioned Floor Area:	742 sq. ft.
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 16 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	50.0 CFM • 250.0 Watts
Duct Leakage to Outside:	37 CFM25 (4.99 / 100 s.f.)
Above Grade Walls:	R-22
Ceiling:	Attic, R-38
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Manon Shankle
 RESNET ID: 5201257

Rating Company: Viridiant
 1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant
 1431 W. Main Street, Richmond, VA 23220



Manon Shankle

Manon Shankle, Certified Energy Rater
 Digitally signed: 3/11/19 at 11:41 AM

Internet Acceptable Use Policy (AUP)

All users of Internet services agree to and must comply with this Acceptable Use Policy (AUP). does not exercise editorial control or review over the content of any Web site, electronic mail transmission, paper printout, newsgroup, or other material created or accessible over or through the Services. However, may remove, block, filter, or restrict by any other means any materials that, in sole discretion, may be illegal, may subject to liability, or which may violate this AUP. may cooperate with legal authorities and/or third parties in the investigation of any suspected or alleged crime or civil wrong. Violation of this AUP may result in the suspension or termination of either access to the Services and/or account or other actions as detailed below.

The following constitute violations of this AUP (this list is intended to be illustrative and not exhaustive; other uses may violate the AUP and remains the sole and final arbiter of acceptable usage of its Services):

- **Illegal use:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that, intentionally or unintentionally, violates any applicable local, state, national or international law, or any rules or regulations promulgated there under.
- **Harm to minors:** Using the Services to harm, or attempt to harm, minors in any way.
- **Threats:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that threatens or encourages bodily harm or destruction of property.
- **Harassment:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that harasses another.
- **Fraudulent activity:** Using the Services to make fraudulent offers to sell or buy products, items, or services or to advance any type of financial scam such as "pyramid schemes", "Ponzi schemes", unregistered sales of securities, securities fraud and "chain letters."
- **Forgery or impersonation:** Adding, removing or modifying identifying network, message, or article header information in an effort to deceive or mislead is prohibited. Attempting to impersonate any person by using forged headers or other identifying information is prohibited. The use of anonymous remailers or nicknames does not constitute impersonation.
- **Unsolicited commercial email/Unsolicited bulk email:** Using the Services to transmit any unsolicited commercial email or unsolicited bulk email. Activities that have the effect of facilitating unsolicited commercial email or unsolicited bulk email, whether or not that email is commercial in nature, are prohibited. Using deliberately misleading headers in e-mails sent to multiple parties is prohibited.
- **Unauthorized access:** Using the Services to access, or to attempt to access, the accounts of others, or to penetrate, or attempt to penetrate, security measures of 's or another entity's computer software or hardware, electronic communications system, or telecommunications system, whether or not the intrusion results in disruption of service or the corruption or loss of data.
- **Copyright or trademark infringement:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that infringes any copyright, trademark, patent, trade secret, or other proprietary rights of any third party, including, but not limited to, the unauthorized copying of copyrighted material, the digitization and distribution of photographs from magazines, books, or other copyrighted sources, and the unauthorized transmittal of copyrighted software.
- **Collection of personal data:** Using the Services to collect, or attempt to collect, personal information about third parties without their knowledge or consent.
- **Reselling the services:** Reselling the Services without 's authorization.

- **Network disruptions and unfriendly activity:** Using the Services for any activity which adversely affects the ability of other people or systems to use Services or the Internet. This includes excessive consumption of network or system resources whether intentional or unintentional. This also includes "denial of service" (DoS) attacks against another network host or individual user. Interference with or disruption of other network users, network services or network equipment is prohibited. It is the users's responsibility to ensure that their system is configured, operated, and used in a manner to avoid excessive consumption of network or system resources. It is the users's responsibility to ensure that their system is configured in a secure manner. A user may not, through action or inaction, allow others to use their system for illegal or inappropriate actions. A user may not permit their system, through action or inaction, to be configured in such a way that gives a third party the capability to use their system in an illegal or inappropriate manner.
- **High Volume, Server Hosting, and non-traditional end user activities:** The Services are intended for an end user's periodic active use of email, instant messaging, browsing the World Wide Web, and other typical end user activities. High volume data transfers, especially sustained high volume data transfers, are prohibited. Hosting a web server, IRC server, or any other server is prohibited. Accordingly, maintains the right to terminate any user's connection following the detection of any high volume data transfer, server hosting, or non-traditional end user activity as determined by .

requests that anyone who believes that there is a violation of this AUP direct the information to the property manager.

If available, please provide the following information:

- The IP address used to commit the alleged violation
- The date and time of the alleged violation, including the time zone or offset from GMT
- Evidence of the alleged violation

When reporting an issue regarding unsolicited email please provide a copy of the email messages with full headers which typically provides all of the above data. Other situations will require different methods of providing the necessary information.

may take any one or more of the following actions, or other actions not listed, at 's sole discretion in response to complaints:

- Issue warnings: written or verbal
- Terminate the user's access
- Bill the user for administrative costs and/or reactivation charges
- Bring legal action to enjoin violations and/or to collect damages, if any, caused by violations.

reserves the right to revise, amend, or modify this AUP, and our other policies and agreements at any time and in any manner.

provides public access to the Internet. There are potentially serious security issues with any computer connected to the Internet without the appropriate protection. These security issues range from viruses, worms and other programs that can damage the user's computer to attacks on the computer by unauthorized or unwanted third parties. These parties, known commonly as "hackers" may attempt to penetrate the user's computer and download information from the user's computer. If the user has unprotected files on the computer, these files may be visible to hackers on the Internet, potentially

including parties with criminal intent. Hackers also exploit vulnerabilities in operating systems to cause malicious damage to a user's computer or even a whole company's network, up to and including the destruction or deletion of files or the re-formatting of drives. It is recommended that the user uses either a personal firewall or Virtual Private Network systems to protect this information. advises the user that he/she should consult a security expert to determine whether there are any potential security holes in their computer's configuration.

SPECIFICALLY DISCLAIMS ANY LIABILITY FOR UNAUTHORIZED THIRD-PARTY SECURITY BREACHES OR THE RESULTS THEREOF. PROVIDES ACCESS TO THE INTERNET AND THE NETWORK ON AN "AS IS" BASIS WITH ALL RISKS INHERENT IN SUCH ACCESS. BY CONNECTING TO THE NETWORK, THE USER ACKNOWLEDGES THE RISKS ASSOCIATED WITH PUBLIC ACCESS TO THE INTERNET OR DOCUMENT PRINTING AND HEREBY RELEASES AND INDEMNIFIES FROM ANY DAMAGES THAT MIGHT OCCUR.

Acknowledgment of Resident:

Signature: _____

Dated: _____

Printed: _____

Draft Internet Security Plan

Network Security:

1. Purpose

This standard specifies the technical requirements that wireless infrastructure devices must satisfy to connect to a (Owner) network. Only those wireless infrastructure devices that meet the requirements specified in this standard or are granted an exception by the InfoSec Team are approved for connectivity to the Owner's network.

Network devices including, but not limited to, hubs, routers, switches, firewalls, remote access devices, modems, or wireless access points, must be installed, supported, and maintained by an Information Security (Infosec) approved support organization.

2. Scope

All employees, contractors, consultants, temporary and other workers at Owner and its subsidiaries/affiliates, including all personnel that maintain a wireless infrastructure device on behalf of the Owner, must comply with this standard. This standard applies to wireless devices that make a connection the network and all wireless infrastructure devices that provide wireless connectivity to the network. Infosec must approve exceptions to this standard in advance.

3. Standard

3.1 General Requirements:

All wireless infrastructure devices that connect to the Owner's network or provide access to the Owner Confidential, Owner Highly Confidential, or Owner Restricted information must:

- Use Extensible Authentication Protocol-Fast Authentication via Secure Tunneling (EAP-FAST), Protected Extensible Authentication Protocol (PEAP), or Extensible Authentication Protocol-Translation Layer Security (EAP-TLS) as the authentication protocol.
- Use Temporal Key Integrity Protocol (TKIP) or Advanced Encryption System (AES) protocols with a minimum key length of 128 bits.
- All Bluetooth devices must use Secure Simple Pairing with encryption enabled.4.2Lab and Isolated Wireless Device Requirements
- Lab device Service Set Identifier (SSID) must be different from the Owner's production device SSID.
- Broadcast of lab device SSID must be disabled.4.3 Home Wireless Device Requirements
All home wireless infrastructure devices that provide direct access to the Owner's network, such as those behind Enterprise Teleworker (ECT) or hardware VPN, must adhere to the following:
- Enable WiFi Protected Access Pre-shared Key (WPA-PSK), EAP-FAST, PEAP, or EAP-TLS

- When enabling WPA-PSK, configure a complex shared secret key (at least 20 characters) on the wireless client and the wireless access point
- Disable broadcast of SSID
- Change the default SSID name
- Change the default login and password

4. Policy Compliance

4.1 Compliance Measurement

The Infosec team will verify compliance to this policy through various methods, including but not limited to, periodic walk-thrus, video monitoring, business tool reports, internal and external audits, and feedback to the policy owner.

4.2 Exceptions

Any exception to the policy must be approved by the Infosec Team in advance.

4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

Equipment

1. Purpose

The purpose of this policy is to outline the acceptable use of computer equipment at (Owner). These rules are in place to protect the employee and Owner. Inappropriate use exposes the Owner to risks including virus attacks, compromise of network systems and services, and legal issues.

2. Scope

This policy applies to the use of information, electronic and computing devices, and network resources to conduct the Owner's business or interact with internal networks and business systems, whether owned or leased by Owner, the employee, or a third party. All employees, contractors, consultants, temporary, and other workers at Owner and its subsidiaries are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources in accordance with Owner's policies and standards, and local laws and regulation. Exceptions to this policy are documented in section 5.2.

This policy applies to employees, contractors, consultants, temporaries, and other workers at Owner including all personnel affiliated with third parties. This policy applies to all equipment that is owned or leased by Owner.

3. Policy

3.1 General Use and Ownership

3.1.1 Owner proprietary information stored on electronic and computing devices whether owned or leased by Owner, the employee or a third party, remains the sole property of the Owner. You must ensure through legal or technical means that proprietary information is protected in accordance with the Data Protection Standard.

3.1.2 You have a responsibility to promptly report the theft, loss or unauthorized disclosure of Owner proprietary information.

3.1.3 You may access, use or share Owner proprietary information only to the extent it is authorized and necessary to fulfill your assigned job duties.

3.1.4 Employees are responsible for exercising good judgment regarding the reasonableness of personal use. Individual departments are responsible for creating guidelines concerning personal use of Internet/Intranet/Extranet systems. In the absence of such policies, employees should be guided by departmental policies on personal use, and if there is any uncertainty, employees should consult their supervisor or manager.

3.1.5 For security and network maintenance purposes, authorized individuals within Owner may monitor equipment, systems and network traffic at any time, per Infosec's Audit Policy.

3.1.6 Owner reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

3.2 Security and Proprietary Information

3.2.1 All mobile and computing devices that connect to the internal network must comply with the Minimum Access Policy.

3.2.2 System level and user level passwords must comply with the Password Policy. Providing access to another individual, either deliberately or through failure to secure its access, is prohibited.

3.2.3 All computing devices must be secured with a password-protected screensaver with the automatic activation feature set to 10 minutes or less. You must lock the screen or log off when the device is unattended.

3.2.4 Postings by employees from an Owner email address to newsgroups should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of the Owner, unless posting is in the course of business duties.

3.2.5 Employees must use extreme caution when opening e-mail attachments received from unknown senders, which may contain malware.

3.3 Unacceptable Use

The following activities are, in general, prohibited. Employees may be exempted from these restrictions during the course of their legitimate job responsibilities (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services).

Under no circumstances is an employee of Owner authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing Owner-owned resources.

The lists below are by no means exhaustive, but attempt to provide a framework for activities which fall into the category of unacceptable use.

3.3.1 System and Network Activities

The following activities are strictly prohibited, with no exceptions:

- Violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by Owner.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which Owner or the end user does not have an active license is strictly prohibited.
- Accessing data, a server or an account for any purpose other than conducting Owner's business, even if you have authorized access, is prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.
- Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).
- 6. Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
- Using an Owner computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws in the user's local jurisdiction.
- Making fraudulent offers of products, items, or services originating from any Owner account.

- Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes. 11. Port scanning or security scanning is expressly prohibited unless prior notification to Infosec is made.
- Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty.
- Circumventing user authentication or security of any host, network or account.
- Introducing honeypots, honeynets, or similar technology on the <Company Name> network.
- Interfering with or denying service to any user other than the employee's host (for example, denial of service attack).
- Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet.
- Providing information about, or lists of, Owner's employees to parties outside Owner.

3.3.2 Email and Communication Activities

When using company resources to access and use the Internet, users must realize they represent the company. Whenever employees state an affiliation to the company, they must also clearly indicate that "the opinions expressed are my own and not necessarily those of the company". Questions may be addressed to the IT Department

- Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).
- Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages.
- Unauthorized use, or forging, of email header information.
- Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies.
- Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
- Use of unsolicited email originating from within Owner's networks of other Internet/Intranet/Extranet service providers on behalf of, or to advertise, any service hosted by Owner or connected via Owner's network.
- Posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).

3.3.3 Blogging and Social Media

1. Blogging by employees, whether using Owner's property and systems or personal computer systems, is also subject to the terms and restrictions set forth in this Policy. Limited and occasional use of Owner's systems to engage in blogging is acceptable, provided that it is done in a professional and responsible manner, does not otherwise violate Owner's policy, is not detrimental to Owner's best interests, and does not interfere with an employee's regular work duties. Blogging from Owner's systems is also subject to monitoring.
2. Owner's Confidential Information policy also applies to blogging. As such, Employees are prohibited from revealing any Owner confidential or proprietary information, trade secrets or any other material covered by Owner's Confidential Information policy when engaged in blogging.
3. Employees shall not engage in any blogging that may harm or tarnish the image, reputation and/or goodwill of Owner and/or any of its employees. Employees are also prohibited from making any discriminatory, disparaging, defamatory or harassing when blogging or otherwise engaging in any conduct prohibited by Owner's Non-Discrimination and Anti-Harassment policy.
4. Employees may also not attribute personal statements, opinions or beliefs to Owner when engaged in blogging. If an employee is expressing his other beliefs and/or opinions in blogs, the employee may not, expressly or implicitly, represent themselves as an employee or representative of Owner's Employees assume any and all risk associated with blogging.
5. Apart from following all laws pertaining to the handling and disclosure of copyrighted or export controlled materials, Owner's trademarks, logos and any other Owner intellectual property may also not be used in connection with any blogging activity

4. Policy Compliance

4.1 Compliance Measurement

The Infosecteam will verify compliance to this policy through various methods, including but not limited to, business tool reports, internal and external audits, and feedback to the policy owner.

4.2 Exceptions

Any exception to the policy must be approved by the Infosecteam in advance.

4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.



The Internet might seem intimidating at first - a vast global communications network with billions of webpages. But in this lesson, we simplify and explain the basics about the Internet using a conversational non-technical style to make it understandable, useful, and enjoyable. There's no reason to be left out!

Basic Internet Skills

Microsoft Windows PCs

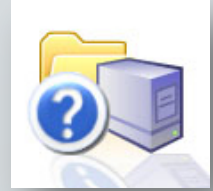
www.NetLiteracy.org





What the Internet is:

The Internet, the web, cyberspace, and the 'net are all terms that generally mean the same thing, in this case, we will call it the Internet. The Internet is a **NET**work of computers, all over the world, **INTER**connected to each other and available to any individual. The Internet is used for many different activities including shopping, communicating, learning, and distributing information.



Unfortunately, you cannot open a door to a house and walk outside to “go into the Internet.” Computers are a primary tool you’ll utilize to use the Internet. The Internet is somewhat difficult to describe because you cannot touch it (in a way similar to software). It seems invisible—only computers can see it – and you can see it through a computer. Sometimes the Internet is best described in comparison to a library. The Internet is made up of many individual components, just like a library is made up of many books. The Internet’s components have even more individual parts, just like a book has pages.

Changing Constantly:

The Internet is a useful source of information about news, sports, and entertainment because it changes along with the minute-by-minute events that occur in the world brings. This might seem confusing. However, it is not

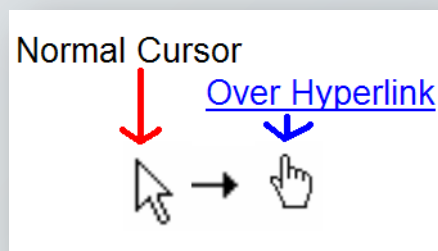


necessarily so—the Internet can be thought of as a “dynamic” living organism that changes and adapts to its environment. The Internet changes very quickly—just watching a 24 hour news channel on the television. The content on some websites is updated every few seconds.

Purpose / Content of Websites

On the Internet, there are many websites. These are usually made for one specific purpose; they range from informing you about the news to teaching you how to cook.

The best analogy of a website is a comparison to an entire book or an entire newspaper. Websites are made up of “pages,” just like newspapers and books.



Websites are usually independent, however sometimes they are linked together by hyperlinks (also called links) that allow you to jump from one website to another website. These links allow you to “turn the page,” and move around on the Internet. They are usually underlined and **blue**, however they can be any color and or even a picture. How

do you identify a hyperlink? When your mouse hovers over a hyperlink, the arrow changes into a pointing hand.

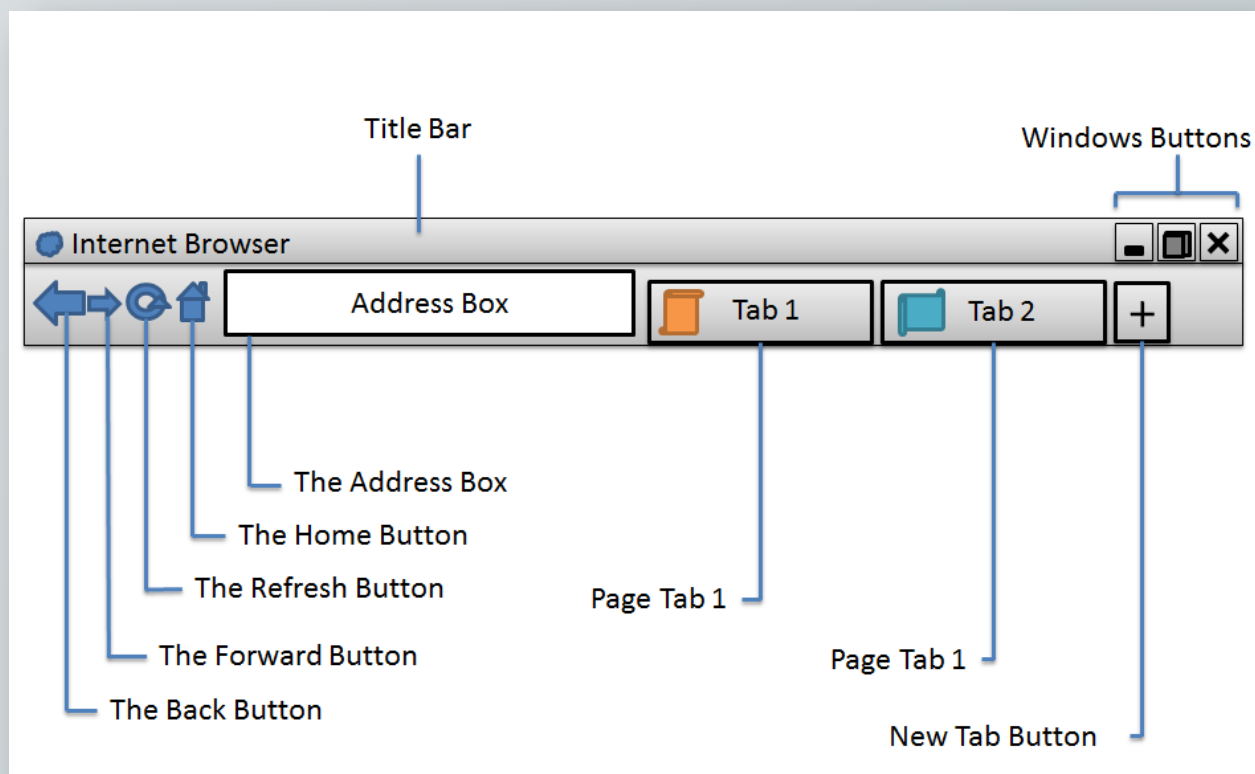
Webpages are what you see and read on the Internet. They are primarily made up of text (words), digital media (pictures, movies, and music), and hyperlinks. The Internet, unlike a book or newspaper, is in no order, and can seem slightly confusing at first. However, there are tools on the Internet that help organize it and will allow you to use it comfortably and easily.





Applications to Access the Internet

On the computer, you use a program to see the Internet. The program is called a web browser — you “browse” the web with it. Some common brands of web browsers include Internet Explorer, Firefox, and Chrome. They serve the same purpose, navigating the internet, and also have many of the same buttons. For instance, we will take a look at a generic browser’s buttons. You will use these buttons to navigate around the Internet. Sometimes extra buttons might be added, while other times, buttons might have been moved around on the toolbar. If you cannot find a button, just ask someone (they seem to be pretty tricky when they hide from you).



The Buttons

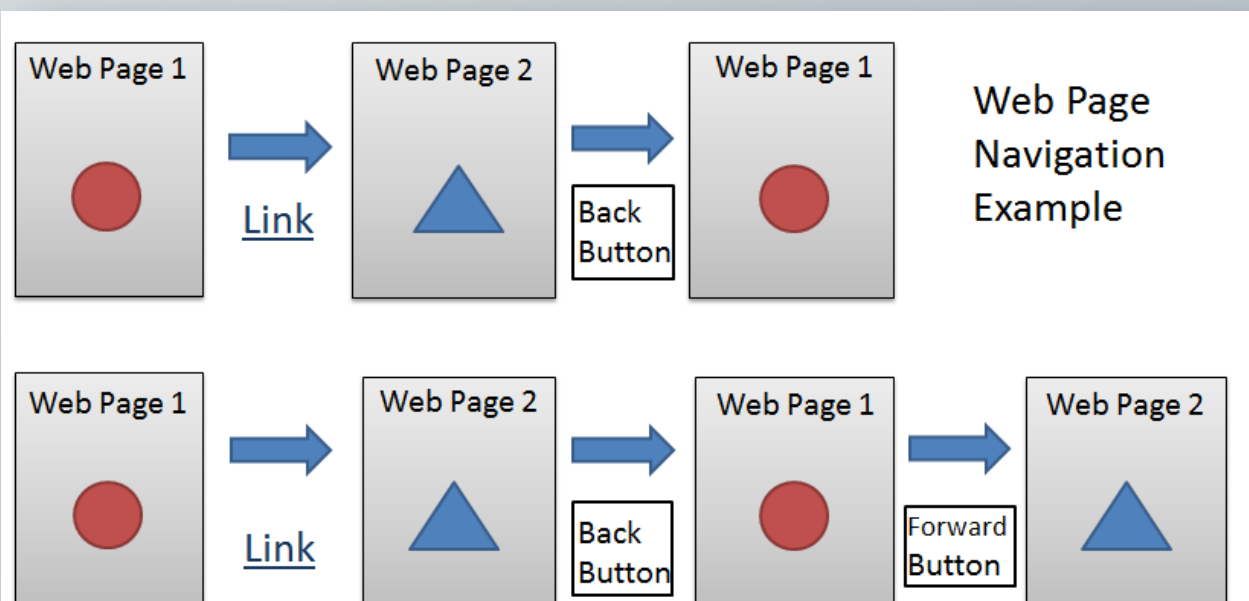
The Back Button – This button allows you to return to the last webpage that you last visited. It is most often used if you accidentally click on a link and wish to return to your previous page.

The Forward Button – If you clicked the back button, you don't have to hunt for the hyperlink on the webpage to return to the previous webpage. Just click on the forward button to return to the previous page that you were at before you pressed the back button.

Note: If the forward button is "grayed out" and when you click on it, nothing happens, this means that it is disabled.

The Refresh Button – This button is useful if you are looking at pages that contain content that is updated more frequently, such as the news, sports scores, or the weather. By clicking on the refresh button, the web page loads again, and is updated with the latest information.

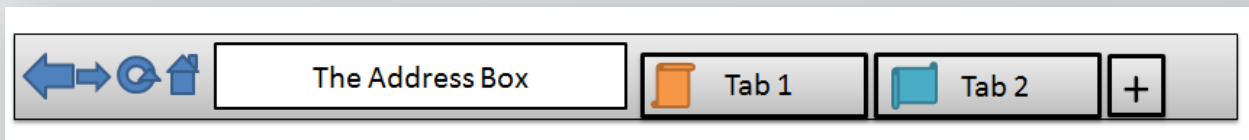
The Home Button - When you open your web browser, the first website that is displayed is your **homepage**. You can change your homepage to fit your preferences. When you click on the home button, it takes you to your homepage.





The Address Box

The Address Box – This displays the URL of a webpage. URL stands for Universal Resource Locator, which is a unique address for each webpage – just like your own home’s address is unique. You can type a specific URL into the address box by left clicking in the box once and then typing. Although URLs are all different, they share common characteristics. The basic diagram of a URL is shown below.



http://www.google.com

Http:// - Begins most web addresses. Tells the internet browser what protocol to use.

www- Stands for “World Wide Web.” Most web addresses have it although it is not necessary. It indicates a web page.

.(dot)- Separates parts of the address so it does not all run together and the computer can distinguish the different parts of the address.

Domain name- Example: “Google” – A series of numbers, letters or hyphens “-” that identifies the owner of the address.

.” (dot)- See previous Definition

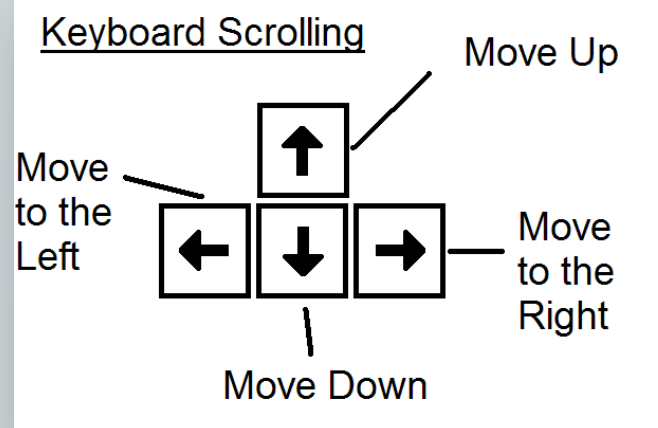
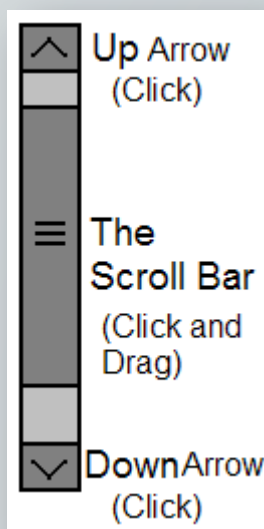
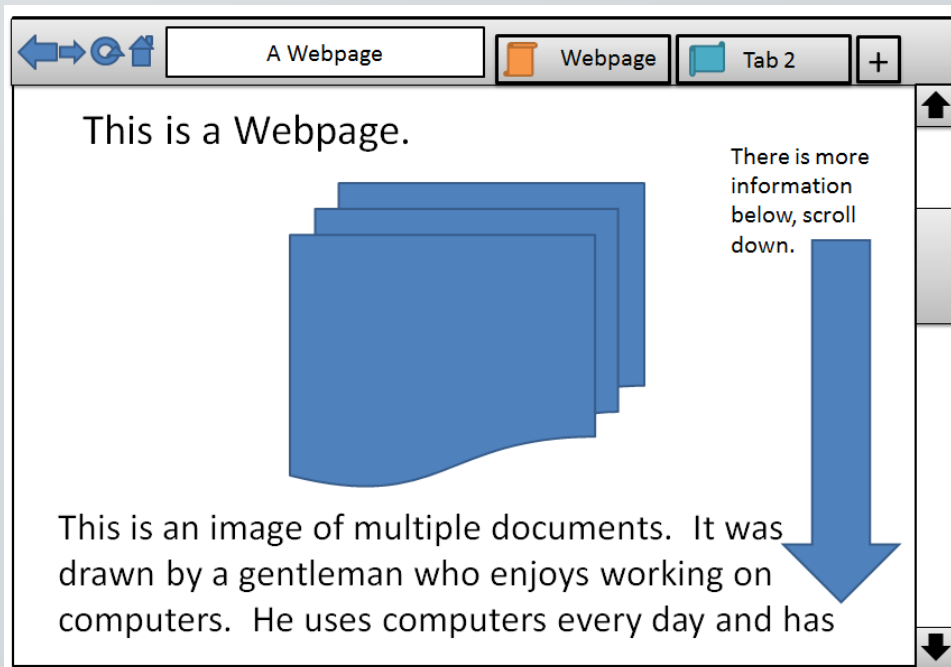
The Domain- At the end of a web address. Tells what type of web page you are viewing.
 .com – Commercial
 .org – Non-For-Profit Organization
 .edu – Education (Colleges/Universities)
 .net – Internet Related
 .mil – US Military
 .gov – US Government
 .us – United States
 .uk – United Kingdom

Important: Make sure you spell everything correctly. Addresses are very specific and if typed incorrectly, they will direct you to the wrong website. If this happens, simply use your back arrow to return to the previous webpage.



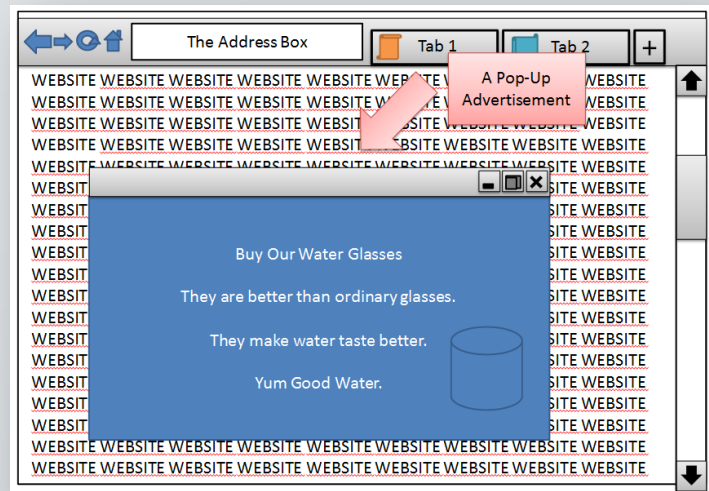
Scrolling on Webpages

One thing to keep in mind when viewing the Internet is that a bunch of information might be displayed on a webpage, however, only a small portion can be seen immediately when you load the webpage. Thus, it is important to look at your scroll bars to the right and bottom to see if there is more information you are missing. If you are tired of using the mouse to scroll up and down, try using the arrow keys.



Pop Up Advertisements

On the Internet, there are things that help you and things that can make you aggravated. One aggravation is the **Pop Up Ad**. These advertisements are created by aggressive marketers who want you to see their “amazing” product and buy it. Pop ups create their own window and usually appear on top of the information that you are interested in. If you click on a pop up ad, it will take you away from the information you are looking at. If you see a pop up ad, click the X at the top right of the window to close it.



Another type of advertisement is the **Banner**. Banner ads show up at the top of a website or on the side of a website. As a beginner, it's generally wiser to ignore banner advertisements unless you are familiar with the company.

Searching the Internet

Because there are so many things on the Internet, it is

frequently hard to locate exactly what you are looking for. Search engines such as Google (www.google.com) are very helpful and allow you search the Internet.

A search engine is a Website used to search for information on the World Wide Web. Google first collects websites using a computer program (called a



wanderer, crawler, robot, worm, or spider). Then Google creates an index of these sites so they are searchable. There are many search engines that are available - we use Google for purposes of instruction because most people use it.

Performing a search in Google (See Next Page for Picture)

1. Go to Google by typing www.google.com in the URL address box (see page 5). Google is also one of the fastest search engines and provides some of the best results.
2. Next type your topic or key words (words closely related to your topic) into the box under the Google logo.
3. Press Enter or click "Google Search"
4. The next page that will appear is your search results page. This page lists the first few results from your search. Click on one of the page title that has an interesting description or seems most relevant.
5. If you are not satisfied with that website, click the back button and try a different website. If you still cannot find a good website, try searching by using different terms in the search box at the top of the webpage.



Google Searching Tips

Google will return pages that include all of your search terms. There is no need to include the word "and" between terms. For example, to look for information about parks in Cincinnati, simply type "Cincinnati parks."

Google is not case sensitive. Typing "United States" is the same as typing "UNITED STATES" or "united states."

The more words you include in your search, the more specific your search will be and the more relevant your search results will be.



Internet Glossary

Browser – A software program that allows Internet documents (like webpages) to be viewed, also called a Web Browser.

Cyberspace – The world of computer networks.

Domain Name – A unique name that identifies a specific computer on the Internet.

Download – A term for transferring software or other files from one computer to another.

Email – Electronic Mail – Messages sent from one specific user to another using the Internet.

Email address – The way a specific user is identified so that they may receive email. An email address can be identified by the “@” sign. E.g., Support@seniorconnects.org

Home Page – The first page of a Website, similar to a table of contents.

HTML – HyperText Markup Language- A computer language used to make hypertext documents that are sent via the World Wide Web and viewed using a Browser.

HTTP – HyperText Transfer Protocol – The way that hypertext documents are transferred over the Internet.

Hypertext – A way of presenting information that allows words, pictures, sounds, and actions to be inter-linked so that you may jump between them however you choose.

Link – A word, phrase, or image that allows you to jump to another document on the World Wide Web.

Search Engine – A website that indexes and allows searching of information gathered from the Internet. Google is an example of this.

URL – Uniform Resource Locator – The entire address for a piece of information of the Internet. E.g., www.google.com

Webpage – A hypertext document available on the World Wide Web.

Website – A collection of webpages.

World Wide Web – A collection of resources available on the Internet using a web browser.

G

Zoning Certification Letter
(MANDATORY)



Department of Planning & Zoning

County Building Two - 6489 Main Street
P. O. Box 329 Gloucester, Virginia 23061

Phone (804) 693-1224

Fax (804) 824-2441

Zoning Certification

DATE: March 4, 2019

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

RE: ZONING CERTIFICATION

Name of Development: Daffodil Gardens Phase Two '19

Name of Owner/Applicant: Daffodil Gardens Phase Two, LLC

Name of Seller/Current Owner: Daffodil Gardens Phase Two, LLC

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:

Fiddlers Green Road (Longitude: -76.55000, Latitude: 37.41690) Gloucester, VA 23061;

Legal Description:

See Attached Legal Description

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>40</u>	# Units	<u>1</u>	# Buildings	<u>50,662.08</u>	Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:		# Units		# Buildings		Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:		# Units		# Buildings		Total Floor Area Sq. Ft.

Zoning Certification, cont'd

Current Zoning: MF-1 conditional allowing a density of 8 units per acre, and the following other applicable conditions: See attached proffers _____

Other Descriptive Information:

Single three-story building with common space and 49 total parking spaces.

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.

Anne Ducey Ortiz
Signature

Anne Ducey - Ortiz
Printed Name

Director of Planning and Zoning
Title of Local Official or Civil Engineer

804-693-1224
Phone:

March 4, 2019
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.

EXHIBIT A

Legal Description

All that certain lot, piece or parcel of land lying, situate and being in Abingdon District, Gloucester County, Virginia, containing 5.004 acres, more or less, shown and designated as "PARCEL 148A-2" on that certain plat entitled "PLAT SHOWING A SUBDIVISION OF THE LAND OF BAY AGING LOCATED IN THE ABINGDON DISTRICT OF GLOUCESTER COUNTY, VIRGINIA" dated February 8, 2016 and made by Bay Design Group (the "Plat"), a copy of which Plat is recorded the Clerk's Office of the Circuit Court for Gloucester County, Virginia in CPF 26, Page 493 and is attached to the Deed of Easement recorded as Instrument No. 160000842, reference to which is hereby made for a more particular description of the property conveyed.

TOGETHER WITH an easement for ingress and egress to and from the property hereby conveyed over and across that certain land shown and designated on the Plat as "INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2" to the extent said easement area is located upon the parcels shown and designated on the Plat as "PARCEL 148A-1" and "TAX MAP 24 PARCEL 123".

00 30 15 PG 0196

TAX MAP NO.: 31-148A
Return to: Office of the County Attorney
7400 Justice Drive P. O. Box 1309
Gloucester, VA 23061

This document prepared by:
Bay Design Group
14833 George Washington Memorial Hwy.
Glenns, VA 23149

PROFFER STATEMENT

APPLICATION Z-15-03

WHEREAS, *Bay Aging c/o Kathy E. Vesley* ("the Owner") is the owner of certain real property known as Tax Map 31, Parcel 148A in Part ("the Property") totaling approximately 5.004 acres, located in the Abingdon Magisterial District, Gloucester County, Virginia which is more particularly described as follows: *See Attached Exhibit A: Showing Plat and Metes & Bounds for Proposed Re-Zoning on the land of Bay Aging prepared by Bay Design Group dated July 08, 2015; and*

WHEREAS, the Owner has filed an application to rezone the Property from current zoning of SC-1 (Suburban Countryside) to MF-1 (Multi-Family), Conditional, pursuant to the Gloucester County Zoning Ordinance (the "Zoning Ordinance"); and

WHEREAS, the Owner desires to voluntarily proffer to Gloucester County (the "County") certain conditions in connection with the development of the Property for the protection and enhancement of the County and its citizens and to provide for the orderly development of the Property; and

WHEREAS, the County is authorized to accept these proffers pursuant to the Code of Virginia, and the Zoning Ordinance; and

WHEREAS, in the event that there is any conflict between these proffers and the Zoning Ordinance, the conflict shall be resolved by the County's Zoning Administrator,

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00 30 15 PG 0 1 9 7

subject to appeal to the Board of Zoning Appeals and the courts as provided by law.;
and

WHEREAS, these proffers shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, successors and assigns.

NOW, THEREFORE, the Owner agrees to meet and comply with the following proffers in connection with the development of the Property should the Owner's application to rezone the property be approved:

PROFFERS

1. *A multimodal, internal transportation connection shall be provided between Daffodil Gardens I and this project, Daffodil Gardens II. This connection shall be used for vehicular and non-vehicular access including, but not limited to, cars, trucks, bicycles, emergency vehicles, and buses, and pedestrians. Non-motorized (sidewalks or pedestrian paths) access shall be compliant with the standards of the American with Disabilities Act.*
2. *A multimodal, internal transportation connection will be provided between Daffodil Gardens II and the Bay Transit Operations Facility, unless prohibited by other agencies. This connection shall be used for vehicular access including, but not limited to, cars, trucks, bicycles, emergency vehicles, and buses, and also for pedestrian access.*
3. *With this rezoning, owner agrees to conditional zoning for senior housing for Daffodil Gardens I (Tax Map 24, Parcel 124) should Gloucester County, at its discretion, desire to rezone Daffodil Gardens I (Tax Map 24,*

Parcel 124) from Business (B-1) to Multi-family (MF-1) conditional (age-restricted), to bring the site into conformity with its use as age restricted housing.

- 4. Each dwelling unit within Daffodil Gardens II shall be occupied by a person at least 55 years of age.*

- 5. A 30' landscape buffer shall be maintained on both the East and West sides of the project parcel within the required 30' building setback line, as shown on the Rezoning Concept Plan prepared by Bay Design Group dated July 08, 2015. Existing trees and shrubs will be maintained in this area, and may be supplemented with additional vegetation if needed to provide adequate screening from adjacent properties.*

- 6. Daffodil Gardens II will be constructed to be in compliance with the U.S. Green Building Council's LEED (Leadership in Energy & Environmental Design) Silver or higher standard or certified by EarthCraft Virginia, or both.*

- 7. The exterior of the proposed Age-Restricted Service-Enriched Rental Housing Facility (i.e. the primary Daffodil Gardens II facility) shall be constructed of a minimum 50% brick and not more than 50% fiber-cement and/or vinyl siding. The siding shall be of a neutral color to minimize the visual impact of the building to adjacent properties.*

8. *A private access road shall be provided to serve Daffodil Gardens II and any subsequent development of the current property to Fiddlers Green Road; no additional access to Fiddlers Green Road will be permitted. This access road shall be privately maintained by Bay Aging and its successors within an ingress/egress easement of sufficient width as determined through detailed design. It shall be used for full vehicular access including, but not limited to, cars, trucks, bicycles, emergency vehicles, and buses, and the entrance shall be upgraded, as needed, to serve future uses.*

9. *Parcel 31-148A shall be subdivided generally as shown on the Rezoning Concept Plan prior to site development plan approval, and the subdivision plat shall specify that the ingress/egress easement shall serve the parcels created – as well as Daffodil Gardens I (TM# 24-124) and the Bay Transit Facility (TM# 24-123).*

10. *Upon development of the residue (3.8891 ac.) of Parcel 31-148A, ADA- and VDOT-compliant sidewalk shall be constructed to connect the existing sidewalk on the Bay Transit Facility property (TM# 24-123) to TM# 31-148E to the west.*

Once proffered and accepted as part of an amendment to the zoning ordinance, these conditions shall continue in full force and effect until a subsequent amendment changes the zoning on the property covered by these conditions; provided, however, that such conditions shall continue if the subsequent amendment is part of a comprehensive implementation of a new or substantially revised zoning ordinance.

WITNESS the following signature and seal:

By: Kathy E. Vesley
Owner

* * *

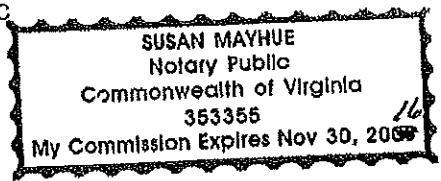
COMMONWEALTH OF VIRGINIA
COUNTY OF MIDDLESEX, to wit:

The foregoing instrument was acknowledged before me this 22 day of September, 2015

by Kathy E. Vesley

Susan Mayhue
Notary Public

My commission expires: Nov 30, 2016



Acceptance:

The Proffers herein have been accepted as follows: (All or list specific proffers accepted)

All

_____ by action of the Board of Supervisors on October 6, 2015

Sanford B. Warner
Interim County Administrator

My Commission Expires Nov 30, 2015
33338
Commonwealth of Virginia
Notary Public
SUSAN WALKER

(CPF 26 PG 475)

&

(CPF 26 PG 476)

INSTRUMENT #150005019
RECORDED IN THE CLERK'S OFFICE OF
GLOUCESTER COUNTY ON
OCTOBER 30, 2015 AT 01:44PM
Margaret F. Walker
MARGARET F. WALKER, CLERK
RECORDED BY CLG

H

Attorney's Opinion
(MANDATORY)

Applegate &
Thorne-Thomsen
ATTORNEYS AT LAW

425 S. Financial Place, Suite 1900
Chicago, IL 60605
p 312-491-4400
f 312-491-4411
att-law.com

March 14, 2019

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

RE: 2019 Tax Credit Reservation Request

Name of Development: Daffodil Gardens Phase Two '19
Name of Owner: Daffodil Gardens Phase Two, 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 March 14, 2019 (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 Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), the calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.
4. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.
6. 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.
7. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

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 compliance by the Owner with the requirements of Code Section 42(h)(1)(E), 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.

Virginia Housing Development Authority
March 14, 2019
Page 3

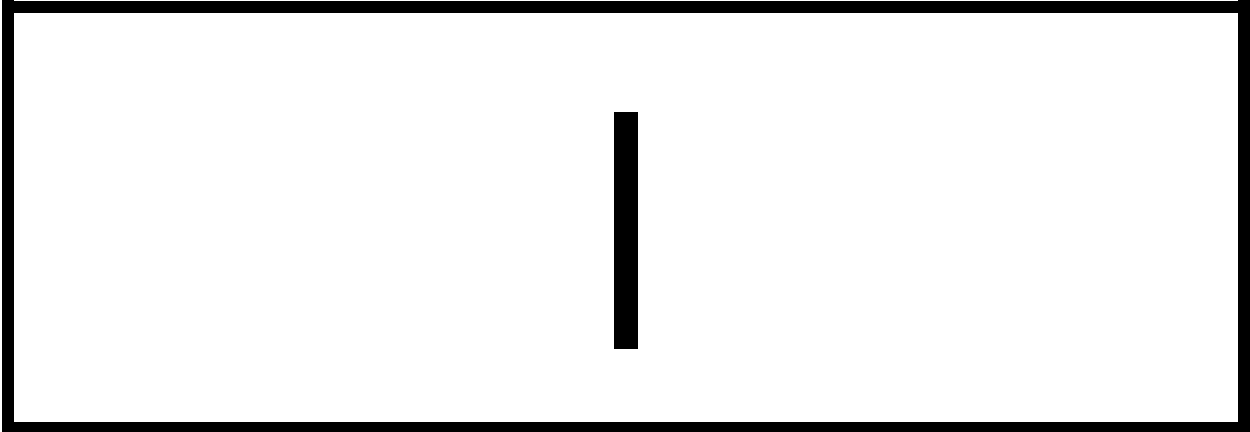
Applegate &
Thorne-Thomsen
ATTORNEYS AT LAW

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.

Sincerely,

Applegate + Thorne-Thomsen, P.C.

Applegate & Thorne-Thomsen, P.C.



Nonprofit Questionnaire

(MANDATORY for points or pool)



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: Daffodil Gardens Phase Two '19
- b. Name of owner/applicant: Daffodil Gardens Phase Two, LLC
- c. Name of non-profit entity: Chesapeake Bay Housing, Inc.
- d. Address of principal place of business of non-profit entity:
5306 Old Virginia St (P.O. Box 1260) Urbanna, VA 23175

Indicate funding sources and amount used to pay for office space:
Chesapeake Bay Housing, Inc. does not currently incur costs associated with 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); October 19, 1993
evidenced by the following documentation: Certificate of Incorporation issued by the Virginia State Corporation Commission.
- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):
March 19, 1999
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):
Chesapeake Bay Housing, Inc. is organized and shall be operated exclusively for charitable and educational purposes including, but not limited to, the provision and operation of decent, safe, sanitary, and affordable housing and related support services for low income individuals in the counties of the Northern Neck and Middle Peninsula planning districts of Virginia, and the surrounding regions.
- i. Expected life (in years) of non-profit:
Perpetual

Non-profit Questionnaire, cont'd

- j. Explain the anticipated future activities of the non-profit over the next five years:
Chesapeake Bay Housing, Inc. will continue to work at the community level as a Community Housing Development Organization (CHDO)
to provide affordable housing and related services to people of all ages. It will continue to work to achieve the goal of helping
people remain as independent as possible for as long as possible.
- 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.)?
101 How many part time, paid staff members? 169
- Describe the duties of all staff members:
Bay Aging, the sole member of Chesapeake Bay Housing, Inc., has staff with duties that vary greatly depending on which division or program.
Divisions include Community Living Programs (Senior Centers, Adult Day Care, Meals on Wheels, Care Coordination, Home
Nursing Care, Veterans Services, etc.), Bay Transit (demand response public transit), and Bay Family Housing (affordable housing
production, management & residential service coordination).
- 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?
Bay Aging, the sole member of Chesapeake Bay Housing, Inc., manages 1,194 volunteers.
- 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
Bay Aging, the sole member of Chesapeake Bay Housing, Inc., receives funding as follows: Community Living Programs (Older
Americans Act, Medicaid Reimbursement, State of Virginia Special Appropriations); Bay Transit (Federal Transit Administration,
Virginia Dept. of Rail & Public Transportation, Local gov't, Rider fares); Bay Family Housing (HUD Section 202, CDBG, HOME,
Dept. of Energy, LIHEAP, VHDA SPARC/REACH, Southeast RCAP, FHLB-Atlanta). Chesapeake Bay Housing, Inc. currently has no funding source except Bay Aging.
- o. List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:
Please see attached.

2. Non-profit Formation

- a. Explain in detail the genesis of the formation of the non-profit:
Rappahannock Housing Services, Inc., now Chesapeake Bay Housing, Inc. was organized by Bay Aging in 1993 as a private, nonprofit tax-exempt organization
serving the counties of Essex, King William, King & Queen, Middlesex, Gloucester, Mathews, Lancaster, Northumberland, Richmond, and Westmoreland
for the purpose of providing and operating decent, safe, sanitary, and affordable housing and related supportive services for low income individuals.

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.):

Please see attached Chesapeake Bay Housing, Inc. resume (Tab D). Bay Aging operates a variety of community-based, private and public grant-funded programs that achieve such goals as affordable housing production, management, and resident service coordination, public transportation and community-based supportive services.

- 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.

Bay Aging IRS 501(c) 3 status was confirmed on January 11, 1980 and its by-laws state, among other purposes, "to assist the elderly (and people of all ages) to secure equal opportunity, to the best possible physical and mental health, suitable housing, meaningful activity in the range of civic, cultural, recreational, educational and employment". Bay Aging is the sole member of Chesapeake Bay Housing, Inc.

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?

Page 4, Section 4 (a) of the Operating Agreement.

(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?

Page 1, Sections 1 and 2 of the Purchase Option and Right of First Refusal.

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:

Chesapeake Bay Housing, Inc. will act as the developer of the project.

(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):
Chesapeake Bay Housing, Inc. is the sole member of the Owner, Daffodil Gardens Phase Two, LLC.

- (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:
Joshua Gemerek, Bay Aging Senior Vice President, will provide lead staff developer responsibilities. William Smith, Bay Aging Deputy CFO, will provide lead bookkeeping and financial management support.
-
-

- 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?
Bay Aging developed and manages a 64-unit HUD Section 202 Supportive Housing for the Elderly Program-funded age restricted and subsidized rental housing property, called Daffodil Gardens (Phase I), adjacent to the subject project site. Initial occupancy was November 2001, has been fully occupied for the last nearly 16 years and has consistently maintained a long waiting list (currently 166). Bay Aging acquired the project site in 2008 with the plan of producing additional affordable rental housing. The concept has received consistent strong support from the community and local government.
-
-

- 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:
Chesapeake Bay Housing, Inc. is the sole member of the Owner, Daffodil Gardens Phase Two, LLC, and has 100% ownership interest in the project.
-
-

- 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.
This is not a joint venture.
-
-

- 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:

No personal (including family) relationships, relative to this project, exist.

- 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:

Bay Aging, the sole member of Chesapeake Bay Housing, Inc., which operates community-based human support services in Eastern Virginia, including the project site, and primarily provides services to the elderly and families. Bay Aging will provide voluntary resident support services to the subject project throughout the life of the project as long as Bay Aging remains in operation.

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:

The counties that comprise the Northern Neck and Middle Peninsula planning districts of the Commonwealth of Virginia, and the surrounding region.

Those counties include Essex, Gloucester, King & Queen, King William, Lancaster, Mathews, Middlesex, Northumberland, Richmond, and Westmoreland.

- 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:

Bay Aging which has, since 1978, provided community-based human support services in Eastern Virginia, including the project site, to the elderly and families.

Services include but are not limited to Community Living Programs (Senior Centers, Veterans Services, Adult Day Care, Meals on Wheels, Care Coordination, Home

Nursing Care, etc.), Bay Transit (demand response public transportation) and Bay Family Housing (affordable housing production, management & resident service coordination).

- 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:

As a Community Housing Development Organization, Chesapeake Bay Housing, Inc. is required to have 1/3 Low-Income Representation on its Board of Directors. This membership requirement ensures that the non-profit will solicit input from low-income persons.

- 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:

Chesapeake Bay Housing, Inc. is a Virginia Department of Housing and Community Development-approved Community Housing

Development Organization. Bay Aging, the sole member of Chesapeake Bay Housing, Inc., receives financial contributions

from local governments (towns and counties), private foundations, individual donors, businesses. The company also receives

significant financial support from funders such as VHDA, HUD, DHCD, VDA, and FTA.

- 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:

A community input meeting was held at 6:00 PM on April 30, 2015 (10 attendees) and general discussion points related to the proposed design of the project including,

but not limited to, single versus multi-story building design, parking, site lighting, environmental impacts, rezoning process, site plan application and approval process, support services, resident selection criteria, etc.

Project presentations were also made to public meetings of the Gloucester County Planning Commission and Board of Supervisors and updates are given at quarterly Daffodil Gardens I resident meeting

- 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:
Chesapeake Bay Housing, Inc. holds Board meetings as necessary and Bay Aging Board meetings are held bi-monthly beginning in January and typically on the fourth Thursday of the meeting month.
- 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).
The non-profit applied for and was awarded LIHTCs in the March 2017 9% competitive round for Daffodil Gardens Phase Two located off Fiddlers Green, Gloucester, VA 23061. The project is attempting to secure all gap funding as it moves closer to closing.
- 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:
This development was awarded LIHTCs in the March 2017 9% competitive round.

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:

Daffodil Gardens Phase Two received a 2017 LIHTC allocation in the 9% competitive nonprofit pool, and that allocation was subsequently 'refreshed' in 2018. This application supports an additional 10% in LIHTC credits for the project.

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.

3/13/2019
Date

Daffodil Gardens Phase Two, LLC

Owner/Applicant

By: [Signature] Larry Kight

is: Secretary / Treasurer of its Member

Title

3/13/2019
Date

Chesapeake Bay Housing, Inc.

Non-profit

By: [Signature]
Board Chairman

Non-profit Questionnaire, cont'd

By: 
Executive Director

Chesapeake Bay Housing, Inc.
Board of Directors
Fiscal Year 2019 (10/1/18 - 9/30/19)

Ms. Betty S. Hauch, Director and Low-Income Representative

Occupation: Retired Health Care Professional

5963 Garden Grove Lane, Apartment 3

Gloucester, Virginia 23061

Beginning Date of Term: April 2018

Ending Date of Term: Serve until death, incapacity, resignation or removal

Ms. Odessa Jones, Director and Low-Income Representative

Occupation: Retired Security Guard

123 Shelby Farm Road, Apartment C

Montross, Virginia 22520

Beginning Date of Term: June 2009

Ending Date of Term: Serve until death, incapacity, resignation or removal

Mr. James E. Mickens, Director

Occupation: Retired Banker

1809 Churchville Road

West Point, Virginia 23181

Beginning Date of Term: May 2000

Ending Date of Term: Serve until death, incapacity, resignation or removal

Ms. Theresa Ransone, Vice Chair

Occupation: Banking Manager

424 King Carter Drive

Irvington, Virginia 22480

Beginning Date of Term: May 2000

Ending Date of Term: Serve until death, incapacity, resignation or removal

Ms. Kathy E. Vesley, Chair

Occupation: Bay Aging President & CEO

P.O. Box 1070

Urbanna, Virginia 23175

Beginning Date of Term: May 2011

Ending Date of Term: Serve until death, incapacity, resignation or removal

Mr. Lawrence E. W. Kight, Jr., Secretary/Treasurer

Occupation: Operations Manager, Middle Peninsula Northern Neck Community Services Board

7899 Riverside Drive

Gloucester, VA 23061

Beginning Date of Term: April 2018

Ending Date of Term: Serve until death, incapacity, resignation or removal

Chesapeake Bay Housing, Inc. (CBH)

Resume

CBH, formerly Rappahannock Housing Services, Inc., was incorporated in 1993 as a private, non-profit organized under Section 501 (c) (3) of the IRS code. CBH was organized and is operated exclusively for charitable and educational purposes including, but not limited to, the provision and operation of decent, safe, sanitary, and affordable housing and related supportive services for low income individuals. The CBH Board of Directors is comprised of six individuals, one-third of which are low-income representatives.

In year 1994, CBH was initially certified as one of Virginia's first Community Housing Development Organization (CHDO) by the Commonwealth of Virginia Department of Housing and Community Development (VDHCD). CBH received a three year operating allocation, from VDHCD CHDO Support Fund, from 1994 to 1997. This allowed CBH to hire staff to operate and explore various affordable housing programs. Examples follow:

- CBH was a VHDA HomeSTART Program administrator. This program was designed to benefit first-time homebuyers by providing housing counseling and home inspection services.
- CBH carried out homeownership counseling classes for clients seeking U.S. Department of Housing and Urban Development (HUD) or Virginia Housing Development Authority (VHDA) home mortgages and/or supplemental home purchase money from the VDHCD-administers Regional Loan Fund. Virginia Cooperative Extension offices volunteered to provide the budgeting education portion of the classes.
- CBH began and administered a Home Maintenance Education Program for low-income beneficiaries.

CBH has actively worked with the Virginia Community Development Corporation with the goal of successfully developing affordable multi-family housing funded by VHDA's Low Income Housing Tax Credit (LIHTC) program. A development team, which includes an architect, civil engineer, general contractor, market study professional, environmental review professional, attorney and tax credit syndicator, has been established.

Kathy E. Vesley

Professional Bio

Kathy Vesley is the President and CEO of Bay Aging (BA), a nonprofit Area Agency on Aging serving Virginia's Northern Neck and Middle Peninsula. In recent years she led the development of the state and national award winning Eastern Virginia Care Transitions Partnership (EVCTP), a CMS-certified healthcare program. This formal collaborative of Area Agencies on Aging, health systems, Managed Care Organizations (MCOs) and skilled nursing facilities recently expanded to provide services statewide. In addition, she has led Bay Aging toward excellence in other programs recognized for outstanding performance --- senior housing development, rural public transportation, the Veterans-Directed HCBS program and more.

Ms. Vesley was appointed in March 2015 to the Virginia's Housing Advisory Council representing the Northern Neck and Middle Peninsula. In this role she addressed important housing issues facing an aging population in the Commonwealth and contributed to the development of housing policy initiatives aimed at addressing Virginia's critical housing needs.

Ms. Vesley also serves as Chairman of Chesapeake Bay Housing, Inc. (CBH), a nonprofit and Virginia Department of Housing and Community Development-approved Community Housing Development Organization. CBH, formerly Rappahannock Housing Services, Inc., was created in 1993. It is operated exclusively for charitable and educational purposes including, but not limited to, the provision and operation of decent, safe, sanitary, and affordable housing and related supportive services for low income individuals in those counties that comprise the Northern Neck and Middle Peninsula planning districts of the Commonwealth of Virginia, and the surrounding region.

Prior to joining Bay Aging in 1998, Ms. Vesley served for several years as the Deputy Commissioner of the Virginia Department for the Aging and other notable positions. Her undergraduate degrees are from The College of William and Mary, and she has graduate certification from Gallaudet University.

K

Documentation of
Development Location:

K.1

Revitalization Area
Certification



Revitalization Area

General Instructions

Revitalization areas are defined in Virginia Code §36-55.30:2.A.

Designation

To qualify for revitalization area points, select one of the following (and provide adequate documentation):

1. The development is located in a Qualified Census Tract, as defined by HUD.
2. The development is located in a census tract wherein 70% or more of the families have incomes which are \leq 80% statewide median income. **NOTE:** these census tracts are included in the definition of targeted area for single-family lending purpose, but do not include ACEDS.
3. The development is located in an already established redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to §36-1 et seq. Documentation must show area boundaries and support that the development lies within those boundaries.
4. The development is located in a Housing Rehabilitation Zone established through an ordinance created by a city, county or town pursuant to §36-55.64. Documentation must include a copy of the ordinance with support that the development lies within the Rehabilitation Zone.
5. **The development is located in a defined revitalization area. Documentation must include a resolution from the locality supporting the development's location within the revitalization area.** See language below.

*The above-referenced development is located in a Revitalization Area in the Town/City/County of _____, Virginia. The revitalization area is (i) **either** (1) blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other facilities in such area are subject to one or more of the following conditions- dilapidation, obsolescence, overcrowding, inadequate ventilation, light or sanitation, excessive land coverage, deleterious land use, or faulty or otherwise inadequate design, quality or condition, **or** (2) the industrial, commercial or other economic development of such area will benefit the city or county but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; **and** (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.*

Delete the language that does not apply, (i)(1) or (i)(2) above.

AT A REGULAR MEETING OF THE GLOUCESTER COUNTY BOARD OF SUPERVISORS, HELD ON TUESDAY, FEBRUARY 16, 2016, AT 7:00 P.M., IN THE COLONIAL COURTHOUSE, 6504 MAIN STREET, GLOUCESTER, VIRGINIA; ON A MOTION DULY MADE BY DR. ORTH, AND SECONDED BY MR. WINEBARGER, THE FOLLOWING RESOLUTION WAS ADOPTED BY THE FOLLOWING VOTE:

Phillip N. Bazzani, yes;
Ashley C. Chriscoe, yes;
Christopher A. Hutson, yes;
Andrew James, Jr., yes;
John C. Meyer, Jr., yes;
Robert J. Orth, yes;
Michael R. Winebarger, yes;

RESOLUTION DESIGNATING REVITALIZATION AREA

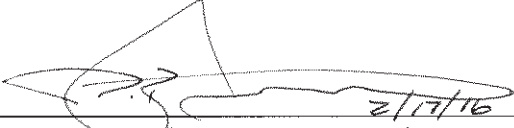
WHEREAS, the Daffodil Gardens Phase Two age-restricted service-enriched rental housing development is located in the County of Gloucester, Virginia; and

WHEREAS, the industrial, commercial or other economic development of such area will benefit the county but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and

WHEREAS, private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

NOW, THEREFORE, BE IT RESOLVED by the Gloucester County Board of Supervisors that the Daffodil Gardens Phase Two age-restricted service-enriched rental housing development identified as Tax Map 31 Parcel 148A (in part) and located on Fiddlers Green Road in the Abingdon Magisterial District of Gloucester County is designated as a revitalization area for the sole purpose of empowering the Virginia Housing Development Authority (VHDA) to provide financing in accordance with Chapter 1.2 of Title 36 of the Code of Virginia.

A Copy Teste:



J. Brent Fedors, County Administrator

K.2

Location Map

Google Maps 37°25'00.8"N 76°33'00.0"W

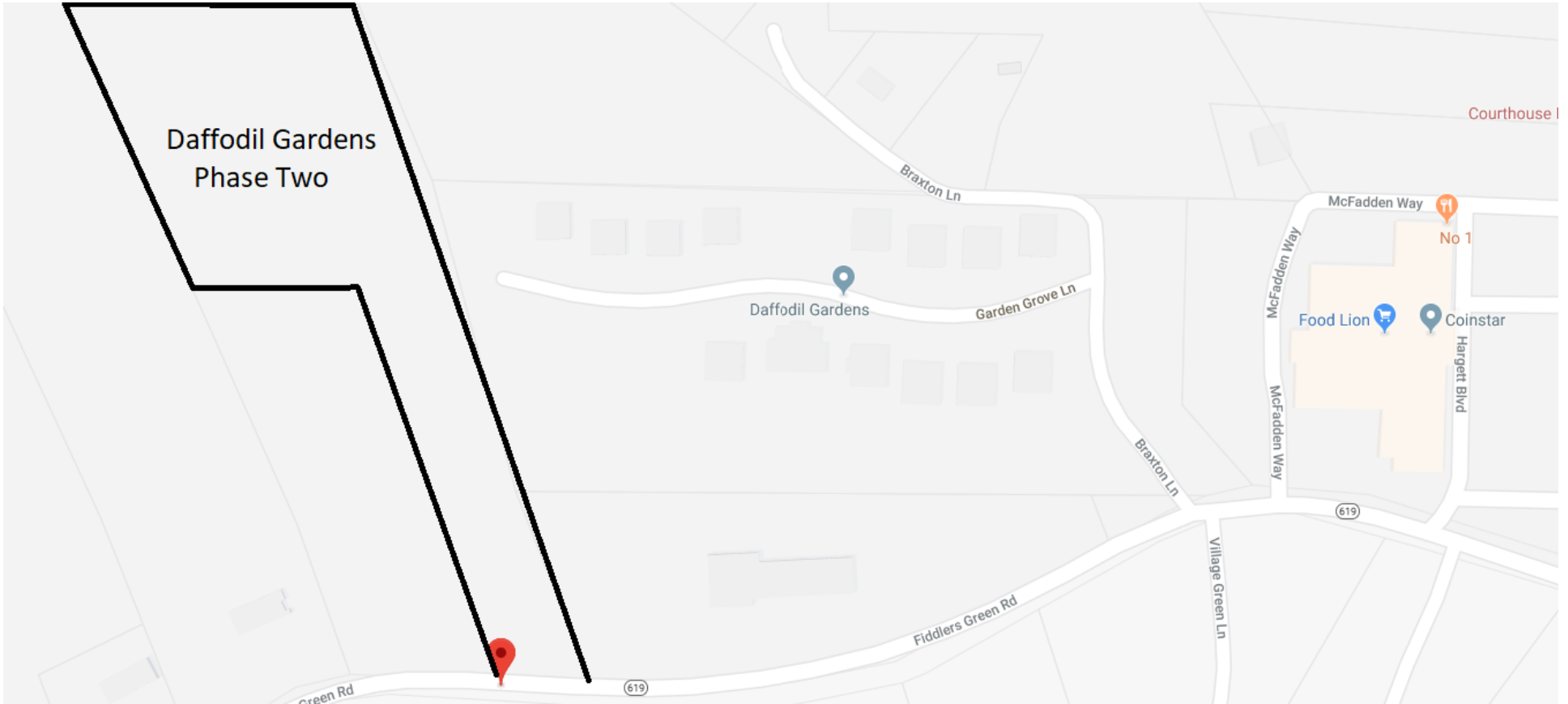


Map data ©2019 Google 2000 ft

Google Maps 37°25'00.8"N 76°33'00.0"W



Map data ©2019 Google 500 ft



K.3

Surveyor's Certification of
Proximity to Public
Transportation

Surveyor's Certification of Proximity to Transportation

DATE: February 28, 2019

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

RE: 2019 Tax Credit Reservation Request

Name of Development: Daffodil Gardens Phase Two '19
Name of Owner: Daffodil Gardens Phase Two, 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.

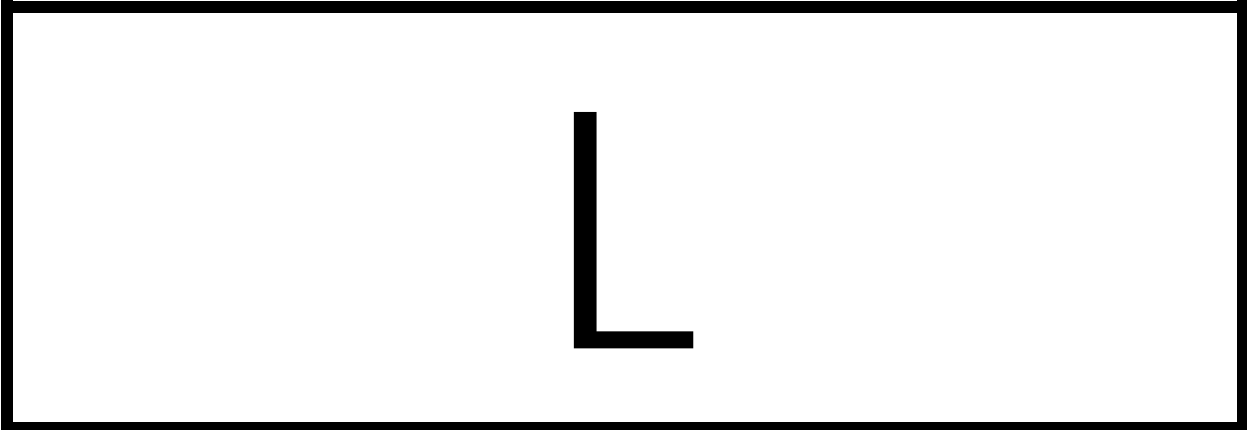
Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- 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.

Bay Design Group _____
Firm Name

By:  _____

Its: President _____
Title



L

PHA/Section 8 Notification
Letter



PHA or Section 8 Notification Letter

Development Name: Daffodil Gardens Phase Two '19

Tracking #: 2019-C-102

If you have any questions, please call the Tax Credit Department at (804) 343-5518.

General Instructions

1. Because of conflicting program requirements regarding waiting list procedures, this letter is not applicable to those developments that have project based Section 8 or project based vouchers.
2. This PHA or Section 8 Notification letter must be included with the application.
3. 'Development Address' should correspond to I.A.2 on page 1 of the Application.
4. 'Proposed Improvements' should correspond with I.B & D and III.A of the Application.
5. 'Proposed Rents' should correspond with VII.C of the Application.
6. 'Other Descriptive Information' should correspond with information in the application.

NOTE: Any change to this form letter may result in a reduction of points under the scoring system.

PHA or Section 8 Notification Letter

DATE: March 1, 2019

TO: Bay Family Housing - Bay Aging
P.O. Box 610
Urbanna, VA 23175

RE: PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Daffodil Gardens Phase Two '19
Name of Owner: Daffodil Gardens Phase Two, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from the Virginia Housing Development Authority (VHDA). We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on approx. December 1, 2020 (date).

The following is a brief description of the proposed development:

Development Address:

Fiddlers Green Road Gloucester VA 23061, Longitude -76.55000 Latitude 37.41690

Proposed Improvements:

<input checked="" type="checkbox"/> New Constr.:	<u>40</u>	# units	<u>1</u>	# Bldgs
<input type="checkbox"/> Adaptive Reuse:	<u> </u>	# units	<u> </u>	# Bldgs
<input type="checkbox"/> Rehabilitation:	<u> </u>	# units	<u> </u>	# Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ <u> </u>	/ month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ <u>400/535/615</u>	/ month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>640/705</u>	/ month
<input type="checkbox"/> 3 Bedroom Units:	\$ <u> </u>	/ month
<input type="checkbox"/> 4 Bedroom Units:	\$ <u> </u>	/ month

Other Descriptive Information:

Single, three-story building with common space, and 49 total parking spaces.

PHA or Section 8 Notification Letter

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (804) 758-1260.

Please acknowledge receipt of this letter by signing below and returning it to me.

Sincerely yours,



Joshua Gemerek

Name

Senior Vice President, Housing

Title

To be completed by the Local Housing Authority or Sec 8 Administrator:

Seen and Acknowledged By: Karen M. Dame

Printed Name: Karen M. Dame

Title: Housing Choice Voucher Program Manager

Phone: 804-758-1260 ext. 1313

Date: 3/4/19

M

Locality CEO Response
Letter



**Gloucester County
Administrator's Office**

Telephone 804-693-4042

P. O. Box 329, Gloucester, Virginia 23061

Fax 804-693-6004

March 12, 2019

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

VHDA Tracking Number: 2019-C-102
Development Name: Daffodil Gardens Phase Two '19
Name of Owner/Applicant: Daffodil Gardens Phase Two, LLC

Dear Mr. Bondurant,

The construction or rehabilitation of Daffodil Gardens Phase Two '19 and the allocation of federal housing tax credits available under IRC Section 42 for said development will help to meet the housing needs and priorities of Gloucester County. Accordingly, Gloucester County supports the allocation of federal housing tax credits requested by Daffodil Gardens Phase Two, LLC for this development.

Sincerely,

J. Brent Fedors
County Administrator

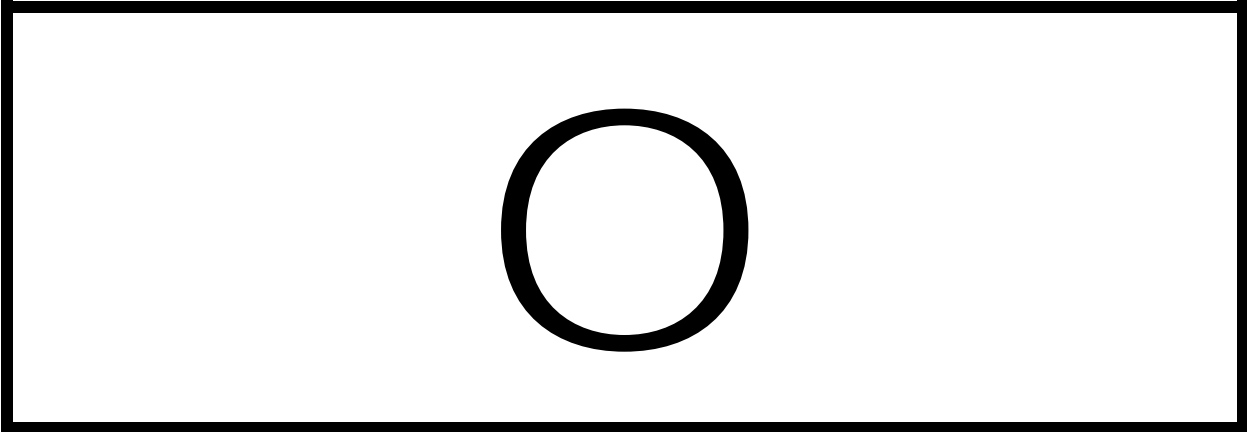
N

Homeownership Plan

2019-C-102
Daffodil Gardens Phase Two '19

Homeownership Plan

NOT APPLICABLE



O

Plan of Development
Certification Letter



Department of Planning & Zoning

County Building Two - 6489 Main Street
P. O. Box 329 Gloucester, Virginia 23061

Phone (804) 693-1224

Fax (804) 824-2441

Plan of Development Certification

DATE: March 4, 2019

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development:	Daffodil Gardens Phase Two '19
Name of Owner/Applicant:	Daffodil Gardens Phase Two, LLC
Name of Seller/Current Owner:	Daffodil Gardens Phase Two, LLC

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the site plan of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming the status of plan of development or site plan approval 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:

Fiddlers Green Road (Longitude: -76.55000, Latitude: 37.41690) Gloucester, VA 23061;

Legal Description:

See Attached Legal Description

Plan of Development Number: #15100024

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	40	# Units	1	# Buildings	50,662.08	Total Floor Area
<input type="checkbox"/> Adaptive Reuse:		# Units		# Buildings		Total Floor Area
<input type="checkbox"/> Rehabilitation:		# Units		# Buildings		Total Floor Area

Other Descriptive Information:

Single, three-story building with common space, and 49 total parking spaces.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

- The proposed development described above has an approved final plan of development or site plan (as applicable to the site). No further plan of development or site plan approval is required before issuance of a building permit.
- The proposed development is an existing development with proposed renovations and no additional plan of development approval is needed.

The above plan of development approval is in effect until: February 26, 2021

Anne Ducey - Ortiz
Signed
Anne Ducey - Ortiz
Printed Name
Director of Planning + Zoning
Title
804-~~693~~-1224
Phone
March 4, 2019
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 a reduction of points under the scoring system. If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.

EXHIBIT A

Legal Description

All that certain lot, piece or parcel of land lying, situate and being in Abingdon District, Gloucester County, Virginia, containing 5.004 acres, more or less, shown and designated as "PARCEL 148A-2" on that certain plat entitled "PLAT SHOWING A SUBDIVISION OF THE LAND OF BAY AGING LOCATED IN THE ABINGDON DISTRICT OF GLOUCESTER COUNTY, VIRGINIA" dated February 8, 2016 and made by Bay Design Group (the "Plat"), a copy of which Plat is recorded the Clerk's Office of the Circuit Court for Gloucester County, Virginia in CPF 26, Page 493 and is attached to the Deed of Easement recorded as Instrument No. 160000842, reference to which is hereby made for a more particular description of the property conveyed.

TOGETHER WITH an easement for ingress and egress to and from the property hereby conveyed over and across that certain land shown and designated on the Plat as "INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2" to the extent said easement area is located upon the parcels shown and designated on the Plat as "PARCEL 148A-1" and "TAX MAP 24 PARCEL 123".

OWNER'S CONSENT:

THE SUBDIVISION OF PROPERTY AS IT APPEARS ON THIS PLAT IS WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE UNDERSIGNED OWNER(S), PROPRIETORS AND TRUSTEES, IF ANY.

Kathy Vesley
 KATHY VESLEY, (CEO/PRESIDENT)
 DATE: 2-22-2016

TO-WIT:
 COUNTY OF GLOUCESTER
 THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME
 THIS 22 DAY OF FEBRUARY, 2016.

Heather D. Calloway
 HEATHER D. CALLOWAY
 NOTARY PUBLIC
 COMMONWEALTH OF VIRGINIA
 MY COMMISSION EXPIRES SEPT. 30, 2018

MY COMMISSION EXPIRES: 9-30-18

THE STREET(S) SHOWN HEREON IS/ARE PRIVATE, MAY NOT MEET STATE STANDARDS, AND WILL NOT BE MAINTAINED OR IMPROVED BY EITHER THE COMMONWEALTH OF VIRGINIA OR THE COUNTY OF GLOUCESTER. MAINTENANCE OF THE STREET(S) AND/OR RIGHTS-OF-WAY SHOWN HEREON IS/ARE THE RESPONSIBILITY OF THE PROPERTY OWNERS OF THE LOTS CREATED BY THIS PLAT.

LEGEND:

- ⊕ IRON ROD FOUND (R/F) OR IRON PIPE FOUND (I/P)
- ⊕ CONCRETE MONUMENT FOUND
- ⊕ MONUMENT FOUND
- ⊕ POWER POLE
- TUB TELEPHONE JUNCTION BOX
- O/H OVERHEAD UTILITY LINE
- O/M OLD MARK
- N/R NOW OR FORMERLY
- R/W RIGHT-OF-WAY
- NR NON RADIAL
- RPA RESOURCE PROTECTION AREA
- RVA RESOURCE MANAGEMENT AREA
- P.B. PLAT BOOK
- P.C. PLAT CABINET

CURVE I.	RADIUS	ARC LENGTH	DELTA ANGLE	TANGENT	CHORD	LENGTH	CHORD BEARING
C1	113.52	113.59	57.01	37.89	113.59	N84°22'35"W	
C2	210.00	357.89	119.25	24.29	189.25	N87°45'12"W	
C3	210.00	357.89	119.25	24.29	189.25	S14°51'19"E	
C4	180.00	314.16	108.00	65.50	165.50	N44°57'32"W	
C5	180.00	314.16	108.00	65.50	165.50	N11°31'18"W	
C6	180.00	314.16	108.00	65.50	165.50	S84°59'48"W	
C7	140.00	251.33	84.00	52.63	100.00	N84°59'48"E	

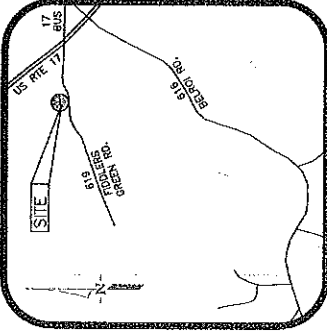
CERTIFICATE OF CERTIFIED LAND SURVEYOR:

THIS SUBDIVISION OF LAND AS SHOWN ON THIS PLAT, CONTAINING 8.888± ACRES, SITUATED IN THE TOWN OF ASTORIA, DISTRICT OF GLOUCESTER, VIRGINIA, HAVING BEEN CONVEYED TO BAY AGING BY DEED DATED APRIL 8, 2006, AND OF RECORD IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF GLOUCESTER COUNTY, VIRGINIA IN INST. #08-2888.

DATE: 02/08/2016

GORDON L. JONES, L.S.
 COMMONWEALTH OF VIRGINIA
 CERTIFICATE NUMBER 1774

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND IS BASED ON A CURRENT FIELD SURVEY.



VICINITY MAP
 SCALE: 1" = 1/2 MILE

TAX MAP 24H(2) PARCEL 1
 N/E
 RAYMOND P. & WANDA M. FRIEND
 INST. #09-3950
 C.P.B. 21 @ PG. 379 @ PG. 379A

PROPERTY LINE IS CENTERLINE OF STREAM
 CLOSING LINE ONLY

TAX MAP 24 PARCEL 122
 N/E
 JIMMYENK, LLC
 INST. #13-0103
 C.P.B. 20 @ PG. 901

TAX MAP 24 PARCEL 124
 N/E
 AGENCY ON AGING
 APARTMENTS GLOUCESTER, INC.
 INST. #00-4323
 INST. #00-4316
 C.P.B. 23 @ PG. 973

TAX MAP 31 PARCEL 148E
 N/E
 BAY AGING
 INST. #06-2888
 C.P.B. 4 @ PG. 72

PARCEL 148A-2
 5.004 ACRES±

PARCEL 148A-1
 3.8881 ACRES

ZONED SC-1 (CONDITIONAL)

ZONED MF-1 (CONDITIONAL)

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2

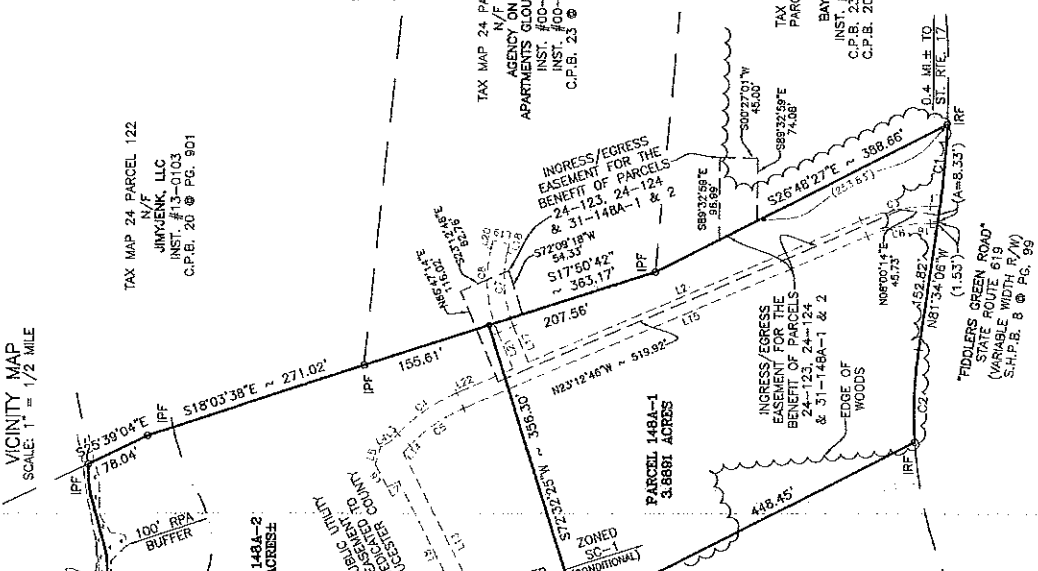
CERTIFICATE OF APPROVAL:
 THIS SUBDIVISION IS APPROVED BY THE UNDERSIGNED IN ACCORDANCE WITH EXISTING SUBDIVISION REGULATIONS UNDER THE GLOUCESTER COUNTY SUBDIVISION ORDINANCE AND MAY BE COMMITTED TO RECORD.

Sharon Kelly
 SUBDIVISION AGENT COUNTY OF GLOUCESTER, VIRGINIA
 DATE: 2-22-2016

GENERAL NOTES:

1. THIS PLAT WAS PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT.
2. THE LAND DELINEATED HEREON IS LOCATED ON COUNTY TAX MAP NO. 31 PARCEL 148A.
3. PROPERTY REFERENCES:
 INST. #08-2888; C.P.B. 9 @ PG. 43; D.B. 480 @ PG. 1.
4. THIS PARCEL LIES IN ZONE X, AREA DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN AS DEFINED ON THE 0.2% ANNUAL CHANCE FLOODPLAIN MAP PANEL NO. 510071 0120 E, DATED NOVEMBER 19, 2014.
5. NO LAND DISTURBANCE IS ALLOWED IN THE RPA BUFFER AREA WITHOUT REVIEW AND APPROVAL BY THE DIRECTOR.
6. SITE IS ZONED: SC-1 (CONDITIONAL) (SUBURBAN COUNTRYSIDE) & MF-1 (CONDITIONAL) (MULTI-FAMILY) (REZONING APPLICATION #Z-15-03).
7. ALL EXISTING VEGETATION WITHIN THE RESOURCE PROTECTION AREA SHALL BE MAINTAINED UNLESS INDICATED OTHERWISE EXCEPT FOR VEGETATION WEAKENED BY AGE, STORM, FIRE OR OTHER NATURAL CAUSE.
8. ONLY WATER-DEPENDENT FACILITIES, OR REDEVELOPMENT OF EXISTING STRUCTURES AND USES, ARE PERMISSIBLE IN RESOURCE PROTECTION AREAS -- INCLUDING THE 100-FOOT WIDE RPA BUFFER AREA.
9. WATER AND SEWER.
10. RIGHT-OF-WAY WILL BE MAINTAINED BY THOSE HAVING A RIGHT TO USE IT, AND WILL BE KEPT IN A CONDITION PASSABLE BY EMERGENCY VEHICLES AT ALL TIMES.

LINE	BEARING	DISTANCE
L1	S07°10'10"W	11.59
L2	S23°12'48"E	500.74
L3	N46°42'18"W	12.95
L4	S72°48'10"E	13.19
L5	S72°48'10"E	21.25
L6	N62°11'50"E	30.97
L7	N27°45'19"W	15.48
L8	N65°04'42"E	19.28
L9	N65°04'42"E	20.00
L10	N63°04'42"E	20.00
L11	N26°55'13"W	112.03
L12	N71°55'13"W	12.53
L13	S65°04'47"W	231.39
L14	N46°42'18"W	11.68
L15	N63°12'48"E	520.74
L16	N00°10'10"E	8.85
L17	S69°47'12"W	48.22
L18	N78°42'42"W	10.00
L19	N78°42'42"W	10.00
L20	S76°42'42"E	20.00
L21	N66°42'42"E	48.22
L22	S23°12'48"E	72.95



PLAT
 SHOWING A SUBDIVISION OF THE LAND OF
 BAY AGING DISTRICT OF
 GLOUCESTER COUNTY, VIRGINIA
 SCALE: 1" = 100'
 DATE: FEBRUARY 8, 2016

BAY design group
 Engineering, Surveying & Land Planning
 10000 Westpark Drive, Suite 200
 Fairfax, VA 22030
 Tel: 703.261.1100
 www.baydesigngroup.com

DATE: 02/08/2016
 CHECKED: CJ
 DATE: 02/08/2016
 PLAT: 1412808

P

Copies of 8609s to
Certify Developer
Experience and
Partnership agreements

2019-C-102
Daffodil Gardens Phase Two '19

Developer Experience

NOT APPLICABLE

Q

Documentation of Rental
Assistance

2019-C-102
Daffodil Gardens Phase Two '19

Rental Assistance

NOT APPLICABLE

R

Documentation of
Operating Budget

2019-C-102
Daffodil Gardens Phase Two '19

Operating Budget Information

Daffodil Gardens Phase Two will provide 40 affordable, age-restricted apartments for low-income households just off of Fiddlers Green Road near Route 17 and Gloucester Court House in Gloucester, Virginia.

The operating budget was prepared on Chesapeake Bay Housing's behalf by Bay Aging staff. Bay Aging provides staffing for Chesapeake Bay Housing. Bay Aging developed, and currently manages, ten elderly housing communities within its ten county region including Daffodil Gardens adjacent to the Daffodil Gardens Phase Two site. These other properties were developed using HUD Section 202 resources. Additional details are as follows:

- The management and maintenance costs are consistent with costs from other properties, particularly costs associated with single building properties for the elderly that contain an elevator.
- The projected utilities are based on the projected cost of utilities in Gloucester County.
- The project budget includes real estate taxes as required from this project's ownership by a taxable LLC.
- The insurance costs are consistent with costs at other projects.
- The proposed budget includes replacement reserves of \$300 per unit per year.
- Utility allowances are attached below and these are in current usage by the local HCV program administrator (effective as of July 1, 2018, per VHDA)

2019 Low-Income Housing Tax Credit Application For Reservation

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$2,000
2. Office Salaries			\$0
3. Office Supplies			\$4,375
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$20,502
<u>6.76%</u> of EGI	<u>\$512.55</u>	Per Unit	
6. Manager Salaries			\$28,473
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$1,875
9. Auditing			\$8,000
10. Bookkeeping/Accounting Fees			\$10,000
11. Telephone & Answering Service			\$3,000
12. Tax Credit Monitoring Fee			\$1,400
13. Miscellaneous Administrative			\$3,800
Total Administrative			\$83,425

Utilities

14. Fuel Oil			\$0
15. Electricity			\$6,000
16. Water			\$13,000
17. Gas			\$0
18. Sewer			\$15,500
Total Utility			\$34,500

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$1,000
21. Janitor/Cleaning Contract			\$2,500
22. Exterminating			\$2,500
23. Trash Removal			\$2,000
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$1,000
27. Grounds Contract			\$4,500
28. Maintenance/Repairs Payroll			\$0
29. Repairs/Material			\$5,000
30. Repairs Contract			\$16,640
31. Elevator Maintenance/Contract			\$2,500
32. Heating/Cooling Repairs & Maintenance			\$2,500
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,500
35. Decorating/Payroll/Contract			\$2,000
36. Decorating Supplies			\$0
37. Miscellaneous			\$4,000
Totals Operating & Maintenance			\$47,640

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$18,000
39. Payroll Taxes	\$1,500
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$12,000
42. Fidelity Bond	\$0
43. Workman's Compensation	\$150
44. Health Insurance & Employee Benefits	\$1,600
45. Other Insurance	\$1,500
Total Taxes & Insurance	\$34,750

Total Operating Expense	\$200,315
--------------------------------	------------------

Total Operating Expenses Per Unit	\$5,008	C. Total Operating Expenses as % of EGI	66.08%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$12,000
---	-----------------

Total Expenses	\$212,315
-----------------------	------------------

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



Printed from VHDA's HCVP website
on 10/15/2018 by Josh Generek.

Virginia Housing Development Authority
Housing Choice Voucher Program

Allowances for
Tenant-Furnished Utilities
and Other Services

Family Name: _____
 Unit Address: Daffodil Gardens Phase Two
 Voucher Size*: _____ Unit Bedroom Size*: _____
 *Use smaller size to calculate tenant-supplied utilities and appliances.

		Unit Type: 2 Exposed Walls				Effective Date: 07/01/2018			
Utility	Usage	Monthly Dollar Amount							
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR
Appliance	Range/Microwave	\$2.00	✓ \$2.00	✓ \$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	✓ \$3.00	✓ \$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Bottled Gas	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00
	Home Heating	\$49.00	\$68.00	\$88.00	\$107.00	\$137.00	\$156.00	\$175.00	\$195.00
	Water Heating	\$20.00	\$28.00	\$36.00	\$44.00	\$56.00	\$64.00	\$72.00	\$80.00
Electricity	Cooking	\$3.00	✓ \$4.00	✓ \$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00
	Cooling (A/C)	\$5.00	✓ \$7.00	✓ \$9.00	\$12.00	\$15.00	\$17.00	\$19.00	\$21.00
	Home Heating	\$19.00	✓ \$26.00	✓ \$34.00	\$41.00	\$51.00	\$59.00	\$66.00	\$74.00
	Other Electric	\$10.00	✓ \$14.00	✓ \$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00
	Water Heating	\$9.00	✓ \$13.00	✓ \$16.00	\$20.00	\$25.00	\$29.00	\$32.00	\$36.00
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00
	Home Heating	\$11.00	\$14.00	\$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00
	Water Heating	\$4.00	\$6.00	\$7.00	\$9.00	\$11.00	\$13.00	\$14.00	\$16.00
Oil	Home Heating	\$38.00	\$53.00	\$67.00	\$82.00	\$104.00	\$120.00	\$134.00	\$149.00
	Water Heating	\$16.00	\$22.00	\$28.00	\$34.00	\$43.00	\$50.00	\$56.00	\$62.00
Sewer	Other	\$20.00	✓ \$27.00	✓ \$35.00	\$43.00	\$55.00	\$62.00	\$70.00	\$78.00
Trash Collection	Other	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Water	Other	\$17.00	✓ \$23.00	✓ \$30.00	\$36.00	\$46.00	\$53.00	\$59.00	\$66.00
UTILITY ALLOWANCE TOTAL:		\$	\$ 119	\$ 152	\$	\$	\$	\$	\$

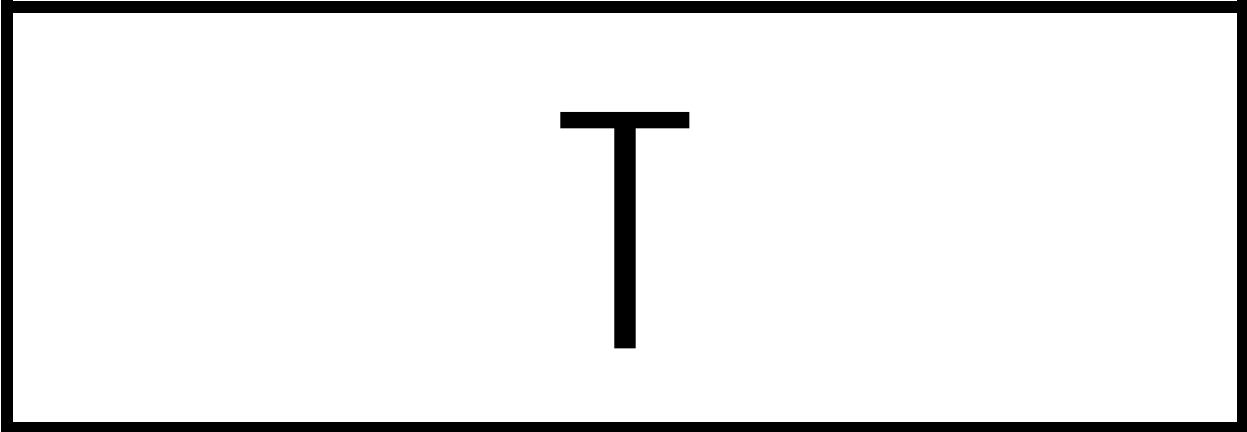
S

Supportive Housing
Certification

2019-C-102
Daffodil Gardens Phase Two '19

Supportive Housing

NOT APPLICABLE



T

Funding Documentation

2019-C-102
Daffodil Gardens Phase Two '19

Subsidized Funding Information

Attached, please find documentation of subsidized funding sources.

-First, please find the enclosed Bay Aging subsidized funding commitment letter, outlining its commitment of funds in the amount of \$100,000 (a cash donation) as well as detailing its 2018 land donation.

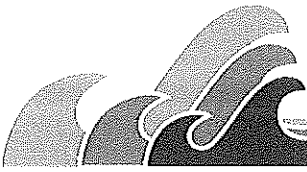
- Concerning the value of land donation by Bay Aging to Daffodil Gardens Phase Two, LLC, which was donated at no cost, please see the enclosed letter from Bay Aging outlining the value of the 5.004 acre parcel that was donated in early 2018. The land lies between Bay Aging's Gloucester Middle Peninsula Regional Transit Facility and Gloucester Adult Day Break facility. While referred to prior to Subdivision approval by Gloucester County as Tax Map 31 Parcel 148A-2, the County's Commissioner of Revenue refers to this parcel as Tax Map 31 Parcel 148F. Both references are understood by the principals and Gloucester County.
- In addition to the Parcel 148A-2 (now 148F), Bay Aging is donating access to this site across Parcel 148A-1 including allowing construction of infrastructure, driveways, and drainage improvements. The improvements will utilize about 23% of the land on 148A-1.
- The value of the donation is a total of \$196,328, and this represents the sum of:
 - a. 100% of the valuation of the project site (parcel 148F, \$157,610, 100% of parcel), and,
 - b. 23% of the value of the site impacted by infrastructure (parcel 148A-1, 23% of \$168,340 total parcel assessed value = \$38,718).

Supporting documentation for the two assessments is also attached after the Bay commitment letter.

-Second, please find evidence of a \$100,000 SERCAP award to support water and wastewater infrastructure costs for the project.

-Third, please find evidence of a \$700,000 DHCD HOME award to support the Daffodil Gardens Phase Two project.

-Fourth, please find evidence of a \$325,000 DHCD VHTF award to support the Daffodil Gardens Phase Two project.



March 13, 2019

Mr. J.D. Bondurant
Virginia Housing Development Authority
601 South Belvidere Street
Richmond, VA 23220

RE: Daffodil Gardens Phase Two '19
Daffodil Gardens Phase Two, LLC
Donation of Property – Subsidized Funding Commitments

Dear Mr. Bondurant:

Bay Aging is a 501(c)(3) nonprofit organization first established in 1978 as the Northern Neck – Middle Peninsula Area Agency on Aging to, initially, provide services for seniors in the predominantly rural 2,600 square mile region encompassing Virginia's Middle Peninsula and Northern Neck. Over its history of nearly 40 years, Bay Aging has continued to grow, adding programs that serve other citizens within this region with a current mission of delivering the programs and services people of all ages need to live independently in their communities for as long as possible.

11 years ago, Bay Aging purchased land off of Fiddlers Green Road in Gloucester County with the goal of utilizing this property to expand and improve services to residents in the lower Middle Peninsula. Among the current uses of this human service campus are:

- Bay Aging-developed Gloucester Adult Day Care facility at 5873 Fiddlers Green Road. This facility provides adult day health care and support for frail or disabled adults.
- Bay Aging-developed Gloucester Middle Peninsula Regional Transit Facility at 5959 Fiddlers Green Road for its Bay Transit public transportation service.
- Bay Aging-developed and operated 64-unit Daffodil Gardens Phase I age- and income-restricted rental housing community.

Bay Aging owns additional, undeveloped land parcels located between the Gloucester Adult Day Care and Bay Transit facilities. In early 2018, Bay Aging donated 5.004 acres of this land – referenced as Parcel 148A-2 prior to a February 29, 2016 Gloucester County subdivision approval and now referenced as Parcel 148F – to Daffodil Gardens Phase Two, LLC for construction of a 40 unit affordable, age-restricted residential building. It is anticipated that the residents at Daffodil Gardens Phase Two will utilize transit, adult day care, and other Bay Aging services.

Bay Aging will also provide an easement across Parcel 148A-1 allowing extension of infrastructure, including driveways and drainage improvements, in support of the construction of Daffodil Gardens Phase Two. The improvements will utilize a projected 23% of this Parcel's land.

On February 20, 2019, the Bay Aging Board of Directors formally approved a \$100,000 cash donation from Bay Aging to Chesapeake Bay Housing, Inc., the sole member of Daffodil Gardens Phase Two, LLC. Bay Aging has readily-available funds, for the sole purpose of project development, conditional only on the Daffodil Gardens Phase Two project reaching initial closing. This financial contribution is flexible, subsidized funding that can be used toward development costs. Bay Aging is separate from Chesapeake Bay Housing, Inc. as each 501c3 non-profit organization has a distinctly independent board of directors.

Bay Aging will not be a principal in Daffodil Gardens Phase Two, LLC nor will Bay Aging receive a Right of First Refusal (ROFR) for this project. Chesapeake Bay Housing, Inc., a separate 501(c)(3) with its own Board of Directors and a State-recognized Community Housing Development Organization (CHDO), will serve as a principal and will have the ROFR in addition to serving as developer for this project.

The value of Bay Aging's donation is \$196,328, inclusive of a \$157,610 valuation as per Gloucester County for parcel 148F (formerly 148A-2) and \$38,718, representing 23% of the total assessed value of parcel 148A-1 of \$168,340.

Please let us know if you have questions.

Sincerely,



Kathy Vesley
President & CEO

CC: Stanley Clarke, Chairman, Bay Aging Board of Directors
Tinsley Goad, Bay Aging CFO
Joshua Gemerek, Bay Aging Senior Vice President, Housing

0 FIDDLERS GREEN RD

Location 0 FIDDLERS GREEN RD

Tax Map # 024/ / 148/ F /

RPC 44339

Owner DAFFODIL GARDENS PHASE TWO LLC

Assessment \$157,610

Building Count 1

Legal Description KENWOOD, PARCEL 2

Magisterial Code 3

Zoning MF-1

Total Acres 5.004

Current Value

Assessment			
Valuation Year	Improvements	Land	Total
2019	\$0	\$157,610	\$157,610

Owner of Record

Owner DAFFODIL GARDENS PHASE TWO LLC
Address PO BOX 1260
URBANNA, VA 23175

Sale Price \$0
Book & Page ID/1801741
Sale Date 04/26/2018

Ownership History

Ownership History			
Owner	Sale Price	Book & Page	Sale Date
DAFFODIL GARDENS PHASE TWO LLC	\$0	ID/1801741	04/26/2018
BAY AGING	\$0	ID/0802688	02/29/2016
BAY AGING	\$0	9999/	02/29/2016

Building Information

Building 1 : Section 1

Year Built:

Living Area: 0

Replacement Cost: \$0

Building Percent

Good:

Building Attributes	
Field	Description
Style	Vacant Land

Model	
Grade	
Stories	
Units	
Exterior Wall 1	
Exterior Wall 2	
Roof Structure	
Roof Cover	
Interior Wall 1	
Interior Wall 2	
Interior Floor 1	
Interior Floor 2	
Heat Fuel	
Heat Type	
AC Percent	
Bedrooms	
Full Baths	
Half Baths	
Extra Fixtures	
Total Rooms	
Bath Style	
Kitchen Style	
Extra Kitchens	
FBM Quality	
Window Type	
Occupancy	
Basement Area	
Fin Basement Area	
Fin Basement %	
Gas FPL/Wd Stove	
Fireplaces	
Bsmt Garage	
Inoperable FPL	

Building Photo



(<http://images.vgsi.com/photos/DudleyMAPhotos//default.jpg>)

Building Layout

Building Sub-Areas (sq ft)	Legend
No Data for Building Sub-Areas	

Land

Land Use

Use Code	V4CT
Description	Vac Commercial Std
Zone	SC-1
Neighborhood	0005
Alt Land Appr	No

Land Line Valuation

Size (Acres)	5.00
Frontage	
Depth	
Assessed Value	\$157,610

Category

Outbuildings

Outbuildings	Legend
No Data for Outbuildings	

Valuation History

Assessment			
Valuation Year	Improvements	Land	Total
2018	\$0	\$157,610	\$157,610
2017	\$0	\$157,610	\$157,610

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FIDDLERS GREEN RD

Location FIDDLERS GREEN RD

Tax Map # 031/ / 148/ A /

RPC 29537

Owner BAY AGING

Assessment \$168,340

Building Count 1

Legal Description KENWOOD, PARCEL 1

Magisterial Code 3

Zoning MF-1

Total Acres 3.889

Current Value

Assessment			
Valuation Year	Improvements	Land	Total
2019	\$0	\$168,340	\$168,340

Owner of Record

Owner BAY AGING

Sale Price \$750,000

Address PO BOX 610

Book & Page ID/0802688

URBANNA, VA 23175

Sale Date 04/22/2008

Ownership History

Ownership History			
Owner	Sale Price	Book & Page	Sale Date
BAY AGING	\$750,000	ID/0802688	04/22/2008
GUNN, MARVIN C REVOCABLE LIVING TRUST & GUNN, MARVIN C	\$0	ID/055673	07/20/2005
	\$0	168/51	11/10/1975

Building Information

Building 1 : Section 1

Year Built:

Living Area: 0

Replacement Cost: \$0

Building Percent

Good:

Building Attributes	
Field	Description
Style	Vacant Land
Model	

Grade	
Stories	
Units	
Exterior Wall 1	
Exterior Wall 2	
Roof Structure	
Roof Cover	
Interior Wall 1	
Interior Wall 2	
Interior Floor 1	
Interior Floor 2	
Heat Fuel	
Heat Type	
AC Percent	
Bedrooms	
Full Baths	
Half Baths	
Extra Fixtures	
Total Rooms	
Bath Style	
Kitchen Style	
Extra Kitchens	
FBM Quality	
Window Type	
Occupancy	
Basement Area	
Fin Basement Area	
Fin Basement %	
Gas FPL/Wd Stove	
Fireplaces	
Bsmt Garage	
Inoperable FPL	

Building Photo



(<http://images.vgsi.com/photos/DudleyMAPhotos//default.jpg>)

Building Layout

Building Sub-Areas (sq ft)	Legend
No Data for Building Sub-Areas	

Land

Land Use

Use Code	V4CT
Description	Vac Commercial Std
Zone	MF-1
Neighborhood	0005
Alt Land Appr Category	No

Land Line Valuation

Size (Acres)	3.89
Frontage	
Depth	
Assessed Value	\$168,340

Outbuildings

Outbuildings	<u>Legend</u>
No Data for Outbuildings	

Valuation History

Assessment			
Valuation Year	Improvements	Land	Total
2018	\$0	\$168,340	\$168,340
2017	\$0	\$49,950	\$49,950
2016	\$0	\$79,360	\$79,360
2015	\$0	\$73,280	\$73,280
2014	\$0	\$80,000	\$80,000

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Southeast Rural Community Assistance Project, Inc.

October 31, 2018

Joshua Gemerek,
Senior Vice-President, Housing
Chesapeake Bay Housing, Inc.
PO Box 1260
Urbana, VA 23175

RE: Daffodil Gardens Phase Two - Commitment Letter

Dear Mr. Gemerek,

Southeast Rural Community Assistance Project, Inc. is committing \$100,000 toward the Daffodil Gardens Phase Two project. The funds are to be used for water and wastewater-related construction costs associated with the project and will be allocated over a 2-year period (2019-2020 and 2020-2021: \$50,000.00 each year) in the form of a reimbursement grant.

SERCAP is committed to our mission of improving the quality of life for low-income individuals and this project will provide critically needed safe and affordable housing units for our joint community members. We look forward to the opportunity to work together.

Sincerely,



Hope Cupit
President and CEO

cc: Andy Crocker, Virginia State Manager

Hope F. Cupit, CPA
President & CEO



Swynice Hawkins
Board Chair



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

August 10, 2017

Kathy Vesley
President and CEO
Chesapeake Bay Housing, Inc.
390 Virginia Street, Suite B
Urbanna, VA 23175

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Vesley:

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Chesapeake Bay Housing, Inc., has been offered an Affordable and Special Needs Housing Funding award in the amount of \$700,000 in support of the Daffodil Gardens Phase Two project. This proposal will be 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 Chesapeake Bay Housing, Inc., in its affordable housing efforts.

Sincerely,

Pamela G Kestner

Digitally signed by Pamela G Kestner
DN: cn=Pamela G Kestner, o=Department of
Housing and Community Development, ou=Housing
Division, email=pamela.kestner@dhcd.virginia.gov,
c=US
Date: 2017.08.11 12:56:59 -04'00'

Pamela G. Kestner
Deputy Director, Housing Division

cc: Joshua Gemerek, Senior Vice President, Housing
Willie Fobbs, DHCD
Julienne Joseph, DHCD





Ralph S. Northam
Governor

R. Brian Ball
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Erik C. Johnston
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

February 11, 2019

Kathy Vesley
President
Chesapeake Bay Housing, Inc.
390 Virginia Street, Suite B
Urbanna, VA 23175

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Vesley:

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Chesapeake Bay Housing, Inc. has been offered an Affordable and Special Needs Housing award from the October 2018 funding pool in the amount of \$325,000 in Virginia Housing Trust Fund (VHTF) funds to support the Daffodil Gardens Phase Two project.

Please note that you will receive further communication regarding a VHTF program agreement within the next few weeks. The VHTF program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a VHTF program commitment and reservation of funds.

As the project gets underway, please be aware that any adjustments to the capital budget, operating expense budget, pro forma numbers and other project parameters must be approved by DHCD before the program funding agreement will be transferred to VHDA to request that formal loan documents be drafted. Execution of the program funding agreement is necessary in order to finalize a formal funding reservation and loan commitment.

Willie Fobbs, Associate Director of Housing, will soon be contacting you to begin the contract negotiation process. We are pleased to be of assistance to Chesapeake Bay Housing, Inc. in its affordable housing efforts.

Sincerely,

Pamela G. Kestner
Deputy Director of Housing

c: Joshua Gemerek





Virginia Department of Housing and Community Development | Partners for Better Communities
Main Street Centre | 600 East Main Street, Suite 300 Richmond, VA 23219
www.dhcd.virginia.gov | Phone (804) 371-7000 | Fax (804) 371-7090 | Virginia Relay 7-1-1

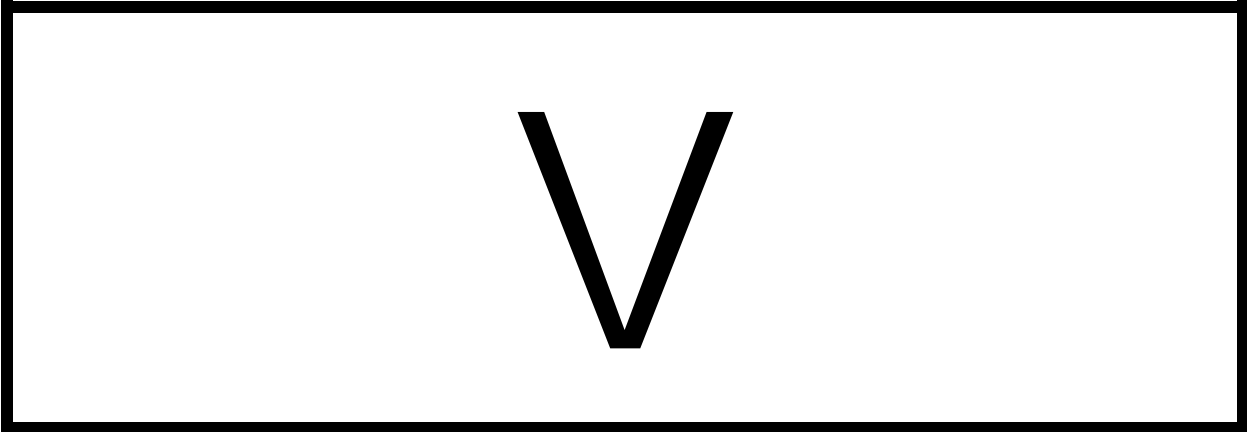
U

Documentation to
Request Exception to
Restriction-Pools with
Little/No Increase in Rent
Burdened Population

2019-C-102
Daffodil Gardens Phase Two '19

Request Exception to Restriction

NOT APPLICABLE



V

Nonprofit or LHA Purchase
Option or Right of First
Refusal

PURCHASE OPTION AND RIGHT OF FIRST REFUSAL AGREEMENT

This Purchase Option and Right of First Refusal Agreement (“Agreement”) is made as of the 1st day of March, 2017 by and among Daffodil Gardens Phase Two, LLC, a Virginia limited liability company (the “Company”) and Chesapeake Bay Housing, Inc., a Virginia non stock corporation exempt from federal income taxation under Sections 501(a) and 501(c)(3) of the Internal Revenue Code of 1986, as amended, and whose primary purpose is providing housing to low-income families (the “Grantee”) (the Company and the Grantee are the “Parties”).

WHEREAS, the Company intends to construct a multifamily apartment complex to be known as Daffodil Gardens Phase Two located in Gloucester County, Virginia as more particularly described on **Exhibit A** (together with all fixtures and personal property comprising such property or associated with the physical operation thereof the “Property”) and the Property is or will be subject to one or more governmental agency regulatory agreements (collectively, the “Regulatory Agreement”) restricting its use to low-income housing and may become subject to a low-income use restriction (the “Special Covenant”) pursuant to the terms and conditions of this Agreement (such use restrictions under the Regulatory Agreement and Special Covenant being referred to collectively herein the “Use Restrictions”); and

WHEREAS, Grantee is a member of the Company and desires to provide for its option to continue the use and operation of the Property as low-income housing upon termination of the Company’s ownership of the Project by the Grantee’s right and option to purchase the Property at the applicable price determined under this Agreement and operating the Property in accordance with the Use Restrictions; and

WHEREAS, Grantee has negotiated and required that the Company execute and deliver this Agreement in order to provide for such low-income housing.

NOW THEREFORE, in consideration of the execution and delivery of the Agreement and the payment of the Grantee to the Company of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Grant of Option.** The Company hereby grants to the Grantee an option (the “Option”) to purchase the real estate, fixtures, and personal property comprising the Property or associated with the physical operation thereof, owned by the Company at the time of Purchase, after the close of the fifteen (15) year compliance period for the low-income tax credit for the Property (the “Compliance Period”) as determined under Section 42(i)(1) of the Internal Revenue Code of 1986, as amended (the “Code”), on the terms and conditions set forth in this Agreement and subject to the conditions precedent

to exercise of the Option specified herein. The term of the Option shall commence on expiration of the Compliance Period and continue for five (5) years. The Company shall give the Grantee written notice of the date the Compliance Period expires within thirty (30) days of expiration of the Compliance Period. The term of the Option shall be automatically extended by one day for each day subsequent to thirty (30) days following expiration of the Compliance Period that the Company has failed to give the Grantee the above described written notice.

2. **Grant of Refusal Right.** In the event that the company receives a bona fide offer to purchase the Property, which offer the Company intends to accept, Grantee shall have a right of first refusal to purchase the Property (the "Refusal Right") after the close of the Compliance Period, on the terms and conditions set forth in this Agreement, and subject to the conditions precedent to exercise of the Refusal Right specified herein. In addition to all the other applicable conditions set forth to this Agreement, (a) the foregoing grant of the Refusal Right shall be effective only if Grantee is currently and remains at all times hereafter, until (i) the Refusal Right has been exercised and the resulting purchase and sale has been closed or (ii) the Refusal Right has been assigned to Permitted Assignee described in Section 10 hereof, whichever first occurs, a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code and (b) any assignment of the Refusal Right permitted under this Agreement and the Refusal Right so assigned shall be effective only if the assignee is at the time of the assignment and remains at all times thereafter, until the Refusal Right has been exercised and the resulting purchase and sale has been closed, a Permitted Assignee meeting the requirements of Section 42(i)(7)(A) of the Code. Prior to accepting any bona fide offer to purchase the Property, the Company shall notify the Grantee of such offer and deliver a copy thereof to Grantee. Grantee may exercise the Refusal Right during the period of sixty (60) days following Grantee's receipt of the foregoing notice from the Company (the "Refusal Exercise Period"). The Company shall not accept any such bona fide offer unless and until the Refusal Exercise Period has expired without exercise of the Refusal Right by Grantee pursuant to this Agreement, or upon Grantee's giving the Company written notice that Grantee will not exercise the Refusal Right. In the event Grantee does not exercise its Refusal Right with respect to any bona fide offer made to the Company and the Company does not accept the bona fide offer, Grantee's Refusal Right and the notice requirements set forth above shall apply to any subsequent bona fide offer received by the Company.

3. **Purchase Price Under Option.** The purchase price for the Property pursuant to the Option shall be the greater of (i) the Fair Market Value of the Property or (ii) the amount sufficient (a) to pay all debts (including member loans) and liabilities of the Company upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Option, and (b) to distribute to the members cash proceeds equal to the taxes projected to be imposed on the members of the Company as a result of the sale pursuant to the Option.

As used in this Section 3, Fair Market Value shall mean:

- i) The fair market value determined as the Parties shall agree.

- ii) If the Parties cannot agree on a determination of the Fair Market Value, the fair market value as determined by an appraiser mutually acceptable to the Parties.
- iii) If the Parties cannot agree on selection of an appraiser, the Company shall provide Grantee with a list of three potential alternative appraisers. The Grantee shall choose one appraiser from such list who shall determine the fair market value of the Property.

4. **Purchase Price Under Refusal Right.** The purchase price of the Property pursuant to Refusal Right shall be equal to the sum of: (a) an amount sufficient to pay all debts (including Member Loans) and liabilities of the Company upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Refusal Right, (b) an amount sufficient to distribute to the members of the Company cash proceeds equal to the taxes projected to be imposed on the members of the Company as a result of the sale pursuant to the Refusal Right, (c) an amount necessary to repay the managing member of the Company for any special capital contribution it had to make to pay off unpaid development fee, (d) expenses of sale, and (e) any amounts owed to the investor member of the Company under the operating agreement of the Company.

5. **Conditions Precedent.** Notwithstanding anything in this Agreement to the contrary, the Option and Refusal Right granted hereunder shall be contingent on the following:

- (i) the Regulatory Agreement shall have been entered into and remained in full force and effect and those Use Restrictions to be contained therein, shall have remained unmodified without the Company's prior written consent, or
- (ii) if the Regulatory Agreement is no longer in effect due to reasons other than a default thereunder by the Company, such Use Restrictions, as so approved and unmodified, shall have remained in effect and shall continue in effect by inclusion in the vesting deed of the Property to the Company.

If any or all of such conditions precedent have not been met, the Option and the Refusal Right shall not be exercisable.

6. **Exercise of Option or Refusal Right.** The Option may be exercised by Grantee's giving the Company written notice of such exercise during the term of the Option. The Refusal Right may each be exercised by Grantee by giving written notice of such exercise during any applicable Refusal Exercise Period. Grantee shall have no obligation to exercise either the Option or the Refusal Right.

If prior to exercise of the Option or Refusal Right, as applicable, the Service has issued a revenue ruling or provided a private letter ruling to the Company holding that a

covenant of the nature described hereinbelow may be utilized without limiting tax credits or deductions that would otherwise be available to the members of the Company, then as a condition of the Option and Refusal Right, the deed to Grantee shall include a special covenant ("Special Covenant") specifically restricting continued use of the Property to low-income and maximum rent requirements (excluding any right under the Code to raise rents after notice to the applicable state or local housing credit agency if it is unable to find a buyer at the statutory price) as are currently specified in the Agreement with reference to low-income housing tax credit (notwithstanding any future discontinuation of such credit or modification of federal requirements thereof), except insofar as stringent use requirements are imposed by the Regulatory Agreement. The Special Covenant shall constitute part of the Use Restrictions. The Special Covenant may state that is applicable and enforceable only to the extent such housing produces income sufficient to pay all operating expenses and debt service and fund customary reserves and there is a need for low-income housing in the geographic area the Property is located. The Special Covenant shall run with the land for a period of fifteen (15) years after closing of the purchase under the Option of the Refusal Right, as applicable, or, if longer, for the period measured by the then remaining period of Use Restrictions under the Regulatory Agreement, provided that the Special Covenant shall terminate the option of any holder of the reverter rights described hereinabove, upon enforcement thereof.

In the event that neither the Option nor the Refusal Right is exercised, or the sale pursuant thereto is not consummated, then upon conveyance of the Property to any one other than Grantee or its permitted assignee hereunder, the foregoing provisions shall terminate and have no further force and effect.

7. **Assignment.** Grantee may assign all or any of its rights under this Agreement to (a) qualified nonprofit organization, as defined in Section 42(h)(5)(c) of the Code, (b) a government agency, or (c) a tenant organization (in cooperative form or otherwise) or resident management corporation of the Property (each a "Permitted Assignee") that demonstrates its ability and willingness to maintain the Property as low-income housing in accordance with the Use restrictions, and subject to any event to the conditions precedent to the Refusal Right grant and the Option price set forth in Sections 2 and 3 hereof. Prior to any assignment or proposed assignment of its rights hereunder, Grantee shall give written notice to the Company and all members of the Company. Upon any permitted assignment hereunder references to this Agreement to Grantee shall mean the permitted Assignee where the contact so requires, subject to all applicable conditions to the effectiveness of the rights granted under this Agreement and so assigned. No assignment of Grantee's rights hereunder shall be effective unless and until the permitted Assignee enters into a written agreement accepting the assignment and assuming all of Grantee's obligations under the Agreement. Except as specifically permitted herein, Grantee's rights hereunder shall not be assignable.

8. **Conveyance of Property after Exercise of Option or Refusal Right.** In the event Grantee validly exercises the Option or Refusal Right, the Company shall convey marketable fee simple title to the Property to Grantee at settlement by general warranty deed with English covenants of title. Title shall be conveyed free and clear of all liens and encumbrances, except that it shall be subject to any applicable Use

Restrictions and such easements for utilities as do not interfere with the use of the of Property. Settlement on the purchase and sale of the Property pursuant to this Agreement shall be held at the offices of Grantee's attorney or settlement agent on or before the date ninety (90) days following the Company's receipt of Grantee's written notice of exercise of the Option or Refusal Right. All rents, taxes and assessments, if any, shall be prorated as of the date of settlement.

9. **Miscellaneous.** This Agreement shall be governed by the laws of the Commonwealth of Virginia. This Agreement may be executed in counterparts or counterpart signature pages, which together shall constitute a single agreement. Either the Company or Grantee may record this Agreement in the land records for Gloucester County. At Grantee's request, the Company shall execute and deliver unto Grantee a Memorandum of this Agreement in recordable form consistent with Code of Virginia §55-57.1(B) that Grantee may record.

[signatures on following page]

IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this Agreement as of the day and year first above written.

Daffodil Gardens Phase Two, LLC,
a Virginia limited liability company

By: *Kathy E. Vesley*
Name: Kathy E. Vesley
Title: Chairman of its Member

Chesapeake Bay Housing, Inc. a Virginia nonstock corporation

By: *Theresa W. Ransone*
Name: Theresa Ransone
Title: Vice Chairman

COMMONWEALTH OF VIRGINIA :
COUNTY OF Middlesex :

I, a Notary Public, certify that Kathy E. Vesley, Chairman of its Member of Daffodil Gardens Phase Two, LLC, a Virginia limited liability company personally came before me this day and being duly authorized executed the foregoing instrument on behalf of the company.

Witness my hand and official seal, this the 2nd day of March, 2017

Joshua A. Gemerek
Notary Public

My Commission expires: July 31, 2018

Joshua Gemerek
COMM# 279529
Notary Public
Commonwealth of Virginia
My commission expires
July 31st 2018

COMMONWEALTH OF VIRGINIA :
COUNTY OF Middlesex :

I, a Notary Public certify that Theresa Ransone, Vice Chairman of Chesapeake Bay Housing, Inc., a Virginia non stock corporation, personally came before me this day and being duly authorized executed the foregoing instrument on behalf of the corporation.

Witness my hand and official seal, this the 1st day of March, 2017.

Joshua A. Gemerek
Notary Public

My Commission expires: July 31, 2018

Joshua Gemerek
COMM# 279529
Notary Public
Commonwealth of Virginia
My commission expires
July 31st 2018

EXHIBIT A

Legal Description

All that certain lot, piece or parcel of land lying, situate and being in Abingdon District, Gloucester County, Virginia, containing 5.004 acres, more or less, shown and designated as "PARCEL 148A-2" on that certain plat entitled "PLAT SHOWING A SUBDIVISION OF THE LAND OF BAY AGING LOCATED IN THE ABINGDON DISTRICT OF GLOUCESTER COUNTY, VIRGINIA" dated February 8, 2016 and made by Bay Design Group (the "Plat"), a copy of which Plat is recorded the Clerk's Office of the Circuit Court for Gloucester County, Virginia in CPF 26, Page 493 and is attached to the Deed of Easement recorded as Instrument No. 160000842, reference to which is hereby made for a more particular description of the property conveyed.

TOGETHER WITH an easement for ingress and egress to and from the property hereby conveyed over and across that certain land shown and designated on the Plat as "INGRESS/EGRESS EASEMENT FOR THE BENEFIT OF PARCELS 24-123, 24-124 & 31-148A-1 & 2" to the extent said easement area is located upon the parcels shown and designated on the Plat as "PARCEL 148A-1" and "TAX MAP 24 PARCEL 123".

OWNER'S CONSENT:

THE SUBDIVISION OF PROPERTY, AS IT APPEARS ON THIS PLAT, IS WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE UNDERDIVISION OWNERS, PROPRIETORS AND TRUSTEES, IF ANY.

Kathy Vestler
KATHY VESTLER (CEO/PRESIDENT)

DATE: 2-29-2016

COMMONWEALTH OF VIRGINIA
COUNTY OF GLOUCESTER
TO-WIT:
THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME
THIS 29th DAY OF FEBRUARY 2016.

HEATHER D. CALLOWAY
NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES SEPT. 30, 2018

MY COMMISSION EXPIRES: 9-30-18

THE STREET(S) SHOWN HEREON IS/ARE PRIVATE, MAY NOT MEET STATE STANDARDS, AND WILL NOT BE MAINTAINED OR IMPROVED BY EITHER THE COMMONWEALTH OF VIRGINIA OR THE COUNTY OF GLOUCESTER. MAINTENANCE OF THE STREET(S) AND/OR RIGHTS-OF-WAY SHOWN HEREON IS/ARE THE RESPONSIBILITY OF THE PROPERTY OWNERS OF THE LOTS CREATED BY THIS PLAT.

LEGEND:

- ♀ IRON ROD FOUND (RR) OR IRON PIPE FOUND (RP)
- ♣ CONCRETE MONUMENT FOUND
- ♠ IRON ROD SET
- ♣ CONCRETE MONUMENT SET
- ⊖ POWER POLE
- ⊖ TELEPHONE JUNCTION BOX
- ⊖ OVERHEAD UTILITY LINE
- ⊖ NOW OR FORMERLY
- R/W RIGHT-OF-WAY
- NR NON RADIAL
- RPA RESOURCE PROTECTION AREA
- RMA RESOURCE MANAGEMENT AREA
- DEED-BOOK
- PLAT BOOK
- PLAT-CORNER

TAX MAP 31 PARCEL 148E
N/F
BAY AGING
INST. #08-2888
C.P.B. 4 @ Pg. 72

CURVE	BEARING	ARC LENGTH	CHORD LENGTH	CHORD BEARING
C1	S07°47'11" W	109.86'	110.83'	N89°32'55" W
C2	S21°04'00" W	85.70'	85.11'	N87°11'21" E
C3	S21°04'00" W	85.70'	85.11'	S34°51'42" E
C4	S18°00'00" W	77.84'	77.26'	N42°57'52" E
C5	S18°00'00" W	77.84'	77.26'	N17°13'18" W
C6	S18°00'00" W	77.84'	77.26'	N84°58'42" E
C7	S18°00'00" W	77.84'	77.26'	N92°58'42" E

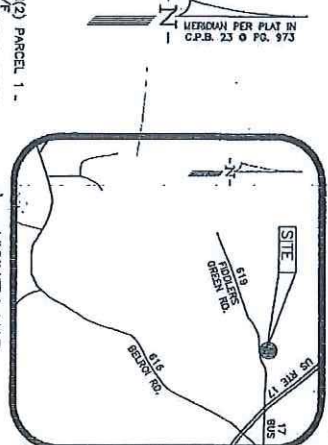
CERTIFICATE OF CERTIFIED LAND SURVEYOR:

THE SUBDIVISION OF LAND AS SHOWN ON THIS PLAT, CONTAINING 8,893.4 ACRES, SITUATED IN THE ABANDONED WESTERN DISTRICT, IN THE COUNTY OF GLOUCESTER, VIRGINIA, HAVING BEEN CONVEYED TO BAY AGING BY DEED DATED APRIL 8, 2008 AND OF RECORD IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF GLOUCESTER COUNTY, VIRGINIA IN INST. #08-2888.

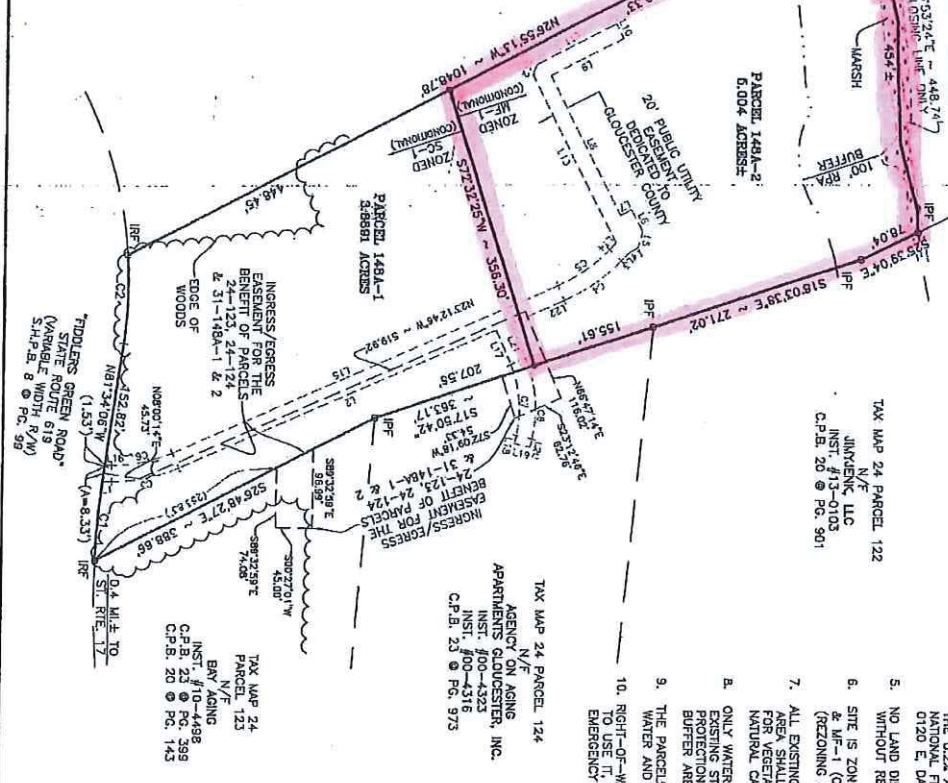
GORDON L. JONES, L.S.
COMMONWEALTH OF VIRGINIA
CERTIFICATE NUMBER 1774

DATE: 02/08/2016

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS THE RESULT OF MY PERSONAL KNOWLEDGE AND BELIEF AND IS BASED ON A CURRENT FIELD SURVEY.



VICINITY MAP
SCALE: 1" = 1/2 MILE



TAX MAP 24 PARCEL 122
N/F
JIMKING, LLC
INST. #13-0103
C.P.B. 20 @ Pg. 901

TAX MAP 24 PARCEL 124
N/F
BAY AGING
AGENCY: GLOUCESTER, INC.
INST. #00-4322
INST. #00-4321
C.P.B. 23 @ Pg. 975

LINE	BEARING	DISTANCE
1	S07°10'10" W	11.89'
2	S22°12'48" W	292.74'
3	S27°48'10" E	13.18'
4	S27°48'10" E	21.28'
5	N62°11'50" E	30.97'
6	N07°48'10" W	192.48'
7	N82°04'42" E	100.89'
8	S22°50'13" E	100.89'
9	N22°50'13" E	100.89'
10	N22°50'13" E	100.89'
11	N22°50'13" E	100.89'
12	N71°55'13" W	12.63'
13	S53°04'47" W	231.58'
14	N46°42'18" W	11.68'
15	N23°12'48" W	520.74'
16	N07°10'10" E	8.85'
17	N07°10'10" E	46.22'
18	N56°47'41" W	20.00'
19	S17°13'18" W	16.00'
20	S17°13'18" W	16.00'
21	N62°27'14" E	48.29'
22	S23°12'48" E	72.38'

CERTIFICATE OF APPROVAL:

THIS SUBDIVISION IS APPROVED BY THE UNDERSIGNED IN ACCORDANCE WITH EXISTING SUBDIVISION REGULATIONS UNDER THE GLOUCESTER COUNTY SUBDIVISION ORDINANCE AND MAY BE COMMITTED TO RECORD.

Heather D. Calloway
SUBDIVISION AGENT COUNTY OF GLOUCESTER, VIRGINIA

GENERAL NOTES:

1. THIS PLAT WAS PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT.
2. THE LAND DELINEATED HEREON IS LOCATED ON COUNTY TAX MAP NO. 31 PARCEL 148A.
3. PROPERTY REFERENCES: INST. #08-2888; C.P.B. 9 @ Pg. 43; D.B. 480 @ Pg. 1.
4. THIS PARCEL LIES IN ZONE X, AREA DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN AS DEFINED ON THE NATIONAL FLOOD INSURANCE RATE MAP PANEL NO. 510071 0120 E, DATED NOVEMBER 19, 2014.
5. NO LAND DISTURBANCE IS ALLOWED IN THE RPA BUFFER AREA WITHOUT REVIEW AND APPROVAL BY THE DIRECTOR.
6. SITE IS ZONED: SC-1 (CONDITIONAL) (SUBURBAN COUNTRYSIDE) & MF-1 (CONDITIONAL) (MULTI-FAMILY) (REZONING APPLICATION #2-15-03).
7. ALL EXISTING VEGETATION WITHIN THE RESOURCE PROTECTION AREA SHALL REMAIN IN ITS UNDISTURBED NATURAL STATE, EXCEPT FOR WEEDS WEAKENED BY AGED STORM, FIRE OR OTHER NATURAL CAUSE.
8. ONLY WATER-DEPENDENT FACILITIES, OR REDEVELOPMENT OF EXISTING STRUCTURES AND USES ARE PERMISSIBLE IN RESOURCE PROTECTION AREAS - INCLUDING THE 100-FOOT WIDE RPA BUFFER AREA.
9. THE PARCELS SHOWN HEREON SHALL BE SERVED BY PUBLIC WATER AND SEWER.
10. RIGHT-OF-WAY WILL BE MAINTAINED BY THOSE HAVING A RIGHT TO USE IT AND WILL BE AT ALL TIMES.

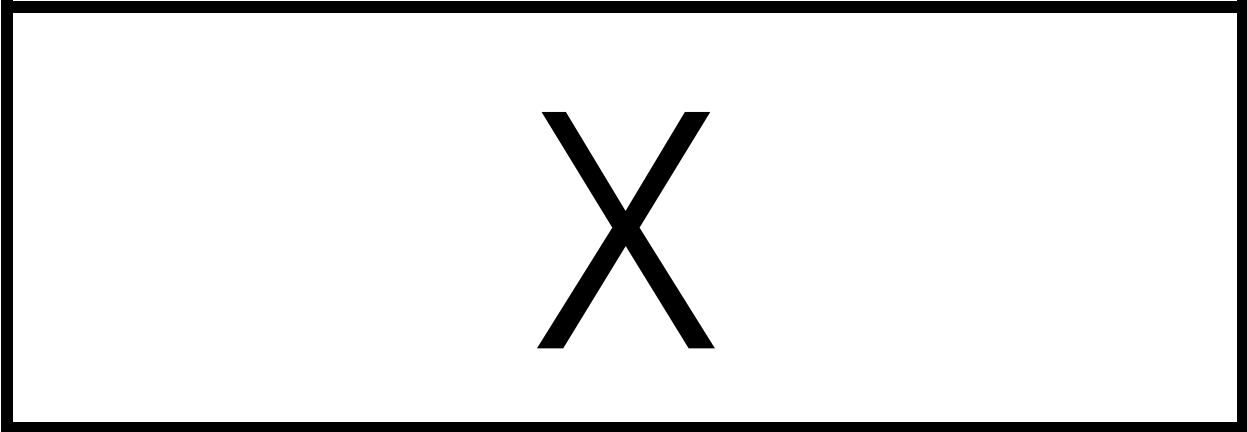
SHOWING A SUBDIVISION OF THE LAND OF BAY AGING
LOCATED IN THE ABANDONED DISTRICT OF GLOUCESTER COUNTY, VIRGINIA
DATE: FEBRUARY 8, 2016



SCALE: 1" = 100'
DATE: FEBRUARY 8, 2016
GLOUCESTER COUNTY, VIRGINIA

W

(Reserved)



X

Marketing Plan

For units meeting accessibility requirements of HUD section

504

2019-C-102
Daffodil Gardens Phase Two '19

Marketing Plan
Developmental Disability Preference and 504 Accessibility

Daffodil Gardens Phase Two will provide 40 affordable, age-restricted apartments for low-income households just off of Fiddlers Green Road and Route 17 near Gloucester Court House in Gloucester, Virginia. Daffodil Gardens Phase Two is being developed by Chesapeake Bay Housing, Inc., a Community Housing Development Organization (CHDO) certified by the Virginia Department of Housing and Community Development.

Apartment Availability and Targeting

Daffodil Gardens Phase Two will provide a first preference on its waiting list for otherwise qualified persons with a developmental disability for five (5) apartments.

Daffodil Gardens Phase Two will also provide five (5) apartments that meet Section 504 accessibility requirements and will be marketed to otherwise qualified households with disabilities. All of the project's apartments will be built to Universal Design standards.

Marketing and Referrals

Chesapeake Bay Housing, Inc. is affiliated with Bay Aging and will coordinate the marketing of these units with Bay Aging. Bay Aging serves a ten county region, including Gloucester County, and offers a range of services of benefit to elderly and disabled households, including counseling, housing support, adult day care, care coordination, and transportation. Daffodil Gardens Phase Two will be constructed adjacent to Bay Aging's Daffodil Gardens, an affordable housing project developed using HUD's 202 program, Bay Transit's (also affiliated with Bay Aging) transportation facility, and Bay Aging's Gloucester Adult Day Break facility. Within a mile of this project is Riverside Walter Reed Hospital.

Marketing efforts for the apartments targeting persons with developmental disabilities and for the apartments offering full accessibility will include:

- Advertising their availability on www.virginiahousingsearch.com
- Notifying Middle Peninsula Northern Neck Community Services Board of the developmental disability waiting list preference and the availability of apartments with 504 accessibility
- Notifying the Middle Peninsula Satellite Center for Independent Living, as managed by the Peninsula Center for Independent Living, of the developmental disability waiting preference and the availability of apartments with 504 accessibility
- Through Bay Aging, which manages the regional Section 8 waiting list, notifying waiting households of the availability
- Through the Northern Neck Middle Peninsula Housing Coalition which serves as a Virginia Department of Housing and Community Development

2019-C-102
Daffodil Gardens Phase Two '19

(DHCD)-designated Local Planning Group under the Balance of State Continuum of Care

- Also through Bay Aging, notifying clients of other Bay Aging programs and Bay Aging partners

While the apartments to be held for occupancy by individuals with developmental disabilities will be marketed as described above, Daffodil Gardens Phase Two will also accept referrals of individuals in the Settlement Agreement Target Population that possess letters issued by the Virginia Department of Behavioral Health and Developmental Services (DBHDS).

Compliance

It is recognized that individuals with developmental disabilities may or may not need apartments with the accessibility features available in the 504 compliant apartments. At any time, there will be at least five apartments occupied by individuals with developmental disabilities and the five fully accessible apartments will be occupied by households that need these accessibility features.

The apartments targeted to individuals with developmental disabilities and the apartments with full accessibility will be held vacant (both following construction and following vacancies through ongoing operation) until a household with a disability is identified and for a period of up to 60 days. During the initial and ongoing periods of vacancy, marketing efforts will occur on an ongoing basis and will be documented by management. Management will share marketing efforts and will communicate with VHDA's Compliance Officer concerning vacancies in these apartments and marketing efforts undertaken.

Once construction is underway, Chesapeake Bay Housing will prepare a detailed Affirmative Fair Housing Marketing Plan for this project. Attached is an excerpt from the plan prepared by Bay Aging for the adjacent Daffodil Gardens project.

Contacts:

Joshua Gemerek, Senior Vice President, Housing
804-758-1260 x1300
jgemerek@bayaging.org

Karen Dame, Housing Choice Voucher Program Manager
804-758-1260 x1313
kdame@bayaging.org

Dianne Wilkins, Regional Property Manager
804-758-1260 x1304
dwilkins@bayaging.org

Note to all applicants/respondents: This form was developed with Nuance, the official HUD software for the creation of HUD forms. HUD has made available instructions for downloading a free installation of a Nuance reader that allows the user to fill-in and save this form in Nuance. Please see <http://portal.hud.gov/hudportal/documents/huddoc?id=nuancereaderinstall.pdf> for the instructions. Using Nuance software is the only means of completing this form.

Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

**U.S. Department of Housing and Urban Development
Office of Fair Housing and Equal Opportunity**

OMB Approval No. 2529-0013
(exp. 8/31/2013)

1a. Project Name & Address (including City, County, State & Zip Code) Daffodil Gardens Phase Two Fiddlers Green Road (Longitude - W76.5500; Latitude - N37.4169) Gloucester, VA 23061	1b. Project Contract Number []	1c. No. of Units 40
1d. Census Tract 1002.02		
1e. Housing/Expanded Housing Market Area Housing Market Area: Gloucester County Expanded Housing Market Area: Counties of York, King & Queen, Mathews, Middlesex & Gloucester		

1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address
 Bay Aging, P.O. Box 610, Urbanna (Middlesex County), Virginia 23175, (804) 758-2386, kvesley@bayaging.org

1g. Application/Owner/Developer Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address
 Daffodil Gardens Phase Two, LLC, (Owner) & Chesapeake Bay Housing, Inc. (Developer), P.O. Box 1260, Urbanna (Middlesex County), Virginia 23175; (804) 758-1260 (ext. 1300); jgemerek@bayaging.org

1h. Entity Responsible for Marketing (check all that apply)
 Owner Agent Other (specify) []
 Position, Name (if known), Address (including City, County, State & Zip Code), Telephone Number & Email Address
 Regional Property Manager, Diane Wilkins, P.O. Box 610, Urbanna (Middlesex County), Virginia 23175, (804) 758-1260 (ext. 1304), dwilkins@bayaging.org

1i. To whom should approval and other correspondence concerning this AFHMP be sent? Indicate Name, Address (including City, State & Zip Code), Telephone Number & E-Mail Address.
 Chesapeake Bay Housing, Inc. attention: Josh Gemerek, P.O. Box 1260, Urbanna (Middlesex County), Virginia 23175; (804) 758-1260 (ext. 1300); jgemerek@bayaging.org

2a. Affirmative Fair Housing Marketing Plan
 Plan Type Initial Plan Date of the First Approved AFHMP: 05/31/17
 Reason(s) for current update: Funding Application to DHCD Affordable and Special Needs Housing Program

2b. HUD-Approved Occupancy of the Project (check all that apply)
 Elderly Family Mixed (Elderly/Disabled) Disabled

2c. Date of Initial Occupancy
 10/01/2020

2d. Advertising Start Date
 Advertising must begin *at least* 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects.
 Date advertising began or will begin 07/01/2020
For existing projects, select below the reason advertising will be used:
 To fill existing unit vacancies
 To place applicants on a waiting list (which currently has [] individuals)
 To reopen a closed waiting list (which currently has [] individuals)

3a. Demographics of Project and Housing Market Area
Complete and submit Worksheet 1.

3b. Targeted Marketing Activity

Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are *least* likely to apply for the housing without special outreach efforts. (check all that apply)

- White American Indian or Alaska Native Asian Black or African American
 Native Hawaiian or Other Pacific Islander Hispanic or Latino Persons with Disabilities
 Families with Children Other ethnic group, religion, etc. (specify)
-

4a. Residency Preference

Is the owner requesting a residency preference? If yes, complete questions 1 through 5. No
If no, proceed to Block 4b.

- (1) Type
- (2) Is the residency preference area:
The same as the AFHMP housing/expanded housing market area as identified in Block 1e? Please Select Yes or No
The same as the residency preference area of the local PHA in whose jurisdiction the project is located? Please Select Yes or No
- (3) What is the geographic area for the residency preference?
- (4) What is the reason for having a residency preference?
- (5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

4b. Proposed Marketing Activities: Community Contacts
Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

4c. Proposed Marketing Activities: Methods of Advertising
Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach copies of advertisements, radio and television scripts, Internet advertisements, websites, and brochures, etc.

5a. Fair Housing Poster

The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

Rental Office Real Estate Office Model Unit Other (specify) Community room common area

5b. Affirmative Fair Housing Marketing Plan

The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check below all locations where the AFHMP will be made available.

Rental Office Real Estate Office Model Unit Other (specify) Community room common area

5c. Project Site Sign

Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Please submit photos of Project signs.

Rental Office Real Estate Office Model Unit Entrance to Project Other (specify)

The size of the Project Site Sign will be 6' x 5'

The Equal Housing Opportunity logo or slogan or statement will be 10" x 10"

6. Evaluation of Marketing Activities

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

See attached.

7a. Marketing Staff

What staff positions are/will be responsible for affirmative marketing?

Property Site Coordinator
Regional Property Manager

7b. Staff Training and Assessment: AFHMP

- (1) Has staff been trained on the AFHMP? Yes
- (2) Has staff been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c)? Yes
- (3) If yes, who provides instruction on the AFHMP and Fair Housing Act, and how frequently?

Property management and maintenance staff attend Fair Housing Act training at least once per year. Frequent trainings are provided by the Virginia Department of Professional and Occupational Regulation's Fair Housing Office. Additionally, the Regional Property Manager provides instruction to staff on the AFHMP.

- (4) Do you periodically assess staff skills on the use of the AFHMP and the application of the Fair Housing Act? Yes
- (5) If yes, how and how often?

Staff skills on the use of AFHMP are assessed during annual and semi-annual performance evaluations and during internal tenant file review.

7c. Tenant Selection Training/Staff

- (1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences? Yes
- (2) What staff positions are/will be responsible for tenant selection?

Property Site Coordinators and the Regional Property Manager are responsible for tenant selection.

7d. Staff Instruction/Training:

Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

On April 3, 2018, the Virginia Department of Professional and Occupational Regulation's Fair Housing Office provided in-depth Fair Housing training to 10 staff members working in the areas of property management, property maintenance, resident service coordination, bookkeeping/accounting, and tenant selection, personal financial information verification and rent calculation. The Virginia Fair Housing office provided additional training to Property Site Coordinators, Resident Service Coordinators and the Regional Property Manager on Hoarding (December 13, 2016) and on the intersection of Domestic Violence and Fair Housing (October 4, 2018). Staff attend Fair Housing training at least one time annually.

*Please see attached copies of AFHM//Fair Housing staff training materials.

8. Additional Considerations Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

Please see attached:
 -Community Contacts (including copies of letters mailed to community contacts) - Attachment to AFHMP 4b and Worksheet 3.
 -Fair Housing Complaint Procedure and accompanying Fair Housing rights information.
 -Example of letterhead displaying Equal Housing Opportunity and 504 compliance logos.
 -Example of a pre-application packet used for the management agent's existing rental housing properties.
 -Management agent's rental housing brochures.
 -Approved AFHMP for management agent's adjacent existing Daffodil Gardens HUD Section 202 Supportive Housing for the Elderly Program-funded rental housing property.

9. Review and Update

By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item 9 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Joshua Gemerek

03/13/2019

Name (type or print)

Joshua Gemerek

Title & Name of Company

Senior Vice President, Housing; Bay Aging - Chesapeake Bay Housing, Inc. - Daffodil Gardens Phase Two, LLC

For HUD-Office of Housing Use Only

Reviewing Official:

For HUD-Office of Fair Housing and Equal Opportunity Use Only

Approval

Disapproval

Signature & Date (mm/dd/yyyy)

Signature & Date (mm/dd/yyyy)

Name (type or print)

[Empty box for name]

Name (type or print)

[Empty box for name]

Title

[Empty box for title]

Title

[Empty box for title]

Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

Purpose of Form: All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHM program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

Applicability: The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

INSTRUCTIONS:

Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing

Part 1: Applicant/Respondent and Project

Identification. Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau (www.census.gov) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A **housing market area** is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An **expanded housing market area** is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which may provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

Part 2: Type of AFHMP

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason (s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 9).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project's waiting list, or to re-open a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.

Part 3 Demographics and Marketing Area.

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area. The applicable housing market area and expanded housing market area should be indicated in Block 1e. Compare groups within rows/across columns on Worksheet 1 to identify any under-represented group(s) relative to the surrounding housing market area and expanded housing market area, i.e., those group(s) "least likely to apply" for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Respondents should use the most current demographic data from the U.S. Census or another official source such as a local government planning office. Please indicate the source of your data in Part 8 of this form.

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

Part 4 - Marketing Program and Residency Preference (if any).

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised, or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of residents of the project, project applicant data, census tract, housing market area, and expanded housing market area. The percentages would be the same as shown on completed Worksheet 1.

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to help market the project to those least likely to apply. This table should include the name of a contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was/will be initiated, and the specific role the community contact will play in assisting with affirmative fair housing marketing or outreach.

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the reason for choosing this media, and the language of the advertisement. Alternative format(s) that will be used to reach persons with disabilities, and logo(s) that will appear on the various materials (as well as their size) should be described. **Please attach a copy of the advertising or marketing material.**

Part 5 – Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b -The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be available.

Block 5c -The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. **Please submit photographs of project site signs.**

Part 6 - Evaluation of Marketing Activities.

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

Part 7- Marketing Staff and Training.

Block 7a - Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFHMP and Fair Housing Act. Please indicate who provides the training and how frequently. In addition, respondents should specify whether they periodically assess staff members' skills in using the AFHMP and in applying the Fair Housing Act. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project's occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should include copies of any written materials related to staff training, and identify the dates of past and anticipated training.

Part 8 - Additional Considerations.

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

Part 9 - Review and Update.

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction's Consolidated Plan is updated, or when there are significant changes in the demographics of the project or the local housing market area. When reviewing the plan, the respondent should consider the current demographics of the housing market area to determine if there have been demographic changes in the population in terms of race, color, national origin, religion, sex, familial status, or disability. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP are still appropriate, or whether advertising sources should be modified or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those it is intended to reach as measured by project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

Notification of Intent to Begin Marketing.

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHM regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.

Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities
(See AFHMP, Block 3b)

In the respective columns below, indicate the percentage of demographic groups among the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. **Please attach maps showing both the housing market area and the expanded housing market area.**

Instructions: For demographic data from the 2010 Census, please see <http://factfinder2.census.gov/main.html>. To find data by Census Tract, County, Metropolitan Statistical Area (MSA), or other level:

1. Click "Geographies" on the left.
2. Click the "Address" Tab and enter the address of the project and then click "GO".
(*To create a map of the area click the "Maps" tab*)
3. Select the level of interest (Census Tract, County, MSA, or other) and then close the "Select Geographies" box.
(Do NOT select more than one level at a time)
4. Click the first "Profile of General Population and Housing Characteristics: 2010" also known as DP-1.
(Refer to the "Race" section "Total Population" subsection for breakdown of demographic characteristics)
5. Record the information in Worksheet 1 for that level, click "Back to Search" in the top left corner, then click "Clear all Selections" in the "Selections" Box in the top left corner.
6. Start process again to retrieve the next level of data (County, MSA, or other).

To collect information about the percentage of persons with disabilities repeat above steps 1 through 3 to select your level of interest (Census Tract, County, MSA, etc.) then:

1. Click "Topics" on the left.
2. Click "People".
3. Click "Disability" and then click the "Disability" link directly beneath it.
4. **For Census Tract-** Select the first "Disability Status by Sex: 2000" or QT-P21. Please note that the most recent information for census tract is from 2000. In this section report percent with a disability for both sexes for population 5 years and over.
For County or MSA- Select the first "Selected Social Characteristics in the United States" or DP02 and report the percent of the total civilian noninstitutionalized population with a disability.
5. Record the information in Worksheet 1 and then click "Back to Search" in the top left corner, then click the "X" next to the level in the "Your Selections" box, but **KEEP "DISABILITY"** as a selection.
6. Repeat for next level of data (County, MSA, or other).

Demographic Characteristics	Project's Residents	Project's Applicant Data	Census Tract	Housing Market Area	Expanded Housing Market Area
% White	78.79	79.73	84.6	87.2	80.04
% Black or African American	21.21	20.27	12.6	8.7	12.94
% Hispanic or Latino	0	0	1.6	2.5	3.31
% Asian	0	0	0.6	0.8	2.77
% American Indian or Alaskan Native	1.52	0	0.3	0.4	0.43
% Native Hawaiian or Pacific Islander	0	0	0.1	0.00041	0.00009
% Persons with Disabilities	0	0	47.0	12.0	41.48
% Families with Children under the age of 18	0	0	39.6	39.3	41.48
Other (specify)					

Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project's residents, applicant data, census tract, housing market area, and expanded housing market area. **Please attach a map clearly delineating the residency preference geographical area.**

Demographic Characteristics	Project's Residents (as determined in Worksheet 1)	Project's Applicant Data (as determined in Worksheet 1)	Census Tract (as determined in Worksheet 1)	Housing Market Area (as determined in Worksheet 1)	Expanded Housing Market Area (as determined in Worksheet 1)	Residency Preference Area (if applicable)
% White						
% Black or African American						
% Hispanic or Latino						
% Asian						
% American Indian or Alaskan Native						
% Native Hawaiian or Pacific Islander						
% Persons with Disabilities						
% Families with Children under the age of 18						
Other (specify)						

Worksheet 3: Proposed Marketing Activities –Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the particular population group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses, their telephone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing. Please attach additional pages if necessary.

Targeted Population(s)	Community Contact(s), including required information noted above.
Black persons	NAACP Gloucester Chapter Newington Baptist Church Bethel Baptist Church ***See Community Contact attachment
American Indian	Pamunkey Baptist Association ***See Community Contact attachment
Hispanic	Iglesia Baptista El Camino ***See Community Contact attachment
Asian	Siloam Korean Baptist Church ***See Community Contact attachment
Disabilities - All races	Gloucester Housing Partnership, Three Rivers Health District, Middle Peninsula NN Community Services Board, Gloucester-Matthews Free Clinic, Peninsula Center for Independent Living, Gloucester Department of Social Services and Avalon Center. ***See Community Contact attachment

Worksheet 4: Proposed Marketing Activities -- Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group and the reason for choosing this media. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.) state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g. Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary, for further explanation. Please attach a copy of the advertising or marketing material.

Targeted Population(s)→ Methods of Advertising ↓	Targeted Population:	Targeted Population:	Targeted Population:
Newspaper(s)	Hispanic or Latino	Persons with disabilities	All demographic groups listed in Block 3b
El Eco de Virginia (newspaper)			
Radio Station(s)	All demographic groups listed in Block 3b		
Xtra 99.1FM WXGM			
TV Station(s)			
Electronic Media	All demographic groups listed in Block 3b		
www.bayaging.org			
Bulletin Boards	All demographic groups listed in Block 3b		
grocery stores, churches, etc.			
Brochures, Notices, Flyers	All demographic groups listed in Block 3b		
grocery stores, churches, etc.			
Other (specify)	All demographic groups listed in Block 3b		
Facebook			