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# 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

The 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	<a href="mailto: johndavid.bondurant@vhda.com">johndavid.bondurant@vhda.com</a>	(804) 343-5725
Hope Coleman Rutter	<a href="mailto: hope.rutter@vhda.com">hope.rutter@vhda.com</a>	(804) 343-5574
Sheila Stone	<a href="mailto: sheila.stone@vhda.com">sheila.stone@vhda.com</a>	(804) 343-5582
Stephanie Flanders	<a href="mailto: stephanie.flanders@vhda.com">stephanie.flanders@vhda.com</a>	(804) 343-5939
Pamela Freeth	<a href="mailto: pamela.freeth@vhda.com">pamela.freeth@vhda.com</a>	(804) 343-5563
Jovan Burton	<a href="mailto: Jovan.burton@vhda.com">Jovan.burton@vhda.com</a>	(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 <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Scanned Copy of the <b>Signed</b> Tax Credit Application with Attachments (excluding market study and plans & specifications) <b>(MANDATORY)</b> |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study <b>(MANDATORY - Application will be disqualified if study is not submitted with application)</b>             |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications <b>(MANDATORY)</b>   |
| <input type="checkbox"/>            | Electronic Copy of the Physical Needs Assessment <b>(MANDATORY if rehab)</b>   |
| <input checked="" type="checkbox"/> | Electronic Copy of Appraisal <b>(MANDATORY if acquisition credits requested)</b>   |
| <input type="checkbox"/>            | Electronic Copy of Environmental Site Assessment (Phase I) <b>(MANDATORY if 4% credits requested)</b>  |
| <input checked="" type="checkbox"/> | Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests <b>(MANDATORY)</b>                |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab F: Architect's Certification and RESNET Rater Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab I: Nonprofit Questionnaire <b>(MANDATORY for points or pool)</b>   |
|                                     | 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 checked="" type="checkbox"/> | Tab J: Relocation Plan <b>(MANDATORY, if tenants are displaced)</b>  |
|                                     | Tab K: Documentation of Development Location:  |
| <input type="checkbox"/>            | K.1 Revitalization Area Certification  |
| <input checked="" type="checkbox"/> | K.2 Location Map   |
| <input 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 type="checkbox"/>            | Tab O: Plan of Development Certification Letter  |
| <input checked="" type="checkbox"/> | Tab P: Developer Experience documentation and Partnership agreements   |
| <input checked="" 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  |



A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/14/2019

1. Development Name: Windsor Court II Apartments
2. Address (line 1): 101 Georgia D'Tyler Drive  
Address (line 2):  
City: Windsor State: VA Zip: 23487
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: 00.00000 Latitude: 00.00000  
(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 Isle of Wight 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: 2803.00
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 ..... FALSE
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%
FALSE	TRUE	FALSE

Enter only Numeric Values below:

13. Congressional District: 3
- Planning District: 23
- State Senate District: 14
- State House District: 64

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

Windsor Court II Apartments is a multi-family apartment community with (3) two-story buildings with (16) one-bedroom and (8) two-bedroom units and targets low-income families within the Town of Windsor. It has stick construction with vinyl siding and asphalt-shingled roof. Windsor Court II Apartments Limited Partnership plans to expend over \$1M in hard costs to rehabilitate the apartments if awarded tax credits.

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: Michael R. Stallings  
 Chief Executive Officer's Title: Town Manager Phone: (757) 242-4288  
 Street Address: 8 East Windsor Blvd.  
 City: Windsor State: VA Zip: 23487

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Michael R. Stallings, Town Manager

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

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

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

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

**B. RESERVATION REQUEST INFORMATION**

**Requesting Credits From:**

- a. If requesting 9% Credits, select credit pool: Tidewater MSA 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:** Acquisition/Rehab

**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? FALSE

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: Windsor Court II Apartments LP

Developer Name: AS Squared Development, LLC

Contact: M/M ▶ Mr. First: Adam MI: J Last: Stockmaster

Address: 1375 Piccard Drive, Suite 150

City: Rockville St. ▶ MD Zip: 20850

Phone: (240) 428-7799 Ext. 102 Fax: (240) 428-7631

Email address: astockmaster@tmadevelopment.com

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

Select type of entity: ▶ Limited Partnership Formation State: ▶ VA

Additional Contact: Please Provide Name, Email and Phone number.  
Noah Hale, nhale@tmadevelopment.com, 240-428-7799 x 225

- 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>	
<u>AS Squared, LLC</u>	<u>(240) 428-7799</u>	<u>GP</u>	<u>90.000%</u>	
<u>Adam J. Stockmaster, Managing Member</u>	<u>(240) 428-7799</u>		<u>0.000%</u>	<i>needs</i>
<u>Ari Severe, Member</u>	<u>(240) 428-7799</u>		<u>0.000%</u>	<i>needs</i>
<u>Petersburg Community Development Corporation</u>	<u>(804) 420-6458</u>	<u>GP</u>	<u>10.000%</u>	
<u>James Hendricks, President</u>	<u>(804) 420-6458</u>		<u>0.000%</u>	<i>needs</i>
			<u>0.000%</u>	
			<u>0.000%</u>	

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**

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- 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. .... **TRUE**

**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: Purchase Contract

Expiration Date: 7/31/2020

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

b. TRUE ..... 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..... 10/31/2019 .

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: Windsor II Limited Partnership

Address: 1375 Piccard Drive, Suite 150

City: Rockville St.: MD Zip: 20850

Contact Person: Robert B. Margolis Phone: (240) 428-7799

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

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

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

Names	Phone	Type Ownership	% Ownership
			0.00%
			0.00%
			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>Allison T. Domson</u>                                     | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Williams Mullen</u>                                       |                           |                       |
| Address:                 | <u>200 South 10th Street, Suite 1600, Richmond, VA 23219</u> |                           |                       |
| Email:                   | <u>adomson@williamsmullen.com</u>                            | Phone:                    | <u>(804) 420-6915</u> |
| 2. Tax Accountant:       | <u>Todd Fentress</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Tidwell Group</u>   |                           |                       |
| Address:                 | <u>4249 Easton Way, Suite 210, Columbus, OH 43219</u>        |                           |                       |
| Email:                   | <u>todd.fentress@tidwellgroup.com</u>                        | Phone:                    | <u>(614) 528-1441</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>Matt Melnick</u>  | This is a Related Entity. | <u>TRUE</u>           |
| Firm Name:               | <u>TM Associates Management, Inc</u>                         |                           |                       |
| Address:                 | <u>1375 Piccard Drive, Suite 150, Rockville, MD 20850</u>    |                           |                       |
| Email:                   | <u>mmelnick@tmamgroup.com</u>                                | Phone:                    | <u>(240) 683-0300</u> |
| 5. Contractor:           | <u>Larry Canterbury</u>                                      | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Canterbury Construction, Inc</u>                          |                           |                       |
| Address:                 | <u>118 Main Street East, Oak Hill, WV 25901</u>              |                           |                       |
| Email:                   | <u>lbc.cancon@gmail.com</u>                                  | Phone:                    | <u>304-469-6352</u>   |
| 6. Architect:            | <u>Jared Willcox</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Lemay Erickson Willcox</u>                                |                           |                       |
| Address:                 | <u>11250 Roger Bacon Drive, Suite 16, Reston, VA 20190</u>   |                           |                       |
| Email:                   | <u>jwillcox@lewarchitects.com</u>                            | Phone:                    | <u>703-956-5600</u>   |
| 7. Real Estate Attorney: | <u>Allison T. Domson</u>                                     | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Williams Mullen</u>                                       |                           |                       |
| Address:                 | <u>200 South 10th Street, Suite 1600, Richmond, VA 23219</u> |                           |                       |
| Email:                   | <u>adomson@williamsmullen.com</u>                            | Phone:                    | <u>(804) 420-6915</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>               |

**REHAB INFORMATION**

**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development..... TRUE
  
- b. This development has received a previous allocation of credits..... TRUE  
 If so, in what year did this development receive credits? ..... 1990
  
- c. The development is listed on the RD 515 Rehabilitation Priority List?..... TRUE
  
- d. This development is an existing RD or HUD S8/236 development..... TRUE  
**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..... TRUE
  
- b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i),..... FALSE
  - i. Subsection (I)..... FALSE
  - ii. Subsection (II)..... FALSE
  - iii. Subsection (III)..... FALSE
  - iv. Subsection (IV)..... FALSE
  - v. Subsection (V)..... FALSE
  
- c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6)..... TRUE
  
- d. There are different circumstances for different buildings..... FALSE  
**Action:** (If True, provide an explanation for each building in Tab K)

REHAB INFORMATION

3. Rehabilitation Credit Information

- a. Credits are being requested for rehabilitation expenditures..... TRUE
  
- 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)..... TRUE
  - ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only)..... FALSE
  - iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception..... FALSE
  - iv. There are different circumstances for different buildings..... FALSE  
**Action:** (If True, provide an explanation for each building in Tab 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:

- FALSE a. Be authorized to do business in Virginia.
FALSE b. Be substantially based or active in the community of the development.
FALSE 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.
FALSE d. Own, either directly or through a partnership or limited liability company, 100% of the general partnership or managing member interest.
FALSE e. Not be affiliated with or controlled by a for-profit organization.
FALSE f. Not have been formed for the principal purpose of competition in the Non Profit Pool.
FALSE 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..... TRUE
or
Nonprofit meets eligibility requirements for nonprofit pool and points..... FALSE

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Owner

Name: Petersburg Community Development Corporation, Inc. (Please fit NP name within available space)

Contact Person: Alexander C. Graham

Street Address: 200 South 10th Street, Suite 1600

City: Richmond State: VA Zip: 23219-0000

Phone: (804) 420-6458 Extension: Contact Email: sgraham@williamsmullen.

**G NONPROFIT INVOLVEMENT**

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 10.0%

**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:** Petersburg Community Development Corporation, Inc.

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

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 <b>all</b> units in development	24	bedrooms	32
Total number of <b>rental</b> units in development	24	bedrooms	32
Number of low-income rental units	24	bedrooms	32
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	24	bedrooms	32
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.....			15,788.88 (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.....			15,788.88 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....			0.00%
i. Exact area of site in acres .....	1.512		
j. Locality has approved a final site plan or plan of development.....			FALSE
If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. <b>ACTION: Provide required zoning documentation (MANDATORY TAB G)</b>			
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**

**2. UNIT MIX**

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	594.90	SF	16	16
2BR Garden	783.81	SF	8	8
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			24	24

**Note: Please be sure to enter the values in the appropriate unit category. If not, errors will occur on the self scoresheet.**

**3. Structures**

- a. Number of Buildings (containing rental units)..... 3
- b. Age of Structure:..... 30 years
- c. Number of stories:..... 2
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use: N/A
- f. Development consists primarily of : **(Only One Option Below Can Be True)**
  - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
  - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
  - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

**H. STRUCTURE AND UNITS INFORMATION**

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

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

h. Development contains an elevator(s). FALSE  
 If true, # of Elevators. 0  
 Elevator Type (if known) \_\_\_\_\_

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

**4. Site Amenities (indicate all proposed)**

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

l. Describe Community Facilities: Laundry Room, Maintenance Facilities, Rental Office, Community Room (at

m. Number of Proposed Parking Spaces..... 28  
 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. .... FALSE  
 If **True**, Provide required documentation (**TAB K3**).

**H. STRUCTURE AND UNITS INFORMATION**

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**1. 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 structureNotes 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.

**2. 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	10.50%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	10.50%
Project Wide Absorption Period (Months)	1

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:

- FALSE a. A community/meeting room with a minimum of 749 square feet is provided.
- 0.00% 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.
- FALSE 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
- TRUE 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.
- TRUE k. Cooking surfaces are equipped with fire prevention features
- or
- FALSE 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.
- TRUE 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.
- FALSE 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:

- FALSE a. All cooking ranges have front controls.

J. ENHANCEMENTS

FALSE b. Bathrooms have an independent or supplemental heat source.

FALSE 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:

TRUE Earthcraft Gold or higher certification

FALSE National Green Building Standard (NGBS) certification of Silver or higher.

FALSE U.S. Green Building Council LEED certification

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.)

FALSE Zero Energy Ready Home Requirements

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.

5 b. Number of Rental Units constructed to meet VHDA's Universal Design standards:

21% % of Total Rental Units

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

If not, please explain:

N/A



**2019 Low-Income Housing Tax Credit Application For Reservation**

**I. UTILITIES**

1. Describe the Heating/AC System: Split System

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	29	41	0	0
Air Conditioning	Electric	Tenant	0	29	40	0	0
Cooking	Electric	Tenant	0	9	11	0	0
Lighting	Electric	Tenant	0	9	11	0	0
Hot Water	Electric	Tenant	0	9	11	0	0
Water		Tenant	0	13	15	0	0
Sewer		Tenant	0	26	30	0	0
Trash		Owner	0	0	0	0	0
Total utility allowance for costs paid by tenant			\$0	\$124	\$159	\$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: USDA - RD

**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**)

TRUE

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

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

**Note:** Subsidies may apply to any units, not only those built to satisfy Section 504.  
(60 points)

FALSE

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

FALSE

- c. 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:

- FALSE 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.....  TRUE

(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..... TRUE

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

TRUE 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? \_\_\_\_\_

d. Number of units receiving assistance:

24

How many years in rental assistance contract?

1.00

Expiration date of contract:

2/4/2020

There is an Option to Renew.....

TRUE

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

**L. UNIT DETAILS**

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
3	12.50%	40% Area Median
9	37.50%	50% Area Median
12	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
24	100.00%	<b>Total</b>

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
3	12.50%	40% Area Median
9	37.50%	50% Area Median
12	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
24	100.00%	<b>Total</b>

- b. The development plans to utilize income averaging..... FALSE  
 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	2	2	546.91	\$574.00	\$1,148
Mix 2	2 BR - 1 Bath	40% AMI	1	1	726.69	\$650.00	\$650
Mix 3	1 BR - 1 Bath	50% AMI	6	1	546.91	\$574.00	\$3,444
Mix 4	2 BR - 1 Bath	50% AMI	3	1	726.69	\$650.00	\$1,950
Mix 5	1 BR - 1 Bath	60% AMI	8		587.53	\$574.00	\$4,592
Mix 6	2 BR - 1 Bath	60% AMI	4		781.74	\$650.00	\$2,600
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
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0
Mix 23							\$0



L. UNIT DETAILS

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
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Mix 81									\$0
Mix 82									\$0
Mix 83									\$0
Mix 84									\$0



L. UNIT DETAILS

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
<b>TOTALS</b>			24	5	3,916.47		\$3,672	\$14,384

<b>Total Units</b>	<b>24</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>15,109.24</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>15,109.24</b>

<b>Floor Space Fraction (to 7 decimals)</b>	<b>100.00000%</b>
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**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$150
2. Office Salaries			\$0
3. Office Supplies			\$2,000
4. Office/Model Apartment	(type _____ )		\$0
5. Management Fee			\$18,144
9.80% of EGI	\$756.00	Per Unit	
6. Manager Salaries			\$12,000
7. Staff Unit (s)	(type _____ )		\$0
8. Legal			\$200
9. Auditing			\$6,500
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$1,400
12. Tax Credit Monitoring Fee			\$600
13. Miscellaneous Administrative			\$3,240
<b>Total Administrative</b>			<b>\$44,234</b>

**Utilities**

14. Fuel Oil			\$0
15. Electricity			\$5,500
16. Water			\$7,100
17. Gas			\$0
18. Sewer			\$17,000
<b>Total Utility</b>			<b>\$29,600</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$0
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$950
23. Trash Removal			\$3,500
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$500
28. Maintenance/Repairs Payroll			\$13,000
29. Repairs/Material			\$3,000
30. Repairs Contract			\$3,000
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$0
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$1,200
36. Decorating Supplies			\$0
37. Miscellaneous			\$0
<b>Totals Operating &amp; Maintenance</b>			<b>\$25,150</b>

**M. OPERATING EXPENSES**

<b>Taxes &amp; Insurance</b>	
38. Real Estate Taxes	\$7,500
39. Payroll Taxes	\$4,600
40. Miscellaneous Taxes/Licenses/Permits	\$360
41. Property & Liability Insurance	\$6,360
42. Fidelity Bond	\$27
43. Workman's Compensation	\$900
44. Health Insurance & Employee Benefits	\$4,500
45. Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$24,247</b>
<b>Total Operating Expense</b>	<b>\$123,231</b>

<b>Total Operating Expenses Per Unit</b>	\$5,135	<b>C. Total Operating</b>	66.58%	
		<b>Expenses as % of EGI</b>		

<b>Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)</b>	<b>\$9,600</b>
---	----------------

<b>Total Expenses</b>	<b>\$132,831</b>
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**ACTION:** Provide Documentation of Operating Budget at **Tab R** if applicable.

**N. PROJECT SCHEDULE**

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract	2/28/2019	Adam J. Stockmaster
b. Site Acquisition	10/31/2019	Adam J. Stockmaster
c. Zoning Approval	1/30/2019	Michael Stallings
d. Site Plan Approval	N/A	N/A
<b>2. Financing</b>		
a. <b>Construction Loan</b>		
i. Loan Application	10/1/2019	Adam J. Stockmaster
ii. Conditional Commitment	11/1/2019	Corbin Anderson
iii. Firm Commitment	12/1/2019	Corbin Anderson
b. <b>Permanent Loan - First Lien</b>		
i. Loan Application	3/1/2019	Adam J. Stockmaster
ii. Conditional Commitment	3/13/2019	Corbin Anderson
iii. Firm Commitment	10/1/2019	Corbin Anderson
c. <b>Permanent Loan-Second Lien</b>		
i. Loan Application	3/1/2019	Adam J. Stockmaster
ii. Conditional Commitment	3/12/2019	Ora Rollins
iii. Firm Commitment	10/1/2019	Ora Rollins
d. <b>Other Loans &amp; Grants</b>		
i. Type & Source, List		
ii. Application		
iii. Award/Commitment		
<b>2. Formation of Owner</b>	2/20/2007	Adam J. Stockmaster
<b>3. IRS Approval of Nonprofit Status</b>	8/1/1990	James Hendricks
<b>4. Closing and Transfer of Property to Owner</b>	10/31/2019	Adam J. Stockmaster
<b>5. Plans and Specifications, Working Drawings</b>	3/1/2019	Jared Willcox
<b>6. Building Permit Issued by Local Government</b>	2/1/2020	Larry Canterbury
<b>7. Start Construction</b>	2/1/2020	Adam J. Stockmaster
<b>8. Begin Lease-up</b>	2/1/2020	Matt Melnick
<b>9. Complete Construction</b>	9/1/2020	Adam J. Stockmaster
<b>10. Complete Lease-Up</b>	9/1/2020	Matt Melnick
<b>11. Credit Placed in Service Date</b>	9/1/2020	Adam J. Stockmaster

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"
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	1,055,121	0	0	1,055,121
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
<b>Total Structure</b>	1,055,121	0	0	1,055,121
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	95,150	0	0	95,150
p. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	95,150	0	0	95,150
<b>Total Structure and Land</b>	1,150,271	0	0	1,150,271
q. General Requirements	69,016	0	0	69,016
r. Builder's Overhead ( 2.0% Contract)	23,005	0	0	23,005
s. Builder's Profit ( 6.0% Contract)	69,016	0	0	69,016
t. Bonds	13,113	0	0	13,113
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: Termite Treatment	8,000	0	0	8,000
y. Other 2:	0	0	0	0
z. Other 3:	0	0	0	0
<b>Contractor Costs</b>	<b>\$1,332,421</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,332,421</b>

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"
<b>2. Owner Costs</b>				
a. Building Permit	13,113	0	0	13,113
b. Architecture/Engineering Design Fee \$1,667 /Unit)	40,000	0	0	40,000
c. Architecture Supervision Fee \$833 /Unit)	20,000	0	0	20,000
d. Tap Fees	0	0	0	0
e. Environmental	6,000	4,961	0	0
f. Soil Borings	0	0	0	0
g. EarthCraft/LEED	9,600	0	0	9,600
h. Appraisal	8,000	0	0	8,000
i. Market Study	4,000	3,307	0	0
j. Site Engineering / Survey	12,000	6,614	0	4,000
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	22,700	0	0	22,700
n. Construction Interest ( 6.0% for 9 months)	60,000	0	0	0
o. Taxes During Construction	0	0	0	0
p. Insurance During Construction	0	0	0	0
q. Permanent Loan Fee ( 3.0% )	18,500	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	11,000	2,067	0	8,500
u. Accounting	0	0	0	0
v. Title and Recording	35,000	14,055	0	18,000
w. Legal Fees for Closing	60,000	8,268	0	50,000
x. Mortgage Banker	29,000	0	0	0
y. Tax Credit Fee	15,280			
z. Tenant Relocation	15,000	0	0	0
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	87,116	0	0	0
ad. Contingency	98,348	0	0	98,348
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
(1) Other* specify:	0	0	0	0
(2) Other* specify:	0	0	0	0
(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
(7) Other* specify:	0	0	0	0

**O. PROJECT BUDGET - OWNER COSTS**

(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))	\$564,957	\$39,272	\$0	\$292,261
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	\$1,897,378	\$39,272	\$0	\$1,624,682
<b>3. Developer's Fees</b>	365,000	0	0	365,000
<b>4. Owner's Acquisition Costs</b>				
Land	150,000			
Existing Improvements	776,947	715,993		
Subtotal 4:	\$926,947	\$715,993		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	\$3,189,325	\$755,265	\$0	\$1,989,682

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:**

**\$368,919**

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

\$132,889 **Meets Limits**  
\$143 **Meets Limits**  
\$199,972



**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	
<b>1. Total Development Costs</b>	3,189,325	755,265	0	1,989,682
<b>2. Reductions in Eligible Basis</b>				
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
<b>3. Total Eligible Basis (1 - 2 above)</b>		755,265	0	1,989,682
<b>4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)</b>				
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	0
c. For Green Certification (Eligible Basis x 10%)				198,968
<b>Total Adjusted Eligible basis</b>			0	2,188,650
<b>5. Applicable Fraction</b>		100.00000%	100.00000%	100.00000%
<b>6. Total Qualified Basis</b> (Eligible Basis x Applicable Fraction)		755,265	0	2,188,650
<b>7. Applicable Percentage</b> (Beginning with 2016 Allocations, use the standard 9% rate.) (For tax exempt bonds, use the most recently published rates.)		3.27%	0.00%	9.00%
<b>8. Maximum Allowable Credit under IRC §42</b> (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$24,697	\$0	\$196,979
		\$221,676 Combined 30% & 70% P. V. Credit		

**Q. SOURCES OF FUNDS**

**Action:** Provide Documentation for all Funding Sources at **Tab T**

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

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

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

Source of Funds	Date of Application	Date of Commitment	<i>(Whole Numbers only)</i>		Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
			Amount of Funds	Annual Debt Service Cost			
1. USDA RD PRLF	3/1/2019	3/13/2019	\$350,000	\$20,763	2.85%	23.00	23.00
2. USDA RD	3/1/2019	3/12/2019	\$826,947	\$21,024	1.00%	50.00	30.00
3. FHLB	6/1/2019	10/1/2019	\$275,000		0.00%	0.00	30.00
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$1,451,947	\$41,787			

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

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

**Q. SOURCES OF FUNDS**

**4. Subsidized Funding**

	Source of Funds	Date of Commitment	Amount of Funds
1.	USDA RD PRLF	3/12/2019	\$350,000
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$350,000

**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	\$826,947
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$0
g.	HOME Funds	\$0
h.	Other: USDA RD PRLF	\$350,000
i.	Other: FHLB-AHP	\$275,000

Market-Rate Loans

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

Grants\*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

**Q. SOURCES OF FUNDS**

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

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: 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. TRUE **New** project based subsidy from HUD or Rural Development for the greater of 5 or 10% of the units in the development.  
If True, Section 8 Proj Based Assistance should be TRUE in Special Hsg Needs tab
  
- 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	\$44,175	(Note: Deferred Developer Fee cannot be negative.)	
iv. Other:	\$0		
<b>Equity Total</b>	<b>\$44,175</b>		

**2. Equity Gap Calculation**

a. Total Development Cost	\$3,189,325
b. Total of Permanent Funding, Grants and Equity	- \$1,496,122
c. Equity Gap	\$1,693,203
d. Developer Equity	- \$169
e. Equity gap to be funded with low-income tax credit proceeds	\$1,693,034

**3. Syndication Information (If Applicable)**

a. Actual or Anticipated Name of Syndicator:	Boston Capital		
Contact Person:	Joshua Gould	Phone:	(617) 624-8835
Street Address:	One Boston Place, 21st Floor		
City:	Boston	State:	MA
		Zip:	02108
b. Syndication Equity			
i. Anticipated Annual Credits	\$204,000.00		
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.830		
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%		
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0		
v. Net credit amount anticipated by user of credits	\$203,980		
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$1,693,034		
c. Syndication:	Private		
d. Investors:	Corporate		

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs \$1,693,034

**5. Net Equity Factor**

Must be equal to or greater than 85% 83.0001627614%

**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>\$3,189,325</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$1,496,122</u>
3. Equals Equity Gap		<u>\$1,693,203</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>83.0001627614%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$2,040,000</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$204,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$221,676</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$23,000</u>
	For 70% PV Credit:	<u>\$181,000</u>
Credit per LI Units	<u>\$8,500.0000</u>	
Credit per LI Bedroom	<u>\$6,375.0000</u>	
	<b>Combined 30% &amp; 70% PV Credit Requested</b>	<b>\$204,000</b>

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	\$14,384
Plus Other Income Source (list): <u>Laundry, Fees and W&amp;S Reimbursements</u>	\$1,851
Equals Total Monthly Income:	\$16,235
Twelve Months	x12
Equals Annual Gross Potential Income	\$194,820
Less Vacancy Allowance <u>5.0%</u>	\$9,741
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>	<b>\$185,079</b>

**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 <u>0.0%</u>	\$0
<b>Equals Annual Effective Gross Income (EGI) - Market Rate Units</b>	<b>\$0</b>

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

**3. Cash Flow (First Year)**

a. Annual EGI Low-Income Units	\$185,079
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$185,079
d. Total Expenses	\$132,831
e. Net Operating Income	\$52,248
f. Total Annual Debt Service	\$41,787
g. Cash Flow Available for Distribution	\$10,461



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
<b>Eff. Gross Income</b>	185,079	188,781	192,556	196,407	200,335
<b>Less Oper. Expenses</b>	132,831	136,816	140,920	145,148	149,502
<b>Net Income</b>	52,248	51,965	51,636	51,259	50,833
<b>Less Debt Service</b>	41,787	41,787	41,787	41,787	41,787
<b>Cash Flow</b>	10,461	10,178	9,849	9,472	9,046
<b>Debt Coverage Ratio</b>	1.25	1.24	1.24	1.23	1.22

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Eff. Gross Income</b>	204,342	208,429	212,598	216,850	221,187
<b>Less Oper. Expenses</b>	153,988	158,607	163,365	168,266	173,314
<b>Net Income</b>	50,355	49,822	49,232	48,583	47,872
<b>Less Debt Service</b>	41,787	41,787	41,787	41,787	41,787
<b>Cash Flow</b>	8,568	8,035	7,445	6,796	6,085
<b>Debt Coverage Ratio</b>	1.21	1.19	1.18	1.16	1.15

	Year 11	Year 12	Year 13	Year 14	Year 15
<b>Eff. Gross Income</b>	225,610	230,122	234,725	239,419	244,208
<b>Less Oper. Expenses</b>	178,514	183,869	189,385	195,067	200,919
<b>Net Income</b>	47,097	46,253	45,340	44,353	43,289
<b>Less Debt Service</b>	41,787	41,787	41,787	41,787	41,787
<b>Cash Flow</b>	5,310	4,466	3,553	2,566	1,502
<b>Debt Coverage Ratio</b>	1.13	1.11	1.09	1.06	1.04

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: 3

**FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN BUILDING GRID**  
**DO NOT use the CUT feature**

Bldg #	BIN if known	TAX CREDIT UNITS	MARKET RATE UNITS	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				
									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
1.	90VA20081	8	0	102 Kensington Court	A-H	Windsor	VA	23487	\$301,607	10/31/19	3.27%	\$9,863				\$874,014	09/01/20	9.00%	\$78,661
2.	90VA20082	8	0	104 Kensington Court	A-H	Windsor	VA	23487	\$226,829	10/31/19	3.27%	\$7,417				\$657,318	09/01/20	9.00%	\$59,159
3.	90VA20083	8	0	106 Kensington Court	A-H	Windsor	VA	23487	\$226,829	10/31/19	3.27%	\$7,417				\$657,318	09/01/20	9.00%	\$59,159
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
									Totals from all buildings										
									\$755,265			\$0			\$24,697			\$2,188,650	
																		\$0	

24	0																		\$0
Totals from all buildings																			\$2,188,650
																			\$0
																			\$24,697
																			\$196,979

Credit Amount should equal Gap Calculation Request.

Number of BINS: 3

**V. STATEMENT OF OWNER**

---

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: Windsor Court II Apartments LP  
By: AS Squared LLC, General Partner  
By:   
Its: Adam J. Stockmaster, Manager  
(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
<b>Total:</b>			<b>0.00</b>

**1. READINESS:**

a. VHDA notification letter to CEO (via Locality Notification Information Application)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 or 40	0.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
e. Location in a revitalization area with resolution	N	0 or 15	0.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
<b>Total:</b>			<b>0.00</b>

**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	Y	0 or 20	20.00
c. Subsidized funding commitments	10.97%	Up to 40	21.95
d. Tax abatement on increase of property's value	N	0 or 5	0.00
e. New project based rental subsidy (HUD or RD)	Y	0 or 10	10.00
f. Census tract with <12% poverty rate	10%	0, 20, 25 or 30	25.00
g. Development listed on the Rural Development Rehab Priority List	Y	0 or 15	15.00
h. Dev. located in area with little or no increase in rent burdened population	Y	Up to -20	0.00
i. Dev. located in area with increasing rent burdened population	N	Up to 20	0.00
<b>Total:</b>			<b>96.95</b>

**2019 Low-Income Housing Tax Credit Application For Reservation**

**3. DEVELOPMENT CHARACTERISTICS:**

i. Amenities (See calculations below)			32.00
j. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 60	60.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	N	0 or 15	0.00
e. Proximity to public transportation (within Northern VA or Tidewater)	N	0, 10 or 20	0.00
f. Development will be Green Certified	Y	0 or 10	10.00
g. Units constructed to meet VHDA's Universal Design standards	21%	Up to 15	3.13
h. Developments with less than 100 units	Y	up to 20	20.00
i. Historic Structure	N	0 or 5	0.00
<b>Total:</b>			<b>125.13</b>

**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)	12.50%	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
<b>Total:</b>			<b>60.00</b>

**5. SPONSOR CHARACTERISTICS:**

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	Y	0 or 50	50.00
or b. Developer experience - 3 developments and at least 500,000 in liquid assets	N	0 or 50	0.00
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
<b>Total:</b>			<b>50.00</b>

**6. EFFICIENT USE OF RESOURCES:**

a. Credit per unit		Up to 200	56.45
b. Cost per unit		Up to 100	26.08
<b>Total:</b>			<b>82.53</b>

**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
<b>Total:</b>			<b>60.00</b>

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

**TOTAL SCORE: 474.61**

**Amenities:**

All units have:	Max Pts	Score
a. Community Room	5	0.00
b. Exterior walls constructed with brick and other low maintenance materials	25	0.00
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	0.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	8.00
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	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
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	3.00
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	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>32.00</u>
 All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>0.00</u>
<b>Total amenities:</b>		<u><b>32.00</b></u>



X. Development Summary

Summary Information 2019 Low-Income Housing Tax Credit Application For Reservation

Name: Windsor Court II Apartments

Cycle Type: 9% Tax Credits Requested Credit Amount: \$204,000  
 Allocation Type: Acquisition/Rehab Jurisdiction: Isle of Wight County  
 Total Units: 24 Population Target: General  
 Total LI Units: 24  
 Project Gross Sq Ft: 15,788.88 Owner Contact: Adam Stockmaster  
 Green Certified? TRUE

**Total Score**  
474.61

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$1,451,947	\$60,498	\$92	\$41,787

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$1,150,271	\$47,928	\$73	36.07%
General Req/Overhead/Profit	\$161,037	\$6,710	\$10	5.05%
Other Contract Costs	\$21,113	\$880	\$1	0.66%
Owner Costs	\$564,957	\$23,540	\$36	17.71%
Acquisition	\$926,947	\$38,623	\$59	29.06%
Developer Fee	\$365,000	\$15,208	\$23	11.44%
<b>Total Uses</b>	<b>\$3,189,325</b>	<b>\$132,889</b>		

Total Development Costs	
Total Improvements	\$1,897,378
Land Acquisition	\$926,947
Developer Fee	\$365,000
<b>Total Development Costs</b>	<b>\$3,189,325</b>

Income		
Gross Potential Income - LI Units		\$194,820
Gross Potential Income - Mkt Units		\$0
Subtotal		\$194,820
Less Vacancy %	5.00%	\$9,741
<b>Effective Gross Income</b>		<b>\$185,079</b>

Proposed Cost Limit/Unit: \$132,889  
 Applicable Cost Limit/Unit: \$199,972  
 Proposed Cost Limit/Sq Ft: \$143  
 Applicable Cost Limit/Sq Ft: \$140

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	16
# of 2BR	8
# of 3BR	0
# of 4+ BR	0
<b>Total Units</b>	<b>24</b>

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$44,234	\$1,843
Utilities	\$29,600	\$1,233
Operating & Maintenance	\$25,150	\$1,048
Taxes & Insurance	\$24,247	\$1,010
<b>Total Operating Expenses</b>	<b>\$123,231</b>	<b>\$5,135</b>
Replacement Reserves	\$9,600	\$400
<b>Total Expenses</b>	<b>\$132,831</b>	<b>\$5,535</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	3	3
50% AMI	9	9
60% AMI	12	12
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$185,079
Total Expenses	\$132,831
<b>Net Income</b>	<b>\$52,248</b>
Debt Service	\$41,787
<b>Debt Coverage Ratio (YR1):</b>	<b>1.25</b>

Income Averaging? FALSE

Extended Use Restriction? 30

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$186.96** Credits/SF = **12.92049** Const \$/unit = **\$55,517.5417**

TYPE OF PROJECT  
ON  
CONSTRUCTION

GENERAL = 11000; ELDERLY = 12000  
Inner-NVA=100; Outer-NV=200; NWNVC=300; Rich=400; Tid=500; Balance=600  
N C=1; ADPT=2; REHAB(35,000+)=3; REHAB\*(15,000-35,000)=4  
\*REHABS LOCATED IN BELTWAY (\$15,000-\$50,000) See Below

11000  
500  
3

500  
3

	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	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0
PARAMETER-(COSTS>=35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0
<b>COST PER UNIT POINTS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>CREDIT PER UNIT POINTS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	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	594.90	783.81	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	16	8	0	0	0	0	0
PARAMETER-(COSTS>=35,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	148,995	202,208	0	0	0	0	0
PROJECT COST PER UNIT	0	111,223	146,542	0	0	0	0	0
PARAMETER-(CREDITS>=35,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	10,605	14,393	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	7,686	10,127	0	0	0	0	0
<b>COST PER UNIT POINTS</b>	<b>0.00</b>	<b>16.90</b>	<b>9.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>CREDIT PER UNIT POINTS</b>	<b>0.00</b>	<b>36.69</b>	<b>19.76</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

TOTAL COST PER UNIT POINTS **26.08**

TOTAL CREDIT PER UNIT POINTS **56.45**

**Cost Parameters - Elderly**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Credit Parameters - Elderly**

Standard Credit Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Credit Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Cost Parameters - General**

Standard Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	148,995	202,208	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	148,995	202,208	0	0	0	0	0

**Credit Parameters - General**

Standard Credit Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Credit Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	10,605	14,393	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	10,605	14,393	0	0	0	0	0

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

**Cost Parameters - Elderly**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Credit Parameters - Elderly**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Cost Parameters - General**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	148,995	202,208	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	148,995	202,208	0	0	0	0	0

**Credit Parameters - General**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	10,605	14,393	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	10,605	14,393	0	0	0	0	0

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$186.96** Credits/SF = **12.92049** Const \$/unit = **\$55,517.54**

TYPE OF PROJECT  
 REHAB CONSTRUCTION

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

**11000**  
**500**  
**3**

**500**  
**3**

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

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	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
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	594.90	783.81	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	16	8	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	148,995	202,208	0	0	0	0	0
PROJECT COST PER UNIT	0	111,223	146,542	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	10,605	14,393	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	7,686	10,127	0	0	0	0	0
COST PER UNIT POINTS	0.00	16.90	9.18	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	36.69	19.76	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **26.08**

TOTAL CREDIT PER UNIT POINTS **56.45**

**Cost Parameters - Elderly**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Credit Parameters - Elderly**

Standard Credit Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Credit Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Cost Parameters - General**

Standard Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	148,995	202,208	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	148,995	202,208	0	0	0	0	0

**Credit Parameters - General**

Standard Credit Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Credit Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	10,605	14,393	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	10,605	14,393	0	0	0	0	0

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

**Cost Parameters - Elderly**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Credit Parameters - Elderly**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

**Cost Parameters - General**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	148,995	202,208	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	148,995	202,208	0	0	0	0	0

**Credit Parameters - General**

Standard Cost Parameter - low rise  
 Parameter Adjustment - mid rise  
 Parameter Adjustment - high rise  
**Adjusted Cost Parameter**

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
0	10,605	14,393	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	10,605	14,393	0	0	0	0	0

A

# Partnership or Operating Agreement

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



**FIRST AMENDMENT TO AMENDED AND RESTATED  
AGREEMENT OF LIMITED PARTNERSHIP  
OF  
WINDSOR COURT II APARTMENTS LP**

**March 12, 2019**

Windsor Court II Apartments LP (the "Partnership") was formed pursuant to the laws of the Commonwealth of Virginia. The original Certificate of Limited Partnership was filed with the State Corporation Commission (the "Filing Office") on February 20, 2007, as amended by that certain Certificate of Amendment of Certificate of Limited Partnership effective as of February 6, 2008. Reference is hereby made to that certain Amended and Restated Agreement of Limited Partnership of the Partnership dated as of March 2, 2013 (the "Partnership Agreement"). The undersigned, being all the Partners of the Partnership, now wish to amend the Partnership Agreement to confirm the withdrawal of Telamon Corporation, a North Carolina non-profit corporation, as general partner of the Partnership (the "Withdrawn General Partner"), and the admission of Petersburg Community Development Corporation, Inc., a Virginia non-profit corporation (the "Admitted General Partner") as new general partner of the Partnership. Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree as follows:

1. Capitalized terms used that are not defined herein shall have the meanings ascribed to them in the Partnership Agreement, as amended to date.
2. The Withdrawn General Partner hereby confirms that it has withdrawn from the Partnership as a General Partner and acknowledges that, as of March 12, 2019, the date of such withdrawal, it no longer has any interest in, or rights or claims against, the Partnership in its capacity as a partner of the Partnership or otherwise.
3. The Admitted General Partner hereby acknowledges that it was admitted as a general partner of the Partnership in substitution of the Withdrawn General Partner as of March 12, 2019. The Admitted General Partner agrees to be bound by, and accepts the terms of, the Partnership Agreement, as amended to date (including, without limitation, all of the obligations of the General Partner(s) set forth therein).
4. The address of the Admitted General Partner as the new general partner shall be 511 Spring Street, Vienna, Virginia 22180.
5. The Partnership's registered agent for service of process is hereby changed to COGENCYGLOBAL, Inc., 250 Browns Hill Court, Midlothian, VA 23114.
6. AS Squared, LLC shall be the Partnership Representative of the Partnership.

7. Upon the Execution of this Amendment, the Admitted General Partner, as a General Partner of the Partnership, shall take all actions necessary under the Act in connection with this Amendment, including any filings with the Filing Office which it deems necessary or appropriate in connection herewith.
8. Exhibit A to the Partnership Agreement, as amended to date, is hereby deleted in its entirety and the Schedule A attached hereto is substituted in its places.
9. This Amendment may be executed in several counterparts, and as so executed shall constitute one agreement, binding on all the parties hereto. Any counterpart of the Amendment which has attached to it separate signature pages which together contain the signatures of all parties hereto, or as executed by an attorney in fact on behalf of some or all of the parties hereto, shall for all purposes be deemed a fully executed instrument.

Except as hereby amended, the Partnership Agreement, as amended to date is hereby ratified and confirmed.

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[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this First Amendment to Amended and Restated Agreement of Limited Partnership, on the date first set forth above and affirm the truth of the statements contained herein under penalties of perjury.

**WITHDRAWN GENERAL PARTNER**

Telamon Corporation

By: \_\_\_\_\_  
Suzanne Orozco,  
Executive Director

**ADMITTED GENERAL PARTNER**

Petersburg Community Development Corporation,  
Inc.

By: \_\_\_\_\_  
James R. Hendricks,  
President

**GENERAL PARTNER**

AS Squared, LLC

By: \_\_\_\_\_  
Adam J. Stockmaster,  
Manager

**LIMITED PARTNER**

AS Squared, LLC

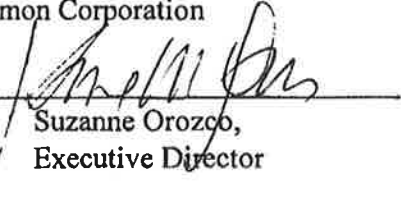
By: \_\_\_\_\_  
Adam J. Stockmaster,  
Manager

IN WITNESS WHEREOF, the parties have executed this First Amendment to Amended and Restated Agreement of Limited Partnership, on the date first set forth above and affirm the truth of the statements contained herein under penalties of perjury.

**WITHDRAWN GENERAL PARTNER**

Telamon Corporation

By: \_\_\_\_\_

  
Suzanne Orozco,  
Executive Director

**ADMITTED GENERAL PARTNER**

Petersburg Community Development Corporation,  
Inc.

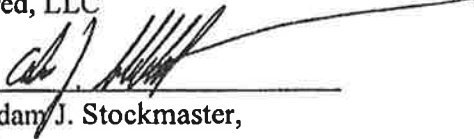
By: \_\_\_\_\_

James R. Hendricks,  
President

**GENERAL PARTNER**

AS Squared, LLC

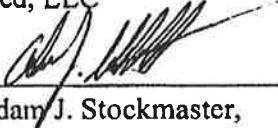
By: \_\_\_\_\_

  
Adam J. Stockmaster,  
Manager

**LIMITED PARTNER**

AS Squared, LLC

By: \_\_\_\_\_

  
Adam J. Stockmaster,  
Manager

## Schedule A

### General Partner

### Percentage of Ownership

AS Squared, LLC  
1375 Piccard Drive, Suite 150  
Rockville, MD 20850

4.5%

Petersburg Community Development Corporation, Inc.  
200 South 10<sup>th</sup> Street, Suite 1600  
Richmond, VA 23219

0.5%

### Limited Partners

AS Squared, LLC  
1375 Piccard Drive, Suite 150  
Rockville, MD 20850

95%

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

CERTIFICATE OF AMENDMENT TO  
CERTIFICATE OF LIMITED PARTNERSHIP

This certificate of amendment is presented for filing pursuant to § 50-73.12 of the Code Virginia.

1. Name of Limited Partnership. The name of the limited partnership is Windsor Court II Apartments Limited Partnership.
2. Limited Partnership I.D. #. The Limited Partnership I.D. # assigned by the State Corporation Commission is L019483-9.
3. Date of Filing of Certificate. The filing date of the initial certificate of limited partnership with the State Corporation Commission for Windsor Court II Limited Partnership is February 20, 2007.
4. The certificate of limited partnership is amended as follows:

- A. Name and Address of Withdrawing General Partner. The name and business address of the withdrawing general partner is:

Southeast Rural Community Assistance Project, Inc.  
145 W. Campbell Avenue, S.W., Suite 800  
Roanoke, VA 24001

- B. Windsor Court II Limited Partnership shall continue in business under § 50-73.49 after an event of withdrawal of a general partner.

- C. Name and Address of Substitute General Partner. The name and business address of the substitute general partners are:

AS Squared, LLC  
15825 Shady Grove RD, Suite 55  
Rockville, MD 20850

Telamon Corporation  
3937 Western Blvd  
Raleigh, NC 27606

IN WITNESS WHEREOF, the General Partners have duly executed this Certificate of Amendment to the Certificate of Limited Partnership effective as of the 22nd day of January 2008.

WITHDRAWING GENERAL PARTNER

SOUTHEAST RURAL COMMUNITY ASSISTANCE PROJECT, INC.

By: Mary C Terry  
Mary C. Terry  
CEO/President

SUBSTITUTE GENERAL PARTNER

AS Squared, LLC

By: Adam J. Stockmaster  
Adam J. Stockmaster  
Managing Member

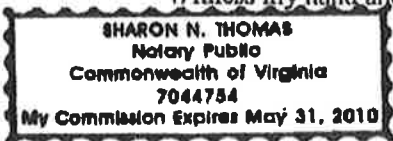
Telamon Corporation

By: Richard A. Jounis  
Richard A. Jounis  
Executive Director

COUNTY OF Roanoke  
STATE OF Virginia :ss

Before me, the undersigned Notary Public in and for the aforesaid County and State, personally appeared Mary C. Terry in her capacity as CEO/President of Southeast Rural Community Assistance Project, Inc., Withdrawing General Partner of Windsor Court II Apartments Limited Partnership, and being duly sworn, acknowledged the execution of the foregoing Certificate of Amendment to Certificate of Limited Partnership.

Witness my hand and notarial seal this 26<sup>th</sup> day of January 2008.



Sharon N. Thomas  
Notary Public

My Commission Expires: May 31, 2010



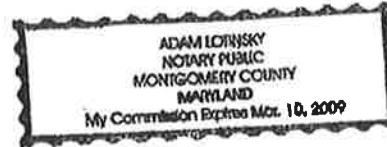
COUNTY OF MONTGOMERY  
:SS  
STATE OF MARYLAND

Before me, the undersigned Notary Public in and for the aforesaid County and State, personally appeared Adam J. Stockmaster in his capacity as Managing Member of AS Squared, LLC, Substitute General Partner of Windsor Court II Apartments Limited Partnership, and being duly sworn, acknowledged the execution of the foregoing Certificate of Amendment to Certificate of Limited Partnership.

Witness my hand and notarial seal this 29<sup>th</sup> day of January 2008.

*Adam Lotosky*  
Notary Public

My Commission Expires: MARCH 10, 2009



COUNTY OF WAKE  
:SS  
STATE OF NORTH CAROLINA

Before me, the undersigned Notary Public in and for the aforesaid County and State, personally appeared Richard A. Joanis in his capacity as Executive Director of Telamon Corporation, Substitute General Partner of Windsor Court II Apartments Limited Partnership, and being duly sworn, acknowledged the execution of the foregoing Certificate of Amendment to Certificate of Limited Partnership.

Witness my hand and notarial seal this 30<sup>th</sup> day of January 2008.

*Lawrence A. Chapman*  
Notary Public

My Commission Expires: August 19, 2009



AMENDED AND RESTATED  
AGREEMENT OF LIMITED PARTNERSHIP  
OF WINDSOR COURT II APARTMENTS LP

THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP (this "Agreement") is made on March 1, 2013, by and among the undersigned parties in accordance with the provisions of the Virginia Revised Uniform Limited Partnership Act, Title 50, Chapter 2.1 of the Code of Virginia. This Agreement amends and restates in its entirety that certain Agreement of Limited Partnership dated February 16, 2007, as amended by that certain First Amendment to Agreement of Limited Partnership dated January 22, 2008, and as further amended by that certain Second Amendment to Agreement of Limited Partnership dated March 1, 2013 (collectively, the "Original Limited Partnership Agreement") of Windsor Court II Apartments LP, a Virginia limited partnership (the "Partnership").

WHEREAS, the Partnership was originally formed as a Virginia limited partnership pursuant to Certificate of Limited Partnership that was filed with the Virginia State Corporation Commission on February 16, 2007, as amended by that certain Certificate of Amendment to Certificate of Limited Partnership that was filed with the Virginia State Corporation Commission on January 22, 2008.

WHEREAS, the parties hereto now desire to enter into this Agreement to (i) amend and restate the Original Limited Partnership Agreement in its entirety, (ii) continue the Partnership under the Act, and (iii) set forth all of the provisions governing the Partnership.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, it is agreed and certified that this Agreement is stated in its entirety as follows:

I. DEFINITIONS.

Unless the context shall plainly require otherwise, the following words when used in this Agreement and any and all Exhibits thereto shall have the following meanings:

- A. "Act" means the Virginia Revised Uniform Limited Partnership Act, Title 50, Chapter 2.1 of the Code of Virginia, as amended, and shall include any revisions thereof and amendments and supplements thereto which are not inconsistent with the provisions hereof.
- B. "Agreement" means this Amended and Restated Agreement of Limited Partnership, as the same may be modified and amended from time to time.
- C. "RHS" means the Rural Housing Service, an agency of the United States Department of Agriculture and any successor entity.
- D. "General Partner" means AS Squared, LLC, Telamon Corporation, and any substitute persons or entities and/or deletions thereof and any additions thereto approved as provided in this Agreement. The name residence and Partnership

Interest of the General Partner shall be designated on Exhibit "A" to this Agreement, and the same shall be amended from time to time.

- E. "Land" means that certain parcel of land situated in Windsor, Isle of Wight County, Commonwealth of Virginia, housing one apartment development known as Windsor Court II Apartments.
- F. "Limited Partners" means the entities and/or persons which or who are, from time to time, accepted by the General Partners as, and thereby, admitted as Limited Partners. The name, residence and Partnership Interest of each Limited Partner shall be designated on Exhibit "A" to this Agreement, as the same shall be amended from time to time.
- G. "Majority General Partner" means AS Squared, LLC, or any other successor Majority General Partner of the Partnership designated in accordance with this Agreement.
- H. "Partners" means collectively the General Partners and all Limited Partners of the Partnership.
- I. "Partnership" means the Limited Partnership created pursuant to the Original Limited Partnership Agreement.
- J. "Partnership Interest" means the proportionate interest of each Partner in the Partnership's business, property, assets, capital, and profits and losses, subject to all of the provisions of this Agreement, as designated on Exhibit "A". "Partnership Interests" means the aggregate interest of the General Partners and all Limited Partners in the Partnership. Under no circumstances, however, shall the General Partners maintain less than a five percent (5%) financial interest in the Partnership.
- K. "Project" means the rental housing projects known as "Windsor Court II Apartments" located in Windsor, Isle of Wight County, Virginia.
- L. "Property" or "Partnership Property" means all property, real, personal or mixed constituting part of the Project, and includes the Land and any structures, building equipment, furnishings, fixtures, motors, machinery, landscaping or other site improvements to be actually constructed or placed on or off the Land.

## II. ORGANIZATION

- A. Formation. The parties do hereby form a Limited Partnership under and pursuant to the Act. Should any provisions of this Agreement be inconsistent with the Act, then such provisions, including any actions taken or occurring in connection with such inconsistent provisions, shall be deemed null and void ab initio.

- B. Name. The name of the Partnership shall be "Windsor Court II Apartments LP". The business of the Partnership may be conducted under any name chosen by the General Partners, and the General Partners may, in their sole discretion, from time to time, change the name of the Partnership.
- C. Specified Office; Registered Agent. The specified office of the Partnership shall be located at 15825 Shady Grove Road, Suite 55, Rockville, Maryland 20850 or at any such other place or places as the Majority General Partner may from time to time determine. The Majority General Partner may establish other places of business of the Partnership, when and where required by the Partnership's business. The Partners shall be notified of any change of location of the specified office. The name and address of the registered agent for the Partnership is Ted W. Hussar, Esq., 7215 Poplar Street, Annandale, Fairfax County, Virginia, 22003. Mr. Hussar is a resident of the Commonwealth of Virginia. He is a practicing attorney and a member of the Virginia State Bar.
- D. Term. The term of the Partnership shall commence as of the date hereof and shall continue until December 31, 2063, fifty (50) years from the date of this Agreement, unless sooner terminated or extended in accordance with the provisions of this Agreement; provided, however, that if the Partnership obtains the RHS loan referenced in Section III.C. of this Agreement, the term of the Partnership shall continue for no less than fifty (50) years from the date of the loan closing of such loan by RHS.
- E. Exhibit "A". The name, place of residence, capital contribution, and Partnership Interest of each Partner are designated on Exhibit "A". Any changes in Partnership Interests shall be reflected by an amendment to Exhibit "A". All references herein to Exhibit "A" shall mean Exhibit "A" as in effect at the relevant time, including any amendments thereto.
- F. Liability. Unless otherwise provided in this Agreement and except as provided in the Act or any successor statute thereto, no Partner shall be liable to any other Partner or to the Partnership by reason of his actions in connection with the Partnership.
- G. Dealing with Partners. Unless named in the Agreement or unless admitted to the Partnership as provided in the Agreement, no person shall be considered a Partner; and the Partnership, each partner, and any other persons having business with the Partnership need deal only with, and shall incur no legal liability for dealing only with, the Partners so named or so admitted and they shall not be required to deal with, nor shall they incur any legal liability for not dealing with, any other person by reason of an assignment by a Partner or by reason of the death, bankruptcy or incompetency of a Partner, except as otherwise provided in this Agreement.

- H. Legal Title to Partnership Property. Legal title to the Partnership Property shall be held in the name of the Partnership, or in whatever other manner the Majority General Partner, in its sole discretion, shall determine to be in the best interests of the Partnership.
- I. Partnership Actions. All decisions and actions of the Partnership may be taken by submitting written notices to the Partners entitled to participate in such decisions or actions and obtaining the written consent of the requisite number or percentage of Partners. No meetings of the Partnership shall be held unless the General Partners shall decide that a meeting is necessary.
- J. Filing of Agreement. The General Partners shall promptly record this Agreement in the appropriate records of the Commonwealth of Virginia, such recordation to constitute the filing of an Agreement as required by applicable law of the Commonwealth of Virginia; and shall do all and any other acts and things requisite for the formation and perfection of the Partnership as a limited partnership pursuant to the Act and other relevant laws of the Commonwealth of Virginia. Any subsequent modifications or amendments of the Agreement required pursuant to this Agreement shall be likewise recorded as provided in this Section.

### III. PURPOSE, BUSINESS AND POWERS

- A. Purpose of the Partnership. The purpose of the Partnership is to acquire, rehabilitate, maintain and operate the Project as a multi-family rental housing project.
- B. Business and Powers. The Partnership is authorized:
  - 1. To do all acts and things provided for or authorized by the Act;
  - 2. To acquire, rehabilitate, maintain, operate, and to buy, own, sell, convey, assign, mortgage or lease any real estate an any personal property necessary or incidental to the provision of rental housing;
  - 3. To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business and to secure any such indebtedness by mortgage, pledge or other lien;
  - 4. To enter into any kind of activity and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purpose of the Partnership;
  - 5. To do any and all things necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Partnership; and

6. To do any and all things necessary and proper for the accomplishment of the objects herein enumerated or necessary or incidental to the protection and benefit of the Partnership.

C. RHS Authorization.

1. In addition to the purposes, business and powers of the Partnership as hereinabove set forth, the Partnership shall be specifically empowered and authorized to:
  - (a) Apply for and obtain from RHS loans, mortgages, interest subsidies, rent supplement, AND rental assistance payments pursuant to the provisions of applicable law; and
  - (b) Enter into an agreement with RHS (the "Loan Agreement") governing the operation and maintenance of the Project.
2. The Partnership, through its General Partners, shall have the right to apply for and obtain from RHS, pursuant to the provisions of Section 515 of the Housing Act of 1949, as amended, or any other applicable law, funds for the rehabilitation, operation and management of the Project. The Partnership is authorized to execute bonds, notes and other evidences of indebtedness issued by the Partnership and any indenture of mortgage or deed of trust securing the same (hereinafter referred to as "mortgage" or "mortgages"), execute one or more Loan Agreements, and such other collateral documents as may be required by RHS in connection with such loan or loans. Any incoming Partners shall, as a condition of receiving an interest in the Partnership, agree to be bound by the Loan Agreement and other documents required in connection with such loan or loans with RHS to the extent and on the same terms as the other Partners of the same class. Upon any dissolution of the Partnership, no title or right to possession and control of the Project, and not right to collect the rents therefrom shall pass to any person who is not bound by the Loan Agreement in a manner satisfactory to RHS while any RHS mortgage on Partnership Property is outstanding. The General Partners are authorized and empowered, on behalf of the Partnership, to negotiate, obtain and comply with such amendments of the mortgage, note, Loan Agreement, plans and specifications and related documents as may be acceptable to or required by RHS. The aforesaid Loan Agreement shall be binding upon the Partnership, its successors and assigns, as long as a mortgage on the Property of the Partnership, which is insured or held by RHS, is outstanding. Any requirements imposed on the Partnership under the Housing Act of 1949, as amended, or the Loan Agreement, if inconsistent with any provision of this Agreement, shall be controlling and shall govern the rights and obligations of the parties hereto. Notwithstanding any other provision contained in this Agreement to the contrary, so long as there exists of record any mortgage or deed of trust between the Partnership and RHS encumbering the Property, or so long as there exists of record any mortgage or deed of trust executed by the Partnership which is insured by RHS encumbering such Property, and any such mortgage or deed of

trust has not been released from record, then, the Partnership and all Partners shall not, without the prior written consent from RHS:

- (a) Voluntarily add, substitute or delete or allow the withdrawal of any General Partner; or
  - (b) Voluntarily dissolve or terminate the Partnership or sell all or substantially all of the assets of the Partnership; or
  - (c) Amend this Agreement.
- D. Compliance with Law. In conducting its business, the Partnership shall comply in every respect with all applicable Federal, state and local statutes, rules and regulations.

#### IV. SOURCES OF PARTNERSHIP FUNDS

- A. Capital Contributions. Upon the execution of this Agreement, the Partners shall contribute to the capital of the Partnership, their respective interests in the Land, the Project and all commitments, rights, agreements and other intangibles pertaining thereto as well as the amounts set forth opposite such Partner's name on Exhibit "A" hereto. In consideration for such contributions, the Partners shall receive the respective Partnership Interests indicated after their names under the heading "Capital Contributions" and such amounts shall be credited to their respective capital accounts. No interest or any other compensation shall be payable to a Partner in respect to his capital contribution or capital account.
- B. Contributions and Loans. In the event that at any time (or from time to time) additional funds (in excess of the assumption and rehabilitation loans and/or permanent mortgage financing and the aforesaid capital contributions) are required by the Partnership for or in respect of its business or any of its obligations, expenses, costs, liabilities or expenditures (including, without limitation of the generality of the foregoing, completion of rehabilitation of the Project and/or operating deficits), the General Partners shall have the right (but not the obligation), for and on behalf of the Partnership, to borrow such funds, with interest payable at then prevailing rates, from commercial banks, savings and loan associations and/or other lending institutions or persons (including Partners). In lieu thereof, the Partners may contribute to the capital of the Partnership (in accordance with their respective Percentage Interests) an amount sufficient to make such payment (thereby, in this latter event, receiving appropriate credits to their respective capital accounts). Notwithstanding any other provisions in this Agreement to the contrary, the Partnership must obtain the prior written consent of the RHS before borrowing any money from the General Partners or third parties. Any interest paid on loans by the Partners to the Partnership shall be counted against the applicable percentage return on investment prescribed by RHS regulations.



- C. No Rights in Third Parties. The provisions of this Agreement are not intended to be for the benefit of any person other than a Partner to whom any debts, liabilities or obligations are Owed by, or who otherwise has any claim against, the Partnership or any Partner, and no creditor or other person shall obtain any rights under such provision or by reason of such provision shall be able to make any claim in respect of any debts, liabilities or obligations against the Partnership or any of the Partners.
- D. Capital Account. For all purposes of this Agreement, the "capital account" of a Partner as of any date is hereby defined to mean the amount of cash (or the agreed fair market value of property) and reimbursed out-of-pocket expenditures incurred by a Partner for and on behalf of the Partnership contributed initially, and contributed from time to time, by such Partner to the capital of the Partnership pursuant to this Article IV, properly adjusted to reflect:
1. Such partner's distributive share of profits and losses of the Partnership for the period from the close of the last such Partnership accounting year to such date, and
  2. Such Partner's distributive share of any income tax credits of the Partnership and distributions by the Partnership to such Partners (including, if such date is not the close of a Partnership accounting year, any income tax credit arising, or distributions by the Partnership to him during the period from the close of the last such Partnership accounting year to such date).
- E. Additional Capital Contributions. Each Partner may, but no Partner in his capacity as such shall be required or obligated to, contribute to the capital of the Partnership any amount beyond that set forth after his name in Exhibit "A" or as required by this Agreement.

V. APPLICATION OF PARTNERSHIP FUNDS

- A. Partnership Costs and Expenses. The Partnership shall pay, and no Partner shall be personally liable for (other than as a Partner herein), all costs and expenses of acquiring, owning and operating the Property, including, but not limited to, legal and accounting fees, loan placement fees, financing costs and related expenses and principal and interest on or in connection with the loan or loans from which the financing proceeds will be obtained, real estate taxes and other carrying charges, and all costs of rehabilitation and repair of the Project. The Partnership shall also pay all costs and expenses of operating the Project and the Partnership, including, but not limited to management and leasing fees and any and all operating expenses. The Partnership will also pay legal expenses of the Partnership or the General Partners in respect of any legal actions relating to the Partnership Property or the conduct of the Partnership business. The Partnership

may also set aside funds for any other items which are for proper Partnership purposes, including, but not limited to, such reasonable reserves as the General Partners consider appropriate for capital improvements, replacement or repairs or anticipated expenses. As long as funds from any source are available to the Partnership, the Partnership shall pay, currently, all expenses and charges in connection with the acquisition, ownership and operation of the Project and the Partnership Property. Any Partnership funds remaining after payment of all of the foregoing items described in this Section V.A. shall be distributed as provided in Section V.B. of this Article.

B. Distribution of Net Cash Flow and Proceeds of Sale or Refinancing.

1. Distributions. The net cash flow of the Partnership, as defined below, shall be distributed among the Partners, pro rata, in proportion to their respective Partnership Interests. Under no circumstances, however, will the General Partners receive an aggregate amount of less than five percent (5%) of the net cash flow of the Partnership. As far as is practicable, such distributions shall be made annually, but such distributions may be made more or less frequently if the Majority General Partner, in its reasonable discretion, so determines. Notwithstanding the foregoing, no distribution shall be made except as permitted by the RHS Loan Agreement and the rules and regulations of RHS.
2. Definition of Net Cash Flow. For all purposes of this Agreement, the term "net cash flow" shall mean:
  - (a) The taxable income for Federal income tax purposes as shown on the books of the Partnership increased by (i) the amount of depreciation deductions or amortization or similar deductions in lieu of depreciation taken in computing such taxable income, and (ii) any nontaxable income or receipts of the Partnership (excluding capital contributions and the proceeds of any loans secured by mortgages or deeds of trust on Partnership Property or of any other Partnership obligations or loans to the extent used to finance capital improvements and/or replacements subsequent to final closing of the mortgage loan for the Project by RHS, and reduced by (i) payments upon the principal of any loans secured by mortgages or deeds of trust on Partnership Property or of any other Partnership obligations or loans (including loans from Partners), (ii) expenditures for the acquisition of Partnership Property and for capital improvements and/or replacements (except to the extent financed through capital contributions, loans secured by mortgages or deeds of trust on Partnership Property or any other Partnership obligations or loans, or reserves previously set aside by the Partnership for such purposes), (iii) any proceeds from the sale or other disposition of all or substantially all of the Property of the

Partnership, and (iv) such reserves for capital improvements and/or replacements, for repairs, for escrows, security deposits or the like, for tax and insurance payments and for meeting anticipated expenses or other contingencies, as the General Partners, in their sole discretion, shall deem to be reasonably necessary in the efficient conduct of the Partnership business; plus

(b) Any other funds (including amounts previously set aside as reserves by the General Partners, where and to the extent they no longer regard such reserves as reasonably necessary in the efficient conduct of the Partnership business) deemed available for distribution and designated as net cash flow by the General Partners (in their sole discretion).

3. Adjustments. All distributions made within the Partnership accounting year are subject to Adjustment by reference to the financial statements for such Partnership accounting year. If any additional amount is to be distributed by reason of such financial statements, such additional amount shall be deemed a distribution for such Partnership accounting year; and if any excess amount was distributed during such Partnership accounting year, as reflected by such financial statements, the excess amount shall be taken into account in reducing subsequent distributions.

4. Sale or Refinance of Partnership Property. In the event of (i) the sale or other disposition of all or substantially all of the Partnership Property, or (ii) any excess financing Or refinancing of any loans secured by mortgages or deeds of trust on Partnership Property, any such sale proceeds or excess financing or refinancing proceeds for the Partnership accounting year in which any such sale, disposition, financing or refinancing occurs shall be distributed among all Partners, after payment of or due provision made for payment of all liabilities of the Partnership, including any loans due to the Partners, pro rata, in proportion to the Partners' respective percentages of Partnership Interest indicated in the attached Exhibit "A". For all purposes of this Agreement, the term "excess financing or refinancing proceeds" shall mean the amount by which the proceeds of any Partnership loan exceeds the amount of such proceeds which the General Partners, in their sole discretion, determine to be necessary, in the efficient conduct of Partnership business, to finance capital improvements, capital replacements and/or Partnership operations.

C. Salaries to General Partners. The General Partners shall not be paid any salary or compensation for serving as General Partners, but shall be fully and entirely reimbursed for any out-of-pocket costs, direct salaries and expenses incurred by them in connection with the management and supervision of the Partnership business; provided, however, that no such reimbursement shall be made unless the person claiming reimbursement shall furnish the Partnership with such invoices,

vouchers, receipts or detailed other evidence of payment as the accountants for the Partnership shall deem to be necessary or appropriate. However, if the General Partners, in addition to serving as General Partners, also serve as Management Agent of the Project, they shall be entitled, in their capacity as Management Agent (as distinguished from their capacity as Partners) to a reasonable fee from the Partnership for their services as Management Agent. The General Partners may, in their sole discretion, contract, for and on behalf of the Partnership, with any person, firm or corporation, including themselves, or any of the other Partners of the Partnership, or any firm, corporation or other entity in which they may have an interest, at reasonable and competitive rates of compensation or remuneration, for the performance of any and all services which may, at any time be necessary, proper, convenient or advisable to carry on the business of the Partnership.

- D. General Contractor. Any other entity owned or controlled in whole or in part by the General Partners may be the general contractor for the Project. The Majority General Partner shall have the right, in its sole discretion, to select the General Contractor for the Project. Rights and duties relating to construction shall be evidenced by appropriate agreements to be executed between the Partnership and such general contractor.
- E. Withdrawal, Reduction or Right of Return of Capital Contribution.
1. No Partner shall have any right to demand or receive property, in lieu of cash, in return for his capital contributions, and his demand for return of his capital contributions, if otherwise proper, shall be for cash only.
  2. A Partner shall be entitled to the return of his capital contribution only upon the occurrence of the following:
    - (a) After the termination of the business of the Partnership provided the assets of the Partnership are then sufficient to cover all of its liabilities, including liabilities to all Limited Partners on account of their capital contributions;
    - (b) To the extent provided in Article IX in the case of dissolution and winding up the Partnership; and
    - (c) After taking account of prior Partnership distributions or deductions which reduce the Partner's capital account.
  3. Upon return of the capital contribution to a Partner, if the interest of such Partner in the Partnership is thereupon terminated, then the percentage of Partnership Interest of such Partner shall be allocated to the remaining Partners in proportion to their respective percentages of Partnership interest.

VI. RIGHTS, POWERS AND OBLIGATIONS OF GENERAL PARTNERS.

- A. Powers of the General Partners. In addition to the specific rights and powers herein granted, the General Partners shall possess, enjoy and may exercise all of the rights and powers of General Partners, as more particularly provided by the Act. The General Partners alone shall have the full and complete charge of all affairs of the Partnership, and the management and control of the Partnership business shall rest exclusively with the General Partners subject to the terms and conditions of this Agreement. The General Partners shall use their best efforts to carry out the business of the Partnership and shall devote such time to the Partnership as, in their sole and absolute discretion, is necessary for the efficient operation of the Partnership business. Without limiting the generality of the foregoing, the General Partners shall have the authority and power to:
1. Acquire the Land and Project and execute all such contracts and instruments, and do all such other acts as may be necessary for the purchase thereof and the perfecting of the title of the Partnership thereto;
  2. Take any and all steps necessary, or appropriate to rehabilitate the Project, including without limitation, awarding to any person contracts related to the rehabilitation of the Project;
  3. Finance the development of the Project through one or more non-recourse mortgages under Section 515 of the Housing Act of 1949, as amended;
  4. Execute the Loan Agreement and any other contractor agreement with RHS, or any other document or instrument with any part necessary to effectuate the mortgage loan from RHS, which may be desirable or necessary to comply with the requirements of the Housing Act of 1949, as amended, or other applicable laws and regulations thereunder, including, but not limited to those relating to rents, sale, charges, capital structure, rate of return and methods of operation;
  5. Increase, extend or otherwise modify any mortgage loan on property of the Partnership to the extent required and as permitted by RHS;
  6. Bring and defend actions at law or in equity;
  7. Enter into and carry out contracts and agreements of all kinds;
  8. Do and perform all such other things as may be necessary or appropriate to the conduct of the Partnership business;
  9. Employ on behalf of the Partnership such persons, firms or corporations, as, in their sole discretion and judgment, the General Partners shall deem

advisable for the proper operation and management of the business of the Partnership, including corporate affiliates or persons affiliated with the General Partners, such employment to be undertaken upon such terms and for such compensation as the General Partners, in their sole judgment, shall determine;

10. Operate, manage, and rehabilitate improvements on the Partnership Property and to enter into agreements with others with respect to such operations, management, rehabilitation and development, including corporate affiliates or persons affiliated with the General Partners, which agreements may contain such terms, provisions and conditions as the General Partners in their sole and absolute discretion may approve;
11. Open and maintain a special bank account or accounts in which shall be deposited all original money contributions of the Partners and all other funds of the Partnership; and
12. Appoint and employ on behalf of the Partnership funds a Management Agent for the Project. The duties and obligations of the General Partners or any successor General Partners on behalf of the Partnership and the Management Agent shall be set forth in the Management Agreement in accordance with RHS Regulations. The General Partners shall not be liable to the Limited Partners, or any of them, for an act or omission to act of the Management Agent.

**B. Management of Partnership Business.**

1. **General Partners to Manage.** No Limited Partner shall have or exercise any rights in connection with the management of the Partnership business. Management of the Partnership business shall in every respect be the full and complete responsibility of the General Partners alone. The General Partners shall have sole and exclusive power and authority to do all acts required or proper in connection with the construction of the Project and completion thereof. The General Partners shall have the authority to make a final determination in all matters which relate to the maintenance of the Partnership books and disbursement of funds. The General Partners, in extension and not in limitation of the powers given to them by law or other provisions of this Agreement, shall in their sole discretion, have full power in the management of the Partnership business to do any and all acts and things necessary, proper, convenient or advisable to effectuate the purpose of the Partnership, subject to the provisions of this Agreement.
2. **Majority General Partner.**
  - (a) The General Partners and Limited Partners, by executing this Agreement, do hereby constitute and appoint AS Squared, LLC, as

the Majority General Partner of the Partnership, with general supervisory responsibility for its affairs, and do further specifically authorize and empower him for and on behalf of the Partnership, to execute any and all documents required by RHS in connection with the initial and final closings on the secured loan for the Project by RHS, as well as any documents required by RHS during the construction and development of the Project. The aforesaid specific authorization shall, without limitation, empower AS Squared, LLC, as Majority General Partner, to execute for and on behalf of the Partnership, any note, deed of trust, rehabilitation loan agreement, rehabilitation contract, regulatory agreement, plans and specifications, as may, at any time, be required by RHS.

- (b) Notwithstanding any provision of this Agreement and/or the Act and/or any rule of law to the contrary, the parties hereto do hereby agree that as Majority General Partner of the Partnership shall:
  - (i) be the sole Majority General Partner of the Partnership and shall not be replaced, substituted, or in any way have its powers as Majority General Partner amended, altered, diluted or otherwise modified without its express prior written consent, in each instance, such consent to be evidenced by a duly executed amendment to this Agreement.
  - (ii) have the sole and exclusive authority and responsibility for the management, operation and conduct of the business and other activities of the Partnership, exclusively exercising in his own judgment all those decisions and actions reserved in this Agreement for parties other than the Majority General Partner concerning the management, conduct and operation of the Partnership and its activities, including, without limitation, the activities set forth in Sections II.G., III.B., III.C., VI.A., VI.B., VI.C. of this Agreement.
- (c) The provisions of Section V.C. of the Partnership Agreement shall: not preclude the payment by the Partnership to the Majority General Partner of a reasonable Majority General Partner's fee for his management of the Partnership and activities as well as the payment of a general contractor's fee to the Majority General Partner if the Majority General Partner is the general contractor for any project constructed by the Partnership.
- (d) The expansion of the rights and powers of the Majority General Partner as provided for herein and the relinquishment of such rights and powers by the remaining partners (general and limited)



of the Partnership shall in no way diminish the ability of the Majority General Partner to act as the attorney-in-fact for such partners in the management, conduct and operation of the Partnership and its activities as contemplated by this Agreement, and such power shall be expanded to the extent consistent and necessary with the powers granted to the Majority General Partner and are hereby withdrawn from parties other than the Majority General Partner in a manner consistent with their relinquishment of rights and powers as provided for in this Agreement. Without limiting the generality of the rights of the Majority General Partner, the Majority General Partner is hereby granted an irrevocable power of attorney to execute, on behalf of all other General and/or Limited Partners of the Partnership, any amended or restated agreements and/or certificates of limited partnership for the Partnership, or any similar documents, as the Majority General Partner may deem necessary in connection with the syndication of the Majority General Partner's interests (general and/or limited) in the Partnership.

- (e) The Majority General Partner shall have the right, in his sole discretion, to approve the admission of any new and/or substituted limited partner. Any substitution of the Majority General Partner shall be done with the prior consent of RHS.
- (f) The provisions of this Agreement shall be construed liberally for the benefit of the Majority General Partner.

3. Power of Attorney. Each of the Partners hereby appoints the Majority General Partner as his agent or attorney-in-fact to execute on his behalf and on behalf of the Partnership any action which this Agreement provides the right of the Majority General Partner to so perform, provided that no Limited Partner shall be personally liable in respect thereof. Except as otherwise specifically provided in this Agreement, the Majority General Partner shall have a general power of attorney from all Partners to execute all Partnership documents necessary to effectuate any and all acts properly authorized by the Partners as required by this Agreement.

C. Lease, Sale, and Refinance of Partnership Property. The General Partners, with the prior written approval of Partners owning at least fifty-one percent (51%) of the total Partnership Interest in the Partnership, shall have the right, power and authority (without regard to the term of the Partnership), acting for and on behalf of the Partnership, to lease the entire Project, sell or refinance the Property (or any part thereof) of the Partnership. In no event shall any party dealing with the General Partners with respect to any Property of the Partnership, or to whom any such Property (or any part hereof) shall be conveyed, contracted to be sold, leased, mortgaged, or refinanced by the General Partners for and on behalf of the

Partnership, be obligated to see to the application of any purchase money, rent or money borrowed or advanced thereon, or be obligated to see that the terms of this Agreement have been complied with, or be obligated to inquire into the necessity or expediency of the act or action of the General Partners, or be obligated or privileged to inquire into any of the terms of this Agreement. Every contract, agreement, deed, mortgage, lease, promissory note or other instrument or document executed by the General Partners with respect to any Property of the Partnership shall be conclusive evidence in favor of any and every person relying thereon or claiming thereunder that (i) at the time or times of the execution and/or delivery thereof, the Partnership was in full force and effect; (ii) such instrument or document was duly executed in accordance with the terms and provisions of this Agreement and is binding upon the Partnership and all of the Partners thereof; and (iii) the General Partners were duly authorized and empowered to execute and deliver any and every such instrument or document for and on behalf of the Partnership.

- D. Exculpation and Indemnification. Except in the case of gross negligence or willful misconduct, the General Partners shall not be liable, responsible or accountable in damages or otherwise to the Limited Partners for the doing of any act or the failure to do any act, the effect of which may cause or result in loss or damage to the Partnership, if done pursuant to advice of legal counsel employed by the General Partners on behalf of the Partnership, or if done in good faith to promote the best interest of the Partnership. The General Partners or any Partnership employee or agent shall be entitled to be indemnified by the Partnership as an expense of the Partnership against any loss or threat of loss, as a result of any claim or legal proceeding relating to the performance or nonperformance of any act concerning the activities of the Partnership, except in the case where the General Partners or such employee or agent is guilty of bad faith, gross negligence or willful misconduct. The indemnification authorized by this Section shall include the payment of reasonable attorney's fees and other expenses (not limited to taxable costs) incurred in settling or defending any claims, threatened action or finally adjudicated legal proceedings.
- E. Independent Activities. Nothing herein contained shall be construed to constitute any Partner the agent of another Partner, except as provided herein, or in any manner to limit the Partners in the carrying on of their own respective businesses or activities. Any of the Partners may engage in and/or possess any interest in other business or real estate ventures of every nature and description, independently or with others, including, but not limited to, the ownership, financing, leasing, operating, management and development of real property; and neither the Partnership nor the Partners shall have any rights in and to such independent ventures or the income or profits derived therefrom.
- F. Assignment. The Partnership Interest of the General Partner shall not be assignable, but the General Partners may assign their equitable right to profits or

to their compensation by way of income. Neither the Partnership nor any Partner shall be required to deal with such assignee.

G. Dissolution, Death, Retirement, Incompetency or Bankruptcy of a General Partner.

1. Effect on Partnership. In the event of the dissolution, death, incompetency, or bankruptcy of a General Partner, or the retirement of a General Partner pursuant to Section VI.G.3., the provision of Section IX.B. shall apply.

2. Effect on General Partners. Effective as of the date of the dissolution, death, incompetency or bankruptcy of the General Partners, his Partnership Interest as a General Partner shall be automatically converted into a Limited Partnership interest, the Agreement shall be amended accordingly and the provisions of Section VII.F. shall apply to such interest, effective on the same date.

3. Right of a General Partner to Retire. A General Partner shall not retire without the prior written consent of the remaining General Partners; or, if no General Partners remain, Partners owning fifty-one percent (51%) of the total Partnership Interests in the Partnership.

4. Rule for General Partners. In the event that a General Partner retires, dies, or becomes dissolved, incompetent or bankrupt, the Partnership shall be dissolved unless the remaining General Partners agree to continue the Partnership; or if no General Partners remain, unless all remaining Partners agree to continue the Partnership. If the Partners elect to continue the Partnership as provided above, the remaining General Partners or Limited Partners, as the case may be, will designate a new General Partner who is willing to serve as a General Partner; such person shall become a General Partner by amendment of this Agreement. Execution of this Agreement constitutes the affirmative consent of all Partners to such procedure and to such admission of a new General Partner.

H. Rights of Limited Partners. No Limited Partner shall have priority over any other Limited Partner as to contributions or as to compensation by way of income. Notwithstanding any other provision of this Agreement, it is understood and agreed that the prior approval of Partners owning at least fifty-one percent (51%) of the total Partnership Interest shall be required for: (i) the refinancing of the Partnership Property; (ii) the sale or any other disposition of all or substantially all of the Property of the Partnership; or (iii) the making of any capital expenditures after the completion of the Project in excess of One Hundred Thousand Dollars (\$100,000.00). At such time as any such decision is required to be made, the General Partners shall give not less than thirty (30) days' notice of any such proposed decision to all partners, and such notice shall include sufficient

information and such other relevant details and pertinent facts as are necessary to enable the recipient to judge the merits of the proposal. If any Partner does not respond to any such notice on or before the thirtieth (30th) day following the day such notice is mailed, he shall be deemed to have irrevocably authorized the General Partners to vote his Partnership Interest with respect to such proposed decision. Any response desired or required to be made within such thirty (30)-day period by the Partners shall be made by notice to the Partnership.

- I. Power of Attorney. In addition to such other rights and powers herein elsewhere conferred upon the Majority General Partner, each Limited Partner does hereby make, constitute and appoint the Majority General Partner as its true and lawful attorney-in-fact; in such Limited Partner's name and behalf, to prepare any amendment to the Agreement (or any amendment thereof) and to sign, certify under oath, and acknowledge any and every such amendment to the Agreement (such power of attorney being irrevocable so long as the Majority General Partner herein named remains Majority General Partner of this Partnership), where such an amendment is necessary to reflect:
1. A change in the name of the Partnership or in the amount or character of the contribution of any Limited Partner (including a change by reason of the return to any Limited Partner of all or any part of his capital account);
  2. The admission of an additional Limited Partner in accordance with the provisions of Section VII.D., or a Substituted Limited Partner in accordance with the provisions of Section VII.C.;
  3. The admission of a new General Partner by agreement of the Partners;
  4. The sale or any other disposition of all or substantially all of the property of the Partnership by agreement of the Partners;
  5. A change in the character of the business of the Partnership;
  6. The correction or clarification of any incorrect statement in the Agreement (or any amendment thereof);
  7. A change in the time stated in the Agreement (or any amendment thereof) for the end of the term of the Partnership or for the return of the capital account of any Partner; or
  8. Any other change or modification of the Agreement (or any amendment thereof) made in order to represent accurately the agreement among the Partners.

Each Limited Partner authorizes such attorney-in-fact to take any further action, which such attorney-in-fact shall consider necessary or advisable in connection

with any of the foregoing, hereby giving such attorney-in-fact full power and authority to do and perform each and every act or thing whatsoever requisite or advisable to be done as fully as such Limited Partner might or could do if personally present, and hereby ratifies and confirms all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof.

The power of attorney granted under this Section is a special power of attorney, coupled with an interest, and is irrevocable and shall survive the delivery of an assignment by a Limited Partner of his entire interest in the Partnership for the sole purpose of enabling such attorney-in-fact to execute, acknowledge and file any such agreement, certificate, instrument or document necessary to effect such substitution.

The power of attorney granted under this Section may be exercised by such attorney-in-fact by listing all of the Limited Partners executing a particular document, with a single signature of such attorney-in-fact for the Limited Partners whose names are listed thereon.

Each of the Limited Partners hereof does further agree, whenever requested to do so, personally to sign, certify under oath and acknowledge any such amendment made pursuant to this Section to this Agreement (or any amendment thereof related hereto) and to execute whatever further instruments may be required. The General Partners shall attend to the due execution and recordation of each and any such amendment.

## VII. TRANSFER OF PARTNERSHIP INTERESTS.

- A. Assignment of Partnership Interests. Subject to the provisions of Section VII.B, a Limited Partner may assign his Limited Partnership Interest (including his right to receive a share of profits or other compensation by way of income and a return of his capital contribution); provided, however, that the assignee shall not become a Substituted Limited Partner unless the provisions of Section VII.C. are strictly complied with.
- B. Right of First Refusal. Notwithstanding the provisions of Section VII.A, no Limited Partner shall dispose of all or any part of his Partnership Interest, otherwise than by transfer to a Partner of the Partnership or by gift, bequest or intestacy to (or in trust or custodianship for) a spouse, sibling, child or grandchild, parent or grandparent of such Partner, without first giving to the General Partners, at least thirty (30) days in advance of such proposed disposition, written notice of his intention to make such disposition. No such notice shall be considered effective under this Section unless (i) the Limited Partner desiring to make such disposition (hereinafter in this Section VII.B. referred to as the "Offering Partner") shall have first obtained a bona fide offer in writing to purchase such Partnership Interest; and (ii) a true copy of such offer, setting forth all of the terms and conditions of the proposed purchase, with the names and addresses of the

proposed purchaser or purchasers, shall have been attached to such written notice. For a period of thirty (30) days from the receipt of such written notice, the General Partners shall have the option to purchase from the Offering Partner under the same terms and conditions as set forth in the written offer. Such option shall be exercised by giving written notice to the Offering Partner. If such notice has not been given by the expiration of the aforesaid thirty (30) day period, the Offering Partner shall be free to make the disposition; provided, however, that he disposition shall be made within ninety (90) days after such expiration and in accordance with the terms and conditions of the bona fide offer, and shall be subject to the provisions of this Article. Any other disposition shall not be made or be effective unless the provisions of this Section VII.B. are followed.

C. Admission of Substituted Limited Partners. The assignee of a Limited Partner shall become a Substituted Limited Partner only upon the occurrence of the following:

1. The assignor Limited Partner so provides in the instrument of assignment; and
2. The assignee agrees in writing to be bound by the provisions of the Agreement (including any amendments thereof); and
3. Written consent is obtained from Partners possessing at least fifty-one percent (51%) of the total Partnership Interests in the Partnership; and
4. The assignee pays to the Partnership the cost of preparation, execution and recordation of an amendment to the Agreement, such substitution to be effective on the date described.

Pursuant to Section II.G. it is agreed that, in the absence of substitution of a Limited Partner for an assigning or deceased Limited Partner pursuant to this Section VII.C., any payment to a Partner or to his executors or administrator shall acquit the Partnership of all liability to any other persons who may be interested in such payment by reason of any assignment by the Partner or by death.

D. Admission of Additional Limited Partners. The General Partners may admit additional Limited Partners after obtaining the prior written consent of Partners owning at least fifty-one percent (51%) of the total Partnership Interests in the Partnership.

E. Dissolution, Death, Bankruptcy or Incompetency of a Limited Partner. The dissolution, death, bankruptcy, or incompetency of a Limited Partner shall not dissolve the Partnership. In the event of the bankruptcy of a Limited Partner, the Partnership shall have the option, within sixty (60) days of qualification of the legal representative, to purchase such bankrupt Partner's interest in the Partnership at a price equal to the balance in the bankrupt Partner's, capital

account determined pursuant to Section IV.D. payable in cash within ninety (90) days of the date of exercise of the option. In the event of bankruptcy and non-exercise of such option, or in the event of dissolution, death or incompetency, the successor or legal representative of the dissolved, deceased, bankrupt or incompetent Limited Partner shall have all of the rights of a Limited Partner, may become a Substituted Limited Partner if the Partners consent, as provided in Section VII.C.3., and shall have the same rights (subject to the same limitations) as the dissolved, deceased, bankrupt or incompetent Limited Partner would have to assign his Partnership Interest and to provide in the assignment that the assignee may become a Substituted Limited Partner, all in accordance with the procedure and under the conditions specified in Section VIII.A.3.

- F. Persons who are both General Partners and Limited Partners. The rights and obligations of any Partner who is both a General Partner and a Limited Partner shall be governed by the provisions affecting General Partners, as to his General Partnership Interest, and by the provisions affecting Limited Partners, as to his Limited Partnership Interest.

## VIII. ACCOUNTING AND FINANCIAL RECORDS

### A. Accounting Allocations.

1. Profits and Losses. The profits and losses of the Partnership shall be shared among all of the Partners in proportion to their Partnership Interest as set forth on Exhibit "A".
2. Tax Items. For purposes of Section 702 and 704 of the Internal Revenue Code of 1954, or the corresponding provisions of any future Federal Internal revenue law, or any similar Partner's distributive share of all Partnership items of income, gain, loss, deduction, credit or allowance for any period or year shall be made in accordance with such Partner's percentage interest in the Partnership.
3. Transfer During Taxable Year. In the case of the transfer of a Partner's Partnership Interest at any time other than the end, of an accounting period of the Partnership, the distributive share of the various items of Partnership income, gain, loss, deduction, credit or allowance in respect of the Partnership Interest so transferred as computed for Federal income tax purposes, or for purposes of the tax laws of any state or jurisdiction, shall be allocated between the transferor and the transferee in the ratio of the number of days in the taxable year before and after the transfer, except that this sentence shall not apply to extraordinary items such as the sale of the Partnership Property. The effective date of transfer will be (i) in the case of voluntary transfer, the effective date stated in the assignment or such other date as is mutually agreed between transferor and transferee, or (ii) in the case of an involuntary transfer, the date of the operative event,



but, unless transferor, transferee, and Partners empowered to make Partnership decisions pursuant to Sections VI.A. and VI.B. otherwise unanimously agree, such effective date shall not affect any distribution made by the Partnership to the transferor prior to the date of Notice of the General Partner of such transfer.

B. Financial Records.

1. Books of Account. At the principal office of the Partnership or at such other office as the Majority General Partner may designate, there shall be kept books of account, in which shall be entered fully and accurately each and every transaction of the Partnership. Each Partner shall at all reasonable times have access thereto. The books shall be kept on the basis of a method of accounting, as the General Partners shall determine.
2. Financial Statements. The Partnership will prepare, at the end of each accounting year, financial statements certified by such independent certified public accountant as the Majority General Partner, in its discretion, may designate, reflecting assets and liabilities and source and application of funds, tax information and a Partnership tax return. Such statements shall be sent to each of the Partners upon request within ninety (90) days of the close of each accounting year. Financial statements (which need not be certified unless expressly so requested by RHS or any construction lender) shall also be prepared at such intervals as may be required by any lender, and each Partner shall also be entitled to a copy of any such financial statement.
3. Audit by Partnership. An audit certified by a public accountant servicing the Partnership may, at the discretion of the Majority General Partner, be made as of the end of each accounting year and delivered to the Partnership to the extent practicable within ninety (90) days thereafter, and in such event each Partner shall at such time be entitled to a copy of the audit report or a summary thereof. A certified audit shall be made, if requested in writing, by Partners owning at least fifty-one percent (51%) of the total Partnership Interest in the Partnership.
4. Audit by Partner. Any Partner shall have the further right to a private audit of the books of the Partnership provided that such audit is made at the expense of the Partner desiring it and at reasonable times after prior notice.
5. Bank Account. The Majority General Partner shall arrange for the deposit of the funds of the Partnership in a bank account or accounts and shall arrange for the appropriate conduct of such accounts.

6. Accountant. The Partnership may retain a certified public accountant who shall be designated by the Majority General Partner.
7. Partnership Accounts. Appropriate accounts shall be maintained for each Partner. The initial capital contributions described in Section IV.A. shall be credited to the capital accounts. Thereafter, capital accounts shall be credited with contributions, profits, and other creditable items and debited with distributions, losses, and other debit items.
8. Tax Elections. Any elections (or revocations thereof) by the Partnership for tax purposes shall be made by the Majority General Partner.

IX. DISSOLUTION, WINDING UP AND TERMINATION

- A. Events of Dissolution. The Partnership shall be dissolved upon the occurrence of any of the following events:
  1. Agreement to Dissolve. Agreement to dissolve initiated by the affirmative decision of the General Partners, provided that such decision is approved by Partners owning at least fifty-one percent (51%) of total Partnership Interest in the Partnership; or
  2. Operation of Law. Any other event dissolving the Partnership as a matter of law (Section VII.E. and Section IX.B. expressly provide that certain events do not dissolve the Partnership.).
- B. Continuation of Partnership. In the event of the retirement, dissolution, death, incompetency or bankruptcy of a General Partner, or dissolution of the partnership by operation of law, the partnership shall be dissolved, unless the remaining General Partners agree to continue the Partnership; or, if no General Partners remain, all remaining Limited Partners agree to continue the partnership. All Partners shall continue to be Partners with the same interest as theretofore, except that Section VI.G.2. shall apply to the partnership Interest of a retired General Partner. To this end, all Partners agree to execute all appropriate documents to carry out the provisions of this Section IX.H., including amendments hereto, or an agreement to form a new Partnership on the same terms set forth herein.
- C. Continuation of Certain Contract Rights. In the event of dissolution of the Partnership, all contracts executed with the Partnership shall be binding upon any continuing or successor Partnership or assignees thereof, it being intended that the rights and liabilities thereunder shall not terminate, in respect of the Property of Partners by reason of a dissolution or termination of the Partnership.
- D. Winding Up. In the event that the Partnership is dissolved, then the General Partner shall proceed with dispatch and without unnecessary delay to sell or

otherwise liquidate the Partnership's interest in all Property of the Partnership; provided, that if at such time any new construction, repair or rehabilitation of Partnership Property has not, been completed, then completion thereof shall be a proper act in winding up the Partnership and the General Partners shall have full power and authority to do all acts appropriate to complete any construction, repair, or rehabilitation in process and place of record all appropriate financing. Any act or event (including the passage of time) causing dissolution of the Partnership shall in no way affect the validity of, or shorten the term of, any lease, deed of trust, mortgage, contract or other obligation entered into by or on behalf of the Partnership, or acquired by the Partnership as assignee. The full rights, powers and authority of the General Partners shall continue so long as appropriate and necessary to complete the process of winding up the business and affairs of the Partnership.

- E. Distribution of Assets in Winding Up. In winding up the Partnership, the Majority General Partner shall distribute the assets of the Partnership in the following order of priority:
1. To the Partnership's creditors, in the order of priority as provided by law except those to Limited Partners on account of their contributions, and to the General Partners;
  2. To Limited Partners in respect to their share of the profits;
  3. To Limited Partners in respect to the capital of their contributions;
  4. To the General Partners for loans or advances made to the Partnership other than for capital and profits;
  5. To the General Partners in respect to profits;
  6. To the General Partners in respect to capital;
  7. Any remaining assets shall be distributed to all Partners in proportion to their respective shares of profits and losses as set forth in Section VIII.A.
- F. Termination of Partnership. The Partnership shall terminate when all Property owned by the Partnership shall have been disposed of and the net proceeds and liquid assets, after satisfaction of liabilities to Partnership creditors, shall have been distributed among the Partners.

X. MISCELLANEOUS

- A. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. It is the intent of all Partners that all questions with respect to the construction of this Agreement and

the rights and liabilities of the Partners shall be determined in accordance with the provisions of the Act. The extent that the rights or obligations of a Partner or of the Partnership are different by reason of provisions of this Agreement that they would be in the absence of such provisions, this Agreement shall control. In the event of any conflict between this Agreement and the Act, the provisions of the Act shall control, and in the event of any conflict between this Agreement shall control.

- B. Bankruptcy. The term bankruptcy or adjudication of bankruptcy as used herein means an adjudication of bankruptcy under the Bankruptcy Act enacted by the Congress of the United States as now in force or hereafter amended, or an adjudication of insolvency under the laws of a state, or the District of Columbia, an assignment for the benefit of creditors and the filing in bankruptcy which is not dismissed within sixty (60) days of the filing thereof.
- C. Burden and Benefit. Subject to the limitations set forth herein, this Agreement shall be binding upon an inure to the benefit of the parties hereto, their respective heirs, legal representatives, executors, administrators, successors and assigns.
- D. Counterparts. This Agreement may be executed simultaneously in two or more parts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- E. Entire Agreement. This Agreement contains the entire agreement between the parties hereto and cannot be amended, modified, changed, discharged or terminated except in writing signed by the parties. It is expressly understood and agreed by and between all of the parties hereto that this Agreement sets forth all of the promises and agreements, conditions and understandings, warranties or representations, oral or written, express or implied among, them. It is expressly understood that all prior understandings among the parties are superseded by this Agreement. This Agreement is intended by all parties hereto to be an integration of all promises, agreements, conditions and understandings among the parties with respect to the Partnership and the Property of the Partnership.
- F. Exhibits. All exhibits referred to in this Agreement and any modifications or amendments thereto are incorporated herein by reference.
- G. Gender. The use of the masculine gender in this Agreement shall be deemed to include the feminine and neuter genders, the use of any gender shall include all genders, and the use of the singular shall include the plural, and vice versa, whenever the context so requires.
- H. Incompetency. The term incompetency, or adjudication of incompetency, as used herein, means a judicial determination that a person is not competent to handle his own affairs, whether by reason of physical or mental incapacity or otherwise.

- I. Indemnification. The Partnership, its receiver or its trustees, shall indemnify, save harmless and pay all judgments and claims against the General Partner from any liability or damage incurred by reason of any act performed or omitted to be performed by them as well as the expenses of defending any action based on any such act or omission, which attorneys' fees may be paid as incurred, including all such liabilities under Federal and State securities acts (including the Securities Act of 1933) as permitted by law. Notwithstanding the foregoing, the General Partner shall not be relieved from any liability to the Limited Partners imposed by law including liability for fraud, bad faith, willful neglect or gross negligence. The General and Limited Partners indemnify and hold each other harmless for any loss, liability, or damage arising out of the business of the Partnership which was caused by such indemnifying partner's willful malfeasance or any action taken by it in bad faith.
- J. Captions. The captions in this Agreement are for convenience only and are not a part of this agreement and are not intended, in any way, to limit or enlarge the terms and provisions of this Agreement.
- K. Limited Partners' Representations and Warranties. Each of the Limited Partners, in becoming admitted as a Limited Partner hereunder, hereby represents and warrants to the General Partners and to the Partnership that:
1. His acquisition of a Partnership Interest is made as a principal for his sole account for investment purposes only and not with a view toward the distribution of all or any portion thereof and that under no circumstances will such Limited Partner sell, transfer or assign all or a portion of his Partnership Interest except in compliance with the provision of this Agreement.
  2. He is relying on his own business and financial knowledge and experience, or that of his duly qualified investment advisor, in, making a decision to enter into and execute this Agreement; either he, alone or together with such investment advisor, has such knowledge and experience in business and financial matters as will enable him to utilize the information made available to him in connection with the offering of the Partnership Interests, to evaluate the merits and risks of the prospective investment and to make an informed investment decision;
  3. He is aware of the restrictions on transfer of his Partnership Interest hereunder and that the same shall at no time be freely transferable or become assignable otherwise than to a person or entity accepting similar restrictions on transferability;
  4. He has no reason to anticipate any change in personal circumstances, financial or otherwise, which should cause him to sell or distribute, or necessitate or require any sale or distribution of his Partnership Interest;

5. He is familiar with the nature of and risks attendant to investment in the Partnership;
  6. He is fully aware of the restrictions on resale of his Partnership Interest under this Agreement and the Securities Act of 1933, as amended (the "1933 Act") and any applicable state securities ("Blue Sky") laws; in particular, he is aware that the Partnership Interests will not be registered under the 1933 Act or Blue Sky laws at any time, will not at any time be freely salable and that any sale thereof may have significant adverse tax consequences;
  7. He will not, in any event, sell or distribute his Partnership Interest or any portion thereof unless, in the opinion of counsel to the Partnership, such Partnership Interest may be legally sold or distributed without registration or qualification under the 1933 Act or Blue Sky laws, or such Partnership Interest shall have been so registered and/or qualified and an appropriate prospectus shall then be in effect.
  8. He is fully aware that the Partnership Interests are being issued by the Partnership in reliance upon the exemption provided by Section 4(2) of the 1933 Act and/or Rule 146 thereunder on the grounds that no public offering is involved, and upon the representations, warranties and agreements set forth in this subparagraph; and
  9. The Partnership and the General Partner are under no obligation to register such Limited Partnership Interest under the Act or to comply with any applicable exemption under the Act with respect to such Limited Partnership Interest, and the Partnership will not be required to supply him with any information necessary to enable him to make casual sale of such Partnership Interest pursuant to Rule 144 and under the 1933 Act (assuming such Rule is applicable and is otherwise available to him with respect to such Partnership Interest).
- L. Notices. Any notice, request, instruction, legal process, payment or other document or communication shall be in writing, and shall be deemed to have been duly given if sent by registered or certified mail, return receipt requested and postage prepaid. All notices to the Partnership shall be sent to the principal office of the Partnership. Unless otherwise specified in a notice sent to all Partners, the address of each Partner for all purposes shall be as set forth in Exhibit "A". All provisions herein requiring consent of Limited Partners shall be accomplished by Notice.
- M. Severability. In the event any provision or provision of this Agreement shall be determined to be invalid, void or unenforceable, such determination shall not

render invalid, void, or unenforceable any other provision or provisions hereof which can be given effect.

- N. Waiver. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the persons against whom enforcement is sought. No waiver of a breach of any of the provision of this Agreement shall be construed to be a waiver of any succeeding breach of the same provision or of any other provision.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned Partners have hereunto affixed their signatures and seals as of the day and, year first above written.

MAJORITY GENERAL PARTNER

WITNESS:

[Signature]

AS SQUARED, LLC, a Virginia limited liability company

By:

[Signature]  
Adam J. Stockmaster  
Managing Member

STATE OF MARYLAND

to wit:

COUNTY OF MONTGOMERY

The foregoing instrument was acknowledged before me, Ari Severe, a Notary Public, this 2nd day of March, 2013, by Adam J. Stockmaster, who has presented identification of a driver's license. Adam J. Stockmaster voluntarily acknowledged this instrument under the penalty of perjury as Managing Member of AS Squared, LLC, a Virginia limited liability company, on behalf of the company.

[Signature]  
Notary Public

My commission Expires: 7-27-2013





WITNESS:

[Signature]

GENERAL PARTNER

Telamon Corporation

By: [Signature]  
Richard A. Joanis  
Executive Director

STATE OF North Carolina  
CITY/COUNTY OF Wake

to wit:

The foregoing instrument was acknowledged before me, Florence W. Cunningham, a Notary Public, this 7th day of March, 2013, by Richard A. Joanis, who has presented identification of a driver's license. Richard A. Joanis, who personally acknowledged this instrument under the penalty of perjury as, Executive Director of Telamon Corporation, a Virginia corporation, on behalf of the corporation.



[Signature]  
Notary Public

My commission Expires: August 19, 2014

LIMITED PARTNER

WITNESS:

AS SQUARED, LLC, a Virginia limited liability company

Jeff G. Seef

By:

Adam J. Stockmaster  
Managing Member

STATE OF MARYLAND

to wit:

COUNTY OF MONTGOMERY

The foregoing instrument was acknowledge before me, Ari Severe, a Notary Public, this 2nd day of March, 2013, by Adam J. Stockmaster, who has presented identification of a driver's license. Adam J. Stockmaster voluntarily acknowledged this instrument under the penalty of perjury as Managing Member of AS Squared, LLC, a Virginia limited liability company, on behalf of the company.

Ari Severe  
Notary Public

My commission Expires: 7-27-2013

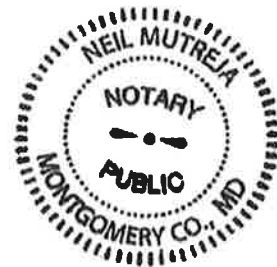
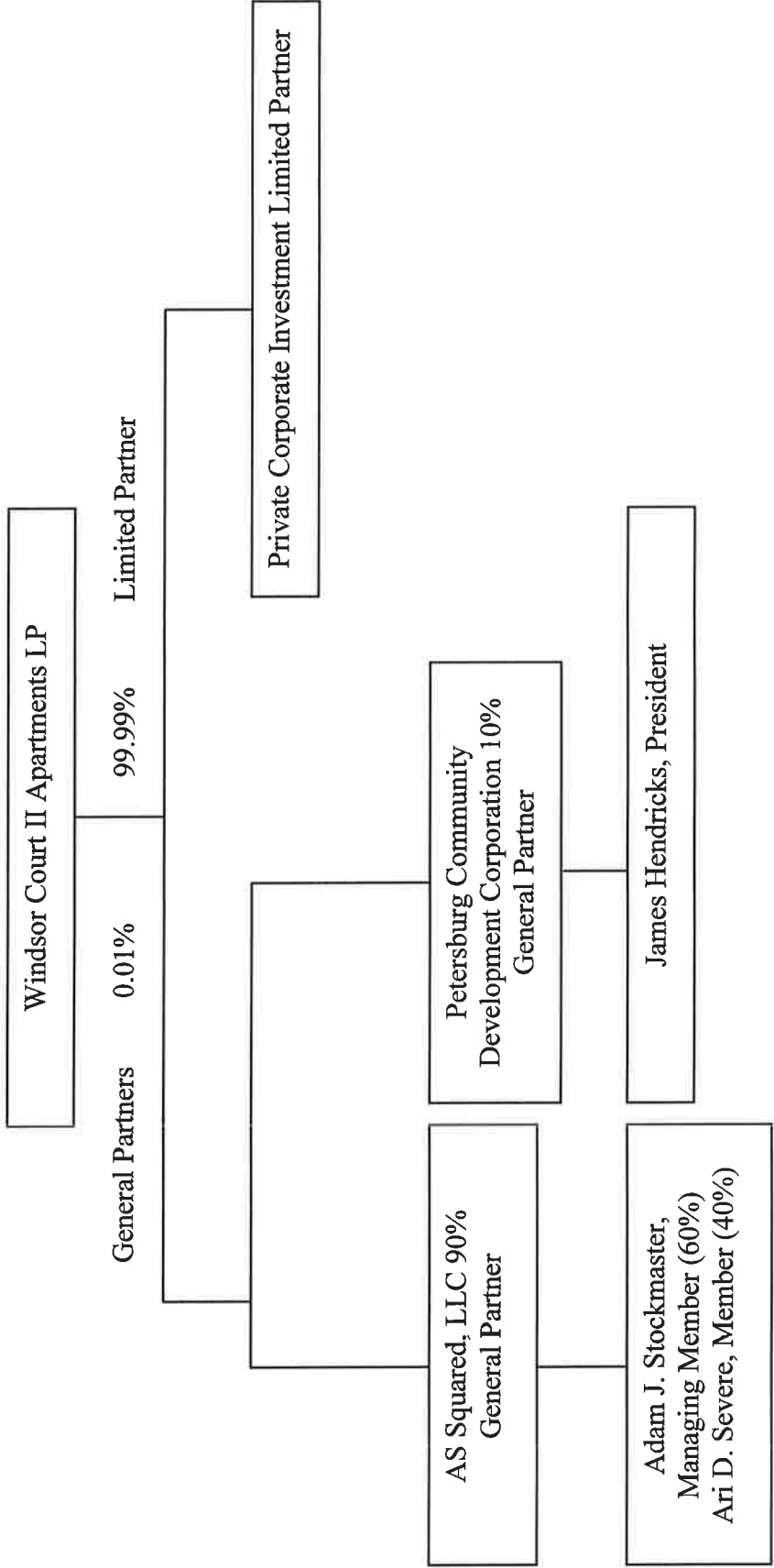


EXHIBIT "A"

<u>GENERAL PARTNERS</u>	<u>Capital Contribution</u>	<u>Percentage Partnership Interest</u>
AS Squared, LLC 15825 Shady Grove Road Suite 55 Rockville, Maryland 20850	\$45.00	4.50%
Telamon Corporation 5560 Munford Road Suite 201 Raleigh, North Carolina 27612	\$5.00	0.50%
 <u>LIMITED PARTNER</u>		
AS Squared, LLC 15825 Shady Grove Road Suite 55 Rockville, Maryland 20850	\$950.00	95.00%
 TOTAL	<hr/> \$1,000.00	<hr/> 100.00%

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## Windsor Court II Apartments Limited Partnership

### Development Services Agreement

This Development Services Agreement is made on March 13, 2019 by and between Windsor Court II Apartments Limited Partnership, a Virginia limited partnership company (the "Company") and AS Squared Development LLC., a Virginia Limited Liability Company ("ASD") (together, the "Developer").

#### Recitals

1. The Company was formed to acquire, construct, develop, improve, maintain, own, operate, lease, dispose of and otherwise deal with an apartment project consisting of 24 dwelling units located in Windsor, Virginia (the "Project").

2. 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 Internal Revenue Code of 1986, as amended).

3. The Developer has provided and is obligated hereunder to continue to provide certain services with respect to the acquisition, development and construction of the Project.

4. In consideration for such services, the Company has agreed to pay to the Developer a fee in the amount set forth herein.

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

#### Section 1. Defined Terms

Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings specified below:

"Completion of Construction" means the date upon which (i) the Project shall have been completed, as evidenced by the issuance by the inspecting architect and by each governmental agency having jurisdiction, of certificates of substantial completion or occupancy (or local equivalents), if applicable, with respect to all dwelling units in the Project, and (ii) each such dwelling unit shall have been placed in service.

"State" means the Commonwealth of Virginia.

#### Section 2. Development Services

(a) The Developer has performed certain services related to the acquisition of the Project and shall supervise and be responsible for 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 Managing Members of the Company (the "Managing Members").

(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 the following subparagraphs of this Section 2(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 assist in the structuring of the acquisition of the site by the Company;
- (ii) Negotiate and cause to be executed in the name and on behalf of the Operating 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 to be made shall have been approved by the Company;
- (iii) Assist the Company in dealing with neighborhood groups, local organizations, abutters and other parties interested in the development of the Project;
- (iv) Assist the Company in identifying sources of construction financing for the Project and negotiate the terms of such financing with lenders;
- (v) 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 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 procedures for, and 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 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 and 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 and development 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;

(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 dwelling units and other space in the Project, if applicable.

(vi) Assist the Company in obtaining access to utilities and required zoning approvals;

(vii) 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 and 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 that the same is not being so carried out, to promptly so notify the Company;

(viii) If requested to do so by the Company, perform on behalf of the Company all obligations of the Company with respect to the design and construction of the Project contained in any loan agreement or security agreement entered into in connection with any financing for 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;

(ix) 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;



(x) Assist the Company in obtaining and maintaining insurance coverage for the Project, the Company during the development phase 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;

(xi) During the construction and development period of the Project, comply with all applicable present and future laws, ordinances, orders, rules, regulations and requirements (hereinafter called "laws") of all Federal, state and municipal governments, courts, departments, commissions, boards and offices, any national or local Board of Fire Underwriters or Insurance Services Offices having jurisdiction in the county in which the Project is located or any other body exercising functions similar to those of any of the foregoing, or any insurance carriers providing any insurance coverage for the Company or the Project, which may be applicable to the Project or any part thereof. 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 to comply with all such applicable laws;

(xii) Prepare, accumulate and furnish to the Managing Members 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 make application for appropriate exclusions from the capital costs of the Project for purposes of real property ad valorem taxes;

(xiii) 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;

(xiv) 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;

(xv) 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

(xvi) 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 3. 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 respects to any of the following matters unless and until the same has been approved by the Managing Members:

(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 Managing Members;

(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 Managing Members, or in the cost thereof, or any 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 Managing Members; or

(c) Expending an amount greater than the amount which 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 4. 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 Managing Members, including, but not limited to, records relating to the costs for which construction advances have been requested and/or received. The Developer shall keep vouchers, statements, receipted bills and invoices and all other records, in the form approved by the Managing Members, 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) 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 Managing Members, and shall be available for and subject to audit, inspection and copying by the management agent for the Project, the Managing Members or any representative or auditor therefor or supervisory or regulatory authority, at the times and in the manner set forth in the Amended and Restated Agreement of Operating Agreement of the Company dated as of the date hereof (the "Operating Agreement").

#### Section 5. Accrual of Development Fee

For its services in connection with the development of the Project and the supervision of the construction of the Project, the Developer shall earn and become entitled to a fee as set forth below (the "Development Fee").

The Development Fee shall be in the amount of \$365,000 in the aggregate and shall be deemed to have been earned pro rata as and when the dwelling units in the Project shall have been completed and are placed in service as evidenced by the issuance of an architect's certificate.

#### Section 6. Payment of Development Fee

The Development Fee shall be paid as nearly as practicable to the date earned utilizing the proceeds of the Capital Contribution payable under the Partnership Agreement, Partnership cash flow and sale or refinancing proceeds, and any other sources available to the Partnership. In no event shall any portion of the Development Fee be paid later than December 31, 2034, at which date the Developer shall have the right to payment as a fully recourse obligation of the Partnership and the General Partner.

Section 7. Applicable Law

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

Section 8. Binding Agreement

This Agreement shall be binding on the parties hereto, their heirs, executors, personal representatives, successors and assigns and supersedes any prior agreement for the development of the Project between the parties.

Section 9. Assignment

Developer shall not assign its obligations hereunder, in whole or in part, without the prior written consent of the Company. Developer may, in its discretion, enter into agreements with third parties with respect to the performance of the services to be provided by the Developer hereunder so long as Developer remains primarily liable for the performance of such services. No such agreement nor any permitted assignment hereunder shall relieve Developer of any of its obligations hereunder or under applicable law.

Section 10. 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 11. 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 12. 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 members and shall not inure to the benefit of any creditor of the Company other than a Member, notwithstanding any pledge or assignment by the Company of this Agreement or any rights hereunder.

[end of page]

IN WITNESS WHEREOF, the parties have caused this Development Services Agreement to be duly executed on the date first written above.

COMPANY

WINDSOR COURT II APARTMENTS  
LIMITED PARTNERSHIP

By: AS Squared, LLC, a Virginia limited liability  
company, it's General Partner

DEVELOPER

AS SQUARED LLC., a VIRGINIA LLC

By: \_\_\_\_\_  
Adam J. Stockmaster, Manager

By: \_\_\_\_\_  
Adam J. Stockmaster, Manager

**B**

Virginia State Corporation  
Commission Certification  
(MANDATORY)

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, February 20, 2007*

*This is to certify that the certificate of limited partnership of*

**Windsor Court II Apartments LP**

*was this day admitted to record in this office and that the said limited partnership is authorized to transact its business subject to all Virginia laws applicable to the limited partnership and its business.*



*State Corporation Commission*

*Attest:*

*Joel H. Peck*  
Clerk of the Commission

C

Principal's Previous  
Participation Certification  
(MANDATORY)



## Previous Participation Certification

Development Name:

Windsor Court II Apartments

Name of Applicant (entity):

Windsor Court II Apartments LP

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

**Adam J. Stockmaster**

\_\_\_\_\_  
Printed Name

**February 27, 2019**

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

D

# List of LIHTC Developments

(Schedule A)  
**(MANDATORY)**

# List of LIHTC Developments (Schedule A)



Development Name: Windsor Court II Apartments

Name of Applicant: Windsor Court II Apartments LP

**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.

Adam Stockmaster

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 8823s? (Y/N) Explain "Y"
1	Meadowbrook Heights Culpeper, VA	Meadowbrook Heights LP (240)428-7799	AS Squared, LLC Y	42	42	2010	2010	N
2	Chuckatuck Square Suffolk, VA	Chuckatuck I LP (240)428-7799	AS Squared, LLC Y	42	42	2003	2009	N
3	Newport Village Franklin, VA	Newport Village LP (240)428-7799	AS Squared, LLC Y	48	48	2009	2009	N
4	Pine Street Village II Wakefield, VA	Birch Island II LP (240)428-7799	AS Squared, LLC Y	16	16	2009	2010	N
5	Stephens Village Stephens City, VA	Stephens Village I LP (240)428-7799	AS Squared, LLC Y	46	46	2009	2010	N
6	Chelyan Village Cabin Creek, WV	Chelyan LP (240)428-7799	Adam J. Stockmaster Y	48	48	2010	2010	N
7	Indian Creek Kilmarnock, VA	New Indian Creek LP (240)428-7799	AS Squared, LLC Y	20	20	2010	2010	N
8	Burnt Ordinary Village Toano, VA	Burnt Ordinary Village LP (240)428-7799	AS Squared, LLC Y	22	22	2012	2012	N

## List of LIHTC Developments (Schedule A)

9	Meadow Run Apartments Gordonsville, VA	Meadow Run Apartments LP (240)428-7799	AS Squared, LLC Y	43	43	2012	2012	N
10	Amherst Village Amherst, VA	Amherst Village LP (240)428-7799	AS Squared, LLC Y	48	48	2012	2012	N
11	Cricket Hill Mathews, VA	Cricket Hill LP (240)428-7799	AS Squared, LLC Y	30	30	2013	2013	N
12	Pine Ridge Louisa, VA	Pine Ridge Apartments I LP (240)428-7799	AS Squared, LLC Y	27	27	2014	2015	N
13	Surry Village II Apartments Spring Grove, VA	New Surry Village II LP (240)428-7799	AS Squared, LLC Y	32	32	2015	2016	N
14	Country Green Apartments South Boston, VA	Country Green I LP (240)428-7799	AS Squared, LLC Y	44	44	2015	2017	N
15	Windemere Apartments Lexington, VA	Windemere Apartments LP (240)428-7799	AS Squared, LLC Y	38	38	2016	2017	N
16	Warrenton Manor Apts Warrenton, VA	Warrenton Manor Elderly LP (240)428-7799	AS Squared, LLC Y	68	68	2016	2017	N
17	Weaver Manor Apts Emporia, VA	Weaver Manor I LP (240)428-7799	AS Squared, LLC Y	42	42	2017	2018	N
18	Crewe Village Apts Crewe, VA	Crewe Village LP (240)428-7799	AS Squared, LLC Y	40	40	2018	TBD	N
19	Chestertown Cove Apts Chestertown, MD	Chestertown Cove Preservation LP (240)428-7799	AS Squared, LLC Y	34	34	2017	2019	N
20	Stevens Woods II Apts Courtland, VA	Stevens Woods II Apts LP (240)428-7799	AS Squared, LLC Y	24	24	TBD	TBD	N
21	Birchwood I Apts Brambleton, VA	Birchwood Apts LLC (240)428-7799	AS Squared, LLC Y	56	56	2019	TBD	N
22	Birchwood II Apts Brambleton, VA	Birchwood II, LLC (240)428-7799	AS Squared, LLC Y	27	27	2019	TBD	N
23								

ADD ADDITIONAL PROPERTIES USING NEXT TAB

## List of LIHTC Developments (Schedule A)

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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:**      837      837

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

## Resume of Housing Experience AS Squared, LLC

Managing Member: Adam J. Stockmaster

### Education & Training:

- Adam is a graduate of American University with a Bachelors Degree in Finance and a Minor in Economics.
- He has earned the Star Certification in USDA-Rural Development training and has attended numerous workshops and seminars on the Federal Low-Income Housing Tax Credit program

Mr. Stockmaster is the Executive Vice President of T.M. Associates, Inc. Adam has more than twenty years of experience in the real estate industry. In his twenty years with T.M. Associates, Inc., Adam has been successful in receiving over 80 awards of LIHTC financing from many State Housing Finance Agencies for properties located in Maryland, New York, Pennsylvania, Virginia, West Virginia and North Carolina

Member: Ari D. Severe

### Education & Training:

- Ari is a graduate of the University of Maryland with a Bachelors Degree in Accounting.
- He is a Certified Public Accountant and has attended numerous workshops and seminars on the Federal Low-Income Housing Tax Credit program

Ari has more than seventeen years of experience in the real estate industry. Mr. Severe is the Executive Vice President, Finance for T.M. Associates, Inc.

# List of LIHTC Developments (Schedule A)



Development Name: Windsor Court II Apartments

Name of Applicant: Windsor Court II Apartments LP

**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.

Principal's Name: Ari Severe

Controlling GP (CGP) or 'Named' Managing Member of Proposed Property? Y  
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	Meadowbrook Heights Culpeper, VA	Meadowbrook Heights LP (240)428-7799	AS Squared, LLC Y	42	42	2010	2010	N
2	Chuckatuck Square Suffolk, VA	Chuckatuck I LP (240)428-7799	AS Squared, LLC Y	42	42	2003	2009	N
3	Newport Village Franklin, VA	Newport Village LP (240)428-7799	AS Squared, LLC Y	48	48	2009	2009	N
4	Pine Street Village II Wakefield, VA	Birch Island II LP (240)428-7799	AS Squared, LLC Y	16	16	2009	2010	N
5	Stephens Village Stephens City, VA	Stephens Village I LP (240)428-7799	AS Squared, LLC Y	46	46	2009	2010	N
6	Indian Creek Kilmarnock, VA	New Indian Creek LP (240)428-7799	AS Squared, LLC Y	20	20	2010	2010	N
7	Burnt Ordinary Village Toano, VA	Burnt Ordinary Village LP (240)428-7799	AS Squared, LLC Y	22	22	2012	2012	N
8	Meadow Run Apartments Gordonsville, VA	Meadow Run Apartments LP (240)428-7799	AS Squared, LLC Y	43	43	2012	2012	N

## List of LIHTC Developments (Schedule A)

9	Amherst Village Amherst, VA	Amherst Village LP (240)428-7799	AS Squared, LLC Y	48	48	2012	2012	N
10	Cricket Hill Mathews, VA	Cricket Hill LP (240)428-7799	AS Squared, LLC Y	30	30	2013	2013	N
11	Pine Ridge Louisa, VA	Pine Ridge Apartments I LP (240)428-7799	AS Squared, LLC Y	27	27	2014	2015	N
12	Surry Village II Apartments Spring Grove, VA	New Surry Village II LP (240)428-7799	AS Squared, LLC Y	32	32	2015	2016	N
13	Country Green Apartments South Boston, VA	Country Green I LP (240)428-7799	AS Squared, LLC Y	44	44	2015	2017	N
14	Windemere Apartments Lexington, VA	Windemere Apartments LP (240)428-7799	AS Squared, LLC Y	38	38	2016	2017	N
15	Warrenton Manor Apts Warrenton, VA	Warrenton Manor Elderly LP (240)428-7799	AS Squared, LLC Y	68	68	2016	2017	N
16	Weaver Manor Apts Emporia, VA	Weaver Manor I LP (240)428-7799	AS Squared, LLC Y	42	42	2017	2018	N
17	Crewe Village Apts Crewe, VA	Crewe Village LP (240)428-7799	AS Squared, LLC Y	40	40	2018	TBD	N
18	Chestertown Cove Apts Chestertown, MD	Chestertown Cove Preservation LP (240)428-7799	AS Squared, LLC Y	34	34	2017	2019	N
19	Stevens Woods II Apts Courtland, VA	Stevens Woods II Apts LP (240)428-7799	AS Squared, LLC Y	24	24	TBD	TBD	N
20	Birchwood I Apts Brambleton, VA	Birchwood Apts LLC (240)428-7799	AS Squared, LLC Y	83	83	2019	TBD	N
21	Birchwood II Apts Brambleton, VA	Birchwood II, LLC (240)428-7799	AS Squared, LLC Y	27	27	2019	TBD	N
22	Alpine Village Apts Terra Alfa, WV	Alpine Village Apts LP (240)428-7799	AS Squared, LLC N	44	44	2018	TBD	N
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ADD ADDITIONAL PROPERTIES USING NEXT TAB



## List of LIHTC Developments (Schedule A)

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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:**      860      860

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

## Resume of Housing Experience AS Squared, LLC

Managing Member: Adam J. Stockmaster

### Education & Training:

- Adam is a graduate of American University with a Bachelors Degree in Finance and a Minor in Economics.
- He has earned the Star Certification in USDA-Rural Development training and has attended numerous workshops and seminars on the Federal Low-Income Housing Tax Credit program

Mr. Stockmaster is the Executive Vice President of T.M. Associates, Inc. Adam has more than twenty years of experience in the real estate industry. In his twenty years with T.M. Associates, Inc., Adam has been successful in receiving over 80 awards of LIHTC financing from many State Housing Finance Agencies for properties located in Maryland, New York, Pennsylvania, Virginia, West Virginia and North Carolina

Member: Ari D. Severe

### Education & Training:

- Ari is a graduate of the University of Maryland with a Bachelors Degree in Accounting.
- He is a Certified Public Accountant and has attended numerous workshops and seminars on the Federal Low-Income Housing Tax Credit program

Ari has more than seventeen years of experience in the real estate industry. Mr. Severe is the Executive Vice President, Finance for T.M. Associates, Inc.

## List of LIHTC Developments (Schedule A)



Development Name: Windsor Court II Apartments  
 Name of Applicant: Windsor Court II Apartments LP

**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.

Petersburg Community Development Corporation Inc      Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N  
 Principal's Name:      Member of Proposed property? Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1      Surry Village	Surry Village I LP 804-420-6458	Y (100% GP)	48	48	2007	2008	N
2      Henry Williams Townhomes	Owens Court LP 804-420-6458	N (99% GP)	42	42	2012	2013	N
3      American Tobacco Lofts	American Tobacco Holdings LLC 804-420-6458	N (10% GP)	134	134	2018	2018	N
4      Petersburg Artist Space	110 South Perry LLC 804-420-6458	N (10% GP)	226	226	TBD	TBD	N
5      School House/Springford	Spring School Preservation LP 804-420-6458	N (40% GP)	69	69	TBD	TBD	N
6      Pinecrest Apartments	Pinecrest Preservation LLC 804-420-6458	N (10% GP)	64	64	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

**1st PAGE**  
**TOTAL:**      583      583      100%      **LIHTC as % of Total Units**

PCDC Ownership List

Property	Property Info	Ownership	ROFR
Woodstock Village Phase I	46 Unit RD in Woodstock, VA	10% of GP Interest (0.5%)	No
110 South Perry LLC	226 Unit LIHTC in Petersburg, VA	10% of GP Interest (0.001%)	Yes
Surry Village Phase I	48 Unit RD/LIHTC, in Spring Grove, VA	100% of GP Interest (0.01%)	Yes
Brandy Spring	40 Unit RD in Mercer, PA, Conifer	80.228% LP Interest	No
Creekside	30 Unit RD in Leechburg, PA, Conifer	84% LP Interest	No
Wright Village	24 Unit RD in Sandy Lake, PA, Conifer	84% LP Interest	No
Independence Apartments	28 Unit RD in Mt. Pleasant, PA, Conifer	74.1% LP Interest	No
Lake Street	32 Unit RD/LIHTC in Girard, PA, Conifer	84% LP Interest	No
Parkview Apartments	24 Unit RD in Brockway, PA, Conifer	74.1% LP Interest	No
Scottdale Plaza	22 Unit RD in Scottdale, PA, Conifer	84% LP Interest	No
Washington Street	30 Unit RD in Conneautville, PA, Conifer	80.339% LP Interest	No
Henry Williams	42 Unit LIHTC in Petersburg, VA	51% of GP Interest (0.0051%)	Yes
School House/Springford	69 Unit RD/LIHTC in Port Deposit & Elkton, MD	40% of GP Interest (0.004%)	No
Pinecrest Apartments	64 Unit RD/LIHTC in Bedford, VA	10% of GP Interest (0.001%)	Yes
American Tobacco Lofts	134 Unit LIHTC in Richmond, VA	10% of GP Interest (0.001%)	Yes

**HISTORY  
OF  
PETERSBURG COMMUNITY DEVELOPMENT CORPORATION, INC. ("PCDC")**

PCDC is a Virginia non-profit corporation organized in November, 1989. Historically, its purposes included developing and owning housing that is affordable to low and moderate income individuals residing anywhere in the United States. PCDC is designated as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. PCDC's primary sources of funding since 2008 have been CDBG grants from the City of Petersburg (the "City" or "Petersburg"), The Cameron Foundation ("Cameron"), the Virginia Department of Housing and Community Development ("DHCD"), contract work performed for the City, and private donations.

In its early years, PCDC acquired single family residences through donation to PCDC and then proceeded to renovate the buildings using home improvement loans from local banks; the homes were sold to low and moderate-income persons. Most purchasers of the homes were first-time homeowners. In all, 19 single family houses were purchased and renovated by PCDC by 2004.

The second phase of PCDC's history began when PCDC was approached by the Petersburg Redevelopment and Housing Authority ("PRHA") in 2005 about having PCDC apply for certification as a CHDO through DHCD. PRHA was interested in sponsoring a non-profit corporation that could become certified as a CHDO for the purpose of developing affordable housing in the Petersburg, Virginia metropolitan area, and using HOME funds for staffing expenses and project-specific "hard costs." In order to be certified as a CHDO, PCDC had to reorganize as a non-member organization and restructure its Board of Directors. PCDC received that certification in September, 2007. The administration of the City of Petersburg has supported the activities of PCDC since its organization, and PCDC has received positive news coverage of its successes.

PRHA desired for PCDC to assume a leadership role in the Petersburg community by making affordable housing available to persons in need and who had been underserved by State, Federal and local agencies. Among the goals of PCDC has been to work with the City administration to map out a strategy for filling the void left by HUD's inability to fund the development of new housing and rehab aging housing stock.

The first major initiative in the "new era" was the development of single-family detached homes on Van Buren Street in Petersburg, across from the Cedar Lawn Townhouses. This development, known as "Van Buren Estates," was begun by constructing two model homes, both of which were sold in 2009. Due to differences between PCDC and PRHA regarding the target costs of affordable housing, PCDC assigned its development rights in Van Buren Estates to PRHA, and thereafter focused its efforts on other projects more in keeping with its mission.

PCDC's second major project was the Henry Williams Townhomes (formerly known as "Owens Court"), 42 townhomes for rent constructed on a Gillfield redevelopment site at the intersection of Lee Avenue and South South Street in Petersburg. The project development costs were over \$10 million. With funding by Cameron and with assistance by PCDC's co-development partner, T.M. Associates, PCDC was able to purchase the site from the City, obtain rezoning, the project was designed, a market study completed, a low-income housing tax credit ("LIHTC") application submitted to the Virginia Housing Development Authority ("VHDA"), and an Affordable Housing Production Program ("AHPP") application was submitted to DHCD. The Henry Williams project received a reservation of LIHTC from VHDA worth over \$6,836,000 when syndicated. Boston Capital purchased the LIHTC. The LIHTC application to VHDA for the Henry Williams Townhomes was ranked first in the Richmond region pool by VHDA in the 2010 round. This project also received an AHPP grant from DHCD in the amount of \$417,000 for a portion of the permanent mortgage and a \$50,000 grant for PCDC operating funds. Groundbreaking occurred in June, 2011 and the townhomes were completed in November, 2012. Today, occupancy remains near 100%.

PCDC has participated in the revitalization of the Halifax-Harding Revitalization Area containing approximately 900 homes, vacant lots and businesses generally in the vicinity of Halifax and Harding Streets in Petersburg (the "Halifax Project"). Non-profit organizations such as Better Housing Coalition, Restoration of Petersburg CDC, Virginia LISC and Triangle Center for Development, Inc. have collaborated with PCDC under the name of the "Halifax Partnership" to effect substantial changes in this targeted neighborhood.

PCDC's redevelopment activities in this targeted area are aligned with the City's Comprehensive Plan which states that "a complete redevelopment plan should be created" in the Halifax community. The Halifax Project was supported by City Council in 2010-2011 with a planning grant of \$25,000 for a study, and again in 2011-2012 with a grant of \$75,000 for preparation of a redevelopment plan. A draft Redevelopment Plan was presented to the City Planning Department and the PRHA Board in August, 2013, but no action was ever taken by City Council. While the Halifax Project has been declared to be one of the City's priorities for redevelopment, the lack of City capital improvement funds to upgrade infrastructure in that area has halted that Project.

During the summer of 2013, Petersburg City Councilman W. Howard Myers contacted PCDC about renovating the abandoned Virginia Avenue Elementary School as a community health and wellness center for the City. The City Administration supported the idea and issued an RFP for a feasibility study for the project. PCDC was selected in December, 2013 by a committee appointed by the City to perform this engagement, and work on the study began in January, 2014. The study was presented to City Council on June 17, 2014 and adopted on July 1, 2014. Subsequently, the City issued an RFP for a developer for this project, with a deadline for submission of proposals of November 12, 2014. PCDC submitted its proposal and was selected as the developer on November 24, 2014.

The redevelopment costs were to be covered largely by federal and state historic tax credits and grants from organizations supporting healthcare and wellness initiatives. The City

committed to lease approximately 40% of the space in the renovated building for its parks and recreation operations, and PCDC received expressions of interest from Bon Secours for a medical clinic and FeedMore for a food pantry in the renovated space. Community Health Alliance, a 501(c)(3) organization active in Richmond and Petersburg, was PCDC's administrative partner responsible for handling all funds and grant administration. Construction was to begin in late spring 2015 with a 12-month construction period, but the City reneged on its obligation to lease space as the anchor tenant and Community Health Alliance subsequently went out of business. As a result, PCDC had to abandon this project.

In the Summer of 2017, the PCDC Board decided to "reinvent" PCDC. The plan going forward would be for PCDC to hold (i) rights of first refusal and purchase options on LIHTC projects that would be exercisable after the end of the LIHTC tax credit compliance period, and (ii) minority equity interests in certain LIHTC projects. The entire PCDC Board resigned in January, 2018 and was replaced by James Hendricks, Scott Rabin and Eric Whisenhunt. Mr. Hendricks has served as the President of PCDC since that time. Today, PCDC owns equity interests in 15 affordable apartment projects and rights of first refusal in 5 such projects.

Alexander C. Graham, Jr.  
Williams Mullen  
January 1, 2019



E

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

## AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE is made this **28th** day of **February** 2019, by and between **WINDSOR II LIMITED PARTNERSHIP**, a Virginia limited partnership, (hereinafter referred to as the "Seller") and **WINDSOR COURT II APARTMENTS LP**, a Virginia limited partnership, (hereinafter referred to as the "Buyer").

### WITNESSETH:

1. That for and in consideration of the Deposit of One Dollar (\$1.00) paid by Buyer to Seller, the receipt and sufficiency of which is hereby acknowledged, the Seller hereby agrees to sell to the Buyer, its successors and assigns, and the Buyer agrees to purchase from the Seller the real property in **Windsor, Isle of Wight County, Virginia**, which is known as **Windsor Court II Apartments**, together with all easements, rights, and appurtenances attached thereto and all improvements thereon (all of which is hereinafter referred to as the "Real Estate"), for a purchase price of **Twenty Five Thousand Dollars (\$25,000.00)** plus an assumption of a first mortgage lien in favor of Farmers Home Administration (the "Purchase Price").

2. The Seller hereby represents and warrants to the Buyer that its title to the Real Estate is good, merchantable and marketable fee simple title, free and clear of all liens and encumbrances, except the lien of a first mortgage to Farmers Home Administration and any easements of record which do not adversely effect the use of the property for residential purposes.

3. Buyer will assume and agrees to pay all assessments becoming a lien after the date of the closing hereunder. The Seller shall not receive a credit for the real estate taxes assessed during the taxable year in which the Closing occurs.

4. In the event of any condemnation of the Real Estate or any part thereof prior to closing, Buyer may elect either to terminate this Agreement, or to purchase the remainder of the Real Estate with a pro rata reduction in the purchase price.

5. The closing of the purchase and sale of the Real Estate shall occur at the office of the closing attorney or Title Company designated by the Buyer on or before **July 31, 2020**

6. At closing, the Buyer shall pay the Purchase Price to the Seller.

7. At the closing, Seller shall execute, acknowledge and deliver to Buyer, or its nominee, successor, or assignee, a general warranty deed in form satisfactory and acceptable to Buyer's counsel, with full English Covenants of title, conveying the Real Estate to the Buyer, its nominee, successor or assignee, free and clear of all liens, encumbrances, title defects and exceptions and rights of others except the lien of a first

mortgage to the Farmers Home Administration and any easements of record which do not adversely effect the use of the property for residential purposes. The cost of any documentary, transfer and exercise taxes imposed upon the conveyance, other than the Grantor's Tax, shall be paid by the Buyer. The Seller shall pay the Grantor's Tax. Possession of the Real Estate shall be delivered to Buyer at closing in the same condition as it now is in, ordinary wear and tear only expected. In addition, the Seller shall deliver to the Buyer all cash in all accounts of the Seller, including the operating account, escrow accounts, reserve accounts and tenant security accounts. The Seller shall also deliver to the Buyer all records and files of the Seller relating to or in any way pertaining to the Real Estate and the apartment project situated thereon which are in the possession of or under the control of the Seller or the managing agent employed by the Seller.

8. This Agreement shall be binding upon and inure to the benefit of Buyer and Seller and their respective successors and assigns.

9. If the Seller fails to perform its obligations hereunder, Buyer shall be entitled to its remedies at law and to enforce this Agreement by an action for specific performance. If the Buyer fails to perform its obligations hereunder, the Seller shall retain the Deposit as its sole and exclusive remedy.

10. No delay, forbearance or neglect by the Buyer in the enforcement of any of the conditions of this Agreement or any of Buyer's rights or remedies hereunder shall constitute or be construed as a waiver thereof. No waiver of any of the conditions of this agreement by Buyer shall be effective unless expressly and affirmatively made and given by Buyer in writing.

11. Time is of the essence for the performance of each and every covenant contained herein.

12. This instrument contains and constitutes the entire agreement of the parties regarding the subject matter hereof, and there are no other agreements, written or oral between the parties affecting the subject matter hereof. No amendment of this agreement shall be effective unless it is in writing and signed by the parties hereto.

13. This agreement shall be interpreted and enforced according to the laws of the Commonwealth of Virginia.

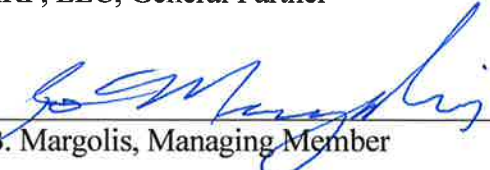
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have signed, sealed and delivered this Agreement of Purchase and Sale on the date first above written.

SELLER:

**WINDSOR II LIMITED PARTNERSHIP**

By: MARP, LLC, General Partner

By:  (Seal)  
Robert B. Margolis, Managing Member


By: Virginia Equity Fund, LLC, Limited Partner

By:  (Seal)  
Robert B. Margolis, Managing Member

PURCHASER:

**WINDSOR COURT II APARTMENTS LP**

By: AS Squared, LLC, General Partner

By:  (Seal)  
Adam J. Stockmaster, Managing Member

# Isle of Wight, Virginia

Parcel

Parcel ID	Alt. PIN	Parcel Address	AV - Tot. Lnd & Improv.	Data as of
54-01-005C	12439	102 KENSINGTON CT, WINDSOR	\$702,200	2/20/2019

### Property Owner Information

Property Owner WINDSOR II LIMITED PARTNERSHIP T M ASSOCIATES MGT INC  
 Property Owner Address 1375 PICCARD DR #150  
 ROCKVILLE MD 20850  
 Transfer Date 02/16/1989  
 Document No.  
 Document Reference No. 365 88

### Location Information

Tax Group Code 58 Routing No.  
 Township No. 001, Legal Desc. PT LENIOUS WHITE PROP PLAT BK 14/182  
 Parcel Address 102 KENSINGTON CT, WINDSOR  
 Legal Acreage 2.1300

### Parcel Information

Property Class Code MULTI FAMILY  
 Neighborhood Code 100  
 Neighborhood Factor .00  
 Neighborhood Type B

### Assessment Information

Current AV - Total Land \$106,500 Adj. Factor Applied 0.00  
 Current AV - Total Improv. \$595,700 Average AV/Acre \$0  
 AV - Tot. Lnd & Improv. \$702,200 Appraisal Date 2/5/2015  
 Reason for Change Code 33  
 Prior AV - Total Land \$106,500  
 Prior AV - Total Improv. \$595,800

F

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



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**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: Windsor Court II Apartments

Address of Development: 101 Georgie D'Tyler Drive, Windsor, VA 23487

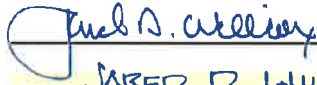
Name of Owner: Windsor Court II Apartments LP

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: JARED D. WILCOX

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:

15,788.88	=	(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
15,788.88	=	(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	0.00		0		0.00
2 Bedrooms Elderly	0.00		0		0.00
Efficiency Garden	0.00		0		0.00
1 Bedroom Garden	594.90		16		9,518.40
2 Bedrooms Garden	783.81		8		6,270.48
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
<b>Total</b>			<b>24</b>	<b>Total</b>	<b>15,788.88</b> **

\* 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**

0.00%

	<u>Unit Type</u>	<u>Floor Plan Square Feet</u>	<u>Number of Units This Floor Plan</u>	<u>Total</u>
Mix 1	1 BR - 1 Bath	546.91	8	4375.28
Mix 2	2 BR - 1 Bath	587.53	8	4700.24
Mix 3	2 BR - 1 Bath	726.69	4	2906.76
Mix 4	2 BR - 1 Bath	781.74	4	3126.96
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
Mix 16				0
Mix 17				0
Mix 18				0
Mix 19				0
Mix 20				0
Mix 21				0
Mix 22				0
Mix 23				0
Mix 24				0
Mix 25				0
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Mix 31				0
Mix 32				0
Mix 33				0
Mix 34				0
Mix 35				0
Mix 36				0
Mix 37				0
Mix 38				0
Mix 39				0
Mix 40				0
Mix 41				0
Mix 42				0
Mix 43				0
Mix 44				0
Mix 45				0
Mix 46				0
Mix 47				0
Mix 48				0
Mix 49				0
Mix 50				0
<b>Totals</b>			<b>24</b>	<b>15109.24</b>

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

DEV Name: Windsor Court II Apartments

**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](http://www.VHDA.com)

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

- FALSE a. The development will have a community/meeting room with a minimum of 749 square feet.
- 0.00% 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.
- FALSE 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
- TRUE h. Each Unit is provided free individual Wi-Fi access
- TRUE i. Bath fan wired to primary light with delayed timer, or, continuous exhaust by ERV/DOAS OR
- FALSE j. Fire Suppression - Cooking surfaces are equipped with fire suppression features
- OR
- TRUE k. Fire Prevention - all Ranges equipped with temperature limiting controls
- FALSE l. Rehab only- Each apartment has dedicated space, drain and electrical hookups to accept a permanently installed dehumidification system OR
- TRUE m. All development types- Each Unit is equipped with a permanent dehumidification system
- TRUE n. All interior doors within units are solid core
- TRUE o. At minimum one USB charging port in each Kitchen, Living room and all bedrooms
- TRUE p. All Kitchen light fixtures are LED and meet MDCR lighting guidelines
- FALSE q. Shelf or ledge outside each primary apartment entry door located in an interior hallway
- FALSE r. New Construction only- Each unit to have balcony or patios minimum depth 5' clear from face of building.

DEV Name: Windsor Court II Apartments

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

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

- X **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:

- X 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.

DEV Name: Windsor Court II Apartments

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



Signed: Jared D. Willcox  
 Printed Name: JARED D. WILLCOX  
 Title: PRINCIPAL ARCHITECT  
 Virginia Registration #: 007681  
 Phone: 703.956.5656  
 Date: MAR. 4, 2019

**NOTE TO ARCHITECT:** If representations 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: Windsor Court II Apartments



**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: 5

The total number of rental units in this development: 24

**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: Jared D. Wilcox

Printed Name: JARED D. WILCOX  
Architect of Record  
(same individual as on page 7)

Date: 3.4.19

DEV Name: Windsor Court II Apartments



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

**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: Austin Walther

Date: 3/13/19

Printed Name: Austin Walther

RESNET Rater

Resnet Provider Agency  
Viridiant

Signature [Signature]

Provider Contact and Phone/Email Sean Evensen-Shanley, sean.evensen-shanley@viridiant.org



# Home Energy Rating Certificate Projected Report

Rating Date: 2019-03-12  
Registry ID: Unregistered  
Ekotrope ID: 5dY6XZ1v

## HERS® Index Score:

# 69

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](http://www.hersindex.com)

## Annual Savings

# \$399

\*Relative to an average U.S. home

## Home:

101 Georgie D'Tyler Drive , Windsor, VA 23487

## Builder:

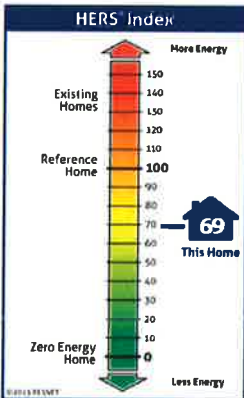
Canterbury Construction, Inc.

## Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	3.0
Cooling	1.1
Hot Water	4.2
Lights/Appliances	13.3
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>21.7</b>

## This home meets or exceeds the criteria of the following:

2006 International Energy Conservation Code



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Unit Type A - 1 Bdr. Bottom Floor
Community:	Windsor Court II
Conditioned Floor Area:	621 sq. ft.
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 17 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	9 ACH50
Ventilation:	35.0 CFM • 249.0 Watts
Duct Leakage to Outside:	49.68 CFM25 (8 / 100 s.f.)
Above Grade Walls:	R-16
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.28, SHGC: 0.22
Foundation Walls:	N/A

## Rating Completed by:

**Energy Rater:** Austin Walther  
RESNET ID: 1092776

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

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



*Austin Walther*

Austin Walther, Certified Energy Rater  
Digitally signed: 3/12/19 at 8:48 PM

ekotrope™

Ekotrope RATER - Version: 3.1.1.2.129

The Home Energy Rating Standard Disclosure for this house is available from the rating provider. This report does not constitute any warranty or guarantee.



# Home Energy Rating Certificate Projected Report

Rating Date: 2015-03-04  
Registry ID: Unregistered  
Ekotrope ID: ILV67NOL

## HERS® Index Score:

# 98

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](http://www.hersindex.com)

## Annual Savings

# \$229

\*Relative to an average U.S. home

## Home:

101 Georgie D'Tyler Drive , Windsor, VA 23487

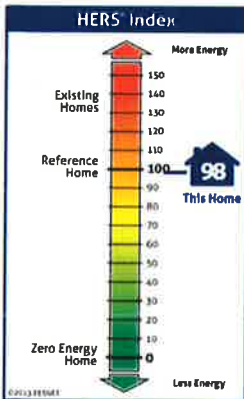
## Builder:

Canterbury Construction, Inc.

## Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	3.8
Cooling	3.1
Hot Water	5.7
Lights/Appliances	13.9
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>26.6</b>

**This home meets or exceeds the criteria of the following:**



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Unit Type A - 1 Bdr. Bottom Floor
Community:	Windsor Court II
Conditioned Floor Area:	621 sq. ft.
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 9.4 SEER
Primary Water Heating:	Water Heater • Electric • 0.87 Energy Factor
House Tightness:	11.6 ACH50
Ventilation:	None
Duct Leakage to Outside:	41.32 CFM25 (6.65 / 100 s.f.)
Above Grade Walls:	R-16
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.87, SHGC: 0.73
Foundation Walls:	N/A

## Rating Completed by:

**Energy Rater:** Austin Walther  
RESNET ID: 1092776

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

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



*Austin Walther*

Austin Walther, Certified Energy Rater  
Digitally signed: 3/12/19 at 8:49 PM

**ekotrope™**

Ekotrope RATER - Version: 3.1.1.2.129

The Home Energy Rating Standard Disclosure for this house is available from the rating provider. This report does not constitute any warranty or guarantee.



G

Zoning Certification Letter  
(MANDATORY)



**DATE:** January 30, 2019

**TO:** Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, Virginia 23220  
Attention: Jim Chandler

**RE:** ZONING CERTIFICATION

Name of Development: Windsor Court II Apartments

Name of Owner/Applicant: Windsor Court II Apartments Limited Partnership

Name of Seller/Current Owner: Windsor II Limited Partnership

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:

101 George D'Tyler Drive  
Windsor, Virginia 23487

Legal Description:

Please see the attached.

Proposed Improvements:

<input type="checkbox"/> New Construction:	<u>          </u> # Units	<u>          </u> # Buildings	<u>          </u> Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	<u>          </u> # Units	<u>          </u> # Buildings	<u>          </u> Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Rehabilitation:	<u>24</u> # Units	<u>3</u> # Buildings	<u>15,788</u> Total Floor Area Sq. Ft.

**Zoning Certification, cont'd**

Current Zoning: R-2 allowing a density of 10 units per acre, and the following other applicable conditions: \_\_\_\_\_

**Other Descriptive Information:**

Windsor Court II Apartments is a multi-family apartment community with (3) two-story buildings with (16) one-bedroom and (8) two-bedroom units and targets low-income families within the Town of Windsor. It has stick construction with vinyl siding and asphalt-shingled roof.  
Windsor Court II Apartments Limited Partnership plans to expend \$40,000 per unit in hard costs to rehabilitate the apartments if awarded tax credits.

**LOCAL CERTIFICATION:**

Check one of the following as appropriate:

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

  
Signature

Michael Stallings  
Printed Name

Town Manager  
Title of Local Official or Civil Engineer

757-242-4288  
Phone:

1/30/19  
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.

## Legal Description

### Windsor II

All that certain tract or parcel of land situate, lying and being in Windsor Magisterial District, Isle of Wight County, Virginia, containing 1.512 Acres, shown and designated as "PARCEL A" on plat of survey entitled, "PLAT SHOWING SUBDIVISION OF LENIOUS W. WHITE PROPERTY FOR WINDSOR II LIMITED PARTNERSHIP, A VIRGINIA LIMITED PARTNERSHIP, WINDSOR MAGISTERIAL DISTRICT, ISLE OF WIGHT CO., VIRGINIA," dated January 13, 1989, made by Bassell & Folkes, P.C., Engineers, Surveyors & Planners, Chesapeake, Virginia, to which plat reference is made, and a copy of which plat is of record in the Clerk's Office of the Circuit Court for the County of Isle of Wight, Virginia, in Plat Book 14, page 182, and which property is more particularly described to said survey as follows:

Commencing at a point in the northwesterly right-of-way line of U.S. Route No. 258, which point is the intersection of the northwesterly right-of-way line of U.S. Route No. 258, the easterly boundary line of "PARCEL A" herein conveyed, and the westerly boundary line of property owned by Windsor Associates Limited Partnership, all as shown on said plat, the point or place of beginning; and from the point or place of beginning thus established, running thence N 57 degrees 30' 00" W a distance of 522.26 feet to a point; running thence S 32 degrees 30' 00" W a distance of 124.51 feet to a point; running thence S 57 degrees 30' 00" E a distance of 535.71 feet to a point in the northwesterly right-of-way line of U.S. Route No. 258; running thence N 26 degrees 27' 00" E along the northwesterly right-of-way line of U.S. Route No. 258 a distance of 87.90 feet to a point; running thence along the northwesterly right-of-way of U.S. Route No. 258 along the arc of a curve having a radius of 2809.79 feet and an arc length of 37.34 feet to a point, the point or place of beginning.

running thence S 32

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Attorney's Opinion  
(MANDATORY)

# WILLIAMS MULLEN

Direct Dial: 804.420.6915  
adomson@williamsmullen.com

March 14, 2019

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

RE: 2019 Tax Credit Reservation Request

Name of Development: Windsor Court II Apartments  
Name of Owner: Windsor Court II Apartments LP

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. 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.

# WILLIAMS MULLEN

March 14, 2019

Page 2

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.

8. It is more likely than not that the representations made under the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

9. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code 42(d)(2)(B) are not correct.

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon 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.

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.

WILLIAMS MULLEN, A Professional Corporation

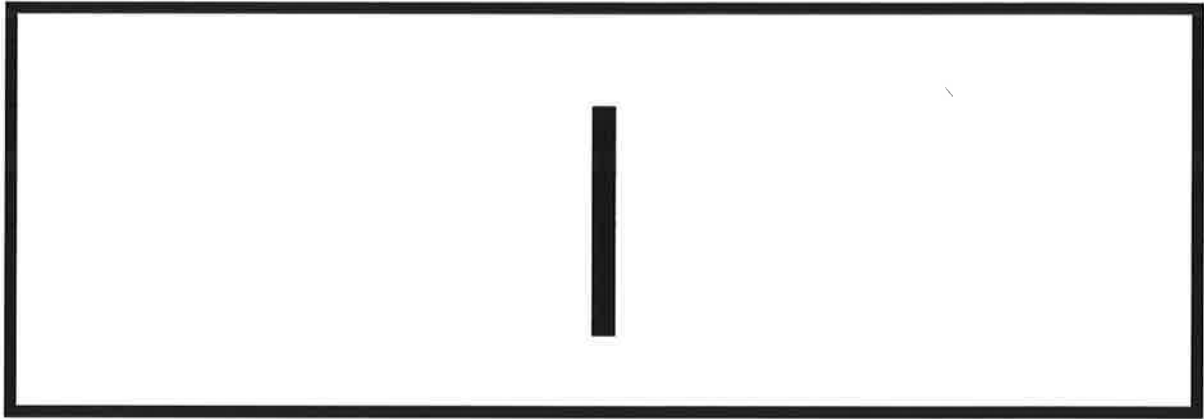


By: \_\_\_\_\_

Allison T. Domson

Its: Shareholder





# 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: Windsor Court II Apartments
- b. Name of owner/applicant: Windsor Court II Apartments LP
- c. Name of non-profit entity: Petersburg Community Development Corporation
- d. Address of principal place of business of non-profit entity:  
200 South 10th Street, Suite 1600, Richmond, VA 23219

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

Office in personal residence of Executive Director.

- e. Tax exempt status:  501(c)(3)  501(c)(4)  501(a)
- f. Date of legal formation of non-profit (must be prior to application deadline); \_\_\_\_\_  
evidenced by the following documentation: \_\_\_\_\_  
November 21 1989; evidence by certificate of Incorporation issued by VA 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):  
August 1990.
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):  
Development, acquisition, and rehab of real property to be sold or otherwise transferred to low and moderate income individuals.
- i. Expected life (in years) of non-profit:  
In perpetuity.

## Non-profit Questionnaire, cont'd

j. Explain the anticipated future activities of the non-profit over the next five years:  
Hold general partner interest in low/moderate income apartment communities and hold options to purchase such projects at the end of the tax credit compliance period to ensure continued affordability.

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.)?  
0 How many part time, paid staff members? 1

Describe the duties of all staff members:

Part-time executive director works on specific projects as funding is available; board members volunteer their services.

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?  
Less than 25.

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  
Private donations, grants, cash distributions from properties where PCDC serves as general partner.

o. List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:  
See attached list.

## 2. Non-profit Formation

a. Explain in detail the genesis of the formation of the non-profit:  
Organized in 1989 to own, rehab and sell single family homes to first time home buyers, subsequently worked on redevelopment plans and co-developed a LIHTC property in Petersburg, VA "Henry Williams Townhomes", and Surry Village in Surry, VA.

## 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:

PCDC was rescued in 2004 by Petersburg Redevelopment and Housing Authority when it was defunct; PCDC and the Housing Authority pursued projects jointly until they "divorced" in 2009 over their differences about what constitutes affordable housing; PCDC elects it's own board.

- 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:

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

Yes  No If yes, explain:

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- 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:

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- 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.):

Originally bought and sold rehabbed single family homes to first time home buyers; developed Van Buren Estates subdivision in Petersburg; co-developed Henry Williams Townhomes in Petersburg (2012). Currently PCDC is general partner in Pinecrest Apartments in Bedford, VA which received a 9% allocation of Tax-Credits by VHDA in 2018.

- 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.

N/A

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### 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:

Non-Profit owns 10% of GP interest.

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

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

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

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

The ROFR will be referenced in the tax credit investors Amended and Restated Agreement of Limited Partnership.

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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:

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

Yes  No If yes,

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

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

**Non-profit Questionnaire, cont'd**

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

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- (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:

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- 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?

The development of the property was identified by a 3rd party which had been working on the site redevelopment plan for several months prior to PCDC's involvement. PCDC was contacted through another non-profit that was unable to participate, since PCDC's mission is to further the development of affordable housing in the state of VA and the location of the planned development fit within PCDC footprint.

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- 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:

Owner of the property is Windsor Court II Apartments LP. General Partners are AS Squared, LLC (90%) and PCDC (10%).

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- 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.

N/A

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- 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.

AS Squared, LLC, a Virginia Limited Liability Corporation has been selected by PCDC to provide real estate development services to the project. As outlined in the development services agreement, AS Squared, LLC will provide financial guarantees as needed by the investment limited partner and construction lender.

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- (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?

TM Associates Inc. manages several AS Squared properties and is also the property manager of the majority of PCDC communities.

- 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.

Under the development services agreement, AS Squared, LLC will be paid a developers fee of approximately \$365,000

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- 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.

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- 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:

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- 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:

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- 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:

AS Squared, LLC has previously worked with PCDC on a LIHTC development in VA. TM Associates Management currently manages several communities which PCDC is the General partner of.

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- 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:

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## 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:  
Low and moderate income individuals in the United States. PCDC currently owns properties in PA and VA and is currently pursuing opportunities in OH, NC, and SC.
- 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:  
PCDC has participated in local activism to increase affordable housing in the Newport News region. PCDC is the General Partner of two low-income communities in the nearby area of Surry.
- 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:  
No, but PCDC has conducted focus groups and feasibility studies in the affected communities to solicit input from prospective tenants and users of the facilities being proposed.
- 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:  
PCDC was successfully awarded project based vouchers from the local housing authority to be utilized at another community.
- g. Has the non-profit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input?  Yes  No If yes, describe the meeting dates, meeting locations, number of attendees and general discussion points:
- h. Are at least 33% of the members of the board of directors representatives of the community being served?  Yes  No If yes,  
(i) low-income residents of the community?  Yes  No



**Non-profit Questionnaire, cont'd**

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

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

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

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  
Yes, however CHDO status has since expired

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:  
However, when its focus was on the Petersburg area, PCDC received grants from the city of Petersburg in competitive proposal solicitations where other non-profits also submitted proposals.

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).  
Henry Williams Townhomes 2010 & 2011 LIHTC applications; recieved award in 2011 for 42 units. TM Associates and MARG Rural were 49% GP and PCDC was 51% GP.  
Pinecrest Apartments in 2018 LIHTC application; recieved award same year for 64 units. Green Street Housing is 90% GP and PCDC is 10% GP. Surry Village, 2007 LIHTC award, PCDC is 100% GP.

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).  
Surry Village, 2007 LIHTC award, PCDC is 100% GP.

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

**Non-profit Questionnaire, cont'd**

q. Has the non-profit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the VHDA Housing Funds?  Yes  No If yes, explain:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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.

3/7/2019  
Date

Windsor Court II Apartments LP  
  
Owner/Applicant

By: Adam J. Stockmaster  
Its: Managing Member, AS Squared LLC, its General Partner  
Title

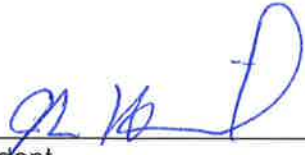
3/7/2019  
Date

Petersburg Community Development Corporation  
Non-profit  
By:   
Board Chairman

**Non-profit Questionnaire, cont'd**

By: \_\_\_\_\_

President

A handwritten signature in blue ink, appearing to be 'J. K. D.', written over a horizontal line.

**HISTORY  
OF  
PETERSBURG COMMUNITY DEVELOPMENT CORPORATION, INC. ("PCDC")**

PCDC is a Virginia non-profit corporation organized in November, 1989. Historically, its purposes included developing and owning housing that is affordable to low and moderate income individuals residing anywhere in the United States. PCDC is designated as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. PCDC's primary sources of funding since 2008 have been CDBG grants from the City of Petersburg (the "City" or "Petersburg"), The Cameron Foundation ("Cameron"), the Virginia Department of Housing and Community Development ("DHCD"), contract work performed for the City, and private donations.

In its early years, PCDC acquired single family residences through donation to PCDC and then proceeded to renovate the buildings using home improvement loans from local banks; the homes were sold to low and moderate-income persons. Most purchasers of the homes were first-time homeowners. In all, 19 single family houses were purchased and renovated by PCDC by 2004.

The second phase of PCDC's history began when PCDC was approached by the Petersburg Redevelopment and Housing Authority ("PRHA") in 2005 about having PCDC apply for certification as a CHDO through DHCD. PRHA was interested in sponsoring a non-profit corporation that could become certified as a CHDO for the purpose of developing affordable housing in the Petersburg, Virginia metropolitan area, and using HOME funds for staffing expenses and project-specific "hard costs." In order to be certified as a CHDO, PCDC had to reorganize as a non-member organization and restructure its Board of Directors. PCDC received that certification in September, 2007. The administration of the City of Petersburg has supported the activities of PCDC since its organization, and PCDC has received positive news coverage of its successes.

PRHA desired for PCDC to assume a leadership role in the Petersburg community by making affordable housing available to persons in need and who had been underserved by State, Federal and local agencies. Among the goals of PCDC has been to work with the City administration to map out a strategy for filling the void left by HUD's inability to fund the development of new housing and rehab aging housing stock.

The first major initiative in the "new era" was the development of single-family detached homes on Van Buren Street in Petersburg, across from the Cedar Lawn Townhouses. This development, known as "Van Buren Estates," was begun by constructing two model homes, both of which were sold in 2009. Due to differences between PCDC and PRHA regarding the target costs of affordable housing, PCDC assigned its development rights in Van Buren Estates to PRHA, and thereafter focused its efforts on other projects more in keeping with its mission.

PCDC's second major project was the Henry Williams Townhomes (formerly known as "Owens Court"), 42 townhomes for rent constructed on a Gillfield redevelopment site at the intersection of Lee Avenue and South South Street in Petersburg. The project development costs were over \$10 million. With funding by Cameron and with assistance by PCDC's co-development partner, T.M. Associates, PCDC was able to purchase the site from the City, obtain rezoning, the project was designed, a market study completed, a low-income housing tax credit ("LIHTC") application submitted to the Virginia Housing Development Authority ("VHDA"), and an Affordable Housing Production Program ("AHPP") application was submitted to DHCD. The Henry Williams project received a reservation of LIHTC from VHDA worth over \$6,836,000 when syndicated. Boston Capital purchased the LIHTC. The LIHTC application to VHDA for the Henry Williams Townhomes was ranked first in the Richmond region pool by VHDA in the 2010 round. This project also received an AHPP grant from DHCD in the amount of \$417,000 for a portion of the permanent mortgage and a \$50,000 grant for PCDC operating funds. Groundbreaking occurred in June, 2011 and the townhomes were completed in November, 2012. Today, occupancy remains near 100%.

PCDC has participated in the revitalization of the Halifax-Harding Revitalization Area containing approximately 900 homes, vacant lots and businesses generally in the vicinity of Halifax and Harding Streets in Petersburg (the "Halifax Project"). Non-profit organizations such as Better Housing Coalition, Restoration of Petersburg CDC, Virginia LISC and Triangle Center for Development, Inc. have collaborated with PCDC under the name of the "Halifax Partnership" to effect substantial changes in this targeted neighborhood.

PCDC's redevelopment activities in this targeted area are aligned with the City's Comprehensive Plan which states that "a complete redevelopment plan should be created" in the Halifax community. The Halifax Project was supported by City Council in 2010-2011 with a planning grant of \$25,000 for a study, and again in 2011-2012 with a grant of \$75,000 for preparation of a redevelopment plan. A draft Redevelopment Plan was presented to the City Planning Department and the PRHA Board in August, 2013, but no action was ever taken by City Council. While the Halifax Project has been declared to be one of the City's priorities for redevelopment, the lack of City capital improvement funds to upgrade infrastructure in that area has halted that Project.

During the summer of 2013, Petersburg City Councilman W. Howard Myers contacted PCDC about renovating the abandoned Virginia Avenue Elementary School as a community health and wellness center for the City. The City Administration supported the idea and issued an RFP for a feasibility study for the project. PCDC was selected in December, 2013 by a committee appointed by the City to perform this engagement, and work on the study began in January, 2014. The study was presented to City Council on June 17, 2014 and adopted on July 1, 2014. Subsequently, the City issued an RFP for a developer for this project, with a deadline for submission of proposals of November 12, 2014. PCDC submitted its proposal and was selected as the developer on November 24, 2014.

The redevelopment costs were to be covered largely by federal and state historic tax credits and grants from organizations supporting healthcare and wellness initiatives. The City

committed to lease approximately 40% of the space in the renovated building for its parks and recreation operations, and PCDC received expressions of interest from Bon Secours for a medical clinic and FeedMore for a food pantry in the renovated space. Community Health Alliance, a 501(c)(3) organization active in Richmond and Petersburg, was PCDC's administrative partner responsible for handling all funds and grant administration. Construction was to begin in late spring 2015 with a 12-month construction period, but the City reneged on its obligation to lease space as the anchor tenant and Community Health Alliance subsequently went out of business. As a result, PCDC had to abandon this project.

In the Summer of 2017, the PCDC Board decided to "reinvent" PCDC. The plan going forward would be for PCDC to hold (i) rights of first refusal and purchase options on LIHTC projects that would be exercisable after the end of the LIHTC tax credit compliance period, and (ii) minority equity interests in certain LIHTC projects. The entire PCDC Board resigned in January, 2018 and was replaced by James Hendricks, Scott Rabin and Eric Whisenhunt. Mr. Hendricks has served as the President of PCDC since that time. Today, PCDC owns equity interests in 15 affordable apartment projects and rights of first refusal in 5 such projects.

Alexander C. Graham, Jr.  
Williams Mullen  
January 1, 2019

PCDC Ownership List

Property	Property Info	Ownership	ROFR
Woodstock Village Phase I	46 Unit RD in Woodstock, VA	10% of GP Interest (0.5%)	No
110 South Perry LLC	226 Unit LIHTC in Petersburg, VA	10% of GP Interest (0.001%)	Yes
Surry Village Phase I	48 Unit RD/LIHTC, in Spring Grove, VA	100% of GP Interest (0.01%)	Yes
Brandy Spring	40 Unit RD in Mercer, PA, Conifer	80.228% LP Interest	No
Creekside	30 Unit RD in Leechburg, PA, Conifer	84% LP Interest	No
Wright Village	24 Unit RD in Sandy Lake, PA, Conifer	84% LP Interest	No
Independence Apartments	28 Unit RD in Mt. Pleasant, PA, Conifer	74.1% LP Interest	No
Lake Street	32 Unit RD/LIHTC in Girard, PA, Conifer	84% LP Interest	No
Parkview Apartments	24 Unit RD in Brockway, PA, Conifer	74.1% LP Interest	No
Scottdale Plaza	22 Unit RD in Scottdale, PA, Conifer	84% LP Interest	No
Washington Street	30 Unit RD in Conneautville, PA, Conifer	80.339% LP Interest	No
Henry Williams	42 Unit LIHTC in Petersburg, VA	51% of GP Interest (0.0051%)	Yes
School House/Springford	69 Unit RD/LIHTC in Port Deposit & Elkton, MD	40% of GP Interest (0.004%)	No
Pinecrest Apartments	64 Unit RD/LIHTC in Bedford, VA	10% of GP Interest (0.001%)	Yes
American Tobacco Lofts	134 Unit LIHTC in Richmond, VA	10% of GP Interest (0.001%)	Yes



**PETERSBURG COMMUNITY DEVELOPMENT CORPORATION, INC.**

**Board of Directors**

Eric Whisenhunt  
8120 Woodmont Ave.  
Suite 810  
Bethesda, MD 20814  
[ewhisenhunt@computershowcase.com](mailto:ewhisenhunt@computershowcase.com)

Scott Rabin  
7900 Westpark Dr.  
Suite A340  
Tysons, VA 22102  
[srabin63@gmail.com](mailto:srabin63@gmail.com)

James Hendricks  
511 Spring St. SE  
Vienna, VA 22180  
[jrhendricks@gmail.com](mailto:jrhendricks@gmail.com)

J

# Relocation Plan

**(MANDATORY, if tenants are displaced)**

# Windsor Court II Apartments Renovation and Relocation Plan

March 1, 2019

## PROJECT AND CONTACT INFORMATION

**Project:** Windsor Court II Apartments, 101 Georgie D'Tyler Drive, Windsor, Virginia 23487

**Owner:** Windsor Court II Apartments LP

c/o T.M. Associates, Inc., 1375 Piccard Drive, Suite 150, Rockville, Maryland 20850

Contact: Adam J. Stockmaster, [astockmaster@tmadevelopment.com](mailto:astockmaster@tmadevelopment.com), 240-428-7799 x 102

**Property Management:** TM Associates Management, Inc. 1375 Piccard Drive, Suite 150, Rockville, Maryland 20850

Contact: Shay Dugan, [sdugan@tmamgroup.com](mailto:sdugan@tmamgroup.com), 240-683-0300

## REHABILITATION ACTIVITIES

Windsor Court II Apartments LP intends to purchase the existing Windsor Court II Apartments, and a significant capital investment is planned. The planned acquisition of the property is scheduled to occur in June 2019.

This renovation plan relates to Windsor Court II Apartments. The property consists of 24 apartment units offering a mix of one-bedroom and two-bedroom units. The leasing office for Windsor Court II Apartments will remain where it is located. Existing community amenities include a community room space, with kitchen, for resident activities, as well as a secondary seating area with vending. The scope of work for rehabilitation includes, but is not limited to the following:

- Replacement of kitchen cabinets and countertops
- Replacement of bathroom vanities and toilets replacement of select tubs
- Replacement of water heaters and HVAC units
- Replacement of windows
- Upgrades to electrical and plumbing systems, including new lighting and ceiling fans
- Installation of new flooring in most units
- Replacement of appliances in most units and installation of dishwashers
- Increased attic insulation
- Site improvements, including new landscaping, replacement of select sidewalks and a new building entry

The new appliances and mechanical equipment will offer higher efficiency than what is currently being

used at the property. Along with new windows and new insulation, the units will be significantly more energy efficient and should lead to lower utility bills for the residents.

#### **PROJECT SCHEDULE**

The rehabilitation work will be performed by Canterbury Construction, Inc., a large general contractor with significant experience managing rehabilitation projects of this scope. The construction is intended to progress with exterior work being completed first, followed by interior work and finishes. This plan contemplates a construction start of June 1, 2020. The planned renovation work is expected to be materially complete by December 31, 2020, with the punch list work expected to be complete by March 2021. The schedule for when construction activity will be updated regularly with sufficient notification to residents for work that needs to be completed in their apartment. Once the schedule is finalized, this plan will be updated and redistributed as needed. All of the renovation work is intended to be completed around the existing residents, with the residents to remain in their unit, but both the community room and seating area will be available for the residents to enjoy while work is ongoing in their apartment should they choose to not remain in their apartment.

Start Renovation June 1, 2020, Substantially Complete Renovation by December 31, 2020 with all work anticipated to be completed by March 31, 2021. This schedule is subject to change and the residents will be notified of schedule changes as soon as possible.

#### **RESIDENT IMPACT**

The property management staff and company will not change and the same experienced property manager, known for their professionalism and attentive service to the residents they serve. All of the members of the management team will be tasked to keep the residents informed of changes to the renovation plans throughout the construction period. The proposed construction activity in each unit will be performed in such a fashion to limit resident inconveniences.

Resident furnishings and belongings will be moved as needed by the general contractor and subcontractors at the ownership's expense. We ask that the residents please pack-up their small items and valuables with materials that property management will furnish. As needed assistance can be provided for residents with special needs.

#### **RENTS AND RENTAL POLICIES FOLLOWING REHABILITATION**

Windsor Court II Apartments is being renovated using housing tax credit financing along with a new mortgage. With this source of financing, housing costs, including rent and an allowance for tenant-paid utilities, are restricted so as to be affordable to households that earn 60% of the Area Median Income. Also, only households with incomes below 60% of the Area Median Income (as adjusted for household size) are eligible to live in the community.

These rent and income restrictions are no different than what is currently in place for the property under the previous ownership, so it is expected that all existing residents at Windsor Court II Apartments will be income qualified. Property Management will annual certify the incomes of the residents and they will reach out to each of the existing residents to verify the income of the household.

Current income limits and the projected post-rehabilitation rents are shown in the attached Resident Selection Criteria (RSC for the property. Due to the project based rental subsidy contract on a majority of the units, the resident paid portion of the rents is not expected to change for these units.

Residents will continue to be responsible for their own electrical costs, which includes heat, air conditioning, cooking, water heating, and lighting/general electric use. Residents are also responsible for any optional services desired, such as telephone, cable TV or internet service. Following completion of the renovation work, the water and sewer service will be individually sub metered and the resident will become responsible for this billing. Trash service will continue to be paid for by the ownership.

**Rent and Utility Changes Proposed**

Current Rents		Proposed Rents
1Bedroom Units	\$556/month	\$579/month
2Bedroom Units	\$632/month	\$684/month

**Utility Allowance Changes Proposed**

Current Utility Allowance		Proposed Utility Allowance
1Bedroom Units	\$76/month	\$124/month
2Bedroom Units	\$116/month	\$159/month

***Permanent Relocation***

Existing residents are NOT expected to be permanently relocated as a result of the acquisition or rehabilitation of Windsor Court II Apartments. If a current resident is found to be over income or found to have been over income when the resident initially occupied their unit, they will be permanently relocated off of Windsor Court II Apartments property. As the previous ownership of Windsor Court II was held to the same income verification requirements as the new ownership. We do not expect there to be any situation where a current resident will be found to not qualify for their apartment unit.

The site management team will provide Full Relocation Assistance as required in the VHDA's Relocation Assistance Guidelines. Such assistance includes Advisory Services and Moving Cost Reimbursement to the extent a relocation is necessary to perform the planned renovation work.

## **OWNER'S RESPONSIBILITIES TO TENANTS**

Advisory Services will include:

- Providing referrals for tenants to replacement properties
- Providing tenants with written information
- Providing appropriate translation and counseling for tenants who are unable to read and understand notices
- Communicating the name and telephone number of a contact person who can answer questions or provide other needed help
- Providing transportation for tenants needing to look at other housing, especially those who are elderly or disabled
- Giving special consideration to the needs of families with school age children
- Extending regular business hours, including evenings and weekends, so that tenants won't have to miss work

Moving Cost Reimbursement to displaced residents will be based on the following guidelines:

- The Federal Highway Administration's Fixed Residential Moving Cost Schedule (includes utility hook up costs) for Virginia is as follows:
  - 1 Room of Furniture-\$700
  - 2 Rooms of Furniture-\$900
  - 3 Rooms of Furniture-\$1100
  - 4 Rooms of Furniture-\$1300
- Or
  - Based on tenant's actual reasonable moving and related expenses. Reimbursement of actual moving and related expenses is defined as either labor or equipment.
  - As needed, residents will receive assistance in packing and moving furniture and belongs
  - Temporary storage units will be provided for convenience as well.

### ***Temporary Relocation***

All residents are scheduled to remain in their same apartment. However, 5 units will receive significant handicap upgrades that may necessitate a temporary relocation of the resident. Residents temporarily relocated will be offered Moving Cost Reimbursement. Most residents that are temporarily relocated will endure no more than four to six weeks of relocation. Residents will receive assistance in packing and moving furniture and belongs, plus temporary storage units will be provided for convenience as well.

### ***Tenant Notices***

The new ownership intends to provide thorough and well-documented communication with residents of relocation and renovation plans. Initial notices have already been provided by property management, and further notices will begin on the settlement date, beyond the earlier 120-day notice. The 120-day notice will provide residents with notice of the owner's intent to acquire the property, general information and notice of relocation eligibility. Further notice, at least 30-days in advance of work commencing in the resident apartment. Mailings will be prepared in advance so that they may be mailed as of the notice date.



### **Windsor Court II Apartments-Moving Cost Reimbursement Schedule**

Note: This pre-determination of moving cost reimbursements assumes that no more than six residential units may need to be vacated on a volunteer basis. This pre-determination assumes that half of volunteers will move twice (in-and-out of their unit). To account for assumed vacancy at the start of the notice period, total moving costs are reduced by 20%. A contingency of \$100/unit is also added to the estimated costs.

#### **Moving Cost Reimbursement**

##### Pre Determination

- \$ 900 1 Bedroom Unit (2 rooms w/ furniture)
- \$1,100 2 Bedroom Unit (3 rooms w/furniture)



K

Documentation of  
Development Location:

**K.1**

Revitalization Area  
Certification

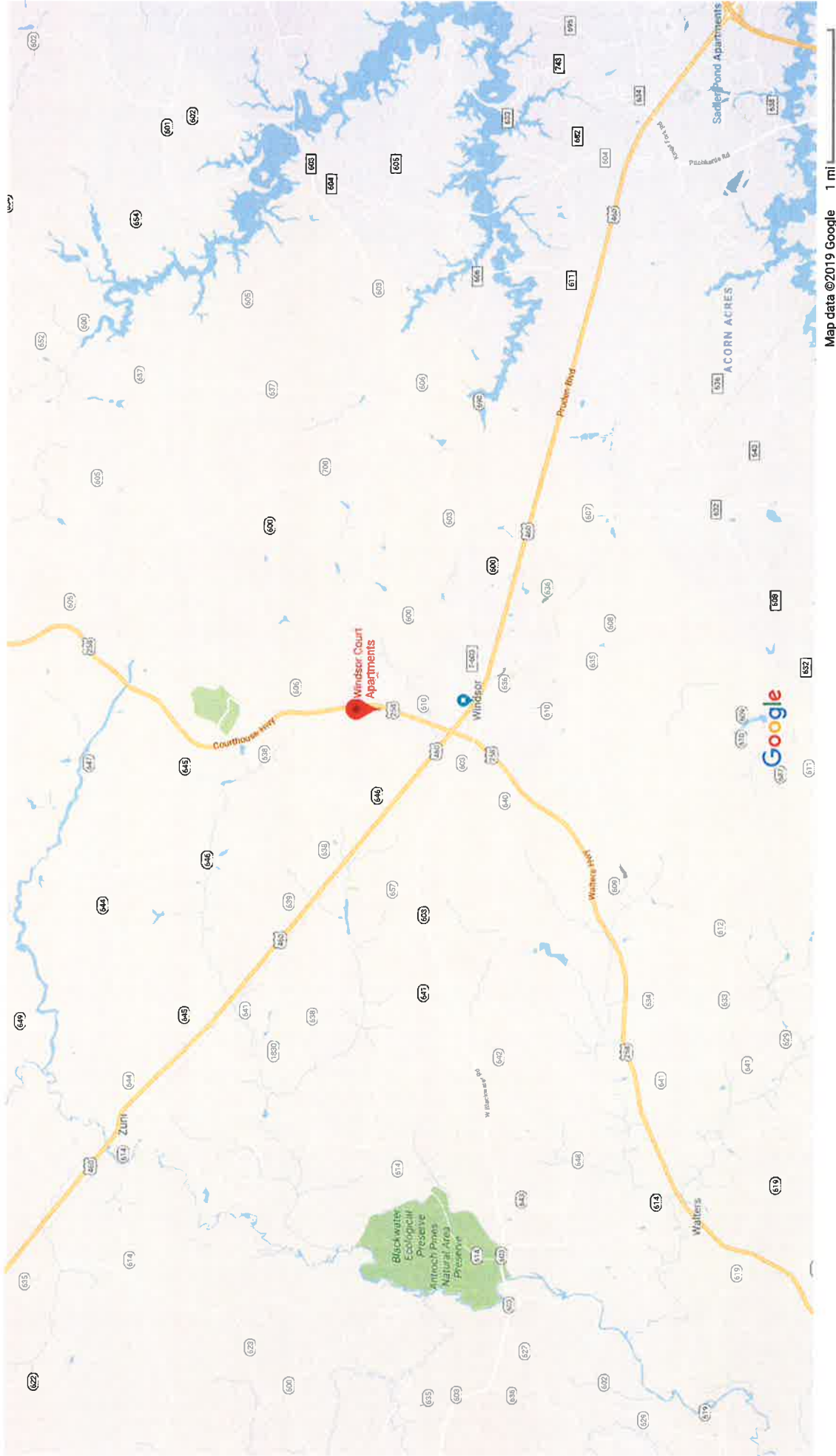
**N/A**

K.2

Location Map

# Windsor Court Apartments

101 Georgie D Tyler Drive, Windsor, Virginia 23487



K.3

Surveyor's Certification of  
Proximity to Public  
Transportation

N/A



L

PHA/Section 8 Notification  
Letter



# PHA or Section 8 Notification Letter

**DATE:** February 13, 2019

**TO:** Ms. Gwendolyn Blue, Housing Service  
Franklin Housing Authority  
100 E. Fourth Ave., Franklin, VA 23857

**RE:** PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Windsor Court II Apartments

Name of Owner: Windsor Court II Apartments LP

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 12/31/20 (date).

The following is a brief description of the proposed development:

Development Address:

101 Georgie D'Tyler Drive, Windsor, VA 23487

Proposed Improvements:

<input type="checkbox"/> New Constr.:	_____ # units	_____ # Bldgs
<input type="checkbox"/> Adaptive Reuse:	_____ # units	_____ # Bldgs
<input checked="" type="checkbox"/> Rehabilitation:	24 # units	3 # Bldgs

Proposed Rents:

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

Other Descriptive Information:

Windsor Court II Apartments is a multi-family apartment community with (3) two-story buildings with (16) one-bedroom and (8) two-bedroom units and targets low-income families within the Town of Windsor. It has stick construction with vinyl siding and asphalt-shingled roof.

Windsor Court II Apartments Limited Partnership plans to expend \$40,000 per unit in hard costs to rehabilitate the apartments if awarded tax credits.

# 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 (241) 428-7799.

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

Sincerely yours,

Windsor Court II Apartments Limited Partnership

  
By: AS Squared, LLC, General Partner

Adam J. Stockmaster, Managing Member

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


Seen and Acknowledged By: 

Printed Name: Gwendolyn Blue

Title: Housing Service Manager

Phone: 757-562-0384

Date: 3/1/19



M

Locality CEO Response  
Letter

# TOWN OF WINDSOR

Town Elected Officials  
Glyn Willis, Mayor  
Durwood V. Scott - Vice Mayor  
Greg Willis  
Walter Bernacki  
Kelly Blankenship  
Randy Carr  
George Stubbs



Established 1902

January 28, 2019

Town Manager  
Michael R. Stallings, Jr.

Town Clerk  
Terry Whitehead

Town Treasurer  
Christy Jernigan

Town Attorney  
Wallace W. Brittle, Jr.

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

VHDA Tracking Number: 2019-C-61  
Development Name: Windsor Court II Apartments  
Name of Owner/Applicant: Windsor Court II Apartments Limited Partnership

Dear Mr. Bondurant:

The construction or rehabilitation of the above-named development and the allocation of federal housing tax credits available under IRC Section 42 for said development will help to meet the house needs and priorities of the Town of Windsor. Accordingly, the Town of Windsor supports the allocation of federal housing tax credits requested by Windsor Court II Apartments Limited Partnership for this development.

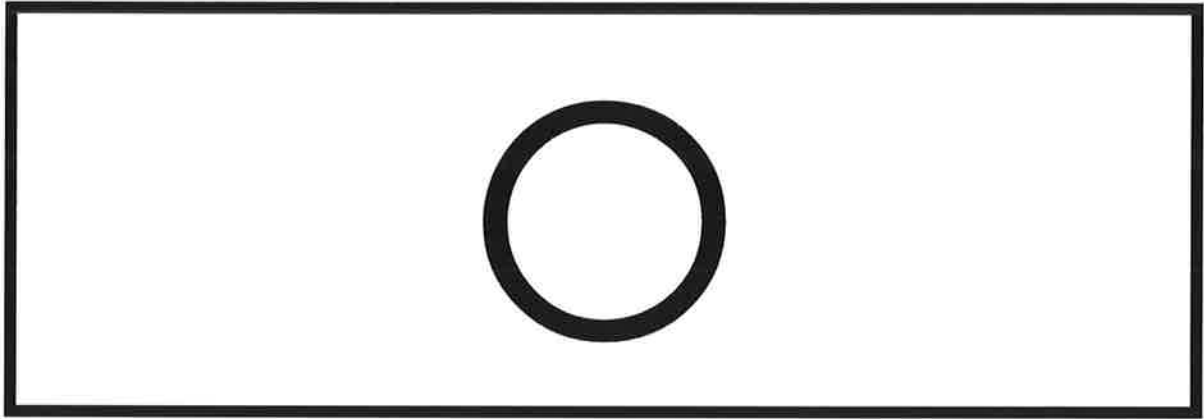
Yours truly,

Michael Stallings  
Town Manager  
Town of Windsor

N

Homeownership Plan

N/A



# Plan of Development Certification Letter

N/A



P

Copies of 8609s to  
Certify Developer  
Experience and  
Partnership agreements

## VHDA Experienced LIHTC Developers

### Notes:

Updated: 2/26/2019

I Listed if 'named' Controlling General Partner or Managing Member (as confirmed by supporting documentation)

I Listed if documentation supported at least 6 LIHTC developments

I Listed if a principal who has developed at least 3 LIHTC deals and has at least \$500,000 in liquid assets

See LIHTC Manual for instructions on being added to this list

### INDIVIDUALS

1 Alexander, Randall P.	28 Franklin, Wendell C.	55 Orth, Kevin
2 Arista, Roberto	29 Friedman, Mitchell M.	56 Parent, Brian
3 Barnhart, Richard K.	30 Gardner, Mark E.	57 Park, Richard A.
4 Baron, Richard	31 Gunderman, Timothy L.	58 Park, William N.
5 Bennett, Vincent R.	32 Haskins, Robert G.	59 Pasquesi, R.J.
6 Burns, Laura P.	33 Heatwole, F. Andrew	60 Pedigo, Gerald K.
7 Chapman, Tim	34 Honeycutt, Thomas W.	61 Poulin, Brian M.
8 Cohen, Howard Earl	35 Hunt, Michael C.	62 Queener, Brad
9 Connelly, T. Kevin	36 Jester, M. David	63 Ripley, F. Scott
10 Connors, Cathy	37 Johnston, Thomas M.	64 Ripley, Ronald C.
11 Copeland, M. Scott	38 Jones Kirkland, Janice	65 Ross, Stephen M.
12 Copeland, Robert O.	39 Kirkland, Milton L.	66 Salazar, Tony
13 Copeland, Todd A.	40 Kittle, Jeffery L.	67 Sari, Lisa A.
14 Cordingley, Bruce A.	41 Koogler, David M.	68 Sinito, Frank T.
15 Counselman, Richard	42 Koogler, David Mark	69 Stockmaster, Adam J.
16 Crosland, Jr., John	43 Lancaster, Dale	70 Stoffregen, Phillip J.
17 Curtis, Lawrence H.	44 Lawson, Phillip O.	71 Surber, Jen
18 Daigle, Marc	45 Lawson, Steve	72 Valey, Ernst
19 Dambly, Mark H.	46 Leon, Miles B.	73 Uram, David
20 Deutch, David O.	47 Lewis, David R.	74 Woda, Jeffrey J.
21 Dischinger, Chris	48 Margolis, Robert B.	75 Wohl, Michael D.
22 Douglas, David D.	49 McCormack, Kevin	76 Wolfson, III, Louis
23 Edmondson, Jim	50 McNamara, Michael L.	
24 Ellis, Gary D.	51 Melton, Melvin B.	
25 Fekas, William L.	52 Midura, Ronald J.	
26 Fitch, Hollis M.	53 Mirmelstein, George	
27 Fore, Richard L.	54 Nelson, IV, John M.	

### NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

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



Q

Documentation of Rental  
Assistance



United States Department of Agriculture  
Rural Development

1606 Santa Rosa Road  
Suite 238  
Richmond, VA, 23239  
TEL:  
FAX:

Mr. Robert Margolis  
1375 Piccard Drive  
Suite 150  
Rockville, MD, 20850

February 28, 2017

RE: INCENTIVE OFFER FOR Windsor II

Dear Mr. Margolis:

USDA Rural Development has completed its analysis of your request to prepay your Rural Rental Housing loan on the 24 unit project known as Windsor II in Windsor, VA. Since you have submitted a complete application and demonstrated the ability to prepay, we are offering you the following incentives to remain in the program.

Rural Development will provide 24 additional units of family/elderly incentive rental assistance.

If you accept the incentive package, we will reamortize the existing loan at the prevailing program interest rate in effect at the time of the loan closing, and will extend the repayment period over the remaining life of the project or the maximum program term, whichever is the lesser.

In conjunction with the closing of the equity loan or the reamortization of the existing Rural Development debts, the project will be required to convert to the Predetermined Amortization Schedule System (PASS), if it has not already been converted.

All deferred maintenance must be addressed before any of these incentives may be received (see attached). This offer is made subject to the availability of funds and continued borrower eligibility.

If you accept this incentive package you will be required to execute a "Restrictive Use Agreement" that will obligate you and any successors in title to restricting the use of the project to very-low, low, and moderate income tenants for a period of 20 years from the date the incentives are closed. This incentive package is a one-time offer. If you

Rural Development is an Equal Opportunity Lender  
Complaints of Discrimination should be sent to:  
Secretary of Agriculture, Washington, DC 20250

accept this incentive package, you will not be eligible for ANY additional incentives on this project for the 20-year period of the "Restrictive Use Agreement."

You have until March 30, 2017 (30 days from the date of this letter) to accept or reject this incentive package in writing. If you do not respond in writing, either by accepting or rejecting these incentives, we will consider your request for prepayment concluded, and the incentive package will be considered withdrawn without additional notification.

If you reject the incentive package, Rural Development will advise you of additional processing requirements, including the possibility of prepaying the loan or offering the project for sale to a non-profit organization.

Do consider these incentives carefully and if you have any questions, please contact my office. Please respond to the incentive package in writing by returning the "Acknowledgement of Incentive Offer and Response" attached to this letter. Your response must be postmarked no later than March 30, 2017.

Sincerely,



DAVID FOSTER  
Area Program Director

Rural Development is an Equal Opportunity Lender  
Complaints of Discrimination should be sent to:  
Secretary of Agriculture, Washington, DC 20250

# ACKNOWLEDGEMENT OF INCENTIVE OFFER AND RESPONSE

Windsor II 01-7

I am in receipt of an Incentive Package from Rural Development dated February 28, 2017. I understand that the incentives offered in that letter are being made to induce me to keep my 24 unit project known as Windsor II and located in Windsor, VA in the Rural Housing Program.

I hereby acknowledge that no other offers, either expressed or implied, have or will be made by Rural Development. I hereby declare that I have the authority to accept or reject this incentive package on behalf of all individuals and entities who have an ownership interest in this project.

I further declare that I have read each of the incentives being offered and understand the financial and legal obligations of each of these incentives, both individually and as a whole. Based on these statements and my review of the incentives, I have made the following determination.

## CHECK ONLY ONE OPTION

I WILL ACCEPT THE INCENTIVES AS OFFERED BY RURAL DEVELOPMENT.

I AM REJECTING THE INCENTIVES OFFERED BY RURAL DEVELOPMENT.

SIGNED BY:

*Robert B. Magydis*

DATE:

*2/28/17*

SIGNED BY:

DATE:

Rural Development is an Equal Opportunity Lender  
Complaints of Discrimination should be sent to:  
Secretary of Agriculture, Washington, DC 20250

Filters >> State:ALL  
 Management Agent/Borrower:ALL  
 Assigned To:ALL  
 Project Name:WINDSOR CT II APTS  
 Expiration:NA  
 Servicing Office:ALL  
 Fund Code:ALL  
 Labor Housing Type:ALL  
 Fiscal Year:ALL  
 Usable Units:ALL  
 County:ALL  
 Paid Code:Active  
 Agreement Status:  
 Unpaid Bal Filter:UNPAID  
 Detail:Y  
 Summary:Y

Sort >> State/Servicing Office/County/Project Name

St	Srv Off	Cty	Project Name Case Nbr	Agmt Number	Apprvl Date	Type	Amt Oblg	Amt Vouchered	Unpaid Balance	Replaced By Agrmnt	Oblg Units	Usable Units
54	604	57	WINDSOR CT II APTS 54-57-820630892 01-7	939999 190100	03/19/2018 02/04/2019	B B	79,943.31 110,822.00	63,933.00 0.00	16,010.31 110,822.00	190100	24 24	Y Y

Total Number of Tenants Receiving RA:23  
 Active RA Units:24  
 Average Months RA Usage from Project Payments: 4917.92  
 Number of Months Ra Remaining at Average Usage:25

R

Documentation of  
Operating Budget



WINDSOR II LIMITED PARTNERSHIP  
DBA WINDSOR COURT II APARTMENTS  
RD PROJECT NO: 54-057-820630892

FINANCIAL STATEMENTS  
(WITH SUPPLEMENTAL INFORMATION)  
AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2017 AND 2016

**TIDWELL**  
 **group**



Windsor II Limited Partnership

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## INDEPENDENT AUDITOR'S REPORT

To the Partners of  
Windsor II Limited Partnership

We have audited the accompanying financial statements of Windsor II Limited Partnership, which comprise the balance sheet as of December 31, 2017, and the related statements of operations, partners' equity (deficit) and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Windsor II Limited Partnership, as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

The financial statements of Windsor II Limited Partnership, as of December 31, 2016, were audited by other auditors whose report dated March 24, 2017 expressed an unmodified opinion on those statements.

## **Report on Supplemental Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2018 on our consideration of Windsor II Limited Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Windsor II Limited Partnership's internal control over financial reporting and compliance.

*Tidwell Group, LLC*

Columbus, Ohio  
March 7, 2018

Windsor II Limited Partnership

BALANCE SHEETS

December 31, 2017 and 2016

	<u>ASSETS</u>	
	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 3,968	\$ 5,578
Tenant accounts receivable	9,560	15,013
Prepaid expenses	96	93
	<u>13,624</u>	<u>20,684</u>
<b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b>		
Tenant security deposits	11,255	10,253
Replacement reserve	64,605	60,206
Real estate tax and insurance escrow	1,743	4,564
	<u>77,603</u>	<u>75,023</u>
<b>RENTAL PROPERTY</b>		
Building and improvements	906,271	906,271
Furniture and equipment	3,760	3,760
	<u>910,031</u>	<u>910,031</u>
Accumulated depreciation	<u>(894,113)</u>	<u>(862,824)</u>
	15,918	47,207
Land	51,178	51,178
	<u>67,096</u>	<u>98,385</u>
Total rental property	<u>67,096</u>	<u>98,385</u>
Total assets	<u>\$ 158,323</u>	<u>\$ 194,092</u>

See notes to financial statements.

Windsor II Limited Partnership

BALANCE SHEETS - CONTINUED

December 31, 2017 and 2016

LIABILITIES AND TOTAL PARTNERS' EQUITY (DEFICIT)

	<u>2017</u>	<u>2016</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 11,511	\$ 6,871
Property management fee payable	23,076	14,035
Accrued interest payable - first mortgage	114,209	109,068
Current maturities of long-term debt	<u>90,274</u>	<u>80,960</u>
Total current liabilities	<u>239,070</u>	<u>210,934</u>
<b>DEPOSITS AND PREPAID LIABILITY</b>		
Tenant security deposits	10,736	9,300
Prepaid rent	<u>95</u>	<u>129</u>
Total deposits and prepaid liability	<u>10,831</u>	<u>9,429</u>
<b>LONG-TERM LIABILITIES</b>		
Mortgage payable, net	636,888	646,202
Due to partners	<u>30,507</u>	<u>30,007</u>
Total long-term liabilities	<u>667,395</u>	<u>676,209</u>
Total liabilities	917,296	896,572
Partners' equity (deficit)	<u>(758,973)</u>	<u>(702,480)</u>
Total liabilities and partners' equity (deficit)	<u>\$ 158,323</u>	<u>\$ 194,092</u>

See notes to financial statements.

WINDSOR II LIMITED PARTNERSHIP  
DBA WINDSOR COURT II APARTMENTS  
RD PROJECT NO: 54-057-820630892

FINANCIAL STATEMENTS  
(WITH SUPPLEMENTAL INFORMATION)  
AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2017 AND 2016

**TIDWELL**  
 **group**



WINDSOR II LIMITED PARTNERSHIP  
DBA WINDSOR COURT II APARTMENTS  
RD PROJECT NO: 54-057-820630892

FINANCIAL STATEMENTS  
(WITH SUPPLEMENTAL INFORMATION)  
AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2017 AND 2016

**TIDWELL**  
 **group**





WINDSOR II LIMITED PARTNERSHIP  
DBA WINDSOR COURT II APARTMENTS  
RD PROJECT NO: 54-057-820630892

FINANCIAL STATEMENTS  
(WITH SUPPLEMENTAL INFORMATION)  
AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2017 AND 2016

**TIDWELL**  
 **group**



Windsor II Limited Partnership

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## INDEPENDENT AUDITOR'S REPORT

To the Partners of  
Windsor II Limited Partnership

We have audited the accompanying financial statements of Windsor II Limited Partnership, which comprise the balance sheet as of December 31, 2017, and the related statements of operations, partners' equity (deficit) and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Windsor II Limited Partnership, as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

The financial statements of Windsor II Limited Partnership, as of December 31, 2016, were audited by other auditors whose report dated March 24, 2017 expressed an unmodified opinion on those statements.

## **Report on Supplemental Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2018 on our consideration of Windsor II Limited Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Windsor II Limited Partnership's internal control over financial reporting and compliance.

*Tidwell Group, LLC*

Columbus, Ohio  
March 7, 2018

Windsor II Limited Partnership

BALANCE SHEETS

December 31, 2017 and 2016

	<u>ASSETS</u>	
	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 3,968	\$ 5,578
Tenant accounts receivable	9,560	15,013
Prepaid expenses	96	93
	<u>13,624</u>	<u>20,684</u>
<b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b>		
Tenant security deposits	11,255	10,253
Replacement reserve	64,605	60,206
Real estate tax and insurance escrow	1,743	4,564
	<u>77,603</u>	<u>75,023</u>
<b>RENTAL PROPERTY</b>		
Building and improvements	906,271	906,271
Furniture and equipment	3,760	3,760
	<u>910,031</u>	<u>910,031</u>
Accumulated depreciation	(894,113)	(862,824)
	<u>15,918</u>	<u>47,207</u>
Land	51,178	51,178
	<u>51,178</u>	<u>51,178</u>
	<u>67,096</u>	<u>98,385</u>
	<u>67,096</u>	<u>98,385</u>
Total assets	<u>\$ 158,323</u>	<u>\$ 194,092</u>

See notes to financial statements.

Windsor II Limited Partnership

BALANCE SHEETS - CONTINUED

December 31, 2017 and 2016

LIABILITIES AND TOTAL PARTNERS' EQUITY (DEFICIT)

	<u>2017</u>	<u>2016</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 11,511	\$ 6,871
Property management fee payable	23,076	14,035
Accrued interest payable - first mortgage	114,209	109,068
Current maturities of long-term debt	<u>90,274</u>	<u>80,960</u>
Total current liabilities	<u>239,070</u>	<u>210,934</u>
<b>DEPOSITS AND PREPAID LIABILITY</b>		
Tenant security deposits	10,736	9,300
Prepaid rent	<u>95</u>	<u>129</u>
Total deposits and prepaid liability	<u>10,831</u>	<u>9,429</u>
<b>LONG-TERM LIABILITIES</b>		
Mortgage payable, net	636,888	646,202
Due to partners	<u>30,507</u>	<u>30,007</u>
Total long-term liabilities	<u>667,395</u>	<u>676,209</u>
Total liabilities	917,296	896,572
Partners' equity (deficit)	<u>(758,973)</u>	<u>(702,480)</u>
Total liabilities and partners' equity (deficit)	<u>\$ 158,323</u>	<u>\$ 194,092</u>

See notes to financial statements.

Windsor II Limited Partnership

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To the Partners of  
Windsor II Limited Partnership

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Windsor II Limited Partnership, as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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*Tidwell Group, LLC*

Columbus, Ohio  
March 7, 2018

Windsor II Limited Partnership

BALANCE SHEETS

December 31, 2017 and 2016

	<u>ASSETS</u>	
	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 3,968	\$ 5,578
Tenant accounts receivable	9,560	15,013
Prepaid expenses	96	93
	<u>13,624</u>	<u>20,684</u>
<b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b>		
Tenant security deposits	11,255	10,253
Replacement reserve	64,605	60,206
Real estate tax and insurance escrow	1,743	4,564
	<u>77,603</u>	<u>75,023</u>
<b>RENTAL PROPERTY</b>		
Building and improvements	906,271	906,271
Furniture and equipment	3,760	3,760
	<u>910,031</u>	<u>910,031</u>
Accumulated depreciation	(894,113)	(862,824)
	<u>15,918</u>	<u>47,207</u>
Land	51,178	51,178
	<u>51,178</u>	<u>51,178</u>
	<u>67,096</u>	<u>98,385</u>
	<u>67,096</u>	<u>98,385</u>
Total assets	<u>\$ 158,323</u>	<u>\$ 194,092</u>

See notes to financial statements.

Windsor II Limited Partnership

BALANCE SHEETS - CONTINUED

December 31, 2017 and 2016

LIABILITIES AND TOTAL PARTNERS' EQUITY (DEFICIT)

	<u>2017</u>	<u>2016</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 11,511	\$ 6,871
Property management fee payable	23,076	14,035
Accrued interest payable - first mortgage	114,209	109,068
Current maturities of long-term debt	<u>90,274</u>	<u>80,960</u>
Total current liabilities	<u>239,070</u>	<u>210,934</u>
<b>DEPOSITS AND PREPAID LIABILITY</b>		
Tenant security deposits	10,736	9,300
Prepaid rent	<u>95</u>	<u>129</u>
Total deposits and prepaid liability	<u>10,831</u>	<u>9,429</u>
<b>LONG-TERM LIABILITIES</b>		
Mortgage payable, net	636,888	646,202
Due to partners	<u>30,507</u>	<u>30,007</u>
Total long-term liabilities	<u>667,395</u>	<u>676,209</u>
Total liabilities	917,296	896,572
Partners' equity (deficit)	<u>(758,973)</u>	<u>(702,480)</u>
Total liabilities and partners' equity (deficit)	<u>\$ 158,323</u>	<u>\$ 194,092</u>

See notes to financial statements.

Windsor II Limited Partnership

STATEMENTS OF OPERATIONS

Years ended December 31, 2017 and 2016

	2017	2016
Revenue		
Rental income	\$ 142,374	\$ 141,505
Overage	(3,499)	(2,373)
Potential rental income	138,875	139,132
Vacancies and concessions	(9,441)	(10,388)
Application fees	55	99
Other operating income	1,576	-
Tenant charges	3,004	855
Total revenue	<u>134,069</u>	<u>129,698</u>
Operating expenses		
Operating and maintenance	28,881	23,035
Utilities	31,535	22,239
Administrative	44,946	45,321
Taxes and insurance	18,125	14,812
Bad debts	14,644	3,590
Total operating expenses	<u>138,131</u>	<u>108,997</u>
Net operating income (loss)	<u>(4,062)</u>	<u>20,701</u>
Other income (expense)		
Interest income	76	34
Interest expense	(16,921)	(16,922)
Interest subsidy income	43,206	44,230
Interest subsidy expense	(43,206)	(44,230)
Major repairs and replacement	(3,797)	(2,519)
Reporting fee	(500)	-
Depreciation	(31,289)	(31,290)
Total other income (expense)	<u>(52,431)</u>	<u>(50,697)</u>
Net loss	<u>\$ (56,493)</u>	<u>\$ (29,996)</u>

See notes to financial statements.

Windsor II Limited Partnership

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)

Years ended December 31, 2017 and 2016

	<u>General Partner</u>	<u>Limited Partner</u>	<u>Total Partners' Equity (Deficit)</u>
Balance, January 1, 2016	\$ (29,426)	\$ (643,058)	\$ (672,484)
Net loss	<u>(300)</u>	<u>(29,696)</u>	<u>(29,996)</u>
Balance, December 31, 2016	(29,726)	(672,754)	(702,480)
Net loss	<u>(565)</u>	<u>(55,928)</u>	<u>(56,493)</u>
Balance, December 31, 2017	<u>\$ (30,291)</u>	<u>\$ (728,682)</u>	<u>\$ (758,973)</u>
Partners' percentage of partnership losses	<u>1.00%</u>	<u>99.00%</u>	<u>100.00%</u>

See notes to financial statements.

Windsor II Limited Partnership

STATEMENTS OF CASH FLOWS

Years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Net loss	\$ (56,493)	\$ (29,996)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities		
Depreciation	31,289	31,290
Changes in:		
Tenant accounts receivable	5,453	(10,355)
Prepaid expenses	(3)	2,891
Accounts payable	4,640	1,186
Property management fee payable	9,041	4,963
Accrued interest payable	5,141	5,142
Tenant security deposits, net	434	865
Prepaid rent	(34)	(392)
Accrued fees payable	500	-
	<u>(32)</u>	<u>5,594</u>
Net cash (used in) provided by operating activities		
Cash flows from investing activities		
Change in real estate tax and insurance escrows	2,821	(948)
Change in reserve for replacements	(4,399)	(5,671)
	<u>(1,578)</u>	<u>(6,619)</u>
Net cash used in investing activities		
Net decrease in cash and cash equivalents	(1,610)	(1,025)
Cash and cash equivalents, beginning	<u>5,578</u>	<u>6,603</u>
Cash and cash equivalents, ending	<u>\$ 3,968</u>	<u>\$ 5,578</u>
Supplemental disclosure of cash flow information		
Cash paid for interest	<u>\$ 11,780</u>	<u>\$ 11,780</u>

See notes to financial statements.

Windsor II Limited Partnership

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2017 and 2016

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Windsor II Limited Partnership (the Partnership) was organized in April 1989 as a Partnership to construct, maintain, and operate a 24-unit rental housing project for persons of low and moderate-income pursuant to Sections 515 and 521 of the Housing Act of 1949, as amended, which provides for interest and rental subsidies. Annual distributions to the partners are limited by RD regulations to 8% of the borrower's initial capital investment of \$22,852, or \$1,828. The project is located in Windsor, Virginia and is currently known as Windsor Court II Apartments (the Project).

The Partners' interest as of December 31, 2017 and 2016 is as follows:

MARP, LLC (General Partner)	1%
VA Equity Fund, LLC (Limited Partner)	99%
	<u>100%</u>

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Partnership prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America (GAAP).

Cash and Cash Equivalents

For the purpose of reporting cash flows, the Partnership considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2017 or 2016.

Accounts Receivable and Bad Debts

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with any damages or cleaning fees, if applicable. Tenant receivable consists of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

Tenant receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. GAAP requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method. Included in expenses are bad debts of \$14,644 and \$3,590 for the years ended December 31, 2017 and 2016, respectively.

## Windsor II Limited Partnership

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

Years ended December 31, 2017 and 2016

#### Rental Property

Fixed assets are recorded at cost. Maintenance and repairs are charged to expense as incurred and improvements are capitalized. Disposals of depreciable property are recorded to the appropriate property accounts by reducing the related costs and accumulated depreciation. Depreciation is computed using the methods described below over the estimated useful lives as follows:

	<u>Method</u>	<u>Estimated useful life</u>
Buildings and improvements	MACRS	27.5 years
Furniture and equipment	MACRS	5 - 7 years

#### Impairment of Long-lived Assets

The Partnership reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment losses have been recognized during the years ended December 31, 2017 or 2016.

#### Rental Income

Rental income is recognized as rents become due. Rental payments received in advance are deferred until earned. All leases between the Partnership and the tenants of the Project are operating leases, and terms are typically one year or less.

#### Advertising Costs

The Partnership's policy is to expense advertising costs when incurred.



## Windsor II Limited Partnership

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

Years ended December 31, 2017 and 2016

#### Income Taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. The Partnership is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. Generally, income tax returns filed by the Partnership are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2014 remain open.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

#### Reclassifications

Reclassifications have been made to the prior year balances to conform to the current year presentation. The reclassifications had no impact on partners' equity (deficit) or net income (loss).

#### NOTE 3 - RESTRICTED DEPOSITS AND FUNDED RESERVES

Restricted cash consists of the tenant security deposits, tax and insurance escrow and replacement reserve. The restricted cash has been established in amounts considered by the partners to be adequate and in accordance with the Partnership Agreement and loan documents. Use of the accounts is restricted as defined in the Partnership Agreement and by the lender, and therefore, has been excluded from cash in the accompanying Balance Sheets and for cash flow purposes.

Windsor II Limited Partnership

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Years ended December 31, 2017 and 2016

NOTE 4 - MORTGAGE PAYABLE

The mortgage note is payable to RD in monthly installments totaling \$5,457 through maturity in 2040. The Partnership also entered into an interest credit agreement with RD which provides for monthly interest subsidies totaling \$3,892, which reduces the interest rate on the mortgage from the note interest rate of 9% to an effective rate of 1%. Accrued and unpaid interest as of December 31, 2017 and 2016 totaled \$114,209 and \$109,068, respectively.

The liability of the Partnership under the mortgage notes are limited to the underlying value of the real estate collateral, assignment of leases and rents, and other amounts deposited with the lender.

As part of the work-out plan, described in Note 9, the Partnership entered into a supplementary payment agreement that calls for interest only payments of \$982. The partnership is making interest only payments on the mortgage and maturities of the mortgage note are approximated as follows:

2018	\$ 90,274
2019	10,163
2020	11,089
2021	12,099
2022	13,201
Thereafter	<u>590,336</u>
Total	<u>727,162</u>
Less current maturities	<u>(90,274)</u>
Net long-term portion	<u>\$ 636,888</u>

Under the Loan Agreement with RD, the Partnership is required to make monthly deposits into the reserve for replacement account, and is subject to operating and return to owner restrictions.

There has been no significant change in interest rates available to the Partnership. Therefore, the fair value of the mortgage note approximates the book value.

Windsor II Limited Partnership

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Years ended December 31, 2017 and 2016

NOTE 5 - RELATED PARTY TRANSACTIONS

Property Management Fee

The Partnership entered into an agreement with TM Associates Management, Inc., a related party, in connection with the management of the rental operations of the Project. During the years ended December 31, 2017 and 2016, property management fee expense of \$15,489 and \$15,618, respectively, has been charged to operations. As of December 31, 2017 and 2016, \$23,076 and \$14,035, respectively, remained payable.

Management Services

The management agent provides administrative services to the Partnership. The management agent was reimbursed \$32,682 and \$33,536 for the cost of site employee payroll and employee benefits during the years ended December 31, 2017 and 2016, respectively. As of December 31, 2017 and 2016, \$5,080 and \$-0-, respectively, remained payable.

Insurance

The Partnership paid insurance premiums to the Chubb Group of Insurance Companies (Chubb) for coverages required under the partnership agreement and by the lender. Chubb in turn ceded a portion of the risk to Rural Housing Reinsurance Company International Ltd. in which principals of the General Partner own a minority interest through an affiliate. During the years ended December 31, 2017 and 2016, the premiums paid totaled \$595 and \$581, respectively.

Reporting Fee

The Partnership shall pay to the Limited Partner a reporting fee in the amount of \$500 to the extent there is cash available from operations. The fee is cumulative and payable without interest. As December 31, 2017 and 2016, accrued and unpaid fees total \$15,075 and \$14,575, respectively, and are included in Due to Partners in the accompanying Balance Sheets.

Partnership Management Fee

The Partnership shall pay to the General Partner a noncumulative annual partnership management fee equal to \$1,300 payable from surplus cash. No partnership management fee was paid in 2017 or 2016.

Windsor II Limited Partnership

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Years ended December 31, 2017 and 2016

Due to Partners

The General Partner has advanced funds to the Partnership to pay various costs of operations. The amount owed in relation to these advances as of December 31, 2017 and 2016 totaled \$15,432. Repayment will occur as set forth in the Partnership Agreement.

As of December 31, 2017 and 2016, the advances and accrued reporting fee referred to above totaled \$30,507 and \$30,007, respectively.

NOTE 6 - CONCENTRATION OF CREDIT RISK

The Partnership maintains its cash, restricted deposits, and reserves with financial institutions. The bank balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each bank. At times, these balances may exceed the federal insurance limits; however, the Partnership has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these bank balances at December 31, 2017 or 2016.

NOTE 7 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's sole asset is the 24-unit Project. The Partnership's operations are concentrated in the multifamily real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal agencies, including, but not limited to, RD and the State Housing Agency. Such administrative directives and rules and regulations are subject to change by an act of Congress or an administrative change mandated by RD and the State Housing Agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Interest Credit Agreement

Under an agreement with RD, a mortgage subsidy is provided which reduces the effective interest rate on the mortgage to approximately 1% over the life of the loan agreement. RD may terminate the agreement if it determines that no subsidy is necessary or if the Partnership is determined to be in violation of the loan agreement or RD rules and regulations.

Windsor II Limited Partnership

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Years ended December 31, 2017 and 2016

Rental Assistance Agreement

The Partnership has entered into a Rental Assistance Agreement with RD to provide rental assistance. The agreement provides for a maximum rental assistance commitment and expires automatically upon total disbursement of this amount, but is then renewable under contract with RD pending congressional approval of budget authority.

NOTE 9 - WORKOUT PLAN

The management agent and General Partner have worked with RD to arrive at a suitable workout plan to correct the deficiency in the replacement reserve, which was brought current during 2013. The plan was revised and approved plan and contains the following provisions:

- Project shall continue making interest only payments on the mortgage through 2017.
- General Partner has forgone partnership management fees from 2000-2017.
- Borrower intends to apply for tax credits to help fund a rehabilitation of the project to correct the physical condition.

NOTE 10 - SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management has evaluated the activity of Windsor II Limited Partnership through March 7, 2018 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.

SUPPLEMENTAL INFORMATION

Windsor II Limited Partnership

MANAGEMENT FEE CALCULATION, INSURANCE DISCLOSURE  
AND RETURN TO OWNER

Year ended December 31, 2017

**1. Management Fee Calculation**

The management fee is based on a fee per unit occupied by tenants during one month.

Total qualified units (24 units * 12 months)	96	192
Less: Vacancies	9	15
Total occupied units	<u>87</u>	<u>177</u>
Fee per unit (Effective January 1, 2017)	<u>\$ 58</u>	<u>\$ 59</u>
Calculated management fee expense	<u>\$ 5,046</u>	<u>\$ 10,443</u>
Total calculated management fee expense		<u>\$ 15,489</u>
Management fee expense		<u>\$ 15,489</u>

**2. Insurance Disclosure**

The Partnership maintains insurance coverage as follows:

	<u>Deductible</u>	<u>Coverage</u>
Property coverage on buildings	\$ 1,000	\$ 2,121,600
Comprehensive business liability	Nil	\$ 1,000,000
Fidelity/employee dishonesty	\$ 2,500	\$ 1,000,000

**3. Return to Owner**

In accordance with the loan agreement, the annual return to owner is as follows:

Maximum return to Owner (see note 1)	<u>\$ 1,828</u>
Budgeted return to Owner	<u>\$ -</u>
Return to Owner paid	<u>\$ -</u>

See Independent Auditor's Report.

Position 3  
**MULTI-FAMILY HOUSING  
 BORROWER BALANCE SHEET  
 PART I - BALANCE SHEET**

PROJECT NAME	BORROWER NAME	BORROWER ID AND PROJECT NO.		
Windsor Court II Apartments	Windsor II Limited Partnership	RD Project No: 54-057-820630892		
<u>ASSETS</u>	BEGINNING DATES< ENDING DATES>	CURRENT YEAR 1/1/2017 12/31/2017	PRIOR YEAR 1/1/2016 12/31/2016	COMMENTS
<b>CURRENT ASSETS</b>				
1. GENERAL OPERATING ACCOUNT		\$ 3,968	\$ 5,578	
2. R.E. TAX & INSURANCE ACCOUNT		1,743	4,564	
3. RESERVE ACCOUNT		64,605	60,206	
4. SECURITY DEPOSIT ACCOUNT		11,255	10,253	
5. OTHER CASH ( <i>Identify</i> )		-	-	
6. OTHER ( <i>Identify</i> )		-	-	
7. TOTAL ACCOUNTS RECEIVABLE ( <i>Attach list</i> )		9,560	15,013	
ACCTS RCVBL 0-30 DAYS	\$ 1,473		5,834	
ACCTS RCVBL 30-60 DAYS	\$ 86		4,931	
ACCTS RCVBL 60-90 DAYS	-		-	
ACCTS RCVBL OVER 90 DAYS	\$ 8,001		4,248	
8. LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS		-	-	
9. INVENTORIES ( <i>Supplies</i> )		-	-	
10. PREPAYMENTS		96	93	
11. _____		-	-	
12. <b>TOTAL CURRENT ASSETS</b> ( <i>Add 1 thru 11</i> )		<b>91,227</b>	<b>95,707</b>	
<b>FIXED ASSETS</b>				
13. LAND		51,178	51,178	
14. BUILDINGS		906,271	906,271	
15. LESS: ACCUMULATED DEPRECIATION		(890,353)	(859,064)	
16. FURNITURE & EQUIPMENT		3,760	3,760	
17. LESS: ACCUMULATED DEPRECIATION		(3,760)	(3,760)	
18. _____		-	-	
19. <b>TOTAL FIXED ASSETS</b> ( <i>Add 13 thru 18</i> )		<b>67,096</b>	<b>98,385</b>	
<b>OTHER ASSETS</b>				
20. CAPITALIZED COSTS - NET		-	-	
21. <b>TOTAL ASSETS</b> ( <i>Add 12, 19 and 20</i> )		<b>\$ 158,323</b>	<b>\$ 194,092</b>	
<b>LIABILITIES AND OWNERS EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
22. TOTAL ACCOUNTS PAYABLE ( <i>Attach list</i> )		\$ 31,020	\$ 15,061	
ACCTS PAYABLE 0-30 DAYS	\$ 1,993		1,441	
ACCTS PAYABLE 30-60 DAYS	\$ 3,430		1,702	
ACCTS PAYABLE 60-90 DAYS	\$ 27		391	
ACCTS PAYABLE OVER 90 DAYS	\$ 25,570		11,527	
23. NOTES PAYABLE ( <i>Attach list</i> ) ( <i>Accrued expenses</i> )		132,946	129,617	
24. SECURITY DEPOSITS		10,736	9,300	
25. <b>TOTAL CURRENT LIABILITIES</b> ( <i>Add 22 thru 24</i> )		<b>\$ 174,702</b>	<b>\$ 153,978</b>	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

See Independent Auditor's Report.



**LONG-TERM LIABILITIES**

26. NOTES PAYABLE RURAL DEVELOPMENT  
 27. OTHER (Identify)  
 28. **TOTAL LONG-TERM LIABILITIES** (Add 26 and 27)

\$	727,162	\$	727,162	
	15,432		15,432	Due to partners
	<b>742,594</b>		<b>742,594</b>	

29. **TOTAL LIABILITIES** (Add 25 and 28)

	<b>917,296</b>		<b>896,572</b>	
--	----------------	--	----------------	--

30. OWNER'S EQUITY (Net Worth) (21 minus 29)

	(758,973)		(702,480)	
--	-----------	--	-----------	--

31. **TOTAL LIABILITIES AND OWNER'S EQUITY**  
 (Add 29 and 30)

\$	<b>158,323</b>	\$	<b>194,092</b>	
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**Warning:** Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement of entry, shall be fined under this title or imprisoned not more than five years, or both."

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

\_\_\_\_\_  
 (Date)

\_\_\_\_\_  
 (Signature of Borrower or Borrower's Representative)

\_\_\_\_\_  
 (Title)

**PART II - THIRD PARTY VERIFICATION OF REVIEW**

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 3560-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the project or borrower.

\_\_\_\_\_  
 (Date)

\_\_\_\_\_  
 (Signature)

\_\_\_\_\_  
 (Name and Title)

\_\_\_\_\_  
 (Address)

\* In lieu of the above verification and signature, an audit completed, dated and signed by a person or firm qualified by license or certification is attached.

See Independent Auditor's Report.

Position 3  
MULTIPLE FAMILY HOUSING PROJECT BUDGET/  
UTILITY ALLOWANCE

PROJECT NAME Windsor Court II Apartments		BORROWER NAME Windsor II Limited Partnership		BORROWER ID AND PROJECT NO. RD Project No: 54-057-820630892	
Loan/Transfer Amount \$ 738,876		Note Rate Payment \$ 5,457		IC Payment \$ 1,565	
Reporting Period	Budget Type	Project Rental type	Profit Type	The following utilities are	<input type="checkbox"/> I hereby request ___
<input checked="" type="checkbox"/> Annual	<input type="checkbox"/> Initial	<input checked="" type="checkbox"/> Family	<input type="checkbox"/> Full Profit	master metered:	units of RA. Current # of
<input type="checkbox"/> Quarterly	<input checked="" type="checkbox"/> Regular Report	<input checked="" type="checkbox"/> Elderly	<input checked="" type="checkbox"/> Limited Profit	<input checked="" type="checkbox"/> Electricity	of RA units _____
<input type="checkbox"/> Monthly	<input type="checkbox"/> Rent Change	<input type="checkbox"/> Congregate	<input type="checkbox"/> Non-Profit	<input type="checkbox"/> Water	Borrower Accounting Method
	<input type="checkbox"/> SMR	<input type="checkbox"/> Group Home		<input type="checkbox"/> Trash	<input type="checkbox"/> Gas
	<input type="checkbox"/> Other Servicing	<input type="checkbox"/> Mixed <input type="checkbox"/> LH		<input type="checkbox"/> Other	<input type="checkbox"/> Sewer
					<input type="checkbox"/> Cash
					<input checked="" type="checkbox"/> Accrual

PART I - CASH FLOW STATEMENT

	CURRENT BUDGET (UNAUDITED)	ACTUAL	PROPOSED BUDGET (UNAUDITED)	COMMENTS or (YTD)
Beginning Dates >	1/1/2017	1/1/2017	1/1/2018	
Ending Dates >	12/31/2017	12/31/2017	12/31/2018	
<b>OPERATIONAL CASH SOURCES</b>				
1. RENTAL INCOME	-	132,933	-	
2. RHS RENTAL ASSISTANCE RECEIVED	-	-	-	
3. APPLICATION FEES RECEIVED	-	55	-	
4. LAUNDRY AND VENDING	-	-	-	
5. INTEREST INCOME	-	76	-	
6. TENANT CHARGES	-	3,004	-	
7. OTHER - PROJECT SOURCES	-	1,576	-	
8. LESS (Vacancy & Contingency Allowance)	-	-	-	
9. LESS (Agency Approved Incentive Allowance)	-	-	-	
10. SUBTOTAL [(1 thru 7) - (8 & 9)]:	-	137,644	-	
<b>NON-OPERATIONAL CASH SOURCES</b>				
11. CASH - NON-PROJECT	-	-	-	
12. AUTHORIZED LOAN (Non-RHS)	-	-	-	
13. TRANSFER FROM RESERVE	-	3,797	-	
14. SUB-TOTAL ( 11 thru 13):	-	3,797	-	
15. TOTAL CASH SOURCES (10+14)	-	141,441	-	
<b>OPERATIONAL CASH USES</b>				
16. TOTAL O&M EXPENSES (from Part II)	-	123,487	-	
17. RHS DEBT PAYMENT	-	11,780	-	
18. RHS PAYMENT (Overage)		3,499		
19. RHS PAYMENT (Late fee)		-		
20. REDUCTION IN PRIOR YEAR PAYABLES		-		
21. TENANT UTILITY PAYMENTS		-		
22. TRANSFER TO RESERVE	-	8,196	-	
23. RETURN TO OWNER / NP ASSET MANAGEMENT FEE	-	-	-	
24. SUB-TOTAL ( 16 thru 23):	-	146,962	-	
<b>NON-OPERATIONAL CASH USES</b>				
25. AUTHORIZED DEBT PAYMENT (Non-RHS)	-	-	-	
26. ANNUAL CAPITAL BUDGET (From Part III, Lines 4-6)	-	3,797	-	
27. MISCELLANEOUS - Bad debts	-	14,644	-	
28. SUB-TOTAL (25 thru 27):	-	18,441	-	
29. TOTAL CASH USES (24+28):	-	165,403	-	
30. NET CASH (DEFICIT) (15-29):	-	(23,962)	-	
<b>CASH BALANCE</b>				
31. BEGINNING CASH BALANCE	-	10,142	-	
32. ACCRUAL TO CASH ADJUSTMENT	-	19,531	-	
33. ENDING CASH BALANCE (30+31+32):	-	5,711	-	

See Independent Auditor's Report.

**PART II - OPERATING AND MAINTENANCE EXPENSE SCHEDULE**

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
1. MAINTENANCE AND REPAIRS PAYROLL	-	15,339	-	
2. MAINTENANCE AND REPAIRS SUPPLY	-	3,051	-	
3. MAINTENANCE AND REPAIRS CONTRACT	-	4,947	-	
4. PAINTING	-	1,621	-	
5. SNOW REMOVAL	-	-	-	
6. ELEVATOR MAINTENANCE/CONTRACT	-	-	-	
7. GROUNDS	-	1,596	-	
8. SERVICES	-	2,327	-	
9. ANNUAL CAPITAL BUDGET <i>(From Part V - Operating)</i>	-	-	-	
10. OTHER OPERATING EXPENSES <i>(Itemize)</i>	-	-	-	
<b>11. SUB-TOTAL MAINT &amp; OPERATING (1 thru 10)</b>	-	<b>28,881</b>	-	
12. ELECTRICITY ] <i>if master metered</i>	-	6,569	-	
13. WATER ] <i>check box</i>	-	7,449	-	
14. SEWER ] <i>on front</i>	-	13,481	-	
15. FUEL <i>(Oil/Coal/Gas)</i>	-	-	-	
16. GARBAGE & TRASH REMOVAL	-	4,036	-	
17. OTHER UTILITIES	-	-	-	
<b>18. SUB-TOTAL UTILITIES (12 thru 17)</b>	-	<b>31,535</b>	-	
19. SITE MANAGEMENT PAYROLL	-	12,462	-	
20. MANAGEMENT FEE	-	15,489	-	
21. PROJECT AUDITING EXPENSE	-	5,735	-	
22. PROJECT BOOKKEEPING/ACCOUNTING	-	-	-	
23. LEGAL EXPENSES	-	61	-	
24. ADVERTISING	-	747	-	
25. TELEPHONE & ANSWERING SERVICE	-	1,382	-	
26. OFFICE SUPPLIES	-	2,128	-	
27. OFFICE FURNITURE & EQUIPMENT	-	-	-	
28. TRAINING EXPENSE	-	584	-	
29. HEALTH INSURANCE & OTHER EMP.BENEFITS	-	1,512	-	
30. PAYROLL TAXES	-	3,369	-	
31. WORKMEN'S COMPENSATION	-	882	-	
32. OTHER ADMINISTRATIVE EXPENSES <i>(Itemize)</i>	-	595	-	
<b>33. SUB-TOTAL ADMINISTRATIVE (19 thru 32)</b>	-	<b>44,946</b>	-	
34. REAL ESTATE TAXES	-	6,986	-	
35. SPECIAL ASSESSMENTS	-	-	-	
36. OTHER TAXES, LICENSES AND PERMITS	-	400	-	
37. PROPERTY & LIABILITY INSURANCE	-	10,713	-	
38. FIDELITY COVERAGE INSURANCE	-	26	-	
39. OTHER INSURANCE	-	-	-	
<b>40. SUB-TOTAL TAXES AND INS. (34 thru 39)</b>	-	<b>18,125</b>	-	
<b>41. TOTAL O &amp; M EXPENSES (11+18+33+40)</b>	-	<b>123,487</b>	-	

See Independent Auditor's Report.

PART III - ACCOUNT BUDGETING/STATUS				
	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
<b>RESERVE ACCOUNT</b>				
1. BEGINNING BALANCE	-	60,206	-	
2. TRANSFER TO RESERVE	-	8,196	-	
TRANSFER FROM RESERVE				
3. OPERATING DEFICIT	-	-	-	
4. ANNUAL CAPITAL BUDGET <i>(Part V - Reserve)</i>	-	3,797	-	
5. BUILDING & EQUIPMENT REPAIR	-	-	-	
6. OTHER NON-OPERATING EXPENSES	-	-	-	
7. TOTAL <i>(3 thru 6)</i>	-	3,797	-	
8. ENDING BALANCE <i>{{(1+2)-7}</i>	-	64,605	-	
<b>GENERAL OPERATING ACCOUNT *</b>				
BEGINNING BALANCE		5,578		
ENDING BALANCE		3,968		
<b>REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT *</b>				
BEGINNING BALANCE		4,564		
ENDING BALANCE		1,743		
<b>TENANT SECURITY DEPOSIT ACCOUNT *</b>				
BEGINNING BALANCE		10,253		
ENDING BALANCE		11,255		
<i>(* complete upon submission of actual expenses)</i>				
<b>Budget</b>				
Number of applicants on the waiting list		Reserve account req'd balance		
Number of applicants needing RA		Amount ahead/behind		

See Independent Auditor's Report.

**PART IV -- RENT SCHEDULE AND UTILITY ALLOWANCE**

**A. CURRENT APPROVED RENTS/UTILITY ALLOWANCE:**

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
CURRENT RENT TOTALS									
						BASIC	NOTE	HUD	

**B. PROPOSED RENTS - Effective Date:**

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
PROPOSED RENT TOTALS									
						BASIC	NOTE	HUD	

**C. PROPOSED UTILITY ALLOWANCE - Effective Date:**

MONTHLY DOLLAR ALLOWANCES									
BR SIZE	UNIT TYPE	NUMBER	ELECTRIC	GAS	WATER	SEWER	TRASH	OTHER	TOTAL

See Independent Auditor's Report.

**PART V - ANNUAL CAPITAL BUDGET**

		Proposed Number of Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
<b>Appliances</b>	Range	-	-	-	-	-	-	-
	Refrigerator	-	-	-	-	-	-	-
	Range Hood	-	-	-	-	-	-	-
	Washer/Dryers	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-
<b>Carpet and vinyl</b>	1 br	-	-	-	-	-	-	-
	2 br	-	-	-	-	-	-	-
	3 br	-	-	-	-	-	-	-
	4 br	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-
<b>Cabinets</b>	Kitchen	-	-	-	-	-	-	-
	Bathroom	-	-	-	-	-	-	-
<b>Doors</b>	Exterior	-	-	-	-	-	-	-
	Interior	-	-	-	-	-	-	-
<b>Window coverings</b>	List	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-
<b>Heating/Air conditioning</b>	Heating	-	-	-	-	-	-	-
	Air conditioning	-	-	-	-	-	-	-
<b>Plumbing</b>	Water heater	-	-	-	-	-	-	-
	Bath sinks	-	-	-	-	-	-	-
	Kitchen sinks	-	-	-	-	-	-	-
	Faucets	-	-	-	-	-	-	-
	Toilets	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-
<b>Major electrical</b>	List		-	-	-	-	-	
	Other:		-	-	-	-	-	
<b>Structures</b>	Windows	-	-	-	-	-	-	-
	Screens	-	-	-	-	-	-	-
	Walls		-	-	-	-	-	
	Roofing		-	1,762	-	-	1,762	
	Siding		-	-	-	-	-	
	Exterior paint		-	-	-	-	-	
<b>Paving</b>	Asphalt		-	-	-	-	-	
	Concrete		-	-	-	-	-	
	Seal and stripe		-	-	-	-	-	
<b>Landscape and grounds</b>	Landscaping		-	-	-	-	-	
	Lawn Equipment		-	2,035	-	-	2,035	
	Fencing		-	-	-	-	-	
	Recreation area		-	-	-	-	-	
	Signs		-	-	-	-	-	
<b>Accessibility features</b>	Detail		-	-	-	-	-	
	Other		-	-	-	-	-	
<b>Automation equipment</b>	Site mgmnt		-	-	-	-	-	
	Common area		-	-	-	-	-	
	Other		-	-	-	-	-	
<b>Other</b>	List:		-	-	-	-	-	
	Other:		-	-	-	-	-	
<b>TOTAL CAPITAL EXPENSES:</b>		-	-	3,797	-	-	3,797	-

See Independent Auditor's Report.

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**PART VI - SIGNATURES, DATES, AND COMMENTS**

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**Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies conceals or covers up by any trick, scheme, or device a material fact, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.**

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Borrower or Borrower's Representative)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
**AGENCY APPROVAL** (*Rural Development Approval Official*):

\_\_\_\_\_  
DATE:

\_\_\_\_\_  
**COMMENTS:**

See Independent Auditor's Report.

Windsor II Limited Partnership

Supporting Documentation to RD Forms 3560-10 and 3560-7

Year ended December 31, 2017

	<u>2017</u>	<u>2016</u>
<u>Notes payable - current detail (Form 3560-10, line 23)</u>		
Prepaid rents	\$ 95	\$ 129
Accrued mortgage interest	114,209	109,068
Accrued audit fees	3,567	5,465
Accrued partnership fees	15,075	14,575
Accrued property insurance	-	380
	<u>\$ 132,946</u>	<u>\$ 129,617</u>
		<u>2017</u>
<u>Accrual to cash adjustment (Form 3560-7, line 32)</u>		
Accounts receivable		\$ 5,453
Prepaid expenses		(3)
Accounts payable		4,640
Prepaid rent		(34)
Property management fee		9,041
Tenant security deposit, net		434
		<u>\$ 19,531</u>

See Independent Auditor's Report.





INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Partners of  
Windsor II Limited Partnership

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Windsor II Limited Partnership, which comprise the balance sheet as of December 31, 2017, and the related statements of operations, partners' equity (deficit), and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 7, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Windsor II Limited Partnership's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Windsor II Limited Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of Windsor II Limited Partnership's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Windsor II Limited Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are detailed in the accompanying schedule of findings, questioned costs and recommendations.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Tidwell Group, LLC*

Columbus, Ohio  
March 7, 2018

Windsor II Limited Partnership

SCHEDULE OF FINDINGS, QUESTIONED COSTS, AND RECOMMENDATIONS

Year ended December 31, 2017

**Reportable Conditions of Non Compliance**

**Finding 1:**

*Statement of Condition:* As of December 31, 2017, the Partnership is in default on its RD mortgage. The Partnership is currently under a USDA RD approved Work Out Plan. However, the mortgage remains in a delinquent status.

*Amount of Questioned Cost:* \$195,169

*Criteria:* Compliance with USDA RD regulations requires the Partnership to make timely mortgage payments.

*Effect:* Foreclosure on the project could occur.

*Cause:* Insufficient cash flow from operations.

*Recommendation:* The Partnership should continue negotiations with USDA RD to find an agreeable solution to the problems the project faces.

**Finding 2:**

*Statement of Condition:* Based upon prior years expenditures and the current requirements for real estate taxes and insurance, the reserve for taxes and insurance is underfunded.

*Amount of Questioned Cost:* \$2,655

*Criteria:* Compliance with RD regulations and the Loan Agreement requires the reserve to be maintained at certain minimum balances.

*Effect:* Delinquent real estate bills and a lapse in insurance coverage could result from underfunding the reserve.

*Cause:* Insufficient cash flow from operations.

*Recommendation:* Increase monthly funding of the reserve as permitted by operating cash flow.

Windsor II Limited Partnership

SCHEDULE OF FINDINGS, QUESTIONED COSTS, AND RECOMMENDATIONS

Year ended December 31, 2017

**Auditee's Comments on Prior Audit Resolution Matters Related to United States Department of Agriculture Rural Development Programs**

*Finding No. 1:*

The Partnership is in default on its RD mortgage.

*Status:*

The Partnership is making interest only payments on the mortgage until the financial position of the project improves or the Partnership can negotiate an agreeable solution with RD.

S

Supportive Housing  
Certification

N/A



T

Funding Documentation



Windsor Court II Apartments Limited Partnership  
1375 Piccard Dr., Suite 150  
Rockville, MD 20850

March 13, 2019

Re: Letter of Intent – USDA PRLF Loan

Dear Windsor Court II Apartments Limited Partnership,

We are pleased that you have requested Virginia Community Capital to be lender for Windsor Court II Apartments in Windsor, Virginia. We are certainly excited to be a partner in the development of this community with a total development cost estimated at almost \$3,200,000.

I am pleased to notify you that Virginia Community Capital has reviewed your initial request for providing a USDA PRLF Loan for Windsor Court Apartments. Based on the information provided, financial review, and your good standing as a current VCC customer, we offer this letter as evidence of our intent to move forward towards final approval for a USDA PRLF loan in the amount of \$350,000 at 2.85%, but not to exceed 1-year LIBOR, for up to 23 years with up to a 23-year amortization period subject to additional underwriting and final loan committee approval.

As you know, VCC has been a recipient of USDA-PRLF funds since 2014. We are excited to deploy these funds only available to support the material renovation of USDA 515,514, and 516 projects and therefore, are a seamless fit with your current business model.

VCC understands that it will take some time to finalize several items to get to initial closing including your award of LIHTC financing, but we are committed to continue to work with you as a valued client to provide this loan. Please let us know if we can be of further assistance.

Very Truly Yours,  
Virginia Community Capital, Inc.

A handwritten signature in blue ink that reads 'Corbin T. Anderson'.

Corbin T, Anderson  
Vice President /Loan Officer  
804-703-0989







Rural Development

March 12, 2019

RD State Office

1606 Santa Rosa Rd  
Suite 238  
Richmond, VA 23229

Voice 804-287-1547  
Fax 855-636-4610

Mr. Adam J. Stockmaster  
c/o AS Squared, LLC  
1375 Piccard Drive Suite 150  
Rockville, Maryland 20850

Re: Windsor Court II Apartments, Windsor, Isle of Wright County, VA  
Purchaser: Windsor Court II Apartments Limited Partnership

Dear Mr. Stockmaster,

The purpose of this letter is to acknowledge your intent to submit application for the transfer of real estate security in the above referenced property.

This transfer will be processed in accordance with applicable Rural Development regulations. We anticipate approving the transfer, providing all processing guidelines and regulatory requirements are met. Both prior to and after the transfer is processed, the property will remain subject to the Rural Development below-market loans currently in place.

Moreover, we support the allocation of financing from the USDA Preservation Revolving Loan Fund ("PRLF"), as administered by Virginia Community Capital Bank, this property in the amount of \$350,000.

As always, we wish you the best of luck with your Low-Income Housing Tax Credits Application, but should you have any questions, please do not hesitate to contact the Multifamily Housing Division at 804-287-1564.

Sincerely,

ORA D. ROLLINS  
Director, Multifamily Housing Programs

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).



# Boston Capital

March 11, 2019

Mr. Adam J. Stockmaster  
AS Squared, LLC  
1375 Piccard Drive, Suite 150  
Rockville, Maryland 20850

RE: WINDSOR COURT II APARTMENTS LIMITED PARTNERSHIP (the "Partnership")  
Windsor Court II Apartments, Windsor, Virginia (the "Property")

Dear Adam:

On behalf of Boston Capital ("BC"), I would like to thank you for the opportunity to present a proposal (this "Proposal Letter") for the equity financing of the Property (the "Transaction"). The parties intend to negotiate and execute binding agreements that reflect the terms of this Proposal Letter and certain other customary provisions subject to the conditions set forth below. Certain capitalized terms are more fully defined in Exhibit A attached.

## Project Assumptions

Based on information we have received from you, we have made the following assumptions:

### Development Structure

- The Partnership will acquire, rehabilitate, own and operate the Property, which will consist of 24 units in 6 buildings, including 16 one-bedroom units and 8 two-bedroom units.
- BC will purchase a 99.99% limited partnership interest in the Partnership. An affiliate of BC will be the Special Limited Partner.
- The general partners of the Partnership will be AS Squared, LLC and Petersburg Community Development Corporation, Inc. (referred to as the "General Partners" even if there is only one).
- All of the obligations of the General Partners set forth in the partnership agreement of the Partnership (the "Partnership Agreement") will be guaranteed by Robert B. Margolis ("Guarantor"). The Guarantor must demonstrate to BC, in its sole and absolute discretion, its ability to provide meaningful guarantees.
- The management agent will be TM Associates Management, Inc.
- The contractor will be Canterbury Construction, Inc.. Construction will be fully bonded.

AOS18742SC  
#37152148\_v2

#### Development Schedule

- BC's agreement to purchase the limited partnership interest at the pricing, terms and conditions contained in this proposal is based on the assumption that the Partnership closing, and if applicable, the financing closing, will occur on or before July 31, 2020.
- Construction will begin in August 2020 and completion will occur in May 2021.
- Initial lease up will begin in August 2020. Initial qualified occupancy will begin in January 2021.
- 100% qualified occupancy of the residential units will occur by June 2021.
- Permanent loan closing will occur by July 2021.
- Rental Achievement will occur by October 2021.

#### Financing/Assistance

- The Property will receive construction financing in the minimum amount of \$1,265,000.
- The Property will receive permanent financing in the aggregate amount of \$1,151,947, as follows:
  - a \$826,947 loan from USDA/Rural Development, to be assumed at close with an interest rate of 4.0% (to be subsidized with an interest credit subsidy to an effective rate of 1.0%), 50-year amortization, and a 30 year term.
  - a \$325,000 PRLF loan with an interest rate of 2.95%, 23-year amortization, and a 23-year term.

The maximum amount of mortgage financing will be subject to a 1.15 DSC utilizing BC's underwritten rents, other income, operating expenses, replacement reserves and a 5% vacancy factor.

- All of the loans will be non-recourse during the compliance period and will be made by lenders unaffiliated with the General Partners.
- The Partnership will inherit existing reserve funds and other project cash deposits in the amount of \$60,954 of which \$40,000 will be used to rehabilitate the Property.
- The Property will benefit from a project-based USDA/Rural Development Rental Assistance Agreement that will subsidize the rent of all 24 units.

#### Reserves

- An operating reserve in the amount of \$87,867 will be funded from capital sources at or before Rental Achievement. In any event, the amount of the operating reserve must represent a minimum of six months of BC's underwritten operating expenses, replacement reserve deposits and hard debt service. The operating reserve will be held by the Partnership. Any draws on the operating reserve will be replenished with cash flow from operations.
- A replacement reserve will be funded in the amount of at least \$350 per unit per year, or such greater amount as may be required pursuant to applicable loan documents.
- A construction contingency in an amount of not less than 10% of the construction contract amount will be budgeted for the sole use of the Partnership.

Mr. Adam J. Stockmaster  
March 11, 2019  
Page 3

#### Tax Credits

- The Property is applying for a reservation of tax credits for the year 2019 in the amount of \$170,591 ("Projected Credit") from Virginia Housing Development Authority (VHDA). Based upon the projected development costs, the applicable fraction of the development with tax credit-qualified units and the overall qualified basis of the development, it is anticipated that the final cost certification will support full use of this reservation amount.
- Tax credits will be generated from the Property for the Partnership as follows:
  - \$161,706 for 2021
  - \$170,591 per year for each of the years 2022 - 2030
  - \$8,885 for 2031
- The Property has not been placed in service within the last ten years (unless permitted by an exception under the Code), and there is no more than 50% common ownership between the Partnership and anyone who previously placed the Property in service or the entity that will sell the Property to the Partnership.

#### Other Assumptions

- We have assumed 30-year depreciation for building improvements, and immediate expensing for land improvements and personal property.
- We have assumed \$38,050 will be expensed for site work in 2021 and \$84,000 will be expensed for personal property in 2021. Any change in this assumption will be evaluated and may result in revised investment terms to ensure a consistent yield to BC.
- The tax credits, depreciation and operating profits and losses of the Partnership will be allocated 99.99% to BC and 0.01% to the General Partners.
- Pricing is based on a 21% corporate tax rate and the material assumptions detailed in the proposal. Any change in these assumptions will be evaluated and may result in revised investment terms to ensure a consistent yield to BC.
- Satisfactory review of 704B capital accounts and residual value analysis by BC counsel.

Mr. Adam J. Stockmaster  
 March 11, 2019  
 Page 4

**Investment Terms**

Capital Contributions

Based upon these and other assumptions contained in the materials you submitted and subject to the satisfactory completion of BC's due diligence, BC will raise equity to make capital contributions to the Partnership in the aggregate amount of \$1,415,764 (\$0.83 per dollar of tax credit) in the installment amounts and subject to the conditions set forth below:

	Conditions	Amount	Percent
1st	on the latest to occur of (i) the tax credit reservation, (ii) closing of the construction financing, (iii) receipt of a commitment acceptable to BC for the permanent financing, (iv) assumption of the USDA/RD loan, (v) receipt of all building permits and an approved set of construction drawings or (vi) admission of BC;	\$212,365	15%
2nd	on the latest to occur of (i) the Completion Date, (ii) draft cost certification, (iii) updated insurance certificates, (iv) updated title insurance policy satisfactory to BC, which policy in no event shall contain a survey exception, (v) July 1, 2021 or (vi) satisfaction of all of the conditions to the payment of all prior Installments; and	\$991,035	70%
3rd	on the latest to occur of (i) Cost Certification, (ii) Permanent Mortgage Commencement, (iii) Initial Full Occupancy Date, (iv) receipt of satisfactory tenant file compliance review, (v) State Designation, (vi) Rental Achievement, (vii) January 1, 2022 or (viii) satisfaction of all of the conditions to the payment of all prior Installments.	\$212,365	15%

The first installment shall be held by BC or the construction lender and disbursed upon submission of draw requests and site inspection reports, in forms approved by BC, as construction progresses.

Adjusters

The capital contributions shown above shall be subject to adjustment based on the following circumstances. Reductions in capital contributions will be affected by reductions in future installments and then, if necessary, by a payment by the General Partners back to BC at the time of determination of any excess:

Initial Basis Shortfall Adjuster – In the event that the annual tax credit which will apply for each year in the credit period, as determined at cost certification, the issuance of 8609s or at anytime thereafter by the accountants or the IRS, is less than the Projected Credit, the capital contributions will be

decreased by \$0.83 per dollar of the total credit shortfall aggregated for all ten years in the credit period.

Performance Adjuster - In the event that there is a credit shortfall or recapture of credits for any year after the Completion Date, to which the initial timing adjuster does not apply, the capital contributions will be decreased by the sum of (1) \$0.83 per dollar of the credit shortfall for such year, plus (2) the amount of any applicable recapture interest and penalties.

### **General Partners Obligations**

In addition to the Adjuster obligations noted above and certain standard obligations set forth in the Partnership Agreement, the General Partners will have the following obligations:

Development Obligation. The General Partners will guarantee delivery of a completed, lien-free project (including all final certificates of occupancy), in accordance with plans and specifications approved by BC. The General Partners will be obligated to fund without reimbursement any overruns or development deficiencies incurred to achieve project delivery and Rental Achievement and to pay the full development fee (provided that a portion of the development fee, up to the amount projected for deferral at investment closing, may be deferred and paid from cash flow).

Operating Obligation. If the Partnership incurs an Operating Deficit for any period prior to Rental Achievement, the General Partners will furnish funds to cover the Operating Deficit on a non-reimbursable basis. Thereafter, Operating Deficits incurred after Rental Achievement will be met by General Partner advances ("Operating Deficit Loans") up to a maximum outstanding amount of \$95,000. The operating obligation shall be used prior to the operating reserve. This operating obligation will be released 60 months after Rental Achievement, provided (i) that the project has averaged 115% debt service coverage (based upon audited financials) for the twelve consecutive months occurring immediately prior to the release of this obligation, (ii) that the operating reserve is fully funded, and (iii) that the Rental Assistance Agreement remains intact without material modification. Operating Deficit Loans will bear no interest and will be repayable from future available cash flow or sale proceeds. Notwithstanding the foregoing, the obligation to advance funds to pay the Asset Management Fee and to fund the replacement reserve shall not be subject to the Operating Deficit Loan cap above and shall continue for the duration of BC's investment.

Repurchase Obligation. If certain development, operational or tax credit benchmarks (such as placement in service, issuance of 8609s, Permanent Mortgage Commencement or Rental Achievement) are not achieved by outside dates to be specified in the Partnership Agreement or in the event of a foreclosure, the General Partners will be obligated to repurchase BC's interest in the Partnership for a price equal to the excess of BC's Invested Amount less capital contributions not yet paid by BC to the Partnership plus any BC loans made to the Partnership to date.

### **Fees**

Development Fee. The developer shall earn a development fee in the amount of \$320,000. Any portion thereof which is permitted to be deferred shall be paid from cash flow, provided that the General Partners



Mr. Adam J. Stockmaster  
March 11, 2019  
Page 6

shall be obligated to provide funds to pay any deferred amount outstanding on the thirteenth anniversary after the Completion Date.

Partnership Management Fee. The General Partners shall receive an annual fee in the amount of \$3,000 for each year starting with 2021, payable from cash flow for such year if available.

Incentive Management Fee. The General Partners shall receive a noncumulative annual fee equal to 12% of net revenues from the Property less the base management fee, provided that it shall be paid only from the General Partners' share of cash flow under clause Sixth below.

Asset Management Fee. BC or its affiliate shall receive a guaranteed annual fee in the amount of \$3,000 for each year starting with 2021.

#### **Allocation and Distributions**

Cash flow from operations after payment of operating expenses, required mortgage debt service and funding of required replacement reserves shall be distributed as follows:

- First, To BC as payment of the Asset Management Fee for the current and any prior years;
- Second, To replenish the operating reserve;
- Third, To the developer as payment of the deferred development fee if any;
- Fourth, To the General Partners to repay any Operating Deficit Loans;
- Fifth, To the General Partners as payment of the Partnership Management Fee for the current year; and
- Sixth, The remainder, 90% to the General Partners (first as payment of the Incentive Management Fee and thereafter as a distribution) and 10% to BC.

The net proceeds of a sale or refinancing shall be distributed as follows:

- First, To BC as payment of the Asset Management Fee for the current and any prior years;
- Second, To the payment of all debts and liabilities of the Partnership not otherwise provided for, first those due to BC and then those due to the General Partners or their affiliates;
- Third, To the General Partners to repay any Operating Deficit Loans; and
- Fourth, 90% to the General Partners and 10% to BC.

Notwithstanding the foregoing, in the event that an adjuster payment is due and payable to BC, cash flow and/or net proceeds, as applicable, shall be applied first to repay the adjuster amount and any accrued interest prior to being distributed.

Mr. Adam J. Stockmaster  
March 11, 2019  
Page 7

### **Disposition of the Property**

If requested by BC, and provided the Partnership has not waived such right as part of the tax credit application process, after the fourteenth year of the compliance period, the General Partners shall request the credit agency to find a purchaser for the Property pursuant to a "qualified contract" or to terminate the extended use agreement, and if acceptable to BC the Property shall be sold to such purchaser.

If the General Partners are otherwise unable to arrange a sale of the Property after the end of the tax credit compliance period on terms satisfactory to BC, then the General Partners shall have the option ("Purchase Option") to purchase BC's interest. The purchase price under such option shall be equal to the amount that would have been paid and distributed to BC under the partnership agreement in the event the Property was sold for its then fair market value, as determined by appraisal. The Purchase Option may be exercised by the General Partners during a period commencing at the end of the tax credit compliance period and expiring one year after the end of the tax credit compliance period; and the purchase of BC's interest must close no later than one year after the date the General Partners exercise the Purchase Option.

In the event that the General Partners do not exercise the Purchase Option and/or the General Partners do not close the transaction under the Purchase Option within one year after exercising the Purchase Option, BC shall have the right to require ("Required Sale Notice") that the General Partners initiate the sale of the Property to a third party. If a sale of the Property does not occur within one year from the Required Sale Notice, BC shall have the option of purchasing the General Partners interest based on the fair market value of the Property.

Right of First Refusal. For a period of one year following the end of the compliance period, if the Partnership receives a bona fide third-party offer to purchase the Property, the General Partners or their 501(c)3 non-profit affiliate, if the General Partners or their affiliate is a "qualified purchaser" as defined in Section 42(i)(7) of the Code, shall have a right of first refusal to purchase the Property (the "ROFR"). The purchase price shall be the lesser of (a) fair market value or (b) the minimum purchase price as defined in Section 42(i)(7)(B) of the Code. As to the ROFR, the purchase price shall never be less than an amount sufficient to assure payment to BC of all outstanding fees, adjusters, debts or other obligations owed to BC and any taxes projected to be payable by BC as a result of gain on the sale of the Property plus a disposition fee to BC of 1.5% of the purchase price.

### **Reporting and Other Provisions**

The Partnership shall furnish BC with quarterly unaudited financial statements and annual audited financial statements and tax returns prepared by an independent firm of certified public accountants, approved by BC, who are familiar with reporting requirements applicable to tax credit properties, under a timetable to be specified in the partnership agreement.

Mr. Adam J. Stockmaster  
March 11, 2019  
Page 8

### **Due Diligence and Closing Process**

Upon receipt of an executed copy of this Proposal Letter and the Due Diligence Documents, the parties will agree upon a mutually acceptable due diligence period and closing schedule. Admission of BC to the Partnership is subject to a customary due diligence review, which includes, but may not be limited to, the following:

- a) Satisfactory due diligence, including a review of plans, specifications, scope of rehab work, asbestos and lead assessments/remediation plans and related construction documents.
- b) Satisfactory Phase I environmental report (ASTM Standards), addressed to the Partnership, dated within six months of admission and/or within six months of property conveyance, if prior to admission, and with a reliance letter in favor of BC.
- c) BC market study that will evaluate the Property's suitability and marketability as a tax credit property.
- d) Satisfactory financial statements of the General Partners, Partnership, Guarantor and affiliates.
- e) Satisfactory review of the backgrounds and credit worthiness of the General Partners and Guarantor.
- f) Site inspection by BC.
- g) Approval by BC Investment Committee in its sole and absolute discretion.
- h) Receipt of satisfactory commitment for construction and permanent financing and rental assistance.
- i) Receipt of satisfactory insurance policies.
- j) ALTA owner's policy of title insurance.
- k) Receipt of an acceptable partnership and local law opinion, to be provided by your counsel, and an acceptable tax opinion, to be provided by our counsel.
- l) Negotiation and execution of satisfactory partnership documentation, the parties acknowledging that such documentation is the only documentation intended to create a binding agreement between BC and the General Partners with respect to the Transaction.

Mr. Adam J. Stockmaster  
March 11, 2019  
Page 9

### **Costs and Expenses**

Each party shall bear its own costs and expenses associated with the equity closing. Specifically, BC will pay for its own market study, its own counsel (including tax opinion) and the cost of any third party professionals it hires to aid it in the performance of its due diligence.

### **Confidentiality/Prohibition of Marketing**

Until the execution of final, binding documentation for the Transaction, the General Partners agree not to disclose any of the terms of this Proposal Letter to anyone who is not a participant or potential lender to the Transaction. Notwithstanding anything to the contrary contained herein, (i) each party may disclose the tax structure of the proposed Transaction to any party without restriction, and (ii) BC shall have the right to disclose any information, financial projections and documentation received in conjunction with its proposed syndication of an equity investment in the Property to any prospective investor considering such investment.

The General Partners, on behalf of itself and its affiliates, hereby certifies that there are no other executed equity proposals or letters of intent with respect to the equity financing of the Property. Further, during the term of this Proposal Letter, neither the General Partners nor any affiliate shall solicit any other person or entity to provide, structure, arrange or syndicate an investment in the Property without the advance written consent of BC and the reimbursement of BC's actual out-of-pocket expenses incurred in connection with the Transaction.

### **Proposal Letter**

This Proposal Letter expresses the intent of and summarizes only the major terms and conditions pursuant to which BC is prepared to provide equity financing for the Property. While this Proposal Letter reflects our mutual understanding, each party acknowledges that the provisions of this Proposal Letter (other than the sections entitled Costs and Expenses and Confidentiality/Prohibition of Marketing) are non-binding, and not intended to create or constitute any legally binding obligation between the parties. Neither party shall have any liability or obligation with respect to the non-binding provisions.

If the General Partners accept and approve the terms set forth in this Proposal Letter, please have the authorized party indicate by signing below. This Proposal Letter shall expire 14 calendar days from the date first set forth above. Furthermore, in the event that for whatever reason the Transaction proposed herein does not close on or before July 31, 2020, this Proposal Letter shall be deemed terminated with no further action by either party and shall be of no further force and effect. Upon such termination, all of the terms contained in this Proposal Letter shall be subject to change to reflect then-current market conditions. This Proposal Letter shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and any dispute or action arising in connection with this Proposal Letter shall be brought only in the courts located in Boston, Massachusetts.

Mr. Adam J. Stockmaster  
March 11, 2019  
Page 10

We look forward to working with you on this exciting project. Thank you very much for your consideration.

Sincerely,



Joshua K. Gould  
Vice President, Acquisitions

ACCEPTED ON THE \_\_\_ DAY OF \_\_\_\_\_ 2019 FOR  
WINDSOR COURT II APARTMENTS LIMITED PARTNERSHIP

\_\_\_\_\_  
as General Partner

Defined Terms

“Completion Date” means the date upon which the Property has been completed as evidenced by (i) the issuance by the inspecting architect and by each governmental agency having jurisdiction of certificates of substantial completion and certificates of occupancy with respect to all units in the Property, and (ii) satisfaction of all due diligence recommendations and receipt of lender estoppel letters, an as-built survey and a contractor's payoff letter.

“Cost Certification” means the receipt by BC of certification of the accountants as to the itemized amounts of the construction and development costs of the Property and its tax credit eligible basis and applicable percentage.

“Initial Full Occupancy Date” means the first date, after BC has received documentation evidencing that tax credits have begun to flow for all units, on which at least 95% of all units are leased and physically occupied.

“Invested Amount” means for BC, an amount equal to its total capital contribution divided by 0.86, and for any other Partner, an amount equal to its capital contribution.

“Operating Deficit” means any shortfall in operating revenue and funds available from the operating reserve necessary to pay all operating expenses (including full payment of the Asset Management Fee to BC and replacement reserve deposits) and debt service.

“Partial Completion” means partial completion, at the specified percentage of hard costs, of construction of the Property.

“Permanent Mortgage Commencement” means occurrence of the Completion Date, repayment of the construction financing, closing of the permanent financing and commencement of permanent loan debt service payments.

“Rental Achievement” means the first time, based upon three consecutive full calendar months of operation after Permanent Mortgage Commencement, with each month taken individually, that debt service coverage (based on the greater of actual or projected future operating expenses) equals or exceeds 115%.

“State Designation” means the date upon which the Partnership receives the final tax credit allocation for the Property pursuant to Form(s) 8609.

U

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

N/A





V

Nonprofit or LHA Purchase  
Option or Right of First  
Refusal

**PURCHASE OPTIONS AND  
RIGHT OF FIRST REFUSAL AGREEMENT**

This Purchase Option and Right of First Refusal Agreement (this "Agreement") is made as of the **13th** day of **February** 2019, by and between **WINDSOR COURT II APARTMENTS LP**, a Virginia limited partnership (the "Partnership") (index as "Grantor") and **PETERSBURG COMMUNITY DEVELOPMENT CORPORATION**, a Virginia nonprofit corporation, as the Grantee (index as "Grantee").

WHEREAS, AS Squared, LLC, as Majority General Partner has formed a limited partnership under the Laws of the Commonwealth of Virginia by filing of a Certificate of Limited Partnership on **February 20th, 2007**, and the Partnership is operating under a Partnership Agreement dated on **February 20th, 2007**; and

WHEREAS, Grantee has been instrumental in the redevelopment of a multi-family real estate apartment development in the town of **Windsor, Isle of Wight County, Virginia**, known as **Windsor Court II Apartments** (hereinafter, the "Property"), and will act as guarantor of certain obligations in the formation and continuation of the Partnership for the further development of the Property; and

WHEREAS, the Property is or will be subject to one of more governmental agency regulatory agreements (collectively, the "Regulatory Agreement") restricting its use to low-income housing (the "Use Restrictions"); and

WHEREAS, Grantee desires to provide for the continuation of the project as low-income housing upon termination of the Partnership by Grantee purchasing the Property at the applicable price determined under this Agreement and operating the Property in accordance with the Use Restrictions; and

NOW, THEREFORE, in consideration of the execution and delivery of the Partnership Agreement, the performance of the services by the Grantee to the Partnership 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 Partnership hereby grants to Grantee an option to purchase the real estate, fixtures, and personal property comprising the Property or associated with the physical operation thereof, located at the Property and owned by the Partnership at the time of purchase (the "Option"), after the close of the fifteen (15) year compliance period for the low-income housing 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 such Options specified herein. The Property real estate is described in Exhibit A attached hereto and made a

part hereof. The Regulatory Agreement containing the Use Restrictions to which the Property real estate will remain subject is described in Exhibit B attached hereto and made a part hereof.

**2. Grant of Refusal Right.** In the event that the Partnership receives a bona fide offer to purchase the Property at any time during the period beginning on the date of termination of the Compliance Period, the Partnership will not sell the Property or any portion thereof without first providing the Grantee with a written notice (the “Notice of Refusal Right”) offering to the Grantee 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 other applicable conditions set forth in 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 a Permitted Assignee described in Paragraph 8 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 described in Paragraph 8 hereof meeting the requirements of Section 42(i)(7)(A) of the Code.

**3. Purchase Price Under Option.** The purchase price under the Option shall be:

**Debt and Taxes.** The sum of: (a) an amount sufficient to pay all debts (including Member loans) and liabilities of the Partnership upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Option, or (b) an amount sufficient to distribute to the Partners pursuant the Partnership Agreement, cash proceeds equal to the state, local and federal taxes projected to be imposed on the Members as a result of the sale of the Property pursuant to the Option.

**Fair Market Value.** The fair market of the Property, appraised as low-income housing to the extent continuation of such use is required under the Use Restrictions, any such appraisal to be made by a licensed appraiser who is a member of the Master Appraiser Institute (“MAI”) and who has experience in the geographic area in which the Property is located. The fair market value of the Project shall be determined by an MAI appraiser selected by and paid for by the Partnership.

**4. Purchase Price Under Refusal Right.** The purchase price for the Property pursuant to the Refusal Right shall be equal to the sum of: (a) an amount sufficient to pay all debts (including Partner loans) and liabilities of the Partnership upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Refusal Right and (b) an amount sufficient to distribute to the Partners cash proceeds equal to the state, local, and federal taxes projected to be imposed on the Partners as a result of the sale pursuant to the Refusal Right; provided, however, that in no event shall the purchase price pursuant to the Right of First Refusal be less than the amount of the “minimum purchase price” as defined in Section 42(i)(7)(B) of the Code.

**5. Exercise of Option or Refusal Right.** The Option and the Refusal Right may each be exercised by Grantee by (a) giving written notice of its intent to exercise the Option or the Refusal Right to the Partnership and each of its Partners in compliance with the requirements of this Paragraph 5, and (b) complying with the contract and closing requirements of Paragraph 7 hereof. Any such notice of intent to exercise the Option shall be given the last twelve (12) months of the Compliance Period. Any such notice of intent to exercise the Refusal Right shall be given within ninety (90) days after Grantee has received the Partnership's Notice of Refusal Right pursuant to Paragraph 2 hereof. In either case, the notice of intent shall specify a closing date within one hundred eighty (180) days immediately following the end of the Compliance Period. If the foregoing requirements are not met as when provided herein, the Option or the Refusal Right, as applicable, shall expire and be of no further force or effect. Upon notice by Grantee of its intent to exercise the Option or the Refusal Right, all of the other rights shall be subordinated to the rights then being so exercised unless and until such exercise is withdrawn or discontinued.

**6. Determination of Price.** Upon notice by Grantee of its intent to exercise the Option or the Refusal Right, the Partnership and Grantee shall exercise best efforts in good faith to agree on the purchase price for the Property.

**7. Contract and Closing.** Upon determination of the purchase price, the Partnership and Grantee shall enter into a written contract for the purchase and sale of the Property, as the case may be, in accordance with this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing not later than the date specified in Grantee's notice of intent to exercise the Option or the Refusal Right, as applicable, or thirty (30) days after the purchase price has been determined, whichever is later. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of either one of the Options or the Refusal Right, as applicable.

**8. Assignment.** Grantee may assign all or any of its rights under this Agreement to (a) 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 or 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 in any event to the conditions precedent to the Refusal Right grant and the Option price set forth in Paragraphs 2 and 3 hereof. Prior to any assignment or proposed assignment of its rights hereunder, Grantee shall give written notice thereof to the Partnership. Upon any permitted assignment hereunder, references in this Agreement to Grantee shall mean the Permitted Assignee where the context 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 this Agreement and copies of such written agreement are delivered to the Company. Except as specifically permitted herein, Grantee's rights hereunder shall not be assignable.

**9. Miscellaneous.** This Agreement shall be liberally construed in accordance with the laws of the Commonwealth of Virginia in order to effectuate the purposes of this Agreement. This Agreement may be executed in counterparts signature pages, which together shall constitute a single agreement.

(Signatures on Next Page)

IN WITNESS WHEREOF, the parties have executed this document as of the date first set forth hereinabove.

**PARTNERSHIP:**

**WINDSOR COURT II APARTMENTS LP**

By: AS Squared, LLC, Majority General Partner

By:   
Adam J. Stockmaster, Manager

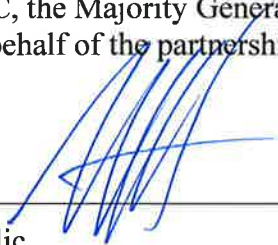
STATE OF MARYLAND

to wit:

COUNTY OF MONTGOMERY

The foregoing instrument was acknowledged before me, Anthony E. Calkins, a Notary Public, this 16<sup>th</sup> day of February, 2019, by Adam J. Stockmaster, who has presented identification of a District of Columbia Driver's License. Adam J. Stockmaster voluntarily acknowledged this instrument under the penalty of perjury as Manager of AS Squared, LLC, the Majority General Partner of WINDSOR COURT II Apartments Limited Partnership, on behalf of the partnership.

My commission Expires: December 16<sup>th</sup>, 2019


  
Notary Public

NOTARIAL SEAL (Sharp, legible, photographically reproducible)



**GRANTEE:**

**PETERSBURG COMMUNITY DEVELOPMENT CORPORATION**

By:   
James Hendricks, Executive Director


STATE OF MARYLAND

to wit:

COUNTY OF MONTGOMERY

The foregoing instrument was acknowledged before me, Anthony E. Calkins, a Notary Public, this 16<sup>th</sup> day of February, 2019, by James Hendricks, who has presented identification of a Virginia Driver's License. James Hendricks voluntarily acknowledged this instrument under the penalty of perjury as Executive Director of PETERSBURG COMMUNITY DEVELOPMENT CORPORATION, a Virginia nonprofit corporation and is duly authorized to act on behalf of said Corporation that said instrument was signed and sealed by him, and being informed of the contents thereof, acknowledged execution of the foregoing instrument on behalf of said Corporation.

My commission Expires: December 16<sup>th</sup>, 2019

  
\_\_\_\_\_  
Notary Public

NOTARIAL SEAL (Sharp, legible, photographically reproducible)



## Legal Description

### Windsor II

All that certain tract or parcel of land situate, lying and being in Windsor Magisterial District, Isle of Wight County, Virginia, containing 1.512 Acres, shown and designated as "PARCEL A" on plat of survey entitled, "PLAT SHOWING SUBDIVISION OF LENIOUS W. WHITE PROPERTY FOR WINDSOR II LIMITED PARTNERSHIP, A VIRGINIA LIMITED PARTNERSHIP, WINDSOR MAGISTERIAL DISTRICT, ISLE OF WIGHT CO., VIRGINIA," dated January 13, 1989, made by Hassell & Folkes, P.C., Engineers, Surveyors & Planners, Chesapeake, Virginia, to which plat reference is made, and a copy of which plat is of record in the Clerk's Office of the Circuit Court for the County of Isle of Wight, Virginia, in Plat Book 14, page 182, and which property is more particularly described to said survey as follows:

Commencing at a point in the northwesterly right-of-way line of U.S. Route No. 258, which point is the intersection of the northwesterly right-of-way line of U.S. Route No. 258, the easterly boundary line of "PARCEL A" herein conveyed, and the westerly boundary line of property owned by Windsor Associates Limited Partnership, all as shown on said plat, the point or place of beginning; and from the point or place of beginning thus established, running thence N 57 degrees 30' 00" W a distance of 522.26 feet to a point; running thence S 32 degrees 30' 00" W a distance of 124.51 feet to a point; running thence S 57 degrees 30' 00" E a distance of 535.71 feet to a point in the northwesterly right-of-way line of U.S. Route No. 258; running thence N 26 degrees 27' 00" E along the northwesterly right-of-way line of U.S. Route No. 258 a distance of 87.90 feet to a point; running thence along the northwesterly right-of-way of U.S. Route No. 258 along the arc of a curve having a radius of 2809.79 feet and an arc length of 37.34 feet to a point, the point or place of beginning.

... 30' 00" E a distance of 535.71 feet to a point; running thence S 32



**EXHIBIT B**

**DESCRIPTION OF  
REGULATORY AGREEMENT**

Title: Extended Use Regulatory Agreement and Declaration of Restrictive Covenants

Parties: **WIDSOR COURT II Apartments Limited Partnership** as Grantor  
and Virginia Housing Development Authority, as Grantee

Date: \_\_\_\_\_

Recording Information: \_\_\_\_\_

**[Attach additional page(s) if there is more than one Regulatory Agreement.]**



W

(Reserved)



X

# Marketing Plan

For units meeting accessibility requirements of HUD section

504

**Windsor Court II Apartments**  
**Windsor, Isle of Wight County, Virginia**

**Marketing Plan for Units Meeting Accessibility Requirements of HUD Section 504**

This marketing plan has been developed for the units in this apartment development that will be fully renovated to meet the accessibility requirements of HUD Section 504 (the "Marketing Plan"). This Marketing Plan has been designed to convey to current and potential residents with disabilities, that **Windsor Court II Apartments** will continue to be a unique rental housing experience, with a commitment to excellent management and resident service, as well as an expectation of resident responsibility. This plan will address ways in which property management will endeavor to secure and actively market the project to qualified tenants that are mobility impaired and likely will be served well by the features of a HUD Section 504 designed units. In addition, management will ensure quality tenancy, and effective management of the property.

The Management Agent will be responsible for the management of **Windsor Court II Apartments** as well as the marketing efforts to mobility impaired persons. The Management Agent will be responsible for all of the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications.

**I. Affirmative Fair Housing Marketing**

The Management Agent is pledged to the letter and the spirit of the USDA – Rural Development policy of the achievement of equal housing opportunity throughout the Nation's rural communities and will actively promote fair housing in the development and marketing of this project. Management Agent, its Officers, Directors and employees will not discriminate on the basis of race, creed, color, sex, religion, familial status, age, disability or sexual orientation in its programs or housing. They will also comply with all provisions of the Fair Housing Act.

Any employee who has discriminated in the acceptance of a resident will be subject to disciplinary actions which may include dismissal. All persons who contact the office will be treated impartially and equally with the only qualification necessary for application acceptance being income, and conformity with the requirements of the USDA – Rural Development, Section 8 and Tax Credit programs. All interested parties will be provided a copy of the apartment brochure. Any resident who has questions not answered by the leasing staff will be referred to the Supervisor of the site staff.

All 504 designated units will be continually marketed on an ongoing basis. These units will be held vacant for at least 60 days in accordance to Virginia Housing Development Authorities' guidelines. Any move/relocation that is a result of accommodating a temporary/non-disabled tenant will be paid for by the owner of the Apartment Community.

**II. Marketing and Outreach**

Locating people with disabilities to occupy the units meeting accessibility requirements of HUD Section 504 will be accomplished as follows:

#### 1. Networking

The Management Agent will contact local centers for independent living and disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

**Isle of Wight County Department of Social Services 757-365-0880**

<http://www.co.isle-of-wight.va.us/social-services/>

**Isle of Wight Health Department –Western Tidewater Health District 757-357-4177**

<http://www.vdh.state.va.us/LHD/WestTide/ContactUs.htm>

**Western Tidewater Community Services Board 757-255-7133**

<http://www.wtcsb.org/>

#### 2. Print Media

Print media sources will also be identified in the **Windsor/Isle of Wight County** area that cater to people with disabilities as well as the public at large. These typically include The Virginia Gazette and other local, minority oriented newspapers. Other sources may include, but are not limited to, rental magazines such as the Apartment Shoppers Guide, Apartments For Rent, etc. All advertising materials related to the project will contain the Equal Housing Opportunity logo type, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available.

#### 3. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as it attracts friends who will want to reside together, thus binding the community. Residents will be offered incentives, to be determined, for referring qualified applicants who rent at the property. Flyers will be distributed to residents along with the project newsletter announcing the tenant referral program.

#### 4. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo.

These marketing materials include:

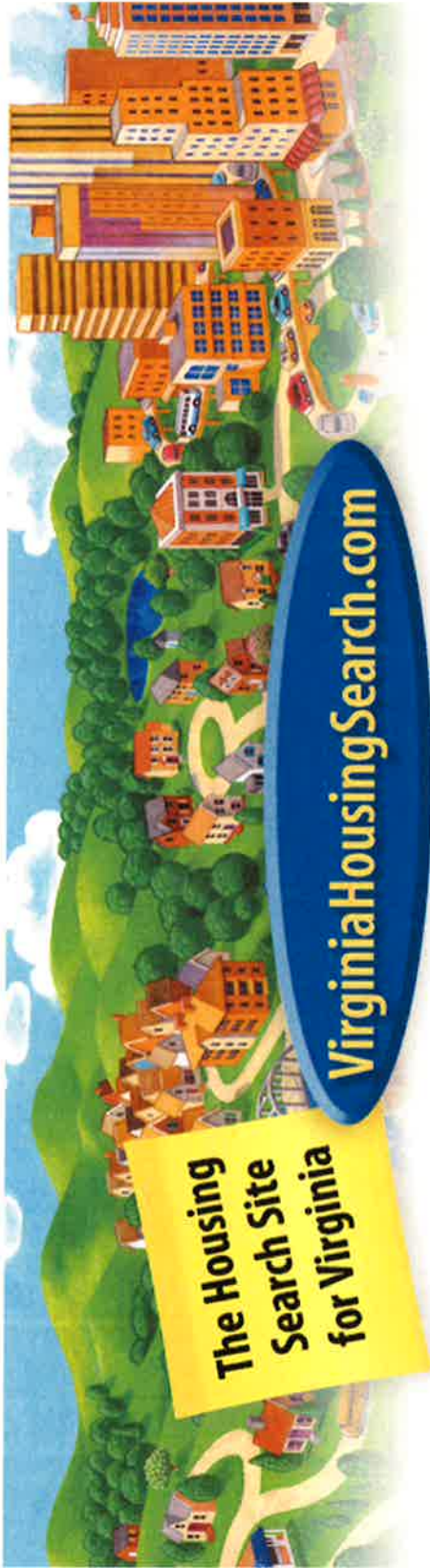
Brochures - A simple, two color brochure can be produced at low cost which will effectively sell the apartments and community. This brochure will include the floor plans, a listing of features and amenities. The floor plans should be printed in as large a format as possible.

Flyers - As mentioned earlier, a flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic. As such, each flyer should include a special offer with a deadline.

Internet – Listing on [VirginiaHousingSearch.com](http://VirginiaHousingSearch.com)

### III. Public and Community Relations

Equal Housing Opportunity promotions - all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office. Also posted in the Rental Office are instructions to anyone who feels they have been discriminated against to contact the Supervisor of the site staff at the Management Agent directly. The Management Agent encourages and supports an affirmative fair housing marketing program as required by USDA – Rural Development in which there are no barriers to obtaining housing because of race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, family responsibilities, physical or mental handicap, political affiliation, source of income, or place of residence or business.



Windsor Court II  
101 Georgie D' Tyler Dr - Windsor, VA 23487



Report an Issue

Income Restricted

\$451 - \$608

Income Based Rent

Deposit \$451 - \$608

Waiting List

One Year Lease

Utilities Included: Water, Sewer, Trash Pickup

Application Fee: \$11 Per Adult

Credit Check : YES Criminal Check : YES

1 Bed • 1 Bath • Apartments

480 sq.ft. • Built 1988 (approx.)



Windsor Court 1 & 2  
101 Georgie D' Tyler Dr Windsor, VA 23487

Contact  
Anita Malcolm  
TM Associates Management Inc., Property Manager

Phone  
757-242-9465



Fax 757-242-3725

### Basic Features

- Pets: Not Allowed ●
- Smoking: Allowed ●
- Trash Service: Yes
- School District: Isle of Wight County Public Schools
- Flooring: Carpet, Vinyl
- Other Features: Lawn Care Included

### Utilities

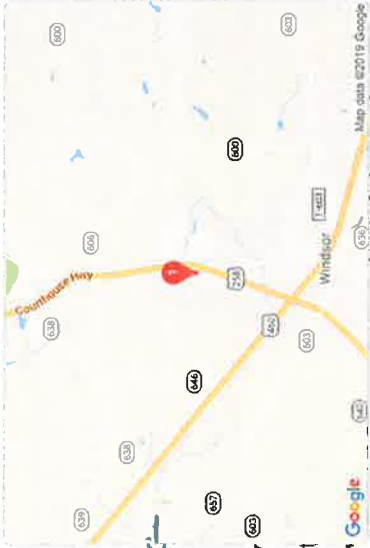
- Air Conditioner: Central
- Heating Type: Electric
- Water Heater: Electric
- High-speed Internet Ready: Yes
- Cable Ready: Yes

### Accessibility

- Counter/Vanity: Standard Height
- Door/Faucet Handles: Unknown

### Safety

- Lead-free / Passes Lead Safe Guidelines: Yes ●
- Learn More: [HUD Lead Paint Guidelines](#)  
[Lead Paint Disclosure Rule](#)
- Fire Safety: Smoke Detector



### Appliances

- Stove
- Microwave
- Refrigerator
- Clothes V (in Unit)
- Clothes Dryer
- Laundry Room / Facility
- Other Appliances
- Hookup Only (in Unit)
- On Site
- Ceiling Fan(s), Miniblinds

### Specialized Information

- Listing ID: 503766
- Familiar with Section 8 process: Yes ●
- Tax Credit Property: No ●
- Seniors Only: No ●

### Kitchen & Bath Accessibility

- Kitchen: Standard  
↓ Comprehensive List ↓
- Bathroom: Standard  
↓ Comprehensive List ↓



## Parking and Entry

Parking Type	Off Street
Parking in Front of Entrance	Yes
Entry Location	From Outside
Unit Entry	Step(s)
Unit Minimum Door Width	Unknown
Other Entry Options	<ul style="list-style-type: none"> <li>• Door Knock / Bell Signaler <input type="checkbox"/></li> <li>• Standard Peephole <input checked="" type="checkbox"/></li> <li>• Deadbolt on Entry Door <input type="checkbox"/></li> <li>• Multi Story Unit <input checked="" type="checkbox"/></li> </ul>

## Comments

Qualifiers For Sliding Scale or Income Restriction

Please call regarding income restrictions.

Owner/Manager Comments

Please bring drivers license state ID and social security card



We monitor listings, but if you see an issue, we want to hear from you!

[Read Scam Alert](#)

[Report Listing](#)

Under the [Federal Fair Housing Act of 1968](#), as amended in 1988, it is illegal to engage in discriminatory advertising based on race, color, religion, sex, familial status, disability, and national origin.

[Home](#) | [Find Housing](#) | [List Housing](#) | [Disclaimer](#) | [Privacy](#) | [Terms](#) | [About Us](#) | [Contact Us](#) | [Link To Us](#)

Sponsored by:

Virginia Housing Development Authority

Toll-Free: 1.877.428.8844 - Toll-Free Fax: 1.866.265.7811 - TDD/TTY: 7-1-1 | [Relay Service](#) ]

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