
2020 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 **12:00 PM**
Richmond, VA Time On **March 12, 2020**

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 2020 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 2016. Please note that using the active Excel workbook does not eliminate the need to submit the required PDF of the signed hardcopy of the application and related documentation. A more detailed explanation of application submission requirements is provided below and in the Application Manual.

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

Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is 12:00 PM Richmond Virginia time on March 12, 2020. 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 only accepts files via our work center sites on Procorem. Contact TaxCreditApps@vhda.com for access to Procorem or for the creation of a new deal workcenter. 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	john david.bondurant@vhda.com	(804) 343-5725
Sheila Stone	sheila.stone@vhda.com	(804) 343-5582
Stephanie Flanders	stephanie.flanders@vhda.com	(804) 343-5939
Phil Cunningham	phillip.cunningham@vhda.com	(804) 343-5514
Pamela Freeth	pamela.freeth@vhda.com	(804) 343-5563
Aniyah Moaney	Aniyah.moaney@vhda.com	(804) 343-5518

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2020 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.

- \$1,000 Application Fee **(MANDATORY)**
 - Electronic Copy of the Microsoft Excel Based Application **(MANDATORY)**
 - Scanned Copy of the Signed Tax Credit Application with Attachments (excluding market study and plans & specifications) **(MANDATORY)**
 - Electronic Copy of the Market Study **(MANDATORY - Application will be disqualified if study is not submitted with application)**
 - Electronic Copy of the Plans and Unit by Unit writeup **(MANDATORY)**
 - Electronic Copy of the Specifications **(MANDATORY)**
 - Electronic Copy of the Existing Condition questionnaire **(MANDATORY if Rehab)**
 - Electronic Copy of the Physical Needs Assessment **(MANDATORY at reservation for a 4% rehab request)**
 - Electronic Copy of Appraisal **(MANDATORY if acquisition credits requested)**
 - Electronic Copy of Environmental Site Assessment (Phase I) **(MANDATORY if 4% credits requested)**
 - Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement **(MANDATORY)**
 - Tab B: Virginia State Corporation Commission Certification **(MANDATORY)**
 - Tab C: Principal's Previous Participation Certification **(MANDATORY)**
 - Tab D: List of LIHTC Developments (Schedule A) **(MANDATORY)**
 - Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment **(MANDATORY)**
 - Tab F: RESNET Rater Certification **(MANDATORY)**
 - Tab G: Zoning Certification Letter **(MANDATORY)**
 - Tab H: Attorney's Opinion **(MANDATORY)**
 - Tab I: Nonprofit Questionnaire **(MANDATORY for points or pool)**
- The following documents need not be submitted unless requested by VHDA:
- Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status
 - Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable)
- Tab J: Relocation Plan and Unit Delivery Schedule **(MANDATORY)**
 - Tab K: Documentation of Development Location:
 - K.1 Revitalization Area Certification
 - K.2 Location Map
 - K.3 Surveyor's Certification of Proximity To Public Transportation
 - Tab L: PHA / Section 8 Notification Letter
 - Tab M: Locality CEO Response Letter
 - Tab N: Homeownership Plan
 - Tab O: Plan of Development Certification Letter
 - Tab P: Developer Experience documentation and Partnership agreements
 - Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property
 - Tab R: Documentation of Operating Budget and Utility Allowances
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 - Tab U: Documentation to Request Exception to Restriction-Pools With Little/No Increase in Rent Burdened Population
 - Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
 - Tab W: Internet Safety Plan and Resident Information Form (if internet amenities selected)
 - Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504
 - Tab Y: Inducement Resolution for Tax Exempt Bonds

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/11/2020

1. Development Name: Aaron Mills Apartments
2. Address (line 1): 201 Aaron Street
 Address (line 2): _____
 City: Martinsville State: VA Zip: 24112
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 Martinsville City
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: 4.00
7. Development is located in a **Qualified Census Tract**..... TRUE
8. Development is located in a **Difficult Development Area**..... FALSE
9. Development is located in a **Revitalization Area based on QCT** FALSE
10. Development is located in a **Revitalization Area designated by resolution** TRUE
11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... FALSE
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
12. Development is located in a census tract with a poverty rate of.....

	3%	10%	12%
	FALSE	FALSE	FALSE

Enter only Numeric Values below:

13. Congressional District: 9
- Planning District: 12
- State Senate District: 20
- State House District: 16

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

52 units of new construction for the elderly located in Martinsville, VA consisting of 34 one-bedroom units and 18 two-bedroom units.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/11/2020

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: Leon Towarnicki
 Chief Executive Officer's Title: City Manager Phone: (276) 403-5185
 Street Address: P.O. Drawer 1112
 City: Martinsville State: VA Zip: 24112

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Leon Towarnicki - ltowarnicki@ci.martinsville.va.us

- 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

1. Requesting Credits From:

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

Balance of State Pool

or

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

For Tax Exempt Bonds, where are bonds being issued?

ACTION: Provide Inducement Resolution at **TAB Y** (if available)

2. Type(s) of Allocation/Allocation Year

Carryforward Allocation

Definitions of types:

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

b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2019, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2019 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

New Construction

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

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

Name of companion development: _____

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: Aaron Street Lofts, LLC

Developer Name: Lisa A. Sari, Manager of Archetyles, LLC and 100% owner of Landmark Asset Services,

Contact: M/M ▶ Ms. First: Lisa MI: A. Last: Sari

Address: 406 E 4th Street

City: Winston Salem St. ▶ NC Zip: 27101

Phone: (336) 972-4192 Ext. _____ Fax: (336) 722-3603

Email address: devadmin@landmarkdevelopment.biz

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

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

Additional Contact: Please Provide Name, Email and Phone number.
Samuel J. Sari, sam@landmarkdevelopment.biz, (336) 714-8910

- ACTION:**
- a. Provide Owner's organizational documents (e.g. Partnership agreements and Developer Fee agreement) (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.

Names **	Phone	Type Ownership	% Ownership
<u>Landmark Asset Services, Inc.</u>	<u>(336) 714-8910</u>	<u>Managing Member</u>	<u>100.000%</u>
<u>Lisa A. Sari (100% Owner & President of Landmark)</u>	<u>(336) 972-4192</u>	<u>Managing Member</u>	<u>0.000%</u> <i>needs</i>
_____	_____	_____	<u>0.000%</u>
_____	_____	_____	<u>0.000%</u>
_____	_____	_____	<u>0.000%</u>
_____	_____	_____	<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

- 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):

Select Type: ▶ Option _____

Expiration Date: 12/31/2021 _____

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.

ACTION: Provide documentation and most recent real estate tax assessment - Mandatory TAB E

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..... 3/31/2021 .

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: Martinsville Land Bank Authority

Address: P.O. Box 1112

City: Martinsville St.: VA Zip: 24114

Contact Person: Leon Towarnicki Phone: (276) 403-5185

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

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

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

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

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E. DEVELOPMENT TEAM INFORMATION

Provide Email address for each completed team member

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

- 1. Tax Attorney: Deborah L. McKenney This is a Related Entity. FALSE
Firm Name: Blanco Tackabery & Matamoros, P.A.
Address: 110 South Stratford Road, Suite 500, Winston Salem, NC 27104-4299
Email: d1m@blancolaw.com Phone: (336) 293-9045

- 2. Tax Accountant: Wade Pack This is a Related Entity. FALSE
Firm Name: Bernard Robinson and Company
Address: 1501 Highwoods Blvd., Suite 300, Greensboro, NC 27410
Email: Wpack@brccpa.com Phone: (336) 232-4412

- 3. Consultant: _____ This is a Related Entity. FALSE
Firm Name: _____ Role: _____
Address: _____
Email: _____ Phone: _____

- 4. Management Entity: Blair Maas This is a Related Entity. TRUE
Firm Name: Landmark Property Management Company
Address: 406 E Fourth Street, Winston Salem, NC 27101
Email: blair@landmarkdevelopment.biz Phone: (336) 714-8939

- 5. Contractor: TBD This is a Related Entity. FALSE
Firm Name: _____
Address: _____
Email: _____ Phone: _____
Provide Email address for completed team member

- 6. Architect: Jackie Martin This is a Related Entity. FALSE
Firm Name: Martin Riley Associates-Architects, P.C.
Address: 215 Church Street, Suite 200, Decatur, GA 30030
Email: jmartin@martinriley.com Phone: (404) 373-2800

- 7. Real Estate Attorney: Deborah L. McKenney This is a Related Entity. FALSE
Firm Name: Blanco Tackabery & Matamoros, P.A.
Address: 110 South Stratford Road, Suite 500, Winston Salem, NC 27104-4299
Email: d1m@blancolaw.com Phone: (336) 293-9045

- 8. Mortgage Banker: _____ This is a Related Entity. FALSE
Firm Name: _____
Address: _____
Email: _____ Phone: _____

- 9. Other: _____ This is a Related Entity. FALSE
Firm Name: _____ Role: _____
Address: _____
Email: _____ Phone: _____

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... FALSE
If no credits are being requested for existing buildings acquired for the development, skip this tab.

- b. This development has received a previous allocation of credits..... FALSE
If so, in what year did this development receive credits? _____

- c. The development is listed on the RD 515 Rehabilitation Priority List?..... FALSE

- d. This development is an existing RD or HUD S8/236 development..... FALSE
Action: (If True, provide required form in **TAB Q**)

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

- i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition..... FALSE

- ii. Applicant has obtained a waiver of this requirement from VHDA prior to the application submission deadline..... FALSE

2. Ten-Year Rule For Acquisition Credits

- a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/ \$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement..... FALSE

- b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i),..... FALSE
 - i. Subsection (I)..... FALSE
 - ii. Subsection (II)..... FALSE
 - iii. Subsection (III)..... FALSE
 - iv. Subsection (IV)..... FALSE
 - v. Subsection (V)..... FALSE

- c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6)..... FALSE

- d. There are different circumstances for different buildings..... FALSE
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

b. Minimum Expenditure Requirements

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

4. Request For Exception

a. The proposed new construction development (including adaptive reuse and rehabilitation that creates additional rental space) is subject to an assessment of up to minus 20 points for being located in a pool identified by the Authority as a pool with little or no increase in rent burdened population..... TRUE

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..... TRUE
- 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..... FALSE (If false, go on to part III.)

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: > _____

Name: _____ (Please fit NP name within available space)

Contact Person: _____

Street Address: _____

City: _____ State: > _____ Zip: _____

Phone: _____ Extension: _____ Contact Email: _____

G. NONPROFIT INVOLVEMENT

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: _____ 0.0%

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: _____

or indicate true if Local Housing Authority TRUE
Name of Local Housing Authority Danville Redevelopment and Housing Authority (DRHA)

2. FALSE

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

Action: Provide Homeownership Plan **(TAB N)**

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

2020 Low-Income Housing Tax Credit Application For Reservation

H. STRUCTURE AND UNITS INFORMATION

1. General Information

- | | | | |
|--|---------|----------|----|
| a. Total number of all units in development | 52 | bedrooms | 70 |
| Total number of rental units in development | 52 | bedrooms | 70 |
| Number of low-income rental units | 52 | bedrooms | 70 |
| Percentage of rental units designated low-income | 100.00% | | |
-
- | | | | |
|---------------------------------------|----|----------|----|
| b. Number of new units:..... | 52 | bedrooms | 70 |
| Number of adaptive reuse units: | 0 | bedrooms | 0 |
| Number of rehab units:..... | 0 | bedrooms | 0 |
-
- c. If any, indicate number of planned exempt units (included in total of all units in development)..... 0
- d. Total Floor Area For The Entire Development..... 52,687.00 (Sq. ft.)
- e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage)..... 571.00 (Sq. ft.)
- f. Nonresidential Commercial Floor Area (Not eligible for funding)..... 0.00
- g. Total Usable Residential Heated Area..... 52,116.00 (Sq. ft.)
- h. Percentage of Net Rentable Square Feet Deemed To Be **New Rental Space**..... 100.00%
- i. Exact area of site in acres 6.356
- j. Locality has approved a final site plan or plan of development..... FALSE
 If True, Provide required documentation (TAB O).
- k. Requirement as of 2016: Site must be properly zoned for proposed development.
ACTION: Provide required zoning documentation (MANDATORY TAB G)
- l. Development is eligible for Historic Rehab credits..... FALSE

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

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	902.38	SF	34	34
2BR Elderly	1190.84	SF	18	18
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			52	52

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)..... 1
- b. Age of Structure:..... 0 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). TRUE
 If true, # of Elevators. 1
 Elevator Type (if known) _____

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Exercise Room, Laundry facilities, Rental Office, Community Room >749 sq

m. Number of Proposed Parking Spaces..... 57
 Parking is shared with another entity FALSE

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

H. STRUCTURE AND UNITS INFORMATION

5. Plans and Specifications

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

6. Market Study Data:

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

Project Wide Capture Rate - LIHTC Units	<u>10.80%</u>
Project Wide Capture Rate - Market Units	<u>0.00%</u>
Project Wide Capture Rate - All Units	<u>10.80%</u>
Project Wide Absorption Period (Months)	<u>6</u>

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 RESNET rater certification (**TAB F**)

ACTION: Provide Internet Safety Plan and Resident Information Form (Tab W) if options selected below.

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

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 85.00% 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.
- FALSE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- FALSE d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- TRUE e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- TRUE f. Free WiFi access will be provided in community room for resident only usage.
- FALSE g. Each unit is provided free individual high speed internet access.
- or
- FALSE h. Each unit is provided free individual WiFi access.
- TRUE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- 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. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- TRUE r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

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

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J. ENHANCEMENTS

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

2. Green Certification

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

The applicant will also obtain one of the following:

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

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.)


- | | |
|--|--------------------------------------|
| <u>FALSE</u> Zero Energy Ready Home Requirements | <u>FALSE</u> 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.
- 52 b. Number of Rental Units constructed to meet VHDA's Universal Design standards:
- 100% % 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

 Architect of Record Initial here that the above information is accurate per certification statement within this application.

I. UTILITIES

1. Utilities Types:

- a. Heating Type Heat Pump
- b. Cooking Type Electric
- c. AC Type Central Air
- d. Hot Water Type Electric

2. Indicate True if the following services will be included in Rent:

- | | | | |
|-----------------|--------------|----------------------|--------------|
| Water?..... | <u>TRUE</u> | Heat?..... | <u>FALSE</u> |
| Hot Water?..... | <u>FALSE</u> | AC?..... | <u>FALSE</u> |
| Lighting?..... | <u>FALSE</u> | Sewer?..... | <u>TRUE</u> |
| Cooking? | <u>FALSE</u> | Trash Removal? | <u>TRUE</u> |

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	9	12	0	0
Air Conditioning	0	6	10	0	0
Cooking	0	8	10	0	0
Lighting	0	36	45	0	0
Hot Water	0	18	25	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$77	\$102	\$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. TRUE Local PHA
- e. FALSE Other: _____

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

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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 requirements of section 504 of the Rehabilitation Act.

 Architect of Record initial here that the above information is accurate per certification statement within this application.

K. SPECIAL HOUSING NEEDS

2. Special Housing Needs/Leasing Preference:

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

- TRUE Elderly (as defined by the United States Fair Housing Act.)
- FALSE Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only
- FALSE Supportive Housing (as described in the Tax Credit Manual)

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

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

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

Action: Provide Relocation Plan and Unit Delivery Schedule (**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 waiting list: DHRA

Contact person: Terry Ferguson

Title: Housing Choice Voucher Program Director

Phone Number (434) 792-5544

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: 0
% of total Low Income Units 0%

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

2020 Low-Income Housing Tax Credit Application For Reservation

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

TRUE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers

FALSE State Assistance

FALSE Other: _____

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

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

d. Number of units receiving assistance: 12
How many years in rental assistance contract? 15.00
Expiration date of contract: 12/31/2036
There is an Option to Renew..... FALSE

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

L. UNIT DETAILS

1. Set-Aside Election: UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY

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

a. Units Provided Per Household Type:

Income Levels		Avg Inc.
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
6	11.54%	40% Area Median
0	0.00%	50% Area Median
46	88.46%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
52	100.00%	Total

Rent Levels		Avg Inc.
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
6	11.54%	40% Area Median
20	38.46%	50% Area Median
26	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
52	100.00%	Total

- b. The development plans to utilize average income..... FALSE
 If 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.

 Architect of Record Initial here that the information below is accurate per certification statement within this application.

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	40% AMI	1		684.00	\$377.00	\$377
Mix 2	1 BR - 1 Bath	40% AMI	1		684.00	\$377.00	\$377
Mix 3	1 BR - 1 Bath	40% AMI	1		684.00	\$377.00	\$377
Mix 4	1 BR - 1 Bath	40% AMI	1	1	749.00	\$377.00	\$377
Mix 5	1 BR - 1 Bath	50% AMI	1	1	749.00	\$491.00	\$491
Mix 6	1 BR - 1 Bath	50% AMI	1	1	749.00	\$491.00	\$491
Mix 7	1 BR - 1 Bath	50% AMI	1	1	684.00	\$491.00	\$491
Mix 8	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 9	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 10	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 11	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 12	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 13	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 14	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 15	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491
Mix 16	1 BR - 1 Bath	50% AMI	1		684.00	\$491.00	\$491

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I. UNIT DETAILS

Mix 17	1 BR - 1 Bath	60% AMI	1	1	749.00	\$550.00	\$550
Mix 18	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 19	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 20	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 21	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 22	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 23	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 24	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 25	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 26	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 27	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 28	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 29	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 30	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 31	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 32	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 33	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 34	1 BR - 1 Bath	60% AMI	1		684.00	\$550.00	\$550
Mix 35	2 BR - 2 Bath	40% AMI	1		984.00	\$443.00	\$443
Mix 36	2 BR - 2 Bath	40% AMI	1	1	977.00	\$443.00	\$443
Mix 37	2 BR - 2 Bath	50% AMI	1	1	977.00	\$579.00	\$579
Mix 38	2 BR - 2 Bath	50% AMI	1		977.00	\$579.00	\$579
Mix 39	2 BR - 2 Bath	50% AMI	1		977.00	\$579.00	\$579
Mix 40	2 BR - 2 Bath	50% AMI	1		977.00	\$579.00	\$579
Mix 41	2 BR - 2 Bath	50% AMI	1		977.00	\$579.00	\$579
Mix 42	2 BR - 2 Bath	50% AMI	1		984.00	\$579.00	\$579
Mix 43	2 BR - 2 Bath	50% AMI	1		984.00	\$579.00	\$579
Mix 44	2 BR - 2 Bath	50% AMI	1		984.00	\$579.00	\$579
Mix 45	2 BR - 2 Bath	60% AMI	1		984.00	\$650.00	\$650
Mix 46	2 BR - 2 Bath	60% AMI	1		984.00	\$650.00	\$650
Mix 47	2 BR - 2 Bath	60% AMI	1		984.00	\$650.00	\$650
Mix 48	2 BR - 2 Bath	60% AMI	1		984.00	\$650.00	\$650
Mix 49	2 BR - 2 Bath	60% AMI	1		977.00	\$650.00	\$650
Mix 50	2 BR - 2 Bath	60% AMI	1		977.00	\$650.00	\$650
Mix 51	2 BR - 2 Bath	60% AMI	1		977.00	\$650.00	\$650
Mix 52	2 BR - 2 Bath	60% AMI	1		977.00	\$650.00	\$650
Mix 53							\$0
Mix 54							\$0
Mix 55							\$0
Mix 56							\$0
Mix 57							\$0
Mix 58							\$0
Mix 59							\$0
Mix 60							\$0
Mix 61							\$0
Mix 62							\$0
Mix 63							\$0
Mix 64							\$0
Mix 65							\$0
Mix 66							\$0
Mix 67							\$0
Mix 68							\$0
Mix 69							\$0
Mix 70							\$0
Mix 71							\$0
Mix 72							\$0

L. UNIT DETAILS

Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			52	6				\$28,018

Total Units	52	Net Rentable SF:	TC Units	41,158.00
			MKT Units	0.00
			Total NR SF:	41,158.00

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

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M. OPERATING EXPENSES

		Use Whole Numbers Only!
Administrative:		
1. Advertising/Marketing		\$2,700
2. Office Salaries		\$0
3. Office Supplies		\$5,000
4. Office/Model Apartment	(type _____)	\$0
5. Management Fee		\$19,039
	<u>6.00%</u> of EGI <u>\$366.13</u> Per Unit	
6. Manager Salaries		\$24,960
7. Staff Unit (s)	(type _____)	\$0
8. Legal		\$291
9. Auditing		\$6,500
10. Bookkeeping/Accounting Fees		\$2,400
11. Telephone & Answering Service		\$5,400
12. Tax Credit Monitoring Fee		\$1,820
13. Miscellaneous Administrative		\$5,100
	Total Administrative	<u>\$73,210</u>
Utilities		
14. Fuel Oil		\$0
15. Electricity		\$17,100
16. Water		\$9,360
17. Gas		\$8,112
18. Sewer		\$0
	Total Utility	<u>\$34,572</u>
Operating:		
19. Janitor/Cleaning Payroll		\$2,600
20. Janitor/Cleaning Supplies		\$1,500
21. Janitor/Cleaning Contract		\$0
22. Exterminating		\$3,896
23. Trash Removal		\$5,100
24. Security Payroll/Contract		\$0
25. Grounds Payroll		\$0
26. Grounds Supplies		\$4,000
27. Grounds Contract		\$12,000
28. Maintenance/Repairs Payroll		\$21,840
29. Repairs/Material		\$3,640
30. Repairs Contract		\$6,500
31. Elevator Maintenance/Contract		\$3,595
32. Heating/Cooling Repairs & Maintenance		\$3,200
33. Pool Maintenance/Contract/Staff		\$0
34. Snow Removal		\$300
35. Decorating/Payroll/Contract		\$4,420
36. Decorating Supplies		\$2,210
37. Miscellaneous		\$4,450
	Totals Operating & Maintenance	<u>\$79,251</u>

2020 Low-Income Housing Tax Credit Application For Reservation

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$10,000
39. Payroll Taxes	\$6,807
40. Miscellaneous Taxes/Licenses/Permits	\$300
41. Property & Liability Insurance	\$18,494
42. Fidelity Bond	\$70
43. Workman's Compensation	\$1,321
44. Health Insurance & Employee Benefits	\$10,200
45. Other Insurance	\$0
Total Taxes & Insurance	\$47,192

Total Operating Expense \$234,225

Total Operating Expenses Per Unit \$4,504 **C. Total Operating Expenses as % of EGI** 73.81%

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum) \$13,000

Total Expenses	\$247,225
-----------------------	------------------

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

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	3/11/2020	Landmark
b. Site Acquisition	3/31/2021	Landmark
c. Zoning Approval	Complete	Landmark
d. Site Plan Approval	N/A	Landmark
2. Financing		
a. Construction Loan		
i. Loan Application	12/1/2020	Landmark
ii. Conditional Commitment	12/31/2020	Landmark
iii. Firm Commitment	2/28/2021	Landmark
b. Permanent Loan - First Lien		
i. Loan Application	1/1/2021	Landmark
ii. Conditional Commitment	2/15/2021	Landmark
iii. Firm Commitment	2/28/2021	Landmark
c. Permanent Loan-Second Lien		
i. Loan Application	N/A	N/A
ii. Conditional Commitment	N/A	N/A
iii. Firm Commitment	N/A	N/A
d. Other Loans & Grants		
i. Type & Source, List	N/A	N/A
ii. Application	N/A	N/A
iii. Award/Commitment	N/A	N/A
2. Formation of Owner	3/1/2020	Landmark
3. IRS Approval of Nonprofit Status	N/A	N/A
4. Closing and Transfer of Property to Owner	3/31/2021	Landmark
5. Plans and Specifications, Working Drawings	2/1/2021	Martin Riley Assoc.
6. Building Permit Issued by Local Government	2/28/2021	Davie/Landmark
7. Start Construction	4/1/2021	Landmark
8. Begin Lease-up	1/1/2022	LPMC
9. Complete Construction	4/30/2022	Landmark
10. Complete Lease-Up	10/31/2022	LPMC
11. Credit Placed in Service Date	4/30/2022	Landmark

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	4,402,783	0	0	4,402,783
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
Total Structure	4,402,783	0	0	4,402,783
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	65,000	0	0	65,000
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	50,000	0	0	50,000
o. Site Work	550,000	0	0	500,000
p. Other Site work	0	0	0	0
Total Land Improvements	665,000	0	0	615,000
Total Structure and Land	5,067,783	0	0	5,017,783
q. General Requirements	304,067	0	0	304,067
r. Builder's Overhead (2.0% Contract)	101,356	0	0	101,356
s. Builder's Profit (6.0% Contract)	304,067	0	0	304,067
t. Bonds	0	0	0	0
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: _____	0	0	0	0
y. Other 2: _____	0	0	0	0
z. Other 3: _____	0	0	0	0
Contractor Costs	\$5,777,273	\$0	\$0	\$5,727,273

O. PROJECT BUDGET - OWNER COSTS

MUST USE WHOLE NUMBERS ONLY!

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$2,510 /Unit)	130,500	0	0	130,500
c. Architecture Supervision Fee \$386 /Unit)	20,050	0	0	20,050
d. Tap Fees	0	0	0	0
e. Environmental	0	0	0	0
f. Soil Borings	15,000	0	0	15,000
g. Green Building (Earthcraft, LEED, etc.)	25,000	0	0	25,000
h. Appraisal	9,500	0	0	9,500
i. Market Study	4,500	0	0	4,500
j. Site Engineering / Survey	10,000	0	0	10,000
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	47,000	0	0	47,000
n. Construction Interest (0.0% for 0 months)	199,000	0	0	149,250
o. Taxes During Construction	12,000	0	0	12,000
p. Insurance During Construction	45,000	0	0	45,000
q. Permanent Loan Fee (1.0%)	8,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	20,000	0	0	20,000
u. Accounting	0	0	0	0
v. Title and Recording	35,000	0	0	0
w. Legal Fees for Closing	45,000	0	0	33,750
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	57,000			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	60,000	0	0	60,000
ab. Organization Costs	6,000	0	0	0
ac. Operating Reserve	143,721	0	0	0
ad. Contingency	286,359	0	0	286,359
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: Lender Inspections	13,000	0	0	13,000
(2) Other* specify: Lender Due Diligence	30,000	0	0	22,500
(3) Other* specify: Counsel's fee	20,000	0	0	0
(4) Other* specify: Other Design Fee(s)	10,000	0	0	10,000
(5) Other* specify: Lease Up Expenses	25,000	0	0	0
(6) Other* specify: Lease up Reserve	15,300	0	0	0
(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$1,291,930	\$0	\$0	\$913,409
Subtotal 1 + 2 (Owner + Contractor Costs)	\$7,069,203	\$0	\$0	\$6,640,682
3. Developer's Fees Action: Provide Developer Fee Agreement (Tab A)	878,000	0	0	878,000
4. Owner's Acquisition Costs				
Land	0			
Existing Improvements	0	0		
Subtotal 4:	\$0	\$0		
5. Total Development Costs Subtotal 1+2+3+4:	\$7,947,203	\$0	\$0	\$7,518,682

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:

\$878,304

Proposed Development's Cost per Sq Foot
Applicable Cost Limit by Square Foot:

\$151 Meets Limits
\$164

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	7,947,203	0	0	7,518,682
2. Reductions in Eligible Basis				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	0
3. Total Eligible Basis (1 - 2 above)		0	0	7,518,682
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			0	2,255,605
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
Total Adjusted Eligible basis			0	9,774,287
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		0	0	9,774,287
7. Applicable Percentage (Beginning with 2016 Allocations, use the standard 9% rate.) (For tax exempt bonds, use the most recently published rates.)		0.00%	9.00%	9.00%
8. Maximum Allowable Credit under IRC 542 (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$0	\$0	\$879,686
		\$879,686 Combined 30% & 70% P. V. Credit		

Q. SOURCES OF FUNDS

Action: Provide Documentation for all Funding Sources at Tab T

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1. TBD			\$4,700,000	
2.				
3.				
Total Construction Funding:			\$4,700,000	

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

Source of Funds	Date of Application	Date of Commitment	<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. VHDA REACH	1/1/2021		\$800,000	\$40,216	2.95%	30.00	30.00
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$800,000	\$40,216			

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.	Donation of Property		\$101,300
2.	City Sponsored Remediation of Site		\$574,300
3.			
4.			
5.			
Total Subsidized Funding			\$675,600

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$800,000
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

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

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other: VBAF, EPA, ...	\$574,300

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

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

2020 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 = <u>\$0</u>
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000 = <u>\$0</u>
b. Equity that Sponsor will Fund:			
i. Cash Investment	\$0		
ii. Contributed Land/Building	\$0		
iii. Deferred Developer Fee	\$53,904	(Note: Deferred Developer Fee cannot be negative.)	
iv. Other: _____	\$0		
ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at TAB A .			
Equity Total	<u>\$53,904</u>		

2. Equity Gap Calculation

a. Total Development Cost	\$7,947,203
b. Total of Permanent Funding, Grants and Equity	- <u>\$853,904</u>
c. Equity Gap	<u>\$7,093,299</u>
d. Developer Equity	- <u>\$711</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$7,092,588

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	<u>Redstone Equity Partners</u>		
Contact Person:	<u>Rob Vest</u>	Phone:	<u>(704) 200-9500</u>
Street Address:	<u>600 Fairview Road, Suite 550</u>		
City:	<u>Charlotte</u>	State:	<u> </u>
		Zip:	<u>28210</u>
b. Syndication Equity			
i. Anticipated Annual Credits	<u>\$797,000.00</u>		
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	<u>\$0.890</u>		
iii. Percent of ownership entity (e.g., 99% or 99.9%)	<u>99.99000%</u>		
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	<u>\$0</u>		
v. Net credit amount anticipated by user of credits	<u>\$796,920</u>		
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	<u>\$7,092,588</u>		
c. Syndication: <u>Private</u>			
d. Investors: <u>Corporate</u>			

4. Net Syndication Amount

Which will be used to pay for Total Development Costs	<u>\$7,092,588</u>
---	--------------------

5. Net Equity Factor

Must be equal to or greater than 85%	<u>88.9999664960%</u>
--------------------------------------	-----------------------

S. DETERMINATION OF RESERVATION AMOUNT NEEDED

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

1. Total Development Costs		<u>\$7,947,203</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$853,904</u>
3. Equals Equity Gap		<u>\$7,093,299</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>88.9999664960%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$7,970,002</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$797,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$879,686</u>
8. Requested Credit Amount	For 30% PV Credit:	\$0
	For 70% PV Credit:	\$797,000
Credit per LI Units	<u>\$15,326.9231</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$11,385.7143</u>	

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

T. CASH FLOW

1. Revenue

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

Total Monthly Rental Income for LIHTC Units	\$28,018
Plus Other Income Source (list): <u>Laundry, Vending, Late fees, Etc.</u>	<u>\$416</u>
Equals Total Monthly Income:	<u>\$28,434</u>
Twelve Months	x12
Equals Annual Gross Potential Income	<u>\$341,208</u>
Less Vacancy Allowance <u>7.0%</u>	<u>\$23,885</u>
Equals Annual Effective Gross Income (EGI) - Low Income Units	<u>\$317,323</u>

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

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	<u>\$317,323</u>
b. Annual EGI Market Units	<u>\$0</u>
c. Total Effective Gross Income	<u>\$317,323</u>
d. Total Expenses	<u>\$247,225</u>
e. Net Operating Income	<u>\$70,098</u>
f. Total Annual Debt Service	<u>\$40,216</u>
g. Cash Flow Available for Distribution	<u>\$29,882</u>

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	317,323	323,670	330,143	336,746	343,481
Less Oper. Expenses	247,225	254,642	262,281	270,149	278,254
Net Income	70,098	69,028	67,862	66,597	65,227
Less Debt Service	40,216	40,216	40,216	40,216	40,216
Cash Flow	29,882	28,812	27,646	26,381	25,011
Debt Coverage Ratio	1.74	1.72	1.69	1.66	1.62

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	350,351	357,358	364,505	371,795	379,231
Less Oper. Expenses	286,602	295,200	304,056	313,177	322,573
Net Income	63,749	62,158	60,449	58,618	56,658
Less Debt Service	40,216	40,216	40,216	40,216	40,216
Cash Flow	23,533	21,942	20,233	18,402	16,442
Debt Coverage Ratio	1.59	1.55	1.50	1.46	1.41

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	386,816	394,552	402,443	410,492	418,702
Less Oper. Expenses	332,250	342,217	352,484	363,058	373,950
Net Income	54,566	52,335	49,959	47,433	44,752
Less Debt Service	40,216	40,216	40,216	40,216	40,216
Cash Flow	14,350	12,119	9,743	7,217	4,536
Debt Coverage Ratio	1.36	1.30	1.24	1.18	1.11

Estimated Annual Percentage Increase in Revenue 2.00% (Must be < 2%)
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be > 3%)

2020 Low-Income Housing Tax Credit Application For Reservation

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).

Total Qualified Basis should equal total on Elig Basis Tab

Number of BINS: 1

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

DO NOT use the CUI feature

Bldg #	BIN If known	TAX CREDIT UNITS	MARKET RATE UNITS	NUMBER OF	30% Present Value Credit for Acquisition			30% Present Value Credit for Rehab / New Construction			70% Present Value Credit						
					Street Address 1	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	
1.		52			201 Aaron Street	Martinsville	VA	24112	\$0				\$0	\$9,796,274	04/30/22	9.00%	\$881,665
2.									\$0				\$0				\$0
3.									\$0				\$0				\$0
4.									\$0				\$0				\$0
5.									\$0				\$0				\$0
6.									\$0				\$0				\$0
7.									\$0				\$0				\$0
8.									\$0				\$0				\$0
9.									\$0				\$0				\$0
10.									\$0				\$0				\$0
11.									\$0				\$0				\$0
12.									\$0				\$0				\$0
13.									\$0				\$0				\$0
14.									\$0				\$0				\$0
15.									\$0				\$0				\$0
16.									\$0				\$0				\$0
17.									\$0				\$0				\$0
18.									\$0				\$0				\$0
19.									\$0				\$0				\$0
20.									\$0				\$0				\$0
21.									\$0				\$0				\$0
22.									\$0				\$0				\$0
23.									\$0				\$0				\$0
24.									\$0				\$0				\$0
25.									\$0				\$0				\$0
26.									\$0				\$0				\$0
27.									\$0				\$0				\$0
28.									\$0				\$0				\$0
29.									\$0				\$0				\$0
30.									\$0				\$0				\$0
31.									\$0				\$0				\$0
32.									\$0				\$0				\$0
33.									\$0				\$0				\$0
34.									\$0				\$0				\$0
35.									\$0				\$0				\$0
				52					\$0				\$0	\$9,796,274			\$881,665

Totals from all buildings

\$0

\$0

\$9,796,274

\$881,665

Qualified basis should not exceed values on Elig Basis.

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

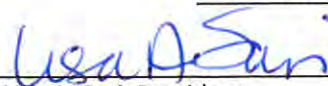
1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless VHDA and its assigns against all losses, costs, damages, VHDA's expenses,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

V. STATEMENT OF OWNER

10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or VHDA regulations, or other binding authority.
11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
15. that undersigned waives the right to pursue a Qualified Contract on this development.
16. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in VHDA's inability to process the application. The original or copy of this application may be retained by VHDA, even if tax credits are not allocated to the undersigned.

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

Legal Name of Owner: Aaron Street Lofts, LLC
By its Managing Member
Landmark Asset Services, Inc.

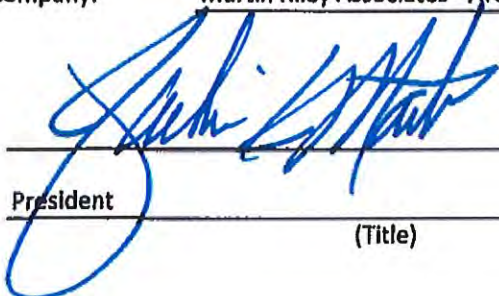
By: 
Its: Lisa A. Sari, President
(Title)

V. STATEMENT OF ARCHITECT

The architect signing this document is certifying that the development plans and specifications incorporate all VHDA Minimum Design and Construction Requirements (MDCR), selected LIHTC enhancements and amenities, applicable building codes and accessibility requirements.

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 Architect: Jackie L. Martin
Virginia License#: 7586
Architecture Firm or Company: Martin Riley Associates - Architects, P.A.

By: 
Its: President (Title)

Initials by Architect are also required on the following Tabs: Enhancement, Special Housing Needs and Unit Details.

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:

- a. Signed, completed application with attached tabs in PDF format
- b. Active Excel copy of application
- c. Partnership agreement
- d. SCC Certification
- e. Previous participation form
- f. Site control document
- g. RESNET Certification
- h. Attorney's opinion
- i. Nonprofit questionnaire (if applicable)
- j. Appraisal
- k. Zoning document
- l. Universal Design Plans
- m. List of LIHTC Developments (Schedule A)

Included		Score
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y, N, N/A	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Total:		<u>0.00</u>

1. READINESS:

- a. VHDA notification letter to CEO (via Locality Notification Information Application)
- b. Local CEO Opposition Letter
- c. Plan of development
- d. Location in a revitalization area based on Qualified Census Tract
- e. Location in a revitalization area with resolution
- f. Location in a Opportunity Zone

Y	0 or -50	0.00
N	0 or -25	0.00
N	0 or 40	0.00
N	0 or 10	0.00
Y	0 or 15	15.00
N	0 or 15	0.00
Total:		<u>15.00</u>

2. HOUSING NEEDS CHARACTERISTICS:

- a. Sec 8 or PHA waiting list preference
- b. Existing RD, HUD Section 8 or 236 program
- c. Subsidized funding commitments
- d. Tax abatement on increase of property's value
- e. New project based rental subsidy (HUD or RD)
- f. Census tract with <12% poverty rate
- g. Development listed on the Rural Development Rehab Priority List
- h. Dev. located in area with little or no increase in rent burdened population
- i. Dev. located in area with increasing rent burdened population

Y	0 or up to 5	3.85
N	0 or 20	0.00
8.50%	Up to 40	17.00
Y	0 or 5	5.00
Y	0 or 10	10.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
N	Up to -20	0.00
N	Up to 20	0.00
Total:		<u>35.85</u>

2020 Low-Income Housing Tax Credit Application For Reservation

3. DEVELOPMENT CHARACTERISTICS:

a. Amenities (See calculations below)			58.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 60	60.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	N	0 or 15	0.00
e. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
f. Development will be Green Certified	Y	0 or 10	10.00
g. Units constructed to meet VHDA's Universal Design standards	100%	Up to 15	15.00
h. Developments with less than 100 units	Y	up to 20	19.20
i. Historic Structure	N	0 or 5	0.00
Total:			<u>172.20</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$46,300	\$57,400

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)	11.54%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	11.54%	Up to 50	0.00
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	50.00%	Up to 50	50.00
Total:			<u>60.00</u>

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	24.18
b. Cost per unit		Up to 100	27.81
Total:			<u>51.99</u>

7. BONUS POINTS:

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

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

TOTAL SCORE: 445.04

2020 Low-Income Housing Tax Credit Application For Reservation

Amenities:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	25.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	4.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	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	2.00
s. New Construction: Balcony or patio	4	0.00
		<u>55.00</u>

All elderly units have:

t. Front-control ranges	1	1.00
u. Independent/suppl. heat source	1	1.00
v. Two eye viewers	1	1.00
		<u>3.00</u>

Total amenities: 58.00

X. Development Summary

Summary Information 2020 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Aaron Mills Apartments

Cycle Type: 9% Tax Credits Requested Credit Amount: \$797,000
 Allocation Type: New Construction Jurisdiction: Martinsville City
 Total Units: 52 Population Target: Elderly
 Total LI Units: 52
 Project Gross Sq Ft: 52,687.00 Owner Contact: Lisa Sari
 Green Certified? TRUE

Total Score
445.04

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$800,000	\$15,385	\$15	\$40,216

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$5,067,783	\$97,457	\$96	63.77%
General Req/Overhead/Profit	\$709,490	\$13,644	\$13	8.93%
Other Contract Costs	\$0	\$0	\$0	0.00%
Owner Costs	\$1,291,930	\$24,845	\$25	16.26%
Acquisition	\$0	\$0	\$0	0.00%
Developer Fee	\$878,000	\$16,885	\$17	11.05%
Total Uses	\$7,947,203	\$152,831		

Total Development Costs

Total Improvements	\$7,069,203
Land Acquisition	\$0
Developer Fee	\$878,000
Total Development Costs	\$7,947,203

Income		
Gross Potential Income - LI Units		\$341,208
Gross Potential Income - Mkt Units		\$0
Subtotal		\$341,208
Less Vacancy %	7.00%	\$23,885
Effective Gross Income		\$317,323

Proposed Cost Limit/Sq Ft: \$151
 Applicable Cost Limit/Sq Ft: \$164

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	34
# of 2BR	18
# of 3BR	0
# of 4+ BR	0
Total Units	52

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$73,210	\$1,408
Utilities	\$34,572	\$665
Operating & Maintenance	\$79,251	\$1,524
Taxes & Insurance	\$47,192	\$908
Total Operating Expenses	\$234,225	\$4,504
Replacement Reserves	\$13,000	\$250
Total Expenses	\$247,225	\$4,754

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	6	6
50% AMI	0	20
60% AMI	46	26
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$317,323
Total Expenses	\$247,225
Net Income	\$70,098
Debt Service	\$40,216
Debt Coverage Ratio (YR1):	1.74

Income Averaging? FALSE

Extended Use Restriction? 30

2020 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$149.73** Credits/SF = **15.29281** Const \$/unit = **\$111,101,4038**

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

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

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	902.38	1,190.84	0.00	0.00	0.00
NUMBER OF UNITS	0	0	34	18	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	186,000	249,938	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	186,000	249,938	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	186,000	249,938	0	0	0
PROJECT COST PER UNIT	0	0	135,116	178,308	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	15,600	20,963	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	15,600	20,963	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	15,600	20,963	0	0	0
PROJECT CREDIT PER UNIT	0	0	13,800	18,211	0	0	0
COST PER UNIT POINTS	0.00	0.00	17.89	9.92	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	15.09	9.09	0.00	0.00	0.00

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

TOTAL COST PER UNIT POINTS **27.81**

TOTAL CREDIT PER UNIT POINTS **24.18**

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	186,000	249,938	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	186,000	249,938	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	15,600	20,963	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	15,600	20,963	0	0	0

Cost Parameters - General

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

Credit Parameters - General

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

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

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	186,000	249,938	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	186,000	249,938	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
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Cost Parameters - General

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

Credit Parameters - General

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

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2020 Low-Income Housing Tax Credit Application For Reservation

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

12000
600
1

*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	902.38	1,190.84	0.00	0.00	0.00
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PARAMETER-(CREDITS=>50,000)	0	0	15,600	20,963	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
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CREDIT PER UNIT POINTS	0.00	0.00	15.09	9.09	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
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **27.81**

TOTAL CREDIT PER UNIT POINTS **24.18**

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	186,000	249,938	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	186,000	249,938	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	15,600	20,963	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	15,600	20,963	0	0	0

Cost Parameters - General

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

Credit Parameters - General

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

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

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	186,000	249,938	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	186,000	249,938	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	15,600	20,963	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	15,600	20,963	0	0	0

Cost Parameters - General

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

Credit Parameters - General

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

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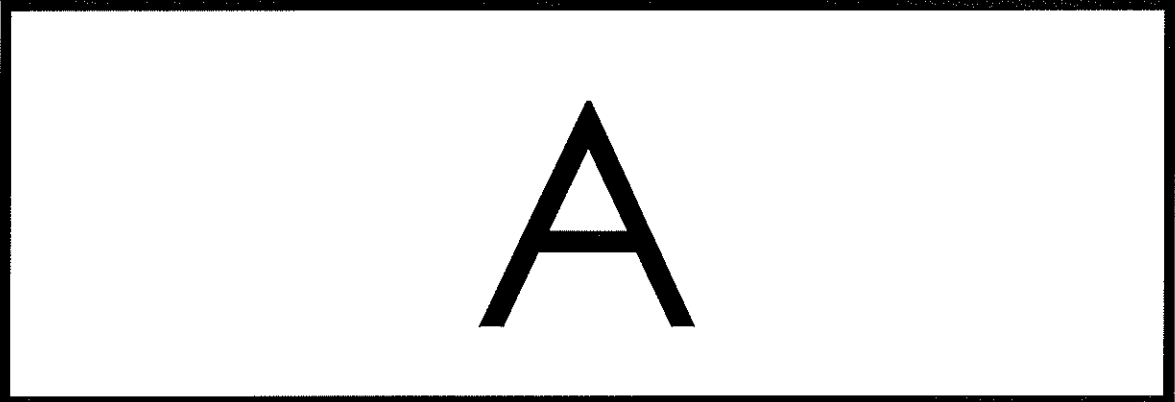
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A

Partnership or Operating Agreement

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

**OPERATING AGREEMENT
OF
AARON STREET LOFTS, LLC**

This is the Operating Agreement of Aaron Street Lofts, LLC, a North Carolina limited liability company (the "Company"). Landmark Asset Services, Inc. is the sole initial Member of the Company. Effective March 5, 2020, the sole Member and the Company agree that the Company will be organized and operated in accordance with the terms of this Agreement.

**ARTICLE I
ORGANIZATION**

1.01 Terms. Capitalized terms used in this Agreement have the meanings given to them in the attached **Exhibit C**.

1.02 Name. The name of the Company is Aaron Street Lofts, LLC.

1.03 Office and Principal Place of Business. The office and principal place of business of the Company shall be located at such place or places as the Manager may designate.

1.04 Registered Office and Registered Agent. The registered office and registered agent of the Company shall be such office and agent as the Manager may designate.

1.05 Formation and Term. The Company was formed on March 5, 2020, upon the filing of the Articles of Organization with the Secretary of State of North Carolina pursuant to the Act and shall continue in perpetuity, unless the Company is earlier dissolved and its affairs wound up in accordance with the provisions of this Agreement or the Act.

1.06 Purpose and Powers. The purpose and powers of the Company are as follows:

(a) Purpose. The purpose and business of the Company shall be to acquire and own the Project and the land upon which the Project is located, and to develop, finance, rehabilitate, maintain, operate and sell or otherwise dispose of the Project.

(b) Powers. The Company shall have any and all powers which are necessary or desirable to carry out the purpose and business of the Company, to the extent that such powers may be legally exercised by limited liability companies under the Act.

ARTICLE II
MANAGEMENT AND LIABILITY

2.01 Management. The Company shall be manager-managed. The manager need not be a member of the Company to serve as manager. The members of the Company shall not be managers of the Company solely by virtue of their status as members. The Member shall have the exclusive right, in the Member's sole discretion, to name additional manager(s) and to remove and replace the existing manager(s). Landmark Asset Services, Inc., a North Carolina corporation ("Landmark") is designated as, and shall be, the initial manager of the Company. The Member shall not be required to perform services for the Company solely by virtue of being a member. Landmark, in its capacity as manager, and any party subsequently named a manager of the Company, shall have the exclusive right, power and authority to act on behalf of the Company concerning such matters which are necessary or desirable to carry on the daily operations of the Company and to perform any and all acts or activities customary or incident to the management of the Company's affairs, including, without limitation, the power and authority to sign contracts on behalf of the Company and otherwise bind the Company with third parties, to the extent that such transactions are customary to the Company's operations or otherwise pertain to transactions that are incident to the daily operations of the Company and that are not extraordinary in nature. In exercising its rights, powers and authority as manager, a manager of the Company may use the title "Manager," if the manager is also a member, "Managing Member," or any other title that the manager shall determine to use from time to time.

2.02 Indemnification. To the fullest extent not prohibited by applicable law, as it now exists or may hereafter be amended, the Company shall indemnify the Member of the Company, as well as any Manager, against all liability and litigation expense, including, but not limited to, reasonable attorney's fees, arising out of its status as such or its activities in the foregoing capacity, regardless of when such status existed or activity occurred and regardless of whether or not it is a member of the Company at the time such indemnification is sought or obtained. Without limiting the generality of the foregoing indemnity, such persons may also recover from the Company all reasonable costs, expenses and attorney's fees in connection with the enforcement of rights to indemnification granted herein. The Company may advance expenses incurred by the Member or Manager upon the receipt by the Company of an undertaking by the Member or Manager to reimburse the Company unless it is ultimately determined that the Member or Manager is entitled to be indemnified by the Company against such expenses. The provisions of this section are in addition to and not in limitation of the power of the Company with respect to, and the rights of any manager or member of the Company to receive the benefits of, any other or further indemnification, insurance, elimination of liability or the right or benefit which is duly adopted by the Company and not prohibited by applicable law. The Company may also indemnify its employees and other representatives or agents up to the fullest extent not prohibited under applicable law, provided that the indemnification in each such situation is first approved by the Member.

2.03 Limitation on Liability. No Member or Manager of the Company shall be liable to the Company for monetary damages for an act or omission in such Person's capacity as a member or manager, except as provided in the Act for (i) acts or omissions which a Member or

Manager knew at the time of the acts or omissions were clearly in conflict with the interests of the Company; (ii) any transaction from which a Member or Manager derived an improper personal benefit; or (iii) acts or omissions occurring prior to the date this provision becomes effective. If the Act is amended to authorize further elimination of or limitations on the liability of a Member or Manager, then the liability of the Member or Manager shall be eliminated or limited to the fullest extent permitted by the Act as so amended. Any repeal or modification of this Section shall not adversely affect the right or protection of a Member or Manager existing at the time of such repeal or modification. The provisions of this Section shall apply also to any Person to whom the Member or Manager has delegated management authority, whether or not such Person is a Member or Manager.

2.04 Compensation and Expenses. The Manager shall not receive any compensation from the Company for serving as a manager, other than an incentive management fee if agreed to by the equity investor for the Project, but the Company will reimburse the Manager for all expenses incurred by the Manager in connection with its service as a manager. Nothing contained in this Section is intended to affect the Ownership Percentage of the Member or the amounts that may be payable to the Member by reason of its Ownership Percentage.

ARTICLE III MEMBERSHIP

3.01 Dealings With Affiliates. The Member and Manager are specifically authorized to employ, contract and deal with, from time to time, any Member or Manager or Affiliate of any Member or Manager, provided the Member consents, and in connection therewith to pay such Person fees, prices or other compensation, provided that such employment, contracts, and dealings are commercially reasonable and necessary or appropriate for Company purposes, and the fees, prices or other compensation paid by the Company are, in the judgment of such Member or Manager, reasonable and typical or competitive with the fees, prices or other compensation customarily paid for similar property or services in the same general area.

ARTICLE IV CAPITAL CONTRIBUTIONS AND ACCOUNTS

4.01 Initial Capital Contributions. The initial Member has contributed as its Capital Contribution to the Company the amounts designated on **Exhibit A**.

4.02 Maintenance of Capital Accounts. Separate Capital Accounts shall be maintained for each Member in accordance with the Regulations as described in **Exhibit B**.

4.03 Interest on and Return of Capital. No Owner shall be entitled to any interest on such Owner's Capital Account or on such Owner's Capital Contributions to the Company. No Owner shall have the right to demand or to receive the return of all or any part of such Owner's Capital Contributions to the Company or such Owner's Capital Account except as otherwise provided in this Agreement.

ARTICLE V
ALLOCATIONS

Subject to the requirements of the Regulations as provided in **Exhibit B**, the Net Profits, Net Losses, and distributive shares of tax items shall be allocated to the Owners on a pro-rata basis in accordance with their respective Ownership Percentages during the period over which such Net Profits, Net Losses and tax items were accrued.

ARTICLE VI
DISTRIBUTIONS

6.01 Interim and Liquidating Distributions. Distributions of Net Cash Flow or distributions in kind to Owners, whether in liquidation or otherwise, shall be made to the Owners in the following order and priority; provided, however, that no distribution shall be made to the Owners if prohibited by N.C.G.S. §57D-4-05:

(a) First, in proportion to the Owners' respective positive Capital Account balances in an amount not to exceed that which would reduce the Owners' respective Capital Account balances to zero; and

(b) The balance, if any, in proportion to the Owners' respective Ownership Percentages.

6.02 Adjustment to Fair Market Value. Prior to any distribution in kind, the difference between such established value and book value of the property to be distributed shall be credited or charged, as is appropriate, to the Owners' Capital Accounts in proportion to their Ownership Percentages. Upon the distribution of such property, such agreed-upon value shall be charged to the Capital Accounts of the Owners receiving such distribution.

ARTICLE VII
DISSOLUTION, LIQUIDATION AND TERMINATION

7.01 Dissolution. The Company shall be dissolved upon the occurrence of any of the following events:

(a) By the written agreement of the sole Member; or

(b) The entry of a decree of judicial dissolution or the issuance of a certificate for administrative dissolution under the Act.

The occurrence of a Withdrawal Event will not result in the dissolution of the Company.

7.02 Winding Up, Liquidation and Distribution of Assets. Upon the happening of any of the events specified in this Article, the Liquidator will commence as promptly as practicable to wind up the Company's affairs unless the Liquidator determines that an immediate liquidation of Company assets would cause undue loss to the Company, in which event the liquidation may

be deferred for a time determined by the Liquidator to be appropriate. Assets of the Company may be liquidated or distributed in kind, as the Liquidator determines to be appropriate. The Owners will continue to share the Net Cash Flow, Net Profits and Net Losses during the period of liquidation in the manner set forth in Article V and Article VI. The proceeds from liquidation of the Company, including repayment of any debts of Owners to the Company, and any Company assets that are not sold in connection with the liquidation will be applied in the following order of priority:

(a) To payment of the debts and satisfaction of the other obligations of the Company, including without limitation debts and obligations to Owners;

(b) To the establishment of any reserves deemed appropriate by the Liquidator for any liabilities or obligations of the Company, which reserves will be held for the purpose of paying liabilities or obligations and, at the expiration of a period the Liquidator deems appropriate, will be distributed in the manner provided in Subsection (c); and

(c) To the payment to the Owners of the positive balances in their respective Capital Accounts, pro rata, in proportion to the positive balances in those Capital Accounts after giving effect to all allocations and distributions under Article V and Article VI for all prior periods, including the period during which the process of liquidation occurs.

7.03 Articles of Dissolution. Upon the dissolution and the commencement of winding up of the Company, Articles of Dissolution shall be filed in the Office of the Secretary of State in accordance with the Act.

7.04 Return of Contribution Nonrecourse to Other Owners. Except as provided by law or as expressly provided in this Agreement, upon dissolution, each Owner shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the cash contribution of one or more Owners, such Owner or Owners shall have no recourse against any other Owner.

ARTICLE VIII BOOKS AND RECORDS

8.01 Accounting Period. The Company's accounting period shall be the calendar year.

8.02 Books and Records. The Company's books and records, this Agreement and all amendments thereto, and any other agreements, records, documents or data required to be maintained by the Act, shall be maintained at the principal office of the Company and shall be open to inspection and examination by the Member or its duly authorized representatives at all reasonable times.

8.03 Books of Account. The Company shall, for income tax purposes, keep and maintain, or cause to be kept and maintained, adequate books of account of Company business. Such books of account shall initially be kept on an accrual basis, but the Member shall have the

right, but not the obligation, to change the method of accounting. All expenses in connection with the keeping of the books and records of the Company and the preparation of audited or unaudited financial statements required to implement the provisions of this Agreement or otherwise needed for the conduct of the Company's business shall be borne by the Company as an ordinary expense of its business.

8.04 Tax Returns. The Company, at the Company's expense, shall cause an income tax return for the Company to be prepared and timely filed with the appropriate authorities. Copies of such returns, or other pertinent information therefrom, shall be furnished to the Member within the periods required by law or otherwise within a reasonable time after the end of the Company's fiscal year.

8.05 Bank Accounts. The bank account or accounts of the Company shall be maintained in the bank approved by the Manager. The terms governing such account shall be determined by the Manager and withdrawals from such bank account shall only be made by such parties as may be approved by the Manager. Any account opened for the Company shall not be commingled with other funds of the Member or Manager.

8.06 Tax Matters. The Member shall designate a Member to act as the "Tax Matters Member" for federal income tax purposes. The Tax Matters Member is authorized and required to represent the Company in connection with all examinations of the Company's affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith. The Tax Matters Member shall have the final decision making authority with respect to all federal income tax matters involving the Company. The Owners agree to cooperate with the Tax Matters Member in any action or proceeding involving issues of federal income taxation affecting the Company or the Owners. Notwithstanding anything to the contrary contained herein, the Tax Matters Member may not settle any tax issue, institute suit or extend the statute of limitations (except insofar as any such action is taken by the Tax Matters Member in its individual capacity and not as the Tax Matters Member) without the consent of the Member. Any direct out-of-pocket expense incurred by the Tax Matters Member in carrying out his obligations hereunder shall be allocated to and charged to the Company as an expense of the Company for which the Tax Matters Member shall be reimbursed. The initial Tax Matters Member shall be Landmark Asset Services, Inc.

8.07 Annual Report for Secretary of State. The Company shall deliver to the Secretary of State for filing an annual report in accordance with N.C. Gen. Stat. § 57D-2-24.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.01 Application of North Carolina Law. This Agreement, and the application and interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of North Carolina, and specifically the Act.

9.02 Further Assurances. The Member agrees to cooperate, and to execute and deliver in a timely fashion any and all additional documents necessary to effectuate the purposes of the

Company and this Agreement, including but not limited to consents to jurisdiction for a taxing jurisdiction with regard to the collection of income taxes attributable to the Member's income and interest and penalties assessed on such income.

9.03 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

9.04 Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof.

9.05 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act from having the effect of an original violation.

9.06 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have under applicable law.

9.07 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and permitted assigns.

9.08 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

9.09 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

9.10 Notices. Any and all notices, offers, demands or elections required or permitted to be made under this Agreement shall be in writing, signed by the party giving such notice, and shall be delivered or sent by hand delivery, recognized overnight courier or registered or certified mail, postage fully prepaid and addressed to the recipient at his or its address appearing on **Exhibit A** or to such other address as a party may by proper notice designate, and shall be deemed given in the case of hand delivery upon delivery to the recipient's address, in the case of overnight courier one (1) day after deposit with such courier and in the case of mailing two (2) days after deposit in the mail. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

9.11 Invalidity. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted. If any particular

provision herein is construed to be in conflict with the provisions of the Act, the Act shall control and such invalid or unenforceable provisions shall not affect or invalidate the other provisions hereof, and this Agreement shall be construed in all respects as if such conflicting provision were omitted.

9.12 Determination of Matters Not Provided For In This Operating Agreement. The Member shall decide any questions arising with respect to the Company and this Agreement which are not specifically or expressly provided for in this Agreement.


[SEPARATE SIGNATURE PAGE FOLLOWS]

**EXECUTION PAGE
TO THE
OPERATING AGREEMENT
OF
AARON STREET LOFTS, LLC,
a North Carolina Limited Liability Company**

IN WITNESS WHEREOF, the Company and the sole Member have adopted this Agreement effective as of the Effective Date, and the Company and the sole Member and sole Manager hereby assume and agree to be bound by and to perform all of the terms and provisions set forth in this Agreement.

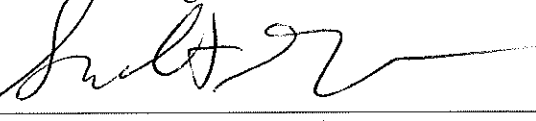
AARON STREET LOFTS, LLC

By: Landmark Asset Services, Inc., Managing
Member

By: 

Samuel J. Sari, Vice President

**LANDMARK ASSET SERVICES, INC.,
Member and Manager**

By: 

Samuel J. Sari, Vice President

EXHIBIT A
TO THE
OPERATING AGREEMENT
OF
AARON STREET LOFTS, LLC
A North Carolina Limited Liability Company

MEMBER INFORMATION

NAME & ADDRESS OF MEMBER	CAPITAL CONTRIBUTION	PERCENTAGE INTEREST
Landmark Asset Services, Inc. 406 E. Fourth Street Winston-Salem, NC 27101	\$100.00	100.0%

EXHIBIT B
TO THE
OPERATING AGREEMENT
OF
AARON STREET LOFTS, LLC
A North Carolina Limited Liability Company

REGULATORY ALLOCATIONS

SECTION B-1. Definitions.

(a) “Adjusted Capital Account” shall mean the Owner’s Capital Account increased by (i) the amount of any deficit balance that the Owner is obligated to restore upon liquidation of the Company in accordance with Treasury Regulations Section 1.704-1(b)(2)(ii)(b)(3) or is treated as obligated to restore pursuant to Treasury Regulations Section 1.704-1(b)(2)(ii)(c) and (ii) the amount of the Owner’s share of Company Minimum Gain or Owner Nonrecourse Debt Minimum Gain, and decreased by (iii) the items described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), and (6).

(b) “Nonrecourse Deductions” shall have the meaning set forth in Section 1.704-2(b)(1) of the Regulations.

(c) “Nonrecourse Liability” shall mean a liability of the Company for which no Owner bears the economic risk of loss within the meaning of Treasury Regulations Section 1.752-2.

(d) “Owner Nonrecourse Debt” shall have the meaning set forth in Section 1.704-2(b)(4) of the Regulations.

(e) “Owner Nonrecourse Debt Minimum Gain” shall mean an amount, with respect to each Owner Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Owner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Regulations.

(f) “Owner Nonrecourse Deductions” shall have the meaning set forth in Sections 1.704-2(i)(1) and 1.704-2(i)(2) of the Regulations.

(g) “Company Minimum Gain” shall have the meaning set forth in Sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations.

SECTION B-2. Maintenance of Capital Accounts.

In the maintenance of the Capital Account for each Owner, the following provisions shall apply:

(a) Each Owner's Capital Account shall be credited with the fair market value of such Owner's Capital Contributions and shall be appropriately adjusted to reflect each Owner's distributive share of Company income and gain, and the amount of any Company liabilities that are assumed by such Owner.

(b) Each Owner's Capital Account shall be debited the amount of money and the fair market value of any property distributed to such Owner and shall be appropriately adjusted to reflect each Owner's distributive share of Company loss and deductions, and the amount of any liabilities of such Owner that are assumed by the Company or that are secured by any property contributed by such Owner to the Company.

(c) In the event any interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(d) The Capital Account shall also include a pro-rata share of the fair market value of any property contributed by a Person who is not an Owner, such value to be the same value reported for Federal Gift Tax purposes if a gift tax return is filed, and if not, the value in the case of real property as determined by an independent appraiser actively engaged in appraisal work in the area where such property is located and selected by the Member, and otherwise by the certified public accountant or accountant then serving the Company.

(e) The Capital Accounts of the Owners may be adjusted to reflect a revaluation of Company property (including intangible assets such as goodwill) to its fair market value, at the following times: (i) in connection with the acquisition of an Economic Interest by a new or existing Owner for more than a de minimis capital contribution, (ii) in connection with the liquidation of the Company as defined in the Regulations, or (iii) in connection with more than a de minimis distribution to an Owner as consideration for his Economic Interest. In the event of any revaluation of Company property, the Capital Accounts of the Owners shall be adjusted as provided by the Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with the requirements of Code Section 704(b) and the Regulations thereunder. If in the opinion of the Member the manner in which Capital Accounts are being maintained pursuant to the preceding provisions of this Section should be modified in order to comply with the requirements of Code Section 704(b) and the Regulations thereunder, then notwithstanding anything to the contrary contained in the preceding provisions of this Section, the Member may alter the method in which Capital Accounts are maintained, and the Member shall have the right to amend this Agreement to reflect any such change in the manner in which Capital Accounts are maintained; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between the Owners.

SECTION B-3. Regulatory Allocations.

Notwithstanding any other provision of this Agreement, the following regulatory allocations shall apply:

(a) **Qualified Income Offset.** In the event any Owner unexpectedly receives any adjustments, allocation or distribution described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) which has not otherwise been taken into account in determining the deficit of such Owner's Adjusted Capital Account, such Owner shall be specially allocated items of income and gain in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the deficit Adjusted Capital Account of such Owner as quickly as possible. This provision is intended to constitute a "Qualified Income Offset" under Regulations Section 1.704-1(b)(2) and shall be interpreted consistently therewith.

(b) **Minimum Gain Chargeback.** If during any Company fiscal year there is a net decrease in Company Minimum Gain, each Owner who would otherwise have a deficit Adjusted Capital Account at the end of such shall be specifically allocated items of Company income and gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to such Owner's share of the net decrease in Company minimum gain, determined in accordance with Regulations Section 1.704-2(g). This provision is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(c) **Owner Minimum Gain Chargeback.** If there is a net decrease in Owner Nonrecourse Debt Minimum Gain attributable to an Owner Nonrecourse Debt during any Company fiscal year, each Owner who has a share of the Owner Nonrecourse Debt Minimum Gain attributable to such Owner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(5), shall be specifically allocated items of Company income and gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to such Owner's share of the net decrease in Company Nonrecourse Debt Minimum Gain attributable to such Owner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). This Section is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(d) **Nonrecourse Deductions.** Nonrecourse Deductions for any fiscal year shall be specifically allocated to the Owners in accordance with their respective Ownership Percentages as set forth in **Exhibit A** attached, as such Exhibit may be amended from time to time.

(e) **Owner Nonrecourse Deductions.** Any Owner Nonrecourse Deductions for any fiscal year shall be specifically allocated to the Owner who bears the economic risk of loss with respect to the Owner Nonrecourse Debt to which such Owner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

(f) **Section 704(c) Tax Allocations.** In accordance with Code Section 704(c) and the regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Owners so as

to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial fair market value ascribed to it under this Agreement.

(g) Compliance with Regulations. It is the intent of the Owners that the allocations of all items of income, gain, loss, deduction and credit under this Agreement comply with the requirements of Code Section 704(b) and the Regulations thereunder. Accordingly, to the extent adjustment is necessary to be in compliance with the provisions of Code Section 704(b) and the Regulations thereunder, such necessary adjustments in the allocation shall be made, but only to the smallest extent necessary. Furthermore, if there has been any adjustment in the allocations to the Owners on account of the preceding sentence, subsequent allocations of income, gain, loss, deduction or credit shall, to the extent possible, be allocated to the Owners in the order and in a manner designed to result in each Owner's having a Capital Account balance equal to what it would have been had the allocation(s) pursuant to the preceding sentence not occurred, and in a manner that is likely to minimize any economic distortions that otherwise might result.

EXHIBIT C
TO THE
OPERATING AGREEMENT
OF
AARON STREET LOFTS, LLC
A North Carolina Limited Liability Company

GLOSSARY OF TERMS

“Act” means the North Carolina Limited Liability Company Act, as amended from time to time.

“Affiliate” means: (i) in the case of an individual, any relative of such individual, (ii) in the case of an Entity, any officer, director, trustee, member, manager, general partner, employee or holder of ten percent (10%) or more of any class of the voting securities of, or interest, in such Entity; or any corporation, company, limited liability company, director, trustee, member, manager, general partner, employee or holder of ten percent (10%) or more of the outstanding voting securities of any corporation, company, limited liability company, trust or other entity controlling, controlled by or under common control with such Entity. For the purposes of this definition, the term “controls,” “is controlled by,” or “is under common control with” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an Entity, whether through the ownership of voting securities or otherwise.

“Agreement” means this Operating Agreement, as amended from time to time.

“Capital Account” means the account established for each Owner pursuant to Article IV and maintained in accordance with the provisions of this Agreement

“Capital Contribution” means any contribution to the capital of the Company in cash, property or other binding obligation to contribute cash or property whenever made.

“Economic Interest” means that part of a Membership Interest which includes only the right to receive the share of the Company’s allocations and distributions associated with that Membership Interest and specifically does not include the right to vote, the right to examine the books and records of the Company or the right to otherwise participate in any decision of the Members.

“Economic Interest Owner” means the owner of an Economic Interest who is not a Member.

“Entity” means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association or any foreign trust or foreign business organization.

“Liquidator” means any Member or any liquidating trustee appointed by the Member upon dissolution of the Company.

“Majority Interest” Majority Interest means the Membership Percentages which, taken together, exceed fifty percent (50%) of the aggregate of all Membership Percentages. If, in any instance, no combination of Membership Percentages exceeds fifty percent (50%) of the aggregate of all Membership Percentages, then Majority Interest will be deemed to mean one hundred percent (100%) of the Membership Percentages.

“Manager” means the Person designated as a manager of the Company pursuant to Section 2.01 of this Agreement, and each Person who may hereafter become a manager of the Company pursuant to Section 2.01 of this Agreement.

“Members” mean the members who execute a counterpart of this Agreement and each of the parties who may hereafter become members, including a Successor or Successors.

“Membership Interest” means all of a Member’s rights in the Company, including without limitation the Member’s share of the Net Profits and Net Losses of the Company, the right to receive distributions of the Company assets, any right to vote, any right to participate in the management of the business and affairs of the Company.

“Membership Percentage” means that portion of the Company (expressed as a percent) that is owned by any Member. Upon the execution of this Agreement, the sole initial Member shall own one hundred percent (100%) of the Membership Percentages of the Company. In the event of a Transfer of a portion of a Member’s Membership Interest to a Successor, the transferring Member shall designate the Membership Percentage transferred.

“Net Cash Flow” means all cash received by the Company from all sources, including capital contributions, operations, investments, financings or refinancings, including net proceeds from all sales and other dispositions of Company property, less cash expended by the Company, including payment of all expenses, costs, and indebtedness of the Company, acquisition of investments or other capital assets, and establishment of reasonable reserves for working capital, debt service, contingencies, investments, and replacements. Net Cash Flow shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances.

“Net Profit” or “Net Loss” means the net profit or net loss of the Company as determined in accordance with the method of accounting used by the Company for federal income tax purposes.

“Owner” means a Member or an Economic Interest Owner.

“Ownership Percentage” means the percentage set forth after the Economic Interest Owner’s or Member’s name on **Exhibit A** attached, as may be amended from time to time.

“Person” means any individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns thereof.

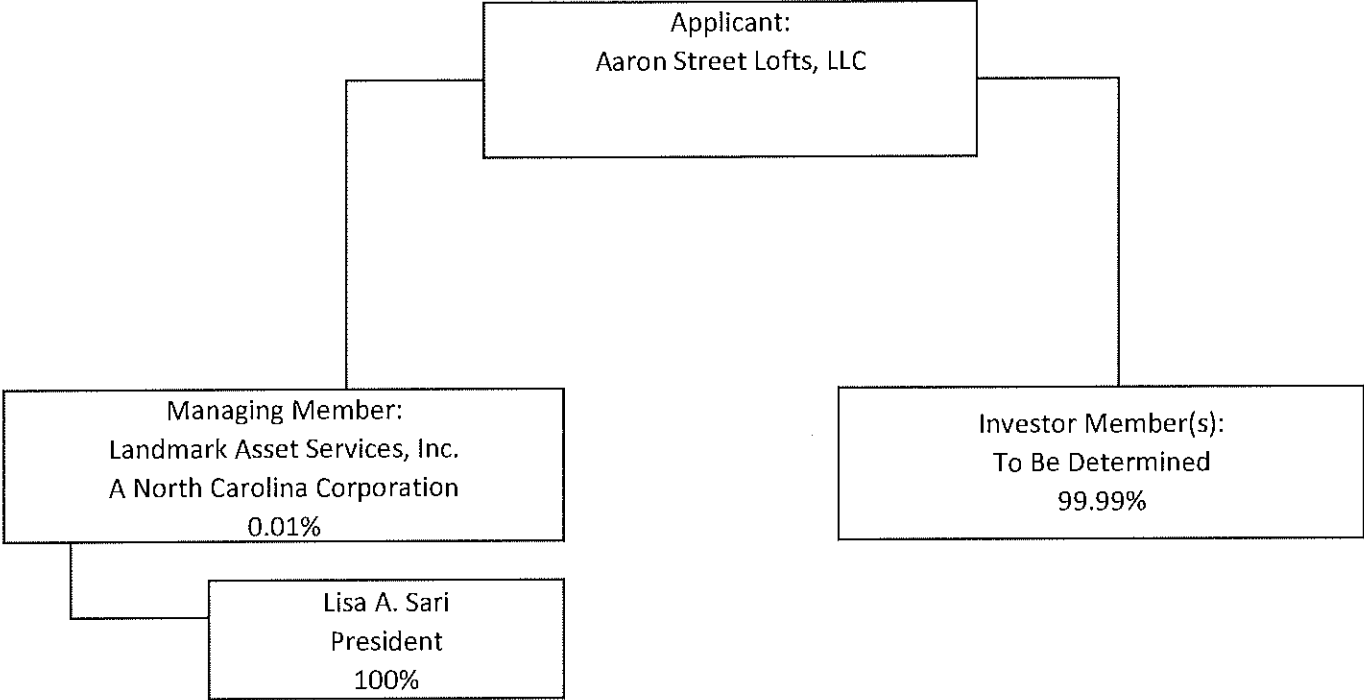
“Project” means the Aaron Street Lofts multifamily apartments rehabilitation project in Martinsville, Virginia.

“Successor” means a Person to whom all right, title and interest in all or any percentage of a Membership Interest is transferred, including the personal representatives, heirs, or legatees of a Member.

“Transfer” means to sell, bequeath, transfer or assign any Membership Interest or percentage thereof.

“Withdrawal Event” means the withdrawal, removal, bankruptcy, insolvency, dissolution, death or incompetency of a Member, the sale or redemption of a Member’s entire Membership Interest, or the occurrence of any other event which terminates the continued membership of a Member in the Company pursuant to N.C. Gen. Stat. § 57D-3-02 or any other provision of the Act.

Owner Organization Chart



DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into effective as of March 5th, 2020 between **AARON STREET LOFTS, LLC**, a North Carolina limited liability company (the "Company") and **ARCHETYPES, LLC**, a North Carolina limited liability company (the "Developer").

WITNESSETH:

WHEREAS, the Company has been formed to acquire, develop, finance, rehabilitate, own, maintain, operate and sell or otherwise dispose of a 52-unit multifamily apartment complex intended for rental to low-income elderly individuals and families, to be known as Aaron Street Lofts and to be located in Martinsville, Virginia (the "Apartment Complex"); and

WHEREAS, the Company desires to appoint the Developer to provide certain services for the Company with respect to overseeing the development of the Apartment Complex until all development work is completed.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

Section 1. Appointment. The Company hereby appoints the Developer to render services for the Company and to supervise and oversee the development of the Apartment Complex as herein contemplated.

Section 2. Authority. The Developer shall have the authority and the obligation to:

- (a) act on behalf of the Company in its relation with any governmental agency or authority and any construction and/or permanent loan lender with respect to all matters relating to the construction and development of the Apartment Complex;
- (b) coordinate the preparation of the plans and specifications (the "Plans and Specs") with the architect ("Architect") and recommend alternative solutions whenever design details affect construction feasibility or schedules;
- (c) ensure that the Plans and Specs are in compliance with all applicable codes, laws, ordinances, rules and regulations;
- (d) negotiate all necessary contracts and subcontracts (other than the construction contract) for the construction of the Apartment Complex;
- (e) choose the products and materials necessary to equip the Apartment Complex in a manner which satisfies all requirements of the permanent loans and the Plans and Specs;

(f) monitor disbursement and payment of amounts owed the Architect and the subcontractors;

(g) insure that the Apartment Complex is constructed free and clear of all mechanics' and materialmen's liens;

(h) obtain an Architect's certificate that the work on the Apartment Complex is substantially complete, and inspect the Architect's work;

(i) secure all building code approvals and obtain certificates of occupancy for all of the residential units of the Apartment Complex;

(j) cause the Apartment Complex to be completed in a prompt and expeditious manner, consistent with good workmanship, and in compliance with the following:

(i) the Plans and Specs as they may be amended by the agreement of the parties hereto and with the consent of the mortgagees under the construction and permanent loans; and

(ii) any and all obligations of the Company under the construction and permanent loans.

(k) cause to be performed in a diligent and efficient manner the following:

(i) construction of the Apartment Complex pursuant to the Plans and Specs, including any required off-site work; and

(ii) general administration and supervision of construction of the Apartment Complex, including but not limited to activities of subcontractors and their employees and agents, and others employed as to the Apartment Complex in a manner which complies in all respects with the construction and permanent loans and the Plans and Specs.

(l) keep, or cause to be kept, accounts and cost records as to the construction of the Apartment Complex;

(m) maintain, or cause to be maintained, at its expense, all office and accounting facilities and equipment necessary to adequately perform the foregoing functions;

(n) make available to the Company, during normal business hours and upon the Company's written request, copies of all material contracts and subcontracts;

(o) deliver to the Company a dimensioned as-built survey of the real property (locating only buildings) and as-built drawings of the Apartment Complex construction;

(p) provide, and periodically update Apartment Complex construction time schedule which coordinates and integrates Architect's services with construction schedules;

(q) investigate and recommend a schedule for purchase by the Company of all materials and equipment requiring long lead time procurement, coordinate the schedule with Architect and expedite and coordinate delivery of such purchases;

(r) prepare prequalification criteria for bidders interested in the Apartment Complex, establish bidding schedules and conduct pre-bid conferences to familiarize bidders with the bidding documents and management techniques with any special systems, materials or methods;

(s) receive bids, prepare bid analyses and make recommendations to the Company for award of contracts or rejection of bids;

(t) coordinate the work of Architect to complete the Apartment Complex in accordance with the objectives as to cost, time and quality, and provide sufficient personnel at the Apartment Complex with authority to achieve such objectives;

(u) provide a detailed schedule of realistic activity sequences and durations, allocation of labor and materials and processing of shop drawings and samples;

(v) provide regular monitoring of the schedule as construction progresses, identify potential variances between scheduled and probable completion dates, review the schedule for work not started or incomplete, recommend to the Company adjustments in the schedule to meet the probable completion date, provide summary reports of such monitoring, and document all changes in the schedule;

(w) recommend courses of action to the Company when requirements of subcontracts are not being fulfilled;

(x) revise and refine the approved estimate of construction cost, incorporate changes as they occur, and develop cash flow reports and forecasts as needed;

(y) provide regular monitoring of the approved estimate of construction cost, show actual costs for activities in process and estimates for uncompleted tasks, identify variances between actual and budgeted or estimated costs and advise the Company whenever projected costs exceed budgets or estimates;

(z) develop and implement a system for review and processing of change orders as to construction of the Apartment Complex;

(aa) develop and implement a procedure for the review and processing of applications by subcontractors for progress and final payments;

(bb) in collaboration with Architect, establish and implement procedures for expediting the processing and approval of shop drawings and samples; and

(cc) record the progress of the Apartment Complex and submitting written progress reports to the Company and Architect, including the percentage of completion and the number and amounts of change orders.

The Developer shall not be responsible for and shall take no actions which pertain to the acquisition of an interest in the land upon which the Apartment Complex is located, the admission of an equity investor to the Company, or obtaining the construction and permanent loans for the financing of the Apartment Complex.

Section 3. Development Fee.

(a) For services performed and to be performed under Sections 1 and 2 of this Agreement, the Company agrees to pay the Developer a development fee (the "Development Fee") in the amount of \$878,000, of which \$175,600 shall have been earned by December 31, 2020. Payment of such fee shall be payable by the Company to the Developer from capital contributions made by an equity investor, construction loan proceeds, permanent loan proceeds, or net cash flow, as and when permitted by the equity investor and, if applicable, the lenders.

(b) The Development Fee must be paid in its entirety by December 31, 2032.

Section 4. Assignment of Fees. The Developer shall not assign, pledge or otherwise encumber, for security or otherwise, the Development Fee set forth above to be made by the Company, or any portion(s) thereof or any right(s) of the Developer thereto, without prior consent of the Company.

Section 5. Successors and Assigns, Termination. This Agreement shall be binding on the parties hereto, their heirs, successors, and assigns. However, this Agreement may not be assigned by any party hereto without the consent of any equity investor, nor may it be terminated without the consent of any equity investor, which consent shall not be unreasonably withheld.

Section 6. Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reason any provision which is not essential to the effectuation of the basic purposes of this Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement which are valid.

Section 7. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

Section 8. No Continuing Waiver. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

Section 9. Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

Section 10. Enforceability. Notwithstanding anything to the contrary in this Agreement, this Agreement shall be null and void in the event that the Virginia Housing Development Authority does not issue a reservation or an allocation of low-income housing tax credits for the Aaron Street Lofts project by September 30, 2020.

[SEPARATE SIGNATURE PAGE FOLLOWS]

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

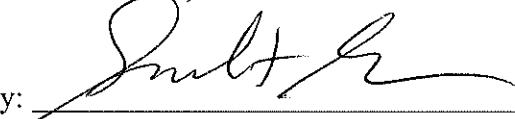
AARON STREET LOFTS, LLC

By: Landmark Asset Services, Inc.,
Managing Member

By: 

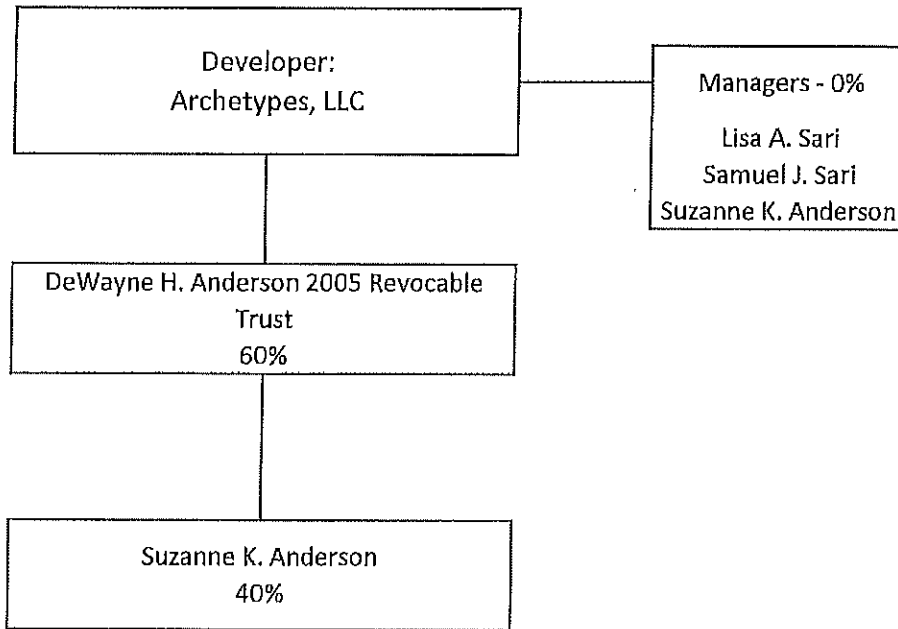
Samuel J. Sari, Vice President

ARCHETYPES, LLC

By: 

Samuel J. Sari, Manager

Developer Organization Chart



B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



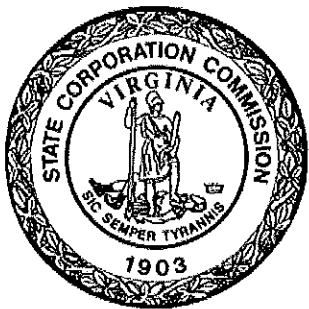
STATE CORPORATION COMMISSION

Richmond, March 8, 2020

This certificate of registration to transact business in Virginia is this day issued for

Aaron Street Lofts, LLC

a limited liability company organized under the laws of North Carolina and the said limited liability company is authorized to transact business in Virginia, subject to all Virginia laws applicable to the company and its business.



STATE CORPORATION COMMISSION

Attest:

Joel H. Beck

Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

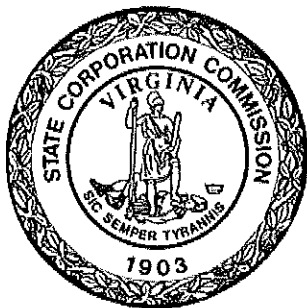
CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Aaron Street Lofts, LLC, a limited liability company formed under the law of NORTH CAROLINA, obtained a certificate of registration to transact business in Virginia from the Commission on March 8, 2020; and

That the limited liability company is registered to transact business in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 9, 2020

Joel H. Peck

Joel H. Peck, Clerk of the Commission

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Aaron Mills Apartments
Name of Applicant (entity): Aaron Mill Lofts, LLC
Landmark Asset Services, Inc.

I hereby certify that:

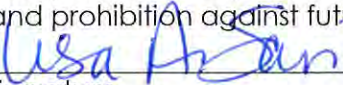
1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily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

Previous Participation Certification, cont'd

9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the participants is a Virginia Housing Development Authority (VHDA) employee or a member of the immediate household of any of its employees.
11. None of the participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the participant was a principal in such property. This does not refer to corrected 8823's.
14. None of the participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
15. None of the participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

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

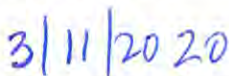
Failure to disclose information about properties which have been found to be out of compliance or any material misrepresentations are grounds for rejection of an application and prohibition against future applications.



Signature

Lisa A. Sari

Printed Name



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: Aaron Mills Apartments

Name of Applicant: Aaron Street Lofts, LLC

INSTRUCTIONS:

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Lisa A. Sari 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	Albermarle School Apartments Albermarle, NC	Albermarle Central School, LLC 336.722.9871	Y	53	53	8/1/2016	7/27/2017	N
2	Asheboro Mill Lofts Asheboro, NC	Asheboro Mill, LLC 336.722.9871	Y	70	70	2/1/2013	1/9/2014	N
3	Beaumont Downtown Lofts Beaumont, TX	Beaumont Downtown Lofts, LLC 336.722.9871	Y	36	36	10/9/2008	4/27/2011	N
4	Berea Heights Villas Greenville, SC	Berea Heights Villas, LLC 336.722.9871	Y	72	72	8/29/2005	1/13/2006	N
5	Central School Apartments Bessemer City, NC	Central School Apartments, LLC 336.722.9871	N	33	33	10/24/2008	4/23/2009	N
6	Cherokee Mill Lofts Cathoun, GA	Cherokee Mill Lofts, LLC 336.722.9871	N	60	60	8/28/2014	4/9/2015	N
7	Cleveland School Apts Clayton, NC	Cleveland School Seniors, LLC 336.722.9871	Y	25	25	12/28/2005	1/10/2008	N
8	Coit Village Apartments Florence, SC	Coit Village, LLC 336.722.9871	Y	60	60	12/5/2008	2/18/2009	N
9	Cotton Mill Lofts Hawkinsville, GA	Cotton Mill Lofts, LLC 336.722.9871	N	32	32	12/18/2012	6/7/2013	N
10	Courtyard at Highland Park Rock Hill, SC	Highland Park Mill, LLC 336.722.9871	y	116	116	12/30/2004	3/17/2006	N
11	Darlington Downtown Lofts Darlington, SC	Darlington Downtown Revitalization, LLC 336.722.9871	Y	28	28	12/7/2007	2/26/2008	N
12	Douglas School Apts Bristol, VA	Douglas School Apts, LLC 336.722.9871	Y	41	41	8/3/2006	4/26/2007	N
13	East Broad Crossing Statesville, NC	East Broad Crossing, LLC 336.722.9871	Y	50	50	9/6/2006	11/27/2007	N
14	East Harper Street Apts Lenoir, NC	East Harper Street Apts, LLC 336.722.9871	Y	46	46	8/17/2006	9/4/2008	N
15	Friar Woods Apts Kernersville, NC	Friar Woods, LLC 336.722.9871	Y	84	84	7/1/2016	6/15/2017	N
16	Garfield Park Milwaukee, WI	Garfield Park, LLC 336.722.9871	N	69	69	12/22/2011	8/8/2012	N
17	Geo. Washington School Apts Kingsport, TN	Geo. Washington School, LLC 336.722.9871	Y	54	54	11/14/2007	9/8/2009	N
18	Globe Tobacco Lofts Mt. Airy, NC	Globe Tobacco Lofts, LLC 336.722.9871	Y	43	34	12/31/2007	10/8/2008	N
19	Grainger Place Apts Kinston, NC	Grainger HS LP 336.722.9871	Y	57	57	11/6/2019	TBI	N
20	Greenview Village Powell, TN	Greenview Village, LLC 336.722.9871	Y	44	44	12/22/2010	2/2/2011	N
21	Groom School Apartments South Hill, VA	Groom School Apartments, LLC 336.722.9871	Y	55	55	12/20/2019	TBI	N

* 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: 1,128 1,119

LIHTC as % of
99% Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB

Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
22	Hanover Ridge Apts Anfloch, TN	Hanover Ridge, LP 336.722.9871	Y	72	44	3/26/2009	4/15/2010	N
23	Hartsville Garden Hartsville, SC	Hartsville Garden, LLC 336.722.9871	N	72	72	1/6/2011	2/24/2011	N
24	Heron Crossing Apts Ridgeland, SC	Heron Crossing, LLC 336.722.9871	Y	40	32	12/6/2007	2/26/2008	N
25	Highland Memorial Gastonia, NC	Highland Memorial, LLC 336.722.9871	Y	75	75	4/30/2013	4/9/2014	N
26	Historic Lofts of Waco High Waco, TX	Historic Lofts of Waco High, LLC 336.722.9871	N	104	104	12/16/2009	6/27/2011	N
27	Hunter Bay York, SC	Hunter Bay, LLC 336.722.9871	Y	40	40	12/7/2009	12/29/2009	N
28	Johnson Lakes Apts Pensacola, FL	Johnson Lakes Escambia, LP 336.722.9871	Y	160	160	2/29/2008	6/12/2009	N
29	Kemper Lofts Lynchburg, VA	Kemper Lofts, LLC 336.722.9871	Y	41	41	12/14/2009	10/6/2010	N
30	Kinston Hotel Kinston, NC	Kinston Hotel, LLC 336.722.9871	Y	38	38	12/28/2006	2/19/2008	N
31	Klof's Mill Lofts Cumberland, MD	Klof's Mill Lofts, LLC 336.722.9871	Y	50	50	11/22/2011	3/20/2013	N
32	Lakota Crossing Apts Florence, SC	Lakota Crossing, LLC 336.722.9871	Y	72	72	6/24/2004	2/23/2005	N
33	Lassiter Square Madison, NC	Lassiter Square, LLC 336.722.9871	Y	36	36	11/30/2005	1/29/2007	N
34	LHS Apartments Lenoir, NC	LHS Apartments, LLC 336.722.9871	Y	44	44	11/21/2019	TBI	N
35	Lynn Street Lofts Danville, VA	Lynn Street Lofts, LLC 336.722.9871	Y	37	37	5/28/2008	12/18/2008	N
36	Martinsville Lofts Martinsville, VA	Martinsville Lofts, LLC 336.722.9871	Y	60	60	7/29/2011	3/20/2012	N
37	Mayworth School Apts Cramerton, NC	Mayworth School Apts, LLC 336.722.9871	Y	40	40	12/31/2008	11/11/2009	N
38	Mebane Mill Lofts Mebane, NC	Mebane Mill Lofts, LLC 336.722.9871	N	75	75	12/21/2011	8/2/2012	N
39	Moore Grocery Lofts Tyler, TX	Moore Grocery Lofts, LLC 336.722.9871	Y	88	88	12/31/2008	8/11/2011	N
40	Mulberry School Apts Statesville, NC	Mulberry School Apts, LLC 336.722.9871	Y	31	31	12/31/2007	10/3/2008	N
41	Nantucket Lofts Kinston, NC	Nantucket Lofts, LLC 336.722.9871	Y	28	28	12/31/2004	10/12/2006	N
42	Nathaniel Village Greenville, NC	Nathaniel Village, LLC 336.722.9871	Y	48	48	12/29/2009	Exchange	N
43	Newberry Senior Housing Newberry, SC	Newberry Hospital, LLC 336.722.9871	Y	35	35	7/1/2004	2/23/2005	N
44	Noland Green Apartments Newport News, VA	Noland Green, LLC 336.722.9871	Y	60	54	8/31/2011	3/5/2012	N
45	Orchard View Apts McMinnville, TN	Orchard View, LP 336.722.9871	Y	64	64	12/1/2008	2/26/2010	N
46	Pecan Grove Darlington, SC	Pecan Grove Apts, LLC 336.722.9871	Y	32	32	5/2/2007	2/26/2008	N
47	Pine Valley Apartments Beaufort, NC	Pine Valley, LLC 336.722.9871	Y	72	72	8/1/2017	2/26/2018	N
48	Randleman School Commons Randleman, NC	Randleman School Commons, LLC 336.722.9871	Y	30	30	12/29/2004	10/12/2006	N
49	Ridgecrest Apartments Bristol, VA	Ridgecrest Apartments, LLC 336.722.9871	Y	72	72	1/2/2008	9/5/2008	N
50	Rowan Pointe Macksville, NC	Rowan Pointe, LLC 336.722.9871	Y	60	60	5/5/2010	10/21/2011	N
51	Royce Gardens Oak Ridge, TN	Royce Hill, LP 336.722.9871	Y	72	72	11/18/2008	2/26/2010	N
52	Southerland Village Apts Wallace, NC	Southerland Village, LLC 336.722.9871	Y	48	48	5/1/2014	9/30/2014	N
53	Spaulding Woods II Apts Marion, NC	Spaulding Woods II, LLC 336.722.9871	Y	34	34	8/2/2006	11/19/2007	N
54	Summerville Garden Summerville, SC	Summerville Garden, LLC 336.722.9871	Y	72	72	12/21/2012	11/27/2013	N
55	Taylor Lofts South Boston, VA	Taylor Lofts, LLC 336.722.9871	Y	47	47	9/8/2008	4/13/2009	Y
56	Weldon Downtown Apts Weldon, NC	Weldon Small Town Development, LLC 336.722.9871	Y	24	24	4/4/2006	11/21/2007	N
57	West Yard Lofts North Charleston, SC	West Yard Lofts, LLC 336.722.9871	N	60	60	12/9/2010	2/24/2011	N
58	Westmoreland and Schoolfield Senior Apts Danville, VA	Westmoreland and Schoolfield Senior Apts, LLC 336.722.9871	Y	65	65	9/5/2010	7/7/2011	N

2nd PAGE TOTAL: 2,098 2,056

GRAND TOTAL: 3,226 3,175

LIHTC as % of
98% Total Unit

Tab D – List of LIHTC Developments (Schedule A)

Uncorrected 8823's Explanation

Taylor Lofts – The property sustained a casualty loss as a result of damage sustained from Hurricane Michael. No units were placed out of service. Repairs have been completed and Landmark Property Management Company is working with VHDA to have 8823s showing repairs were completed submitted to the IRS.

E

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

DONATION AGREEMENT

THIS DONATION AGREEMENT (this "Agreement"), dated March 11, 2020, by and between MARTINSVILLE LAND BANK AUTHORITY, a Virginia Political Subdivision ("Donor"), and AARON STREET LOFTS, LLC, a North Carolina Limited Liability Company ("Donee").

WITNESSETH:

That for and in consideration of the sum of ten dollars (\$10.00), and in further consideration of the mutual promises and conditions expressed below, Donor hereby agrees to donate to Donee, subject to the terms, conditions and provisions hereinafter stated, that certain real property located in the City of Martinsville, State of Virginia more particularly described on **Exhibit A** attached hereto and incorporated herein (the "Property").

NOW, THEREFORE, the parties hereto agree each with the other as follows:

1. Term. The term of this Agreement shall commence on the date hereof and shall continue through and until December 31, 2021.

2. Inspections. Donee shall have the right to enter upon and inspect the Property, at Donee's expense, at any reasonable time and for any purpose, at any time prior to the Closing (defined below). In connection therewith, Donee, its agents, employees or other representatives shall have the right to enter upon the Property for the purpose of making such surveys, engineering, topographical, grading, geological, environmental and other tests and measurements including, but not limited to, topographical and boundary surveys, title searches, soil tests, percolation tests and subsoil tests (collectively, "Studies"), as Donee deems necessary or advisable, without cost to Donor. Donee agrees to indemnify against and hold Donor harmless from any claims, demands, damages, losses, liabilities, suits, actions, costs and expenses, including, without limitation, reasonable attorney's fees, arising out of or in connection with or related to any entry upon the Property by Donee, or any agents, contractors, or employees of Donee. If Closing does not occur, Donee, at its own expense, shall promptly repair any damage to the Property caused by any of its Studies. Donor agrees to provide reasonable cooperation and assistance to Donee in connection with any such inspections. If the results of any such inspection shall be unsatisfactory to Donee, in Donee's reasonable discretion, then Donee shall give written notice to Donor of such objections, and, within fifteen (15) business days of Donor's receipt of such notice, Donor shall deliver to Donee written notice of Donor's intention to either (i) remediate such objectionable conditions to Donee's reasonable satisfaction or (ii) refuse to remediate such objectionable conditions. In the event that the Donor refuses to remediate such objectionable conditions or, after notifying Donee of its intention to do so, fails to timely and satisfactorily remediate such conditions, then Donee, in its sole discretion, shall have the option of terminating this Agreement at any time prior to Closing by giving written notice to Donor.

3. Donor's Representations and Warranties. Donor makes the following representations and warranties which are limited to the best of its knowledge (including

only the direct knowledge of the undersigned) and true as of this date and, except as caused by any act or omission of Donee, shall remain true at Closing:

(a) There are no parties presently in possession of any portion of the Property, and at Closing, possession of the Property will be delivered to Donee free and clear of any rights of any parties in possession;

(b) There is no pending, nor to the best knowledge of Donor, threatened, litigation or administrative proceeding by or against Donor which could adversely affect title to the Property or any part thereof, or the ability of Donor to perform any of its obligations hereunder;

(c) Donor has received no written notice of any pending action by any governmental authority or agency having the power of eminent domain, which might result in any part of the Property being taken by condemnation or conveyed in lieu thereof. Donor shall, promptly upon receiving any such notice, give Donee written notice thereof;

(d) Donor has received no written notice of any action, suit or proceeding pending or threatened in writing against, by or affecting Donor's right to transfer the Property or the title of the Property;

(e) At Closing, Donor shall terminate, and be responsible for any payments due with respect thereto, all its contracts affecting the Property, unless Donee agrees to assume any such contracts; and

(f) There are no unwritten or unrecorded leases, easements, licenses, or agreements of any kind or nature which grant any rights whatsoever to any individual(s) or entity(ies) with respect to the Property.

4. Donation. Donee, subject to (a) completion of and satisfactory results from such inspections relating to the Property as it deems necessary in its full and absolute discretion, (b) receipt of such financing as Donee deems sufficient, in its sole discretion, to finance the rehabilitation of the site (collectively, the "Donation Conditions"), agrees to accept the donation of the Property from Donor on the terms and conditions set forth herein. Notwithstanding anything to the contrary herein, in no event shall any attempted donation of the Property to Donee be effective unless and until all of the Donation Conditions have been satisfied to Donee's satisfaction, in its sole discretion, or such Donation Conditions have been waived by Donee, and Donee has expressly consented in writing its acceptance of the donation of the Property, which consent must be included within the Deed to Donee prior to recordation. If Donee accepts the donation of the Property, the condition of the Property shall be conveyed to Donee as-is, where-is and with all faults.

5. Abatement of Environmental Conditions After Donation. Upon Donee's acceptance of transfer of title, neither Donee, nor any assignee of Donee nor any subsequent purchaser or title holder of the property shall have any claims against Donor of any kind, nature or description arising from or on account of any condition of the land, subsurface waters or structures thereon or substances on such land, subsurface waters, structures or debris on such land or in the air in or on or above such property. Donor shall not be responsible for or required to pay for abatement, removal, remediation or

treatment of any condition of the property caused or occasioned by the presence of any controlled or prohibited substances including environmentally hazardous materials or debris on the premises.

6. Closing Date. Closing (the "Closing") on the donation of the Property shall be on the business date selected by Donee, not more than sixty (60) days following the end of the Term.

7. Title. Donor shall deliver to Donee at Closing a special warranty deed in recordable form with all required excise stamps affixed conveying marketable, fee simple title, free and clear of all liens and encumbrances, save and except only easements and restrictions of record. Except as consented to by Donee, Donor shall do nothing hereafter which impairs such title to the Property.

8. Closing Costs. At Closing, Donee shall pay all closing costs relating to the donation of the Property to Donee, other than the cost of the deed preparation, any costs associated with clearing the title to the Property of any liens, and any counsel fees for counsel employed or retained by Donor. Donee shall pay for the title examination, title insurance policy, survey, recording fees, for any counsel fees Donee incurs in the transaction, and for any other due diligence desired by Donee. General and special real estate taxes, assessments and other state, county or city taxes affecting the Property shall be prorated as of the date of Closing based upon the amount of the most recent ascertainable taxes for the Property.

9. Closing Documents. At Closing, Donor will execute, acknowledge and deliver to Donee a special warranty deed with applicable tax exemptions noted thereon conveying title as hereinbefore required, and will deliver a lien and possession affidavit in form and content satisfactory to Donee's title insurance company, evidence satisfactory to Donee's title insurance company of the authorization of the donation by the Donor and the authority and power of the individual(s) executing the deed on behalf of Donor, and such other papers and documents as may be reasonably requested by Donee or its title insurance company in connection with the completion of the Closing, including any evidence of the status and capacity of the Donor and the authority of the person or persons who are executing the various documents on behalf of the Donor in connection with the sale of the Property.

10. Possession. Possession of the Property shall be delivered to Donee at Closing.

11. Notices. Any notice or other communications hereunder shall be in writing and shall be deemed to have been given (unless otherwise set forth herein), if delivered in person, deposited with an overnight express agency, fees prepaid, or mailed by United States express, certified or registered mail, postage prepaid, return receipt requested, to the other party at the following addresses, or to such other address as shall be later provided in writing by one party to the other:

As to Donor:

Leon Towarnicki, City Manager
City of Martinsville
55 W. Church Street
Martinsville, VA 24112

As to Donee:

Aaron Street Lofts, LLC
406 E 4th Street
Winston Salem, NC 27101
Attn: President

12. Entire Agreement. This Agreement contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed in writing. All changes, additions or deletions hereto must be in writing and signed by all the parties. Any and all references herein to the Donor or Donee shall be deemed to include their respective successors or permitted assigns.

13. Assignment. The rights of Donee hereunder may be assigned at any time by Donee. The rights of Donor may not be assigned without the prior written consent of Donee.

14. Authority. Donor represents and warrants that Donor has full power and authority to enter into this Agreement and to perform all of its obligations hereunder, and that its acts hereunder and as contemplated have been duly authorized by all requisite municipal action.

15. Governing Law. This Agreement shall be governed in all respects by and construed under the laws of the Commonwealth of Virginia.

16. Failure to Close. In the event Donor wrongfully fails to consummate the Closing and donate the Property as provided herein, Donee shall be entitled to seek enforcement of this Agreement by specific performance.

17. Miscellaneous. No term or condition of this Agreement will be deemed to have been waived or amended unless expressed in writing, and the waiver of any condition or the breach of any term will not be a waiver of any subsequent breach of the same or any other term or condition. This Agreement constitutes the entire agreement of the parties which incorporates and supersedes all prior written and oral understandings. This Agreement shall be binding upon, and inure to the benefit of, the parties, their heirs, executors, personal representatives, nominees, successors or assigns.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument.

[SEPARATE SIGNATURE PAGE FOLLOWS]

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

DONOR:

MARTINSVILLE LAND BANK AUTHORITY,
A Virginia Political Subdivision

By: 
Name: Leon Towarnicki
Title: Executive Director

DONEE:

AARON STREET LOFTS, LLC
A North Carolina Limited Liability Company

By: Landmark Asset Services, Inc., Managing
Member

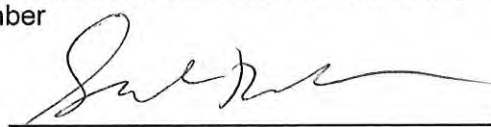
By: 
Name: Samuel J. Sari
Title: Vice President

EXHIBIT A

All that certain lot or parcel of land, together with any improvements thereon, situated on the Northeast side of Aaron Street, on the Southeast side of Broad Street, and on the Southwest side of the Norfolk and Southern Railway, lying and being in the City of Martinsville, Virginia, and more particularly described as follows:

"Tract 1A-R" containing 3.449 acres and "Tract 1A-S" containing 2.907 acres, as shown on Plat of Survey entitled "L & H Enterprises of Virginia, Inc.," prepared by Terry A. Waller, LLS, dated July 19, 1993, and recorded in the Clerk's Office of the Circuit Court for the City of Martinsville, Virginia, in Map Book 21, page 194 and Map Book 22, page 104; and

Being in all respects the same lots or parcels of land conveyed to Jeb Stuart Auction Services, LLC, from C & S Property Management Company, Inc., a Virginia Corporation, by deed dated February 5, 2014, of record in the Martinsville Circuit Court Clerk's Office as Instrument Number LR1400139. Specific reference is hereby made to the aforesaid deed and plat for a more particular description of the property herein conveyed.

CURRENT OWNER		RECORD OF OWNERSHIP		DEED BOOK		SALE DATE		Q/U		SALE PRICE		VC							
JEB STUART AUCTION SERVICES LL		JEB STUART AUCTION SERVICES LLC		LR14/00139		02-11-2014		U		325,245		0							
PO BOX 347		C & S PROPERTY MANAGEMENT CO		DB 216/794		08-06-1993		U		300,000		0							
STUART VA 24171																			
ASSESSMENT EFFECTIVE 7/1/2019		LEGAL DESCRIPTION		PREVIOUS ASSESSMENTS EFFECTIVE JULY 1st OF ASSESSMENT YEAR															
Description		TRACT 1A-R 3.449 AC		Year		Assessed		Year		Code		Assessed							
Building		BLDG DESCRIPTION		2019		3000		2018		400		9000							
Land		WAREHOUSE		Total		51700		Total		400		51700							
Total		54,700		54,700		51700		60700		400		60700							
SUPPLEMENTAL DATA		BUILDING SUB-AREA SUMMARY SECTION		COST / MARKET VALUATION															
# Of Parcels	1	Year Built	1924	Base Rate	50.00														
Plat Ref	MB 22-104	Classification	15:Industrial	Rcn	56														
Land Acres	3.449	Zoning	ED-1	Net Other Adj	0														
Land SF	150,224	Prop Use	MT15:Multi Tenan	AYB	1924														
Assoc. Parcel		District	5C01:Aaron St Comm	Effective Year Built	1960														
CONSTRUCTION DETAIL		Description		Unit C		Undeprec Val													
Style	MT15	Cd	Multi Tenant Industrial	LIVING	1	GROSS	56.14	56											
Model	96		Industrial																
Grade	C		AVERAGE																
Stories	1.00																		
Foundation Typ	04		C/B																
Exterior Wall 1	11		BRICK																
Roof Cover	02		BUILT UP																
Interior Wall 1	10		UNKNOWN																
Interior Floor 1	11		UNKNOWN																
Exterior Cond	06		Very Poor																
Central Heat	00		No																
Central AC	00		No																
Bedrooms	0																		
Total Rooms	0																		
Full Baths	0																		
Half Baths	0																		
Chimneys	0																		
Fireplaces	0																		
Sketch Factor	05		PARTIAL																
Basement Type	0																		
Living Area																			
OB - OUTBUILDING & YARD ITEMS(L) / EF - BUILDING EXTRA FEATURES(B)		Description		La		Size		Rate		%		Dep		Qu		Adj		Apprais Va	
1ST (1 sf)																			
PROPERTY FACTORS		TOPO		SOIL		LOCATION													
PUB WATE	UG UTILITI	TOPO	SIDEWALK																
Y/Yes	N/No	N/No	N/No																
PUB SEWE	CURB & GU	SOIL																	
Y/Yes	N/No	N/No																	
SEPTIC	VIEW	LOCATION																	
N/No	N/No	N/No																	

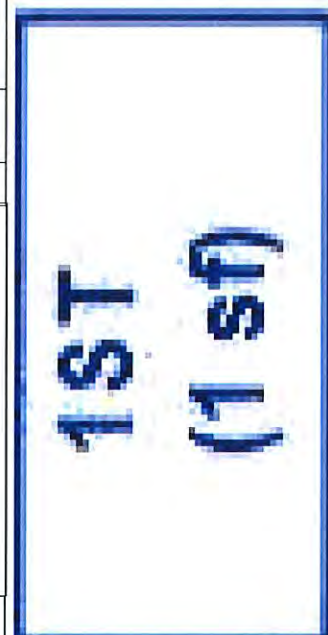


CURRENT OWNER		RECORD OF OWNERSHIP		DEED BOOK		SALE DATE		Q/U		SALE PRICE		VC	
JEB STUART AUCTION SERVICES LL		JEB STUART AUCTION SERVICES LLC		LR14/00139		02-11-2014		U		325,245		0	
PO BOX 347		C & S PROPERTY MANAGEMENT CO		DB 224/160		05-09-1994		U		200,000		0	
STUART VA 24171													

ASSESSMENT EFFECTIVE 7/1/2019		LEGAL DESCRIPTION		PREVIOUS ASSESSMENTS EFFECTIVE JULY 1st OF ASSESSMENT YEAR							
Description	Code	Appraised	Assessed	Year	Code	Year	Code	Assessed	Year	Code	Assessed
Building	400	3,000	3,000	2019	400	2018	400	2,500	2018	400	2,500
Land	400	43,600	43,600		400		400	43,600		400	43,600
Total		46,600	46,600	Total		Total		46,600	Total		46,600

SUPPLEMENTAL DATA		BUILDING SUB-AREA SUMMARY SECTION		COST / MARKET VALUATION	
# Of Parcels	1	Year Built	1948	Base Rate	50.00
Plat Ref	MB 22-104	Classification	15:Industrial	Rcn	56
Land Acres	2.907	Zoning	ED-1	Net Other Adj	0
Land SF	126,619	Prop Use	MT15:Multi Tenan	AYB	1948
Assoc. Parcel	District 5C01:Aaron St Comm			Effective Year Built	1967
				Condition	A
				Remodel Rating	0
				Year Remodeled	
				Eyb Dpr	
				Functional Obsol	
				Economic Obsol	
				Cost Trend Factor	1
				Adjustment	0
				Percent	100
				RCNLD	3,000
				% Good Ovrd	100
				% Good Ovrd Comment	100
				Misc Imp Ovrd	
				Misc Imp Ovrd Comment	
				Cost to Cure Ovrd	
				Cost to Cure Ovrd Comm.	

CONSTRUCTION DETAIL		BUILDING SUB-AREA SUMMARY SECTION		COST / MARKET VALUATION	
Element	Cd	Description	La	Size	Rate
Style	MT15	Multi Tenant Industrial	1	56.14	56
Model	96	Industrial			
Grade	C	AVERAGE			
Stories	1.00				
Foundation Typ	05	CONC			
Exterior Wall 1	11	BRICK			
Roof Cover	02	BUILT UP			
Interior Wall 1	10	UNKNOWN			
Interior Floor 1	11	UNKNOWN			
Exterior Cond	07	Fair			
Central Heat	00	No			
Central AC	00	No			
Bedrooms	0				
Total Rooms	0				
Full Baths	0				
Half Baths	0				
Chimneys	0				
Fireplaces	0				
Sketch Factor	05	PARTIAL			
Basement Type	0				
Living Area					



PROPERTY FACTORS		SIDEWALK	
PUB WATE	UG UTILITI	TOPO	
Y/Yes	N/No	N/No	N/No
PUB SEWE	CURB & GU	SOIL	
Y/Yes	N/No	N/No	
SEPTIC	VIEW	LOCATION	
N/No	N/No	N/No	

F

Third-Party RESNET
Rater Certification
(MANDATORY)



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.

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

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

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

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: Matt Waring

Date: 3.11.2020

Printed Name: Matt Waring

RESNET Rater

Resnet Provider Agency
Viridian

Signature [Signature]

Provider Contact and Phone/Email

sean.evensen-shanley@viridian.org

804-212-1934

Home Energy Rating Certificate

Projected Report

Rating Date: 2020-03-11
 Registry ID:
 Ekotrope ID: 3LMK69yv

HERS® Index Score:

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

64

Annual Savings

\$532

*Relative to an average U.S. home

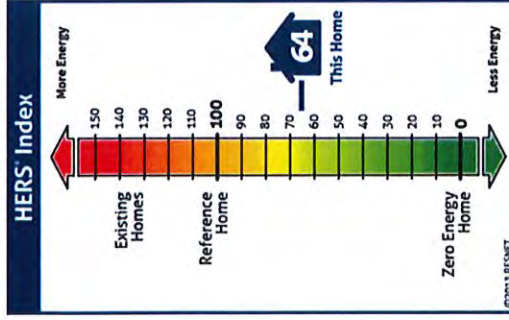
Home:
 201 Aaron St
 Martinsville, VA 24112
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	2.1
Cooling	0.8
Hot Water	4.4
Lights/Appliances	12.5
Service Charges	
Generation (e.g. Solar)	0.0
Total:	19.8

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	756 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 16 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	40 CFM • 24 Watts
Duct Leakage to Outside:	30 CFM @ 25Pa (3.97 / 100 s.f.)
Above Grade Walls:	R-18
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

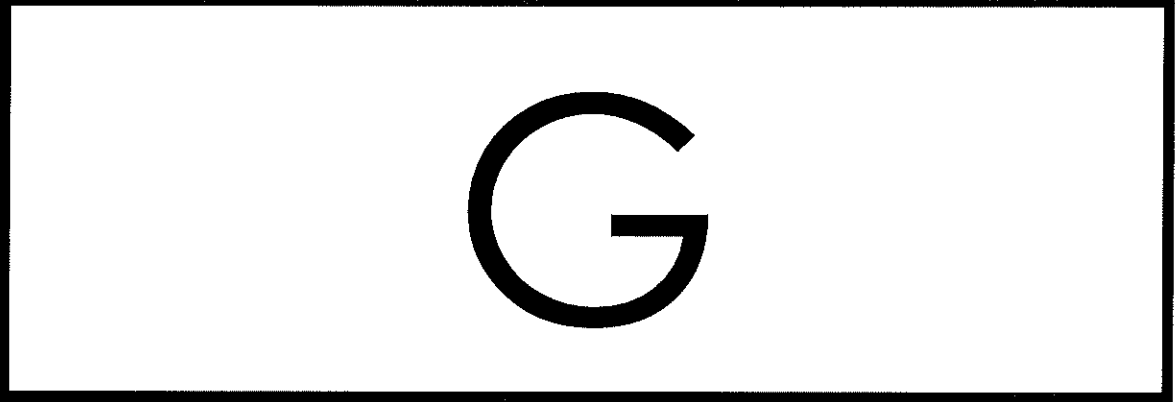
Energy Rater: Bill Riggs
 RESNET ID: 3259518
Rating Company: Viridian
 1431 W. Main Street, Richmond, VA 23220
Rating Provider: Viridian
 1431 W. Main Street, Richmond, VA 23220



Bill Riggs, Certified Energy Rater
 Digitally signed: 3/11/20 at 12:56 PM



Ekotrope RATER - Version: 3.2.3.2383
 The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
 This report does not constitute any warranty or guarantee.



G

Zoning Certification Letter
(MANDATORY)



Martinsville
 A CITY WITHOUT LIMITS
 Zoning Certification

DATE: 3/3/2020

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

RE: ZONING CERTIFICATION

Name of Development: Aaron Mills Apartments

Name of Owner/Applicant: Aaron Street Lofts, LLC

Name of Seller/Current Owner: City of Martinsville, VA

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:
201 Aaron Street

Legal Description:
See attached.

Proposed Improvements:

- New Construction: 52 # Units 1 # Buildings 52,687 Approx. Total Floor Area Sq. Ft.
- Adaptive Reuse: _____ # Units _____ # Buildings _____ Approx. Total Floor Area Sq. Ft.
- Rehabilitation: _____ # Units _____ # Buildings _____ Approx. Total Floor Area Sq. Ft.

Zoning Certification, cont'd


Current Zoning: R-T (Residential Transitional) allowing a density of 16 DU/AC units per acre, and the following other applicable conditions: _____
(2.907 + 3.449) ÷ 16 = 101 UNITS ALLOWED

Other Descriptive Information:
Located within the City's Enterprise Zone (Zone #36)

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

KRIS BRIDGES
Printed Name

BUILDING OFFICIAL / ZONING ADMINISTRATOR
Title of Local Official or Civil Engineer

(276) 403-5171
Phone:

3/3/2020
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

All of that certain tract or parcel of land, together with all improvements thereon and appurtenances thereunto appertaining, situated on the Northeast side of Aaron Street, on the Southeast side of Broad Street and the Southwest side of the Norfolk and Southern Railway, City of Martinsville, Virginia, being known as Tract 1A-R containing 150,223 square feet, more or less, as more particularly shown on Plat of Survey for L & H Enterprises of Virginia, Inc., prepared by Terry A. Waller, L.L.S., dated July 19, 1993, of record in the Clerk's Office of the Circuit Court of the City of Martinsville, Virginia, in the current Map Book, and being a re-cut of Tract 1A as shown on "Plat of Survey for American Furniture Company, Inc.", of record in the aforesaid Clerk's Office in Map Book 21, Pages 54 thru 57; and

BEING a portion of the same property acquired by L & H Enterprises of Virginia, Inc., A Virginia corporation, from American Furniture Company, Inc., a Virginia corporation, by Deed dated September 26, 1991, of record in the aforesaid Clerk's office in Deed Book 201, page 86; and

All of that certain tract or parcel of real property, together with all improvements thereon and appurtenances thereunto appertaining, situated on the northeast side of Aaron Street, on the southeast side of Broad Street, and being on the southwest side of Norfolk & Southern Railway, in the City of Martinsville, Virginia, being all of Tract 1A-S, containing 2.907 acres, plus or minus, as shown on Plat of Survey for for L & H Enterprises of Virginia, Inc., prepared by Terry A. Waller, L.L.S., dated July 19, 1993; and

BEING a portion of the same property acquired by L & H Enterprises of Virginia, Inc., A Virginia corporation, from American Furniture Company, Inc., a Virginia corporation, by Deed dated September 26, 1991, of record in the aforesaid Clerk's office in Deed Book 201, page 86

H

Attorney's Opinion
(MANDATORY)



BLANCO TACKABERY
Attorneys and Counsellors at Law

P.O. Drawer 25008
Winston-Salem, NC 27114-5008
110 South Stratford Road, Suite 500
Winston-Salem, NC 27104-4299
phone 336.293.9000
fax 336.293.9030
www.blancolaw.com

March 12, 2020

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

RE: 2020 Tax Credit Reservation Request
Name of Development: Aaron Mills Apartments
Owner: Aaron Street Lofts, LLC

Gentlemen:

The 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 11, 2020 (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 Owner 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.

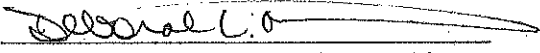
4. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.

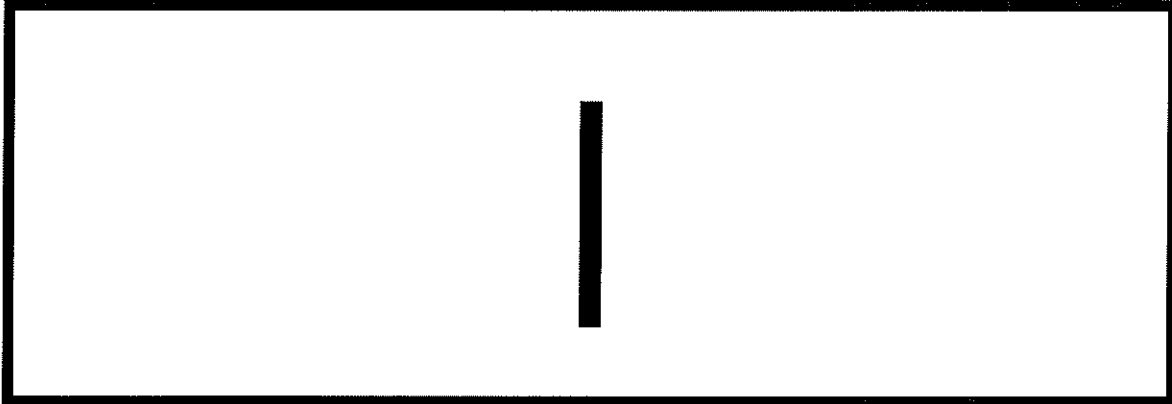
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions 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.

BLANCO TACKABERY & MATAMOROS, P.A.

By: 
Deborah L. McKenney, Vice President



Nonprofit Questionnaire

(MANDATORY for points or pool)

**This Section is not
Applicable**

J

Relocation Plan

(MANDATORY, if tenants are displaced)

**This Section is not
Applicable**

K

Documentation of Development Location

K.1

Revitalization Area
Certification

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

RESOLUTION

DESIGNATING PROPERTY LOCATED AT 201 AND 209 AARON STREET IN THE CITY OF MARTINSVILLE AS A REVITALIZATION AREA

WHEREAS, pursuant to Section 36-55.30:2 A of the Code of Virginia of 1950 as amended, the City Council of Martinsville Virginia, desires to designate the area (the "Area") described on Exhibit A attached hereto as a Revitalization Area; and

WHEREAS, in making such designation City Council has determined:

(1) The Area is blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other facilities in the Area are subject to one or more of the following conditions: dilapidation; obsolescence; overcrowding; inadequate ventilation, light or sanitation; excessive land coverage; deleterious land use; or faulty or inadequate design, quality or condition; and

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

NOW, THEREFORE, BE IT RESOLVED on this 25th day of February, 2020, pursuant to Section 36-55.30:2 A of the Code of Virginia of 1950, as amended, Martinsville City Council hereby designates the Area identified as 201 and 209 Aaron Street and more fully described in Exhibit A as a Revitalization Area.

#####

APPROVED:

Kathy Lawson, Mayor

ATTEST:

Karen Roberts, Clerk

EXHIBIT A

The property designated as a Revitalization Area (the "Area") is identified as 201 Aaron Street being located on the east side of Broad Street, the north side of Aaron Street, and bounded on the north by the railroad track and property owned by N & W Railway Company, consisting of approximately 3.45 acres and further identified by City of Martinsville tax book number 42 (18)00 /01A-R; and property identified as 209 Aaron Street located on the north side of Aaron Street, bounded on the north by the railroad track and property owned by N & W Railway Company, and lying adjacent to and east of 201 Aaron Street, consisting of approximately 2.91 acres and further identified by City of Martinsville tax book number 43 (02)A /01A-S, both properties being located in the City of Martinsville, Virginia.

K.2

Location Map



Aaron Mill Apartments
Aaron Mill Apartments, LLC
301 Aaron Street, Arlington, VA 22202

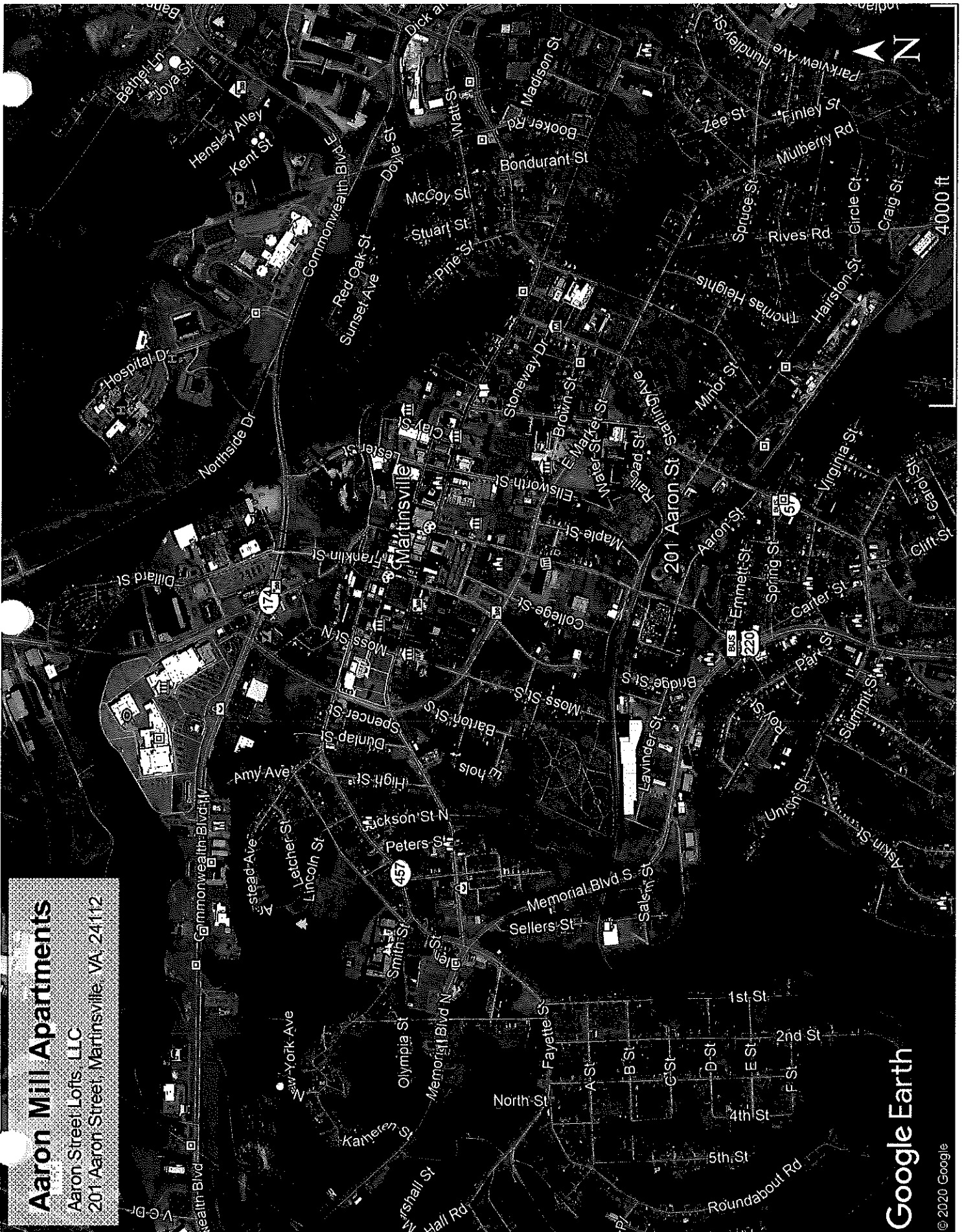
Google Earth

© 2008 Google

1000 ft

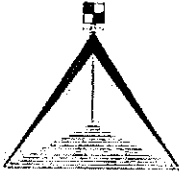
Aaron Mill Apartments

Aaron Street Lofts, LLC
201 Aaron Street, Martinsville, VA 24112



K.3

Surveyor's Certification of
Proximity to Public
Transportation



Bryan E. Jones, L.S.

BRYAN JONES SURVEYING, P.C.

3416 VIRGINIA AVENUE, SUITE 5, COLLINSVILLE, VIRGINIA 24078

PH: 276-647-4448

Surveyor's Certification of Proximity to Transportation

DATE: 3/9/2020

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

RE: 2020 Tax Credit Reservation Request

Name of Development: Aaron Mills Apartments

Name of Owner: Aaron Street Lofts, LLC

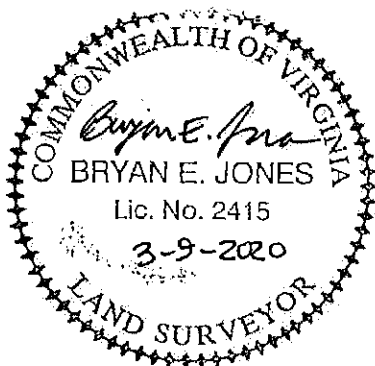
Gentlemen:

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

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

2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**

1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop.



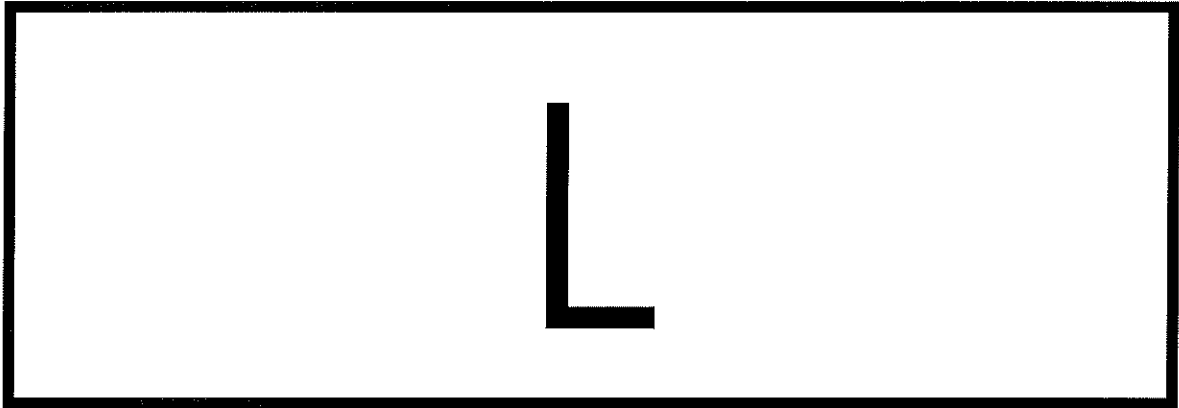
BRYAN JONES SURVEYING, P.C.

Firm Name

By: Bryan E. Jones

Its: PRESIDENT

Title



PHA/Section 8 Notification
Letter

PHA or Section 8 Notification Letter

DATE: 2/20/2020

TO: Danville Redevelopment and Housing Authority
P.O. Box 1476, Danville, VA, 24543
ATTN: Gary Wasson, CEO / Director

RE: PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Aaron Mills Apartments
Name of Owner: Aaron Street Lofts, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from the Virginia Housing Development Authority (VHDA). We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on 8/31/2022 (date).

The following is a brief description of the proposed development:

Development Address:
201 Aaron Street, Martinsville, VA, 24114

Proposed Improvements:

<input checked="" type="checkbox"/> New Constr.:	<u>52</u>	# units	<u>1</u>	# Bldgs
<input type="checkbox"/> Adaptive Reuse:	<u> </u>	# units	<u> </u>	# Bldgs
<input type="checkbox"/> Rehabilitation:	<u> </u>	# units	<u> </u>	# Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ <u> </u>	/ month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ <u>377/491/550</u>	/ month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>433/579/650</u>	/ month
<input type="checkbox"/> 3 Bedroom Units:	\$ <u> </u>	/ month
<input type="checkbox"/> 4 Bedroom Units:	\$ <u> </u>	/ month

Other Descriptive Information:

Aaron Mill Lofts is the proposed development of 52 elderly apartments in Martinsville, VA.

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 (336) 714-8910.

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

Sincerely yours,

Lisa A. Sari *Lisa A. Sari*
Name
Managing Member
Title

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

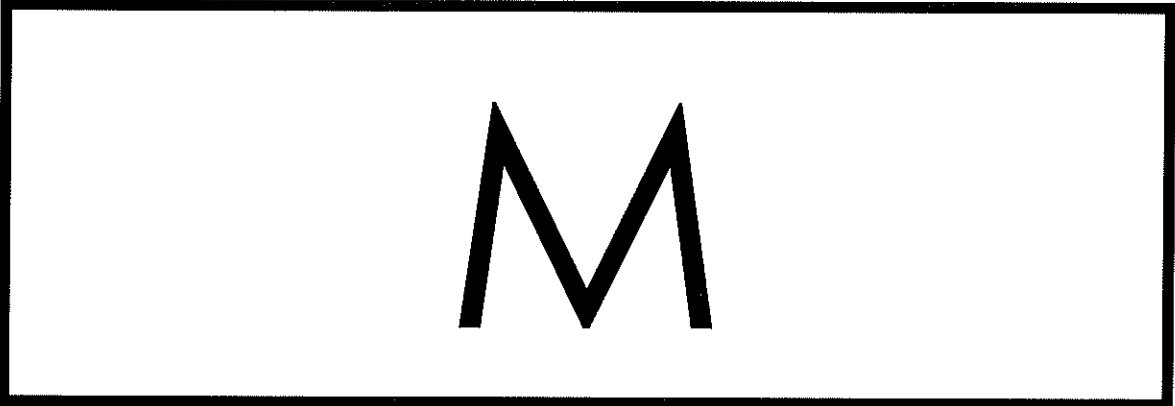
Seen and Acknowledged By: Gary M. Wasson

Printed Name: Gary M. Wasson

Title: CEO and Executive Director

Phone: (434) 799-8380

Date: 3/5/2020



M

Locality CEO Response
Letter

Council Members

Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

March 5, 2020

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

VHDA Tracking Number: 2020-C-85
Development Name: Aaron Mills Apartments
Name of Owner/Applicant: Aaron Street Lofts, LLC

Dear Mr. Bondurant:

The construction or rehabilitation of the above-named development and the allocation of federal tax credits under IRC Section 42 for said development will help to meet the housing needs and priorities of the City of Martinsville. Accordingly, the City of Martinsville supports the allocation of federal housing tax credits requested by Aaron Mills Lofts, LLC for this development.

Sincerely,

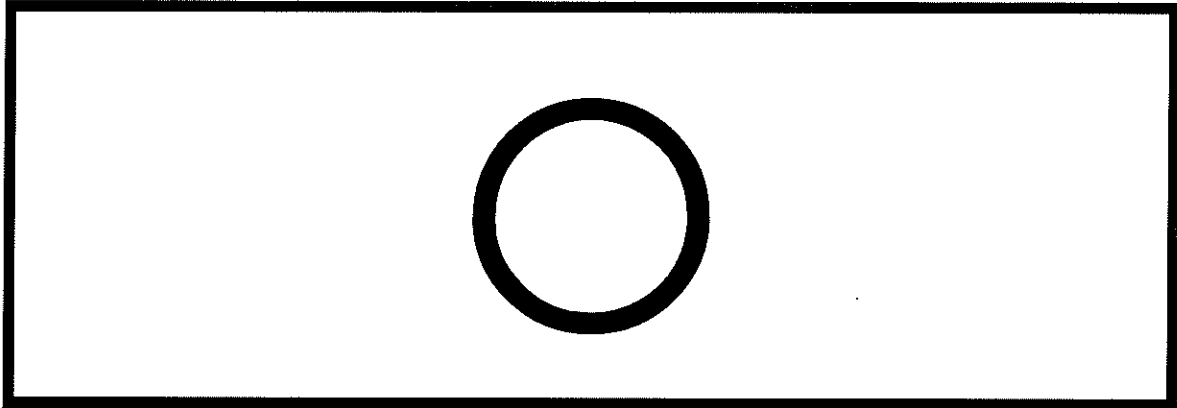
A handwritten signature in blue ink that reads 'Leon Towarnicki'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Leon Towarnicki
City Manager
City of Martinsville, Virginia

N

Homeownership Plan

**This Section is not
Applicable**



Plan of Development
Certification Letter

**This Section is not
Applicable**

P

Copies of 8609s to
Certify Developer
Experience and
Partnership agreements

VHDA Experienced LIHTC Developers

Notes:

Updated: 1/30/2020

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

1 Listed if documentation supported at least 6 LIHTC developments

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

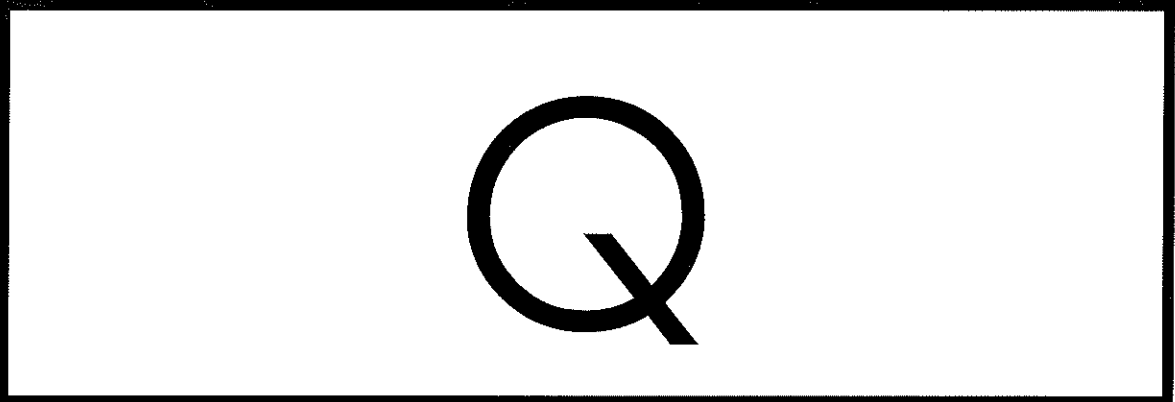
See LIHTC Manual for instructions on being added to this list

INDIVIDUALS

1 Alexander, Randall P.	28 Fore, Richard L.	55 Mirmelstein, George
2 Asarch, Chad	29 Franklin, Wendell C.	56 Nelson, IV, John M.
3 Arista, Roberto	30 Friedman, Mitchell M.	57 Orth, Kevin
4 Barnhart, Richard K.	31 Gardner, Mark E.	58 Page, David
5 Baron, Richard	32 Gunderman, Timothy L.	59 Parent, Brian
6 Bennett, Vincent R.	33 Haskins, Robert G.	60 Park, Richard A.
7 Burns, Laura P.	34 Heatwole, F. Andrew	61 Park, William N.
8 Chapman, Tim	35 Honeycutt, Thomas W.	62 Pasquesi, R.J.
9 Cohen, Howard Earl	36 Hunt, Michael C.	63 Pedigo, Gerald K.
10 Connelly, T. Kevin	37 Iglesias, Adrian	64 Poulin, Brian M.
11 Connors, Cathy	38 Jester, M. David	65 Queener, Brad
12 Copeland, M. Scott	39 Johnston, Thomas M.	66 Ripley, F. Scott
13 Copeland, Robert O.	40 Jones Kirkland, Janice	67 Ripley, Ronald C.
14 Copeland, Todd A.	41 Kirkland, Milton L.	68 Ross, Stephen M.
15 Cordingley, Bruce A.	42 Kittle, Jeffery L.	69 Salazar, Tony
16 Counselman, Richard	43 Koogler, David M.	70 Sari, Lisa A.
17 Crosland, Jr., John	44 Koogler, David Mark	71 Sinito, Frank T.
18 Curtis, Lawrence H.	45 Lancaster, Dale	72 Stockmaster, Adam J.
19 Daigle, Marc	46 Lawson, Phillip O.	73 Stoffregen, Phillip J.
20 Dambly, Mark H.	47 Lawson, Steve	74 Surber, Jen
21 Deutch, David O.	48 Leon, Miles B.	75 Valey, Ernst
22 Dischinger, Chris	49 Lewis, David R.	76 Uram, David
23 Douglas, David D.	50 Margolis, Robert B.	77 Wilson, Stephen
24 Edmondson, Jim	51 McCormack, Kevin	78 Woda, Jeffrey J.
25 Ellis, Gary D.	52 McNamara, Michael L.	79 Wohl, Michael D.
26 Fekas, William L.	53 Melton, Melvin B.	80 Wolfson, III, Louis
27 Fitch, Hollis M.	54 Midura, Ronald J.	

NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

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



Q

Documentation of Rental
Assistance



Danville Redevelopment and Housing Authority

"Providing affordable housing for lower income people"

Gary Wasson, Chief Executive Officer

P.O. Box 1476 – 135 Jones Crossing

Danville, Virginia 24543-1476

Phone No. (434) 799-8380 Fax No. (434) 799-8249

gwasson@drhava.com www.drhava.com

March 1st, 2020

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

VHDA Tracking Number: 2020-C-85

Development Name: Aaron Mills Apartments

Name of Owner/Applicant: Aaron Street Lofts, LLC

Dear Mr. Bondurant:

I hope this letter finds you well. I am writing to inform you that the Commissioners of the Danville Redevelopment and Housing Authority voted on 2/28/2019 to award 12 Project-Based Vouchers to Aaron Street Lofts, LLC for the Aaron Mills Apartments Project.

It is the Commissioners belief that the new construction of quality, affordable housing through the LIHTC program will expand housing options in our area and thus further help meet the needs of the residents of City of Martinsville and the surrounding area.

Thank you for your consideration and please call if I can provide more information, 434-799-8380.

Sincerely,

Gary M. Wasson
Chief Executive Officer
Danville Redevelopment and Housing Authority

RESOLUTION 2637

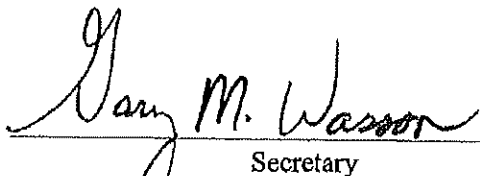
WHEREAS, the Danville Redevelopment and Housing Authority staff published a *Request for Proposals* seeking companies that were interested in project-based vouchers for new construction, substantial rehabilitation, or existing housing; and,

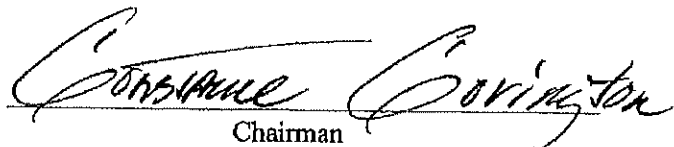
WHEREAS, The Landmark Group of Winston-Salem, North Carolina, submitted the sole proposal for the project-based vouchers, which would be used at two of their low-income housing tax credit projects in Blairs, Virginia and Martinsville, Virginia.

NOW THEREFORE BE IT RESOLVED that the Commissioners of the Authority do hereby award 12 project-based vouchers to The Landmark Group for its Southside Lofts project in Blairs, Virginia, and award 12 project-based vouchers for its Aaron Mills project in Martinsville, Virginia; and,

BE IT FURTHER RESOLVED that this approval is contingent upon the following conditions:

1. That The Landmark Group is able to secure all funding required to pay for the construction costs of the project;
2. That the rehabilitation of the buildings must be complete and must meet housing quality standards; and,
3. That the projects must be on a sound financial footing when the project work is completed.


Secretary


Chairman
2/28/19

ACTION TAKEN Approved

DATE February 28, 2019

AYES

ALL

NAYS

None

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

DATE: March 11, 2020
TO: Mr. John Stiltner, Landmark
Mr. Sam Sari, Landmark
SUBJECT: 201 and 209 Aaron Street

At City Council's regular meeting on March 10, 2020, Council took two actions in regard to the above noted properties, as follows:

1. Unanimously approved a Resolution confirming the donation of properties at 201 and 209 Aaron Street to Aaron Street Lofts, LLC contingent upon receipt of Low Income Housing Tax Credits from Virginia Housing and Development Authority, for the purpose of development of the Aaron Mills Apartment project, and in the same Resolution approved certain tax benefits as allowed under §58.1-3219.4 of the Code of Virginia regarding the increase in property value upon completion of the proposed development, and
2. Convened as the Martinsville Land Bank Authority and likewise unanimously approved donation of said properties contingent upon receipt of signed deed conveying same property to the Land Bank Authority and also upon Aaron Street Lofts LLC receiving an award of Low Income Housing Tax Credits from Virginia Housing and Development Authority for the Aaron Mills Apartment project.

Karen Roberts, Clerk of Council

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnieki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

RESOLUTION

DONATION OF PROPERTY FOR AARON MILLS APARTMENTS

WHEREAS, the two properties located at 201 and 209 Aaron Street are the location of the former American of Martinsville Furniture Factory that burned down in March of 2014, the remnants of which have had an ongoing negative impact on the community and are hazardous in their current condition; and

WHEREAS, City Council, working in conjunction with City Staff, have identified the need for housing affordable to Seniors and those with disabilities in our community, and furthermore have identified the site as an excellent location for a proposed housing development, and

WHEREAS, City Council reaffirms its previous Resolution designating the site as a revitalization area pursuant to §36-55.30:2 of the Code of Virginia, since the area is blighted and private enterprise and investment are not reasonably expected to cover full redevelopment costs without other assistance; and

WHEREAS, the City of Martinsville has received funds to assist with clean-up of the site and encourage private development, including: a portion of the 2016-2018 EPA grant, a portion of a 2020-2022 EPA grant, a 2019 Virginia Brownfields Assistance Fund Planning Grant, and a 2019 Virginia Brownfields Assistance Fund Remediation grant, with a total value of \$574,300; and

WHEREAS, City Council further agrees to cause its political subdivisions to donate the Aaron Street Properties, with a value totaling \$101,300 based on the most recent tax assessment; and

WHEREAS, City Council also understands that Landmark Asset Services, Inc. and/or its affiliates intend to build an apartment complex for seniors at the Aaron Street property pending an award of Low Income Housing Tax Credits from the Virginia Housing and Development Authority, and that the total development cost of the proposed project is approximately \$8,000,000; and

WHEREAS, City Council acknowledges the total value of its commitments to the property at \$675,600, and since these costs are directly attributable to the proposed development would have otherwise been paid for out of the development budget; and

WHEREAS, §58.1-3219.4 of the Code of Virginia, 1950 as amended, authorizes the local governing body to provide partial exemption from taxation of improvements to existing structures in rehabilitation or revitalization areas, within the limitations therein prescribed by the local governing body; and

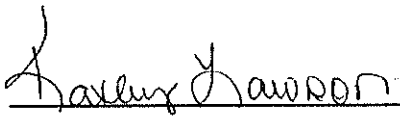
WHEREAS, the real property to be partially exempted from real estate taxation is to be known as Aaron Mills Apartments, located at 201 and 209 Aaron Street, Martinsville, Virginia, 24112, also designated as tax parcels 42(18)00/01A-R and 43(02)A/01A-S;

NOW, THEREFORE, BE IT RESOLVED on this 10th day of March, 2020, contingent upon Aaron Street Lofts, LLC receiving an award of Low Income Housing Tax Credits from the Virginia Housing and Development Authority, Martinsville City Council hereby:

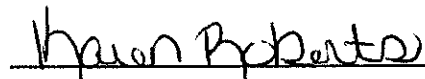
(1) Approves the donation of 201 and 209 Aaron Street to Aaron Street Lofts, LLC, valued at \$101,300, and furthermore, Martinsville City Council agrees to commit to use the \$574,300 in applicable grant funding to remediate the site for the benefit of Aaron Street Lofts, LLC, for their purpose of developing Aaron Mills Apartments, and

(2) As allowed under §58.1-3219.4 of the Code of Virginia, 1950 as amended, the City Council hereby exempts Aaron Street Lofts, LLC and Aaron Mills Apartments from that portion of the real property taxes accruing as a result of an increase in property value by virtue of the proposed improvements, consistent with that currently provided through the City's Enterprise Zone program and equal to an amount of 100% of the increased value in year one after the proposed development places in service, and 50% of the increased value from years two through five after the proposed development places in service.

Attest:



Kathy Lawson, Mayor



Karen Roberts, Clerk of Council

R

Documentation of
Operating Budget

**Allowances for Tenant
Furnished Utilities and other
Services**

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 08/30/2017)

Locality: Danville Redevelopment and Housing Authority, VA		Unit Type: Apartment				Date (mm/dd/yyyy): 01/01/2020	
Utility or Service City of Danville		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	a. Natural Gas	\$15.00	\$18.00	\$21.00	\$23.00	\$26.00	\$29.00
	b. Bottle Gas/Propane	\$33.00	\$41.00	\$47.00	\$53.00	\$61.00	\$67.00
	c. Electric	\$16.00	\$19.00	\$25.00	\$31.00	\$37.00	\$43.00
	d. Electric Heat Pump	\$8.00	\$9.00	\$12.00	\$15.00	\$17.00	\$20.00
	e. Oil / Other	\$24.00	\$29.00	\$36.00	\$42.00	\$49.00	\$56.00
Cooking	a. Natural Gas	\$4.00	\$4.00	\$5.00	\$7.00	\$7.00	\$8.00
	b. Bottle Gas/Propane	\$8.00	\$8.00	\$10.00	\$16.00	\$18.00	\$20.00
	c. Electric	\$7.00	\$8.00	\$10.00	\$12.00	\$14.00	\$16.00
Other Electric (Lights & Appliances)		\$23.00	\$27.00	\$26.00	\$44.00	\$53.00	\$61.00
Air Conditioning		\$5.00	\$6.00	\$10.00	\$14.00	\$18.00	\$24.00
Water Heating	a. Natural Gas	\$9.00	\$10.00	\$15.00	\$19.00	\$21.00	\$24.00
	b. Bottle Gas/Propane	\$22.00	\$24.00	\$33.00	\$43.00	\$49.00	\$55.00
	c. Electric	\$15.00	\$18.00	\$25.00	\$32.00	\$37.00	\$40.00
	d. Oil / Other	\$16.00	\$18.00	\$27.00	\$31.00	\$38.00	\$40.00
Water		\$20.00	\$21.00	\$26.00	\$31.00	\$36.00	\$40.00
Sewer		\$26.00	\$27.00	\$32.00	\$37.00	\$42.00	\$48.00
Trash Collection		\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00
Range / Microwave Tenant-supplied		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Refrigerator Tenant-supplied		\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00
Other-- specify:	Monthly Electric Fee \$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
	Monthly Gas Fee \$11.15	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Actual Family Allowances		Utility or Service					per month cost
To be used by the family to compute allowance. Complete below for the actual unit rented.		Heating					\$
Name of Family		Cooking					\$
		Other Electric					\$
		Air Conditioning					\$
		Water Heating					\$
Address of Unit		Water					\$
		Sewer					\$
		Trash Collection					\$
		Range / Microwave					\$
		Refrigerator					\$
		Other					\$
		Other					\$
Number of Bedrooms		Total					\$



S

Supportive Housing
Certification

**This Section is not
Applicable**

T

Funding Documentation

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

DATE: March 11, 2020
TO: Mr. John Stiltner, Landmark
Mr. Sam Sari, Landmark
SUBJECT: 201 and 209 Aaron Street

At City Council's regular meeting on March 10, 2020, Council took two actions in regard to the above noted properties, as follows:

1. Unanimously approved a Resolution confirming the donation of properties at 201 and 209 Aaron Street to Aaron Street Lofts, LLC contingent upon receipt of Low Income Housing Tax Credits from Virginia Housing and Development Authority, for the purpose of development of the Aaron Mills Apartment project, and in the same Resolution approved certain tax benefits as allowed under §58.1-3219.4 of the Code of Virginia regarding the increase in property value upon completion of the proposed development, and
2. Convened as the Martinsville Land Bank Authority and likewise unanimously approved donation of said properties contingent upon receipt of signed deed conveying same property to the Land Bank Authority and also upon Aaron Street Lofts LLC receiving an award of Low Income Housing Tax Credits from Virginia Housing and Development Authority for the Aaron Mills Apartment project.

Karen Roberts, Clerk of Council

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

RESOLUTION

DONATION OF PROPERTY FOR AARON MILLS APARTMENTS

WHEREAS, the two properties located at 201 and 209 Aaron Street are the location of the former American of Martinsville Furniture Factory that burned down in March of 2014, the remnants of which have had an ongoing negative impact on the community and are hazardous in their current condition; and

WHEREAS, City Council, working in conjunction with City Staff, have identified the need for housing affordable to Seniors and those with disabilities in our community, and furthermore have identified the site as an excellent location for a proposed housing development, and

WHEREAS, City Council reaffirms its previous Resolution designating the site as a revitalization area pursuant to §36-55.30:2 of the Code of Virginia, since the area is blighted and private enterprise and investment are not reasonably expected to cover full redevelopment costs without other assistance; and

WHEREAS, the City of Martinsville has received funds to assist with clean-up of the site and encourage private development, including: a portion of the 2016-2018 EPA grant, a portion of a 2020-2022 EPA grant, a 2019 Virginia Brownfields Assistance Fund Planning Grant, and a 2019 Virginia Brownfields Assistance Fund Remediation grant, with a total value of \$574,300; and

WHEREAS, City Council further agrees to cause its political subdivisions to donate the Aaron Street Properties, with a value totaling \$101,300 based on the most recent tax assessment; and

WHEREAS, City Council also understands that Landmark Asset Services, Inc. and/or its affiliates intend to build an apartment complex for seniors at the Aaron Street property pending an award of Low Income Housing Tax Credits from the Virginia Housing and Development Authority, and that the total development cost of the proposed project is approximately \$8,000,000; and

WHEREAS, City Council acknowledges the total value of its commitments to the property at \$675,600, and since these costs are directly attributable to the proposed development would have otherwise been paid for out of the development budget; and

WHEREAS, §58.1-3219.4 of the Code of Virginia, 1950 as amended, authorizes the local governing body to provide partial exemption from taxation of improvements to existing structures in rehabilitation or revitalization areas, within the limitations therein prescribed by the local governing body; and

WHEREAS, the real property to be partially exempted from real estate taxation is to be known as Aaron Mills Apartments, located at 201 and 209 Aaron Street, Martinsville, Virginia, 24112, also designated as tax parcels 42(18)00/01A-R and 43(02)A/01A-S;

NOW, THEREFORE, BE IT RESOLVED on this 10th day of March, 2020, contingent upon Aaron Street Lofts, LLC receiving an award of Low Income Housing Tax Credits from the Virginia Housing and Development Authority, Martinsville City Council hereby:

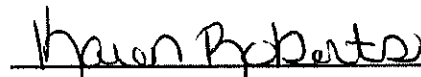
(1) Approves the donation of 201 and 209 Aaron Street to Aaron Street Lofts, LLC, valued at \$101,300, and furthermore, Martinsville City Council agrees to commit to use the \$574,300 in applicable grant funding to remediate the site for the benefit of Aaron Street Lofts, LLC, for their purpose of developing Aaron Mills Apartments, and

(2) As allowed under §58.1-3219.4 of the Code of Virginia, 1950 as amended, the City Council hereby exempts Aaron Street Lofts, LLC and Aaron Mills Apartments from that portion of the real property taxes accruing as a result of an increase in property value by virtue of the proposed improvements, consistent with that currently provided through the City's Enterprise Zone program and equal to an amount of 100% of the increased value in year one after the proposed development places in service, and 50% of the increased value from years two through five after the proposed development places in service.

Attest:



Kathy Lawson, Mayor



Karen Roberts, Clerk of Council

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

March 5, 2020

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

VHDA Tracking Number: 2020-C-85
Development Name: Aaron Mills Apartments
Name of Owner/Applicant: Aaron Street Lofts, LLC

Dear Mr. Bondurant:

In support of the proposed development, the City of Martinsville is willing to consider donating two properties at 201 and 209 Aaron Street, totaling approximately 6.356 acres.

The VHDA LIHTC Manual and QAP state that the value of the donated land will be based on the locality tax assessment. Based on the attached 2019 assessment and calculation, the value of our donation is \$101,300. In addition, we have secured additional funds, outlined below, in the amount of \$574,300. Thus, we believe the total value of our commitments to total \$675,600.

As you may know, the site of the proposed project is located at the former American of Martinsville Furniture Factory that burned down in March of 2014. This disastrous event has had an ongoing negative impact on our community, and we have been pursuing grant opportunities for several years in an effort to environmentally assess, clear, and redevelop the site. Part of this process included finding a compatible use for the site once it was remediated, and new housing has been identified as a clear need and priority of our community.

The City, however, is not in the development business and so our efforts included identifying a suitable partner with whom to form the public-private partnership necessary to bring our vision for the property into fruition. Landmark was identified early on as a potential development partner because of their extensive experience and our shared success on a previous project, Martinsville Lofts on Rives Road.

For the past 18 months, the City and Landmark have been working together on this project. Unfortunately, the City did not have the funds to clean up the site on its own as this project began, and Landmark was unable to make the development feasible without either a clean site, or the funding necessary to make it clean.

However, progress has continued and the City of Martinsville has been able to secure additional funding totaling \$574,300 for the project. The sources of these funds include two EPA Grants, and two Virginia Brownfields Assistance Fund Grants, one for planning and one for remediation.

More specifically, a portion of these funds have been used to commission the necessary environmental studies and reports required to identify the environmental concerns. Once the environmental concerns were identified and quantified, we worked to formulate the scope of work necessary to ascertain cleanup costs and to apply for Brownfields funding. The VBAF grant was successful and a majority of the funds are slated to be used for demolition of the remaining building elements, debris removal, as well as the full remediation of the identified environmental conditions in compliance with the applicable laws and regulations.

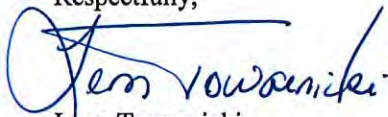
In further support, the City has agreed to contract for remediation of the property on behalf of the development. This will ensure that the remediation is completed in a timely manner so the development can be completed in time to meet its applicable deadlines.

Attached is a detailed breakdown that outlines the estimated remediation costs as well as the sources of those funds. As you will note, all of the costs outlined are directly attributable to the project, since these costs would have otherwise been included in the development budget. This project clearly would not be possible without the City's support and allocation of funds as outlined.

I conclude by respectfully requesting that VHDA recognize the considerable investment of \$675,600 the City has committed to the Aaron Mills Apartment project including both the donation of property, and the allocation of grant resources toward remediation and site cleanup. We see this project as a huge "win" for the City in that the site of a destroyed furniture factory will be cleaned, environmental issues remediated, and new construction estimated to be in the \$8 million range will occur in an older section of the City, providing a catalyst for what we hope to be further redevelopment in the future.

I will be happy to discuss this further, or answer any question.

Respectfully,



Leon Towarnicki
City Manager
City of Martinsville, Virginia

City of Martinsville, VA
American Furniture of Martinsville, Plants 2 and 11
201/209 Aaron Street
Brownfield Grants / Budget Breakdown
February 26, 2020

Task Description	Completion Date*	Cost*	Funding Source			
			FY 2016-18 EPA Grant	FY 2020-22 EPA Grant	FY 2019 VBAF Planning Grant	FY 2020 VBAF Remediation Grant
Preliminary Review / Eligibility Determination / Environmental Coordination	09/26/17	\$ 1,500	\$ 1,500	\$ -	\$ -	\$ -
Phase I ESA	01/25/18	\$ 11,000	\$ 11,000	\$ -	\$ -	\$ -
Limited NESHAPs Asbestos Survey (Site Materials/Building Debris)	11/26/18	\$ 6,800	\$ 6,800	\$ -	\$ -	\$ -
Limited Phase II ESA	04/05/19	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -
Limited Structural Evaluation	03/30/20	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Demolition of Remaining Structures	06/30/20	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Debris Removal / Disposal - Non-Hazardous Materials	06/30/20	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Debris Removal / Disposal - Hazardous Materials	06/30/20	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Demolition / Disposal - Engineering Assistance / Environmental Oversight	06/30/20	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000
Demolition / Disposal - Contingency (15%)	06/30/20	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000
Final Phase II ESA	09/30/20	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -
Remediation Planning / Alternatives (if Required)	03/30/21	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ -
VRP Application / Fees (if Required)	06/30/21	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -
PROJECT TOTAL		\$ 574,300	\$ 19,300	\$ 95,000	\$ 50,000	\$ 410,000

*Actual or Projected

U

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



Change Request Notification

03/10/2020

08:03 AM

This notification is in response to your LIHTC Change Request submitted for the below-mentioned development. Please keep VHDA informed of the progress to complete this transaction.

Change Request #	1-RentBurdenedPoints-AM		
Deal Name	Aaron Mills Apartments	VHDA #	
Address		Deal #	2695
Address cont		Request Date	03/06/2020
City		Regulation Year	2019
Zip		Status	Approved

Customer Requestor sam@landmarkdevelopment.biz

Define Requirement (as stated on Request)

Per the VHDA Tax Credit Manual: "Any proposed new construction development (including adaptive reuse and rehabilitation that creates additional rental space) that is located in an area identified by VHDA as an area with little or no increase in rent burdened population will be assessed up to negative 20 points."

Explanation of Request (as stated on Request)

Aaron Mills Apartments is the proposed development of 52 new construction units applying for 2020 Competitive 9% LIHTC Credits. According to the requirement, the development should be assessed -20 points as it is in an area with little or no increase in rent-burdened population.

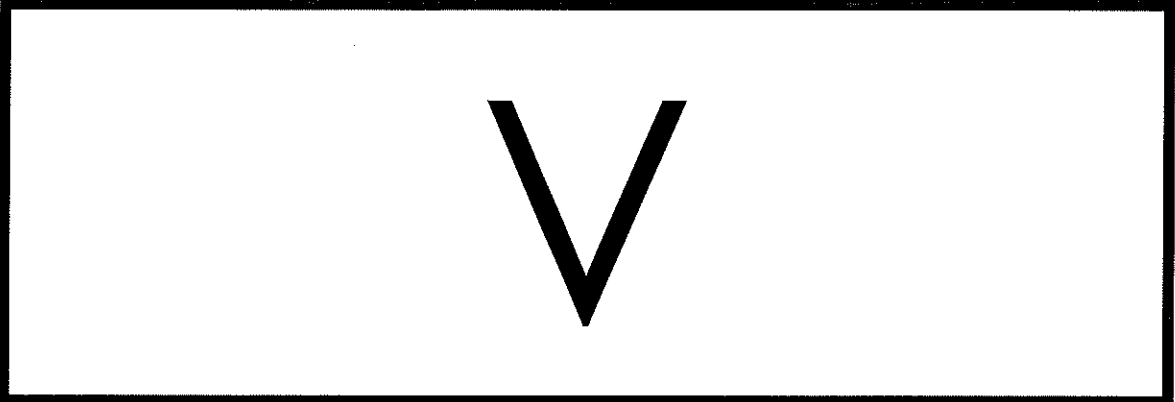
I am requesting that the -20 point penalty be waived based on the Exemption 12VAC10-180-60.I, relating to specialized housing designed to meet special needs that cannot readily be addressed utilizing existing residential structures. Based on our combined review, most of the existing units are ill suited to meet the needs of the community due to age and dilapidation. In contrast, the proposed Aaron Mills Apartments will be designed to be highly accessible and energy efficient to meet the special needs of the community. Additionally, VHDA's project list shows that there have not been any LIHTC projects creating new units for seniors awarded in Martinsville since the program's inception. For further information, I have attached letters from Gary Wasson, the Executive Director of Danville Redevelopment and Housing Authority, as well as from Leon Towarnicki, the City Manager of Martinsville.

Status: Approved

Comments

If you have any further questions, please contact the VHDA Tax Credit Allocation department.

JD Bondurant
Director of LITHC Programs



V

Nonprofit or LHA Purchase
Option or Right of First
Refusal

Prepared by:

Tax ID # 42(18)00/01AR
43(02)A/01A-S

Blanco Tackabery & Matamoros, P.A.
P.O. Drawer 25008
Winston-Salem, NC 27114-50078

RIGHT OF FIRST REFUSAL AGREEMENT

THIS RIGHT OF FIRST REFUSAL AGREEMENT made as of the 1st day of March, 2020, by and among **AARON STREET LOFTS, LLC**, a North Carolina limited liability company ("Owner") and **DANVILLE REDEVELOPMENT AND HOUSING AUTHORITY**, a Virginia Housing Authority ("DRHA").

WHEREAS, DRHA is a government agency, providing a variety of services in the Southern Virginia area, including low income housing assistance services; and

WHEREAS, Landmark Asset Services, Inc. owns all of the membership interests in the Owner; and

WHEREAS, Owner intends to acquire a parcel of real estate located at 201 Aaron Street, Martinsville, Virginia, and more particularly described on Exhibit A hereto (hereinafter the "Property"); and

WHEREAS, Owner shall cause the property to be renovated into a residential apartment development (hereinafter the Property and improvements together referred to as the "Development"); and

WHEREAS, the cost to acquire and construct the Development is expected to be financed through the Low-Income Housing Tax Credit Program of the Virginia Housing Development Authority ("VHDA"; such program, the "VHDA Program"); and

WHEREAS, Owner and VHDA have agreed that the Development will remain owned by the Owner for a minimum period of fifteen (15) years after the residential units are placed in service (hereinafter the "Compliance Period"); and

WHEREAS, Owner desires to grant to DRHA a right of first refusal to purchase the Property once the Compliance Period has expired.

NOW, THEREFORE, that for and in consideration of Ten Dollars (\$10.00), cash in hand paid by DRHA to Owner, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by Owner, Owner does hereby grant and convey to DRHA the following:

Right of First Refusal. Upon the expiration of the Compliance Period, and thereafter for a period of one (1) year, so long as DRHA is a governmental agency, as defined in Section 42(h)(5)(C) of the Internal Revenue Code, DRHA shall have a right of first refusal to purchase the Development at a price equal to the sum of (i) the outstanding debt of the Owner; plus (ii) the exit taxes of the Owner's members. During the term of this Agreement, upon the execution of a purchase contract to sell the Development, which shall be subject to DRHA's right of first refusal, Owner, or its successor in interest, shall immediately deliver a written copy of the purchase contract to DRHA. DRHA shall have thirty (30) days from receipt of the written contract within which to notify Owner, or its successor in interest, in writing of DRHA's intent to exercise its right of first refusal. If DRHA fails to notify Owner, or its successor in interest, within the thirty (30) day period, then said right of first refusal expires as to such purchase contract and Owner, or its successor in interest, is free to sell the Development to the purchaser, but only pursuant to the terms of the written purchase contract presented to DRHA. If DRHA gives Owner, or its successor in interest, written notice of DRHA's intent to exercise its right of first refusal within the thirty (30) day period, then DRHA shall be obligated to purchase, and Owner, or its successor in interest, obligated to sell, the Development to DRHA on the same terms as set forth in the purchase contract presented to DRHA, except in no event shall DRHA be obligated to close on the purchase of the Development sooner than ninety (90) days from the date that DRHA notifies Owner, or its successor in interest, of its intent to exercise its option. Nothing herein shall obligate DRHA to exercise its right of first refusal.

[SEPARATE SIGNATURE PAGES FOLLOW]

WITNESSETH the following signatures and seals made as of the date of this document:

OWNER:

AARON STREET LOFTS, LLC

By: Landmark Asset Services, Inc., managing member

By: 
Samuel J. Sari, Vice President

STATE OF NORTH CAROLINA

COUNTY OF Forsyth

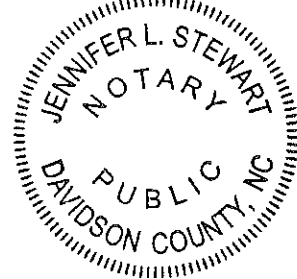
I, Jennifer L Stewart, a Notary Public of the County and State aforesaid, certify that Samuel J. Sari, either being personally known to me or proven by satisfactory evidence, personally appeared before me this day and acknowledged that she is the President of Landmark Asset Services, Inc., the managing member of Aaron Street Lofts, LLC, a North Carolina limited liability company, and that he, as Vice President of the managing member, being authorized to do so, voluntarily executed the foregoing on behalf of the limited liability company for the purposes stated therein.

WITNESS my hand and official stamp or seal, this 4 day of March, 2020.


Notary Public

My Commission expires: 9-11-2021

[Notarial Seal/Stamp]



DRHA:

DANVILLE REDEVELOPMENT AND HOUSING AUTHORITY

By: Gary M. Wasson
Name: Gary M. Wasson
Title: CEO/Ex Director

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF Danville, Pittsylvania

I, Susan Deane Mays, a Notary Public of the County and State aforesaid, certify that Gary M. Wasson, either being personally known to me or proven by satisfactory evidence, personally appeared before me this day and acknowledged that (s)he is CEO/Executive Director of Danville Redevelopment and Housing Authority, a Housing Authority, and that (s)he, as CEO/Executive Director, being authorized to do so, voluntarily executed the foregoing on behalf of the Housing Authority for the purposes stated therein.

WITNESS my hand and official stamp or seal, this 3rd day of March, 2020.

Susan Deane Mays
Notary Public

My Commission expires: 8/31/23

[Notarial Seal/Stamp]

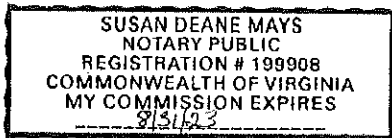


EXHIBIT A

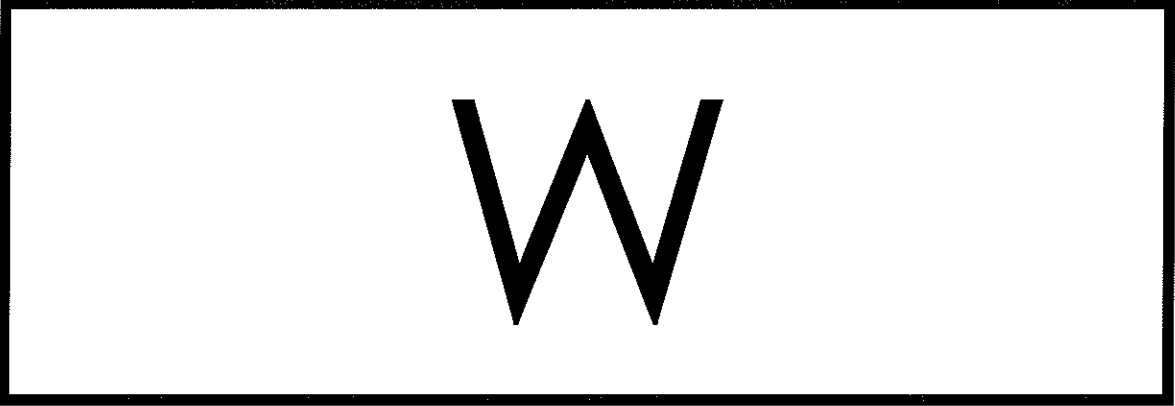
Legal Description

All of that certain tract or parcel of land, together with all improvements thereon and appurtenances thereunto appertaining, situated on the Northeast side of Aaron Street, on the Southeast side of Broad Street and the Southwest side of the Norfolk and Southern Railway, City of Martinsville, Virginia, being known as Tract 1A-R containing 150,223 square feet, more or less, as more particularly shown on Plat of Survey for L & H Enterprises of Virginia, Inc., prepared by Terry A. Waller, L.L.S., dated July 19, 1993, of record in the Clerk's Office of the Circuit Court of the City of Martinsville, Virginia, in the current Map Book, and being a re-cut of Tract 1A as shown on "Plat of Survey for American Furniture Company, Inc.", of record in the aforesaid Clerk's Office in Map Book 21, Pages 54 thru 57; and

BEING a portion of the same property acquired by L & H Enterprises of Virginia, Inc., A Virginia corporation, from American Furniture Company, Inc., a Virginia corporation, by Deed dated September 26, 1991, of record in the aforesaid Clerk's office in Deed Book 201, page 86; and

All of that certain tract or parcel of real property, together with all improvements thereon and appurtenances thereunto appertaining, situated on the northeast side of Aaron Street, on the southeast side of Broad Street, and being on the southwest side of Norfolk & Southern Railway, in the City of Martinsville, Virginia, being all of Tract 1A-S, containing 2.907 acres, plus or minus, as shown on Plat of Survey for for L & H Enterprises of Virginia, Inc., prepared by Terry A. Waller, L.L.S., dated July 19, 1993; and

BEING a portion of the same property acquired by L & H Enterprises of Virginia, Inc., A Virginia corporation, from American Furniture Company, Inc., a Virginia corporation, by Deed dated September 26, 1991, of record in the aforesaid Clerk's office in Deed Book 201, page 86



W

(Reserved)



Landmark Property Management Company

Wireless Policy

Use of wireless devices and internet access are increasing as it provides a convenient mechanism for accessing resources. Along with this convenience is a need for management access, as the devices are natively less secure than a hardwired device. The following policy is being implemented to reduce risk related to wireless networks:

- Wireless networks shall be segmented between personnel, residents and guests.
- Wireless access points or routing devices are to be secured with lock access only accessible by the management agent.
- Logical and physical user access to wireless network devices shall be restricted to authorized personnel and residents only.
- The guest access point is to be used by all guests.
- All vendor default settings for wireless devices (e.g. passwords, wireless encryption keys) shall be changed prior to installing wireless equipment.
- Wireless security protocols shall be used that are of the highest encryption possible.
- Strong passwords shall be employed for all wireless SSID and changed on a periodic basis either through the protocol or across the enterprise.
- User ID will be issued to all users at the time of move in and or hire date
- Passwords will expire every 90 days
- Passwords will need to include at least 1 uppercase letter, 1 lower case letter, a number and special character.
- Passwords are not to be shared with guests, other residents or personnel.

The users of wireless access are responsible for protecting the information and/or devices:

- Devices should be equipped with firewalls and/or virus protection
- Wireless networks transmitting sensitive information or connected to sensitive information environments recommend use of strong encryption for authentication and transmission.
- Inspections will be conducted semi-annually to assure wireless access points or routing devices are secure.

Residents, personnel or guests found in violation of policy may be subject to lease or employment termination.

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3275 (voice) or (202) 720-6382 (TDD).” USDA is an equal opportunity provider and employer.”



Landmark Property Management Co. provides an Equal Housing Opportunity and is an Equal Opportunity Employer.





Landmark Property Management Company

Resident Internet Policy Acknowledgement Form

I, _____ acknowledge that I have received the Landmark Property Management Wireless Access Policy (“Policy”) and the Office of the Attorney General Internet Safety Information Package. I agree to abide by the rules and procedures outlined in the policy and in my lease agreement.

Resident Signature

Date

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3275 (voice) or (202) 720-6382 (TDD).” USDA is an equal opportunity provider and employer.”



Landmark Property Management Co. provides an Equal Housing Opportunity and is an Equal Opportunity Employer.





Internet Safety

Playing it safe while playing online



Hi there kids! I am Charlie Cardinal and this is Speedy the Crime Fighting Hamster. We are here to introduce you to the basics of Internet Safety and some of the villains you need to watch out for. There are some bad characters out there, so you have to protect yourself. Your parents won't always be there to watch out for you, so stay sharp, learn all you can, and stay safe!



Privacy & Personal Information

Privacy is being able to keep things secret or hidden from others.

Personal Information is information about you or your family such as your address, a social security number, your parent's bank account, or how much money they have.

Criminals love to get people's personal information because they can pretend to be you, or use your money to buy things.

They can also make money off of your information by selling it to others. Companies or other criminals will use your info to send you junk mail or spam emails.

Criminals learning your address can be very bad. They may break in and steal from you. Protect your safety and your belongings, by keeping your information a secret.

These bad people may even use your personal information to trick someone else in your circle of friends and family. People sometimes tell criminals things that they shouldn't if they think that they are communicating with someone they know.



Think before you click



Do you know who sent that email?



Passwords

One of the most important things you need to learn is how to create strong password. A password is a code you type in to let the computer know it is really you.

Having an easy to guess password could allow someone to snoop around in your private information.

The way to make your password strong is to never use your name or your birthday. Use something hard to guess, but easy for you to remember. Make your password at least 8 characters long, and mixing numbers, symbols, and upper and lower case letters makes the password strong just like Speedy. Avoid using the same password over and over. That way if they do figure out your password, they only gain access to one account. And never leave your passwords written down where someone can find it.



A great tool online that creates kid friendly passwords is the website, www.kidfriendlypassword.com

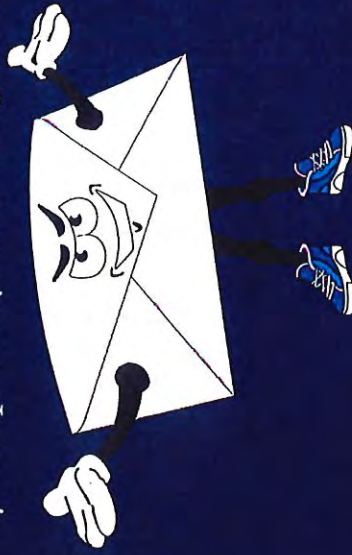
Spam



Spam is basically email that you receive from different companies or strangers that you did not sign up for. Most times it isn't from real companies and usually the sender is up to no good.

Spam emails can sometimes be a phishing scam. Phishing emails are emails that look like it is from some trusted source. A place like your bank, the IRS where taxes are collected, or some other business you shop with often. They make their email look like it is the real thing with logos, and they put links in the email baiting you to click them. Once you click the link, you could be launching a program that can damage your computer in some way or collect your personal information.

Spam emails can also use winning a sweepstakes or some other type prize to trick you into trusting the email source. After they hook you in, they inform you that to collect your prize, you must give them your credit card number.



How do you know it is spam?

Spam emails typically have a bunch of spelling and grammar errors or a mention of someone you don't know in the subject line. Don't Open It! Delete those emails right away.



Malware



Malware is a program written with the intent to harm your computer in some way.

Programs such as this, may be waiting for you to do something(a trigger), so that it can run. This could be the clicking of the link or opening an email attachment.

When searching for free downloads online, be very careful. There are a lot of sites out there trying to trick you. They will pay to make their site get returned at the top of the list of search results. Then when you access the page, they use blinking buttons to trick you to click. The result of clicking usually ends up being your computer loaded up with malware.

Once your machine is infected, it can change browser settings, create unusual popup ads on your computer and then pass the malware on to someone else.



Spyware

Spyware is a program that gets onto your computer through a download or a virus and it gathers information about you and sends this back to its creator.

Some of the types of information spyware might send back to home base is email addresses of you or your contacts, passwords, account numbers, and credit card numbers.

Some spyware out there records how you use your computer and what you search for online.

Adware

Adware is software that you are allowed to use by the author because of the advertisements that pop up occasionally during the game. Many of these type games you will find in the form of apps on your phone or devices.

Through the addition of advertisements, the developer gains some income that may supplement a discount to the user, sometimes making the software free.

Often after using the product with the ads, a consumer will purchase the software to get rid of the ads.

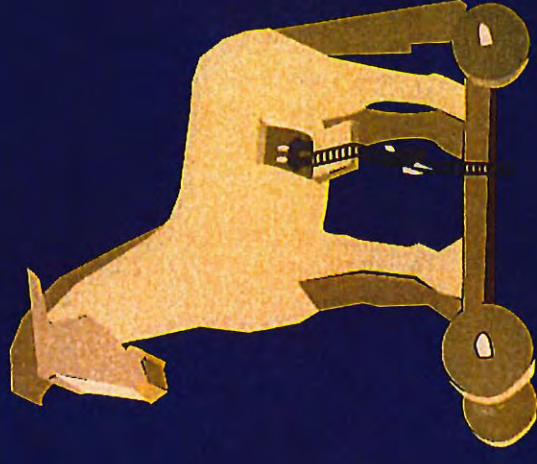


Trojan Horse

The name for the Trojan Horse virus was derived from tale of the Trojan Horse constructed by the Greeks to gain access to the city of Troy. The wooden horse was left at the gates as an offering to Athena. The horse was then wheeled into the city and out came Greek fighters hiding inside.

A Trojan horse virus is a form of malware that is dressed up as something interesting or software from a source we are familiar with. The purpose is to trick the person into installing it. This allows the creator of the Trojan to do damage to data or software on your computer. They also will set up a 'back door' or access point that allows them to access your system.

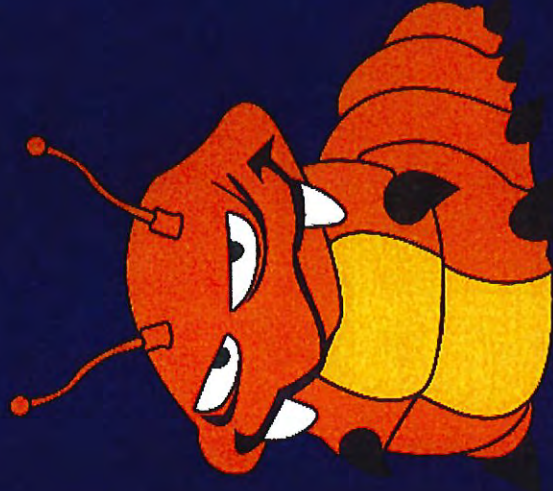
Trojan viruses don't spread by infecting other files and they cannot duplicate themselves.



Worms

Worms are malware that can duplicate itself and spread to other computers. Worms always do something bad, even if it is just slowing things down.

Worms will frequently set up the ability for computers to be taken over by the worm's author by creating backdoors on the host computer. These computers are then called a "zombie computer". "Zombie computers" can be used to send out spam or as a shield to hide the web address of people who want to do bad things.





Virus

A virus is a small program that is created to spread from one computer to the next and to mess up the way your computer works.

Many times viruses hop from computer to computer via email attachments or messages. They can also hide in funny pictures(memes), e-cards, or other desirable file attachments. It can also be sent through an instant message.

A virus can corrupt your data, or worse, delete it. It can also email copies of itself to your friends.

Keeping your anti-virus software up to date is key to protecting against the latest viruses and other security threats.

Social Media



Privacy settings on social media accounts are set up as public when you first get one. Unless you want everyone to be able to look at all of your photos and other private stuff, you must go into your account settings and change this.

Something to remember is whatever you post and say on your page can be shared by your friends. Think about what you post online, BEFORE you do it. What you post, could be seen by anyone at any time depending on your settings and the friends you keep. Because we can take pictures of our screens, there is really no setting that can protect you. Think twice about what you are sharing with others, so there are no regrets later.

Make sure you know the people that you accept friend requests from. Sometimes people try to friend you to hack your Facebook account or access your contacts. Once you are hacked they will send out strange messages or friend requests to your contacts. Protect your friends and yourself by being cautious with friends and creating strong passwords for your social media accounts.

Geotagging



Geotagging is the bit of data that your electronic device packages with your picture that has information about where the picture was taken. This is something that can be turned on and off in your device and typically comes turned on until you change the setting.

When your photo is geotagged, this gives people information about your location. Letting outsiders know where you are, can allow them to plan to steal your belongings or vandalize your home.

Consider if you post a photo every Wednesday in your outfit ready to walk to ball practice and geotagging is turned on. This shows you have a routine and gives a rough area you will be in. A predator could come and take you away.

Another issue with allowing the geotagging to occur is you don't have control of your own privacy. Everyone does not need to know where you are all of the time, keep this information private.



Be Careful of What You Say!



Defamation: Defamation is the blanket word used for all types of untrue statements made about others.

Slander: When someone orally tells one or more people an untruth about someone, which will harm the reputation of the person it is about. It is not slander if the untruth is in writing of some sort or if it is broadcast through television or radio.

Libel: This is where someone publishes to print(including pictures), written word, online posts, blogs, articles, or broadcast through radio, television, or film, an untruth about another which will do harm to the person's reputation.



Be Careful of What You Say!

Much of the things people post online may get ignored, and you may get lucky and avoid legal action. But, when someone gets angry and files a lawsuit it can cause a major headache and possibly hit you hard in the wallet.

You might think you should have a right to openly complain about a company and their bad service or lousy product. Well when it comes to this, it is not always that simple. You can get sued for this and even if the judge agrees with you, you still have to pay for a defense attorney. Think twice and make sure that whatever you have to say is worth any headache you may have pop up later.

On social media, people get into the habit of letting their emotions get the better of them and they end up speaking their minds about others online. When that person feels that this damages their character, they may opt to sue the other person for defamation. Even if their case is not successful, the stress, money, and time that you spend defending yourself is not worth it. To read more about defamatory social media posts, [click here](#).

Stranger Danger Online



When you think of being on your computer or other electronic device in your own home, you probably think you are safe. Your mom is in the next room, what could happen?

Well there are people online that are up to no good. They go in chat rooms and pop up on your instant messenger, looking for someone to “groom” .

What is grooming you say? Well, grooming is when a stranger(can be any age) finds someone they are interested in, usually a minor. They act really nice and maybe they pretend they are much younger than they really are, like they are a kid just like you. Then they try to get you to like them and to trust them. They may ask you not to tell anyone you are talking to them. This is not okay and is a warning sign of a possible groomer.

How to Protect Yourself in Online Chats

- Choose chat sites designed for kids, such as www.kidzworld.com. Kidzworld is moderated and its aim is to protect kids from unwanted requests and online bullying.
- Beware of people you don't know. If they are asking too many questions or being too friendly they may be up to no good.
- If someone asks you to send them a picture or sends you a picture or video that is inappropriate, tell an adult or report them to the site moderators.
- Don't give out personal information to strangers online
- Don't tell strangers where you live or give them your telephone number
- Don't send strangers pictures of you or others
- If you are being bullied or threatened online, tell an adult or someone you trust





Cyberbullying

- Cyberbullying is the **willful and repeated harm** inflicted through the use of computers, cell phones, and other electronic devices.
- Using PhotoShop or other tools to create harassing images.
- Posting jokes about another person on the internet
- Using the internet to entice a group to physically harm another person.
- Making threats online using IM, email, social networking sites, or other electronic devices.



Consequences of Cyberbullying

Anything that you write, pictures that you post, or videos that you upload can be used by your school to suspend you.

College students have been removed from their athletic teams and lost college funding for writing negative comments about their coach.

When applying to colleges, they will search online to see what kind of person you are. They can deny you access if they don't like what they find.

When businesses are looking at people to hire for a job they will many times use social media to see what kind of person they are. Mean or inappropriate type posts can prevent you from getting the job you desire.

Cyberbullying can also be considered a crime and participating in this type of behavior can land you in big trouble.

Consequences of Cyberbullying

- § 18.2-152.7:1. Harassment by Computer; Penalty makes cyberbullying a crime.
- Carries a \$2500 fine and punishable by up to **12 months in prison.**

There are many websites designed to inform and decrease the number of bullying cases we see each year.

The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - www.stopbullying.gov

If you experience cyberbullying or witness it, tell someone such as a school counselor, teacher, or a parent.





The Effects of Cyberbullying

- Victims feel depressed, sad, angry, and frustrated.
- Victims become afraid and/or embarrassed to attend school.
- Can lead to low self-worth, family problems, academic problems, school violence, and bad behavior.
- Victims can also develop thoughts of killing themselves and possibly act on these feelings.
- There are no positive effects of cyberbullying, only pain and suffering for the victims.
- The affects of being bullied can affect the victim into adulthood and prevent them from being all they can be in the future.



Dealing with Cyberbullying

- Never do the same thing back, 2 wrongs don't make a right
- Tell them to stop
- Block their access to you
- Report it to the site you are on such as Facebook or Twitter
- NEVER pass along messages from cyberbullies, stop the spread of this behavior
- Set up privacy controls and keep the bully out of your friends list
- Don't be a cyberbully yourself
- If you witness someone getting bullied, tell someone so it can be stopped. Many times the person being bullied won't tell out of fear.
- Spread the word that bullying is not cool
- Don't laugh or encourage the bully, it is not funny and it can lead to major trouble for the person doing the bullying.



About Sexting



“Sexting” is when someone sends or receives sexually explicit or non-PG Rated pictures or video electronically, mainly via cell phones or tablets.

The numbers on how many teens say that they have sent/posted nude or semi-nude pictures or videos of themselves is upsetting.

20% of teens between 13 to 19 years of age have engaged in sexting.

22% of teen girls

18% of teen boys

11% of teen girls between 13 to 16 years of age have engaged in sexting.

Did you know that if you forward a picture of a sexual or nude photo of someone underage, you are as responsible for the image as the original sender?? You can be charged with a crime.

Many teens don't realize that if you send a picture of yourself that is inappropriate and that picture ends up online, it could be there forever. You can never fully delete things that end up on the web.



About Sexting



There is no age minimum that protects young people from getting charged with a sexual offense.

Something that you think is okay or just a joke, might land you in a ton of trouble. For example, you might take a picture of your friend naked to embarrass them, but if they are under the age of 18, this is considered production of child pornography.

If you are sent something inappropriate, do not share it and don't delete it. Tell an adult immediately. You may feel like you are getting your friend into trouble, but you are protecting yourself and you are protecting them. They may not be thinking about the consequences or the effect this behavior can have on their future.

Anyone that gets convicted of a sex offense, will have to register as a sex offender. Sex offenders have to keep their address updated and keep a current photo with the police. The information goes on the sex offender registry where anyone can go and see your picture and where you live online.

REMEMBER: You can't control what other people do with your photos. Even if you think you are sending it to someone you can trust, they may end up surprising you. You can't trust anyone with something as private as that. Don't Do It!

Legal Consequences of Sexting

- The Virginia Department of Education has an excellent resource with real life examples of the consequences of sexting that can be found [here](#).
- The Attorney General's Virginia Rules website is designed to give Virginia Youth information on all the laws in the state. [Virginia Rules](#) has extensive information on sexting and other internet security risks.
- This article in The Virginian-Pilot tells a story of five Virginia teens getting charged with felonies for sexting and being in possession of sexually explicit photos of a minor, read more about it [here](#).



Information Provided By:
Office of the Attorney

General

202 North Ninth Street
Richmond, Virginia 23219

(804) 786-2071

www.ag.virginia.gov



X

Marketing Plan

For units meeting accessibility requirements of HUD section
504

Aaron Street Lofts, LLC (Aaron Mills Apartments)
Martinsville, VA

Presented By:



Landmark Property Management Company

For The Purposes Of:

Low-Income Housing Tax Credit Application for Reservation

And

Meeting the VHDA Accessibility Requirements for Section 504 of the Rehabilitation Act

MARKETING PLAN FOR ACCESSIBLE UNITS

OVERVIEW:

We propose the adaptive reuse of Aaron Mills Apartments, comprising 52 units of which six (10%) of the units will meet the following:

SELECTED MANAGEMENT AGENT:

Landmark Property Management Company, referred to herein as LPMC, has been contracted to serve as the management agent for this development.

OWNER'S INTENT (to be executed by Management Agent):

Aaron Mills Apartments intends to include five (6) accessible units for prospects in need of rental housing with accessibility. First preference will be given to person(s) with a developmental disability. LPMC will commit to no annual minimum income requirement that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by residents receiving rental assistance. Any unit which is designated as a unit for people with disabilities that conforms to Section 504 of the Rehabilitation Act will be held vacant for sixty days (60). LPMC will document its marketing efforts to find households with qualified disabilities during this time period. If no qualified tenant is found, the marketing evidence will be submitted to VHDA's Program Compliance Officer along with a request to rent the unit to any income-qualified household. If the request is approved, the lease contains a provision stating that the household must agree to move to another vacant unit if a household including a person with a disability applies for the unit. The move will be paid for by the owner.

LPMC as was directed by the Owner will also be providing a first preference on its waiting list for persons with an intellectual or developmental disability (ID/DD) for (6) units.

IMPLEMENTATION OF OWNER'S INTENT:

LPMC will rent accessible units only to those qualified households. If a qualified tenant cannot be found during the sixty (60) day marketing effort, concentrated marketing efforts will occur in addition to standard marketing strategies, to insure qualified individuals are aware of the availability of accessible units.

CONCENTRATED MARKETING EFFORTS:

Virginia HousingSearch.com – LPMC does post Aaron Mills Apartments on the Virginia Housing Search website. We will communicate the fact that the development has accessible units.

Virginia Department of Medical Assistance Services (VDMAS) or Virginia Department of Behavioral Health and Development Services (VDBHDS) – LPMC will obtain referrals from Virginia Department of Medical Assistance Services (VDMAS) or Virginia Department of Behavioral Health and Developmental Services (VDBHDS) during the initial lease-up process. LPMC will notify VDMAS 120 days ahead of anticipated receipt of certificates of occupancy to allow VDMAS referral prospects ample time to tour and apply to live at the community.

Local physical therapy offices – LPMC will contact local physical therapy offices throughout the region to communicate the availability of accessible units at Aaron Mills Apartments.

Local hospitals – LPMC will partner with discharge departments at local hospitals to communicate the availability of accessible units at Aaron Mills Apartments.

Piedmont Independent Living Center– LPMC is committed to establishing a relationship with this entity to insure the common area of the community is in compliance with ADA laws. We plan to have discussions with their housing specialists to assist them in identifying prospective tenants who may have a desire to live at Aaron Mills Apartments and need ADA compliant living.

The Community Services Board – LPMC, throughout its' history has communicated with The Community Services Board of several cities to identify housing needs and inform them of availability of accessible units. We will continue to communicate with them to identify units available at Aaron Mills Apartments.

Local Social Services Departments – LPMC will communicate with the local municipalities' social services departments to inform them of the availability of accessible units at Aaron Mills Apartments.

Neighboring Housing Authorities' Housing Choice Voucher Departments – LPMC will communicate with the Neighboring Housing Authorities that Aaron Mills Apartments accepts Housing Choice Vouchers for their accessible units. The property may also be available for qualified households on the Housing Choice Voucher waiting lists.

Orthopedic and Prosthetic Offices – LPMC will market to orthopedic and prosthetic offices to communicate the availability of accessible units at Aaron Mills Apartments.

AccessVA.org. and other supportive non-profit organizations – LPMC will communicate with accessibility-minded organizations to inform them of the availability of accessible units at Aaron Mills Apartments.

VHDA – Insure VHDA representatives charged with accessible unit outreach are aware of the availability of these units at our property.

Inter-Portfolio Advertising – LPMC welcomes applicants which were referred to our communities via word of mouth of those residents living successfully at other LPMC communities throughout our portfolio. With 10 communities across the State of Virginia and over 3500 total units encompassing 8 states, LPMC will be able to effectively notify the management within our portfolio of the availability of accessible units at the Aaron Mills Apartments as the need may arise.

SPECIFIC MARKETING DEVICES:

Industry Specialized Advertising – LPMC routinely markets properties in the Apartment Guide. Additionally, listings on Apartments.Com and For Rent in the Martinsville region when marketing conditions necessitate the expenditure have been enacted. These ILS agents reach a vast number of individuals interested in apartment living. We will identify the fact that Aaron Mills Apartments has accessible units available at the community.

Residents Newsletters – Aaron Mills Apartments will continue to send out periodic newsletters via LPMC's 3rd party newsletter production partner to the residents of the community. In future publications LPMC will communicate the presence of accessible units at the community.

SPECIFIC LOCAL REFERENCES FOR MARKETING PURPOSES:

Martinsville Redevelopment and Housing Authority
22 West Church Street
Martinsville, VA 24112

Department of Aging and Rehabilitative Services (DARS)
233 w. Commonwealth Blvd
Martinsville, VA 24112

Piedmont Community Services
24 Clay Street
Martinsville, VA 24112

Martinsville Community Development Services
55 W. Church Street
Martinsville, VA 24112

PLAN SYNOPSIS:

LPMC will not be restricted solely to the marketing means identified above, but will continue to explore other marketing means ensuring that there is a significant imprint exhibited by Aaron Mills Apartments and the fact that the community does possess units with ample, ADA compliant accessibility.

LPMC will run newspaper ads and internet advertisements at least annually or as needed to assure the property identifies the availability of the accessible units.

Applicant Decision Appeals Process

Applicants who are denied for failure to meet the criteria set forth in the tenant selection (attachment 1) plan are eligible to file an appeal via the management agent's appeals process.

- **For credit based denials:**
 - Applicant must furnish management agent with a written statement of appeal accompanied by a copy of the applicant's credit report.
- **For criminal record based denials:**

- Applicant must furnish management agent with a written statement of appeal accompanied by a copy of the applicant's criminal record (if applicable) for review.

All appeals are heard and/or reviewed by the Director of Property Management. In some cases, the Director of Property Management will chair an appeals committee in which a 3 part review will occur. The Appeals Committee may request for a phone review with the applicant in order to make a final determination regarding applicant eligibility.

Statement of Non-Discriminatory Practices

Landmark Property Management Company, with its mission to provide affordable housing to those in need of it, does so under The Fair Housing Act (Title VIII of the Civil Rights Act of 1968) which introduced meaningful federal enforcement mechanisms as it pertains to the process by which rental housing is provided. As such, Landmark Property Management and its communities abide by the following and will under no circumstances:

- Refuse to sell or rent a dwelling to any person because of race, color, religion, sex, handicap status, familial status or national origin.
 - Discriminate against any said person based on race, color, religion or national origin in the terms, conditions or privilege of the sale or rental of a dwelling.
 - Advertise the sale or rental of a dwelling indicating preference of discrimination based on race, color, religion or national origin.
- Coerce, threaten, intimidate, or interfere with a person's enjoyment or exercise of housing rights based on discriminatory reasons or retaliate against a person or organization that aids or encourages the exercise or enjoyment of fair housing rights.