

## 2021 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 Virginia Housing's point system of ranking applications, and may assist Virginia Housing in its determination of the appropriate amount of credits that may be reserved for the development.

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

NOTE:

Will scan units pre- + post - construction





A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 10/18/2021

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: Angel L. Jones  
 Chief Executive Officer's Title: City Manager Phone: (757) 393-8641  
 Street Address: 801 Crawford Street  
 City: Portsmouth State: VA Zip: 23705

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

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

Chief Executive Officer's Name: N/A  
 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: N/A

**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:

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)

**Skip to Number 4 below.**

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

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2021.

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, 2021, 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 2021 credits pursuant to Section 42(h)(1)(E).

**3. Select Building Allocation type:**

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

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

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

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

Name of companion development:

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

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?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

% of units in 4% Tax Exempt Allocation Request:

**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:**

**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: Virginia Housing 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 Virginia Housing 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: MHV Preservation Partners LP

Developer Name: NHT Communities

Contact: M/M ▶ Mr. First: Kevin MI: B.W. Last: White

Address: 1101 30th Street NW #100a

City: Washington St. ▶ DC Zip: 20007

Phone: (202) 333-8931 Ext. 136 Fax: (202) 833-1031

Email address: kwhite@nhtinc.org

Federal I.D. No. 84-2249960 (If not available, obtain prior to Carryover Allocation.)

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

Additional Contact: Please Provide Name, Email and Phone number.  
Carrie Fischer, cfischer@nhtinc.org, (202) 333-8931 ext. 149

- 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
MHV Preservation GP LLC	(202) 333-8931	Managing Member	100.000%
NHT Communities	(202) 333-8931	100% MM	100.000%
Priya Jayachandran	(202) 333-8931	President of NHTC	0.000%
			0.000%
			0.000%
			0.000%
			0.000%

*needs*

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 Virginia Housing 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 Virginia Housing 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 Virginia Housing 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:  Purchase Contract  
 Expiration Date: 3/31/2022

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 Virginia Housing. 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..... 3/31/2022 .
- 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: Mt. Hermon Village LLC

Address: 1101 30th Street NW # 100a

City: Washington St.: DC Zip: 20007

Contact Person: Kevin B.W. White Phone: (202) 333-8931

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

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Tapestry Development Group, Inc.	(404) 997-6788	Member	52.00%
Jonathan R. Toppen	(404) 997-6788	President of Tapestry Develop	0.00%
NHT Communities	(202) 333-8913	Managing Member	48.00%
Priya Jayachandran	#####	President of NHTC	0.00%
			0.00%
			0.00%
			0.00%

*needs ownership %*

*needs ownership %*



**E. DEVELOPMENT TEAM INFORMATION**

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

- |                          |                                                       |                           |                |
|--------------------------|-------------------------------------------------------|---------------------------|----------------|
| 1. Tax Attorney:         | Michael W. Graff                                      | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               | McGuire Woods                                         |                           |                |
| Address:                 | 1750 Tysons Blvd., Suite 1800, Tysons, VA 22102       |                           |                |
| Email:                   | mgraff@mcguirewoods.com                               | Phone:                    | (703) 712-5110 |
|                          |                                                       |                           |                |
| 2. Tax Accountant:       | Michelle D'Souza                                      | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               | Cohn Reznick                                          |                           |                |
| Address:                 | 7501 Wisconsin Ave #400e, Bethesda, MD 20814          |                           |                |
| Email:                   | michelle.dsouza@cohnreznick.com                       | Phone:                    | (301) 280-3760 |
|                          |                                                       |                           |                |
| 3. Consultant:           |                                                       | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               |                                                       | Role:                     |                |
| Address:                 |                                                       |                           |                |
| Email:                   |                                                       | Phone:                    |                |
|                          |                                                       |                           |                |
| 4. Management Entity:    | Pat Bessette                                          | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               | Quantum Real Estate Management, LLC                   |                           |                |
| Address:                 | 5101 River Road Suite 101, Bethesda, MD 20816         |                           |                |
| Email:                   | pbessette@qpmgmt.com                                  | Phone:                    | (301) 941-8040 |
|                          |                                                       |                           |                |
| 5. Contractor:           | Donald P. Adams                                       | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               | VIRTEXCO Corporation                                  |                           |                |
| Address:                 | 977 Norfolk Square, Norfolk, VA 23502                 |                           |                |
| Email:                   | dadams@virtexco.com                                   | Phone:                    | (757) 466-1114 |
|                          |                                                       |                           |                |
| 6. Architect:            | Tom Retnauer                                          | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               | Retnauer Baynes Architects                            |                           |                |
| Address:                 | 432 S. Battlefield Blvd., Chesapeake, VA 23322        |                           |                |
| Email:                   | tom@rbapc.com                                         | Phone:                    | (757) 546-2471 |
|                          |                                                       |                           |                |
| 7. Real Estate Attorney: | Scott E. Fireison                                     | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               | Troutman Pepper Hamilton Sanders LLP                  |                           |                |
| Address:                 | 2000 K Street, NW, Suite 600, Washington, DC 20006    |                           |                |
| Email:                   | scott.fireison@troutman.com                           | Phone:                    | (202) 220-1465 |
|                          |                                                       |                           |                |
| 8. Mortgage Banker:      | Tony Love Bellwether Enterprise                       | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               | Bellwether Enterprise                                 |                           |                |
| Address:                 | 1375 East 9th Street, 24th Floor, Cleveland, OH 44114 |                           |                |
| Email:                   | tlove@bwecap.com                                      | Phone:                    | (216) 487-2931 |
|                          |                                                       |                           |                |
| 9. Other:                |                                                       | This is a Related Entity. | <u>FALSE</u>   |
| Firm Name:               |                                                       | Role:                     |                |
| Address:                 |                                                       |                           |                |
| Email:                   |                                                       | Phone:                    |                |

**F. REHAB INFORMATION**

**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development..... **TRUE**
- b. 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..... **TRUE**

**Action:** (If True, provide required form in **TAB Q**)

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

**2. Ten-Year Rule For Acquisition Credits**

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

- d. There are different circumstances for different buildings..... **FALSE**

**Action:** (If True, provide an explanation for each building in Tab K)



**F. REHAB INFORMATION**

**3. Rehabilitation Credit Information**

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

**4. Request For Exception**

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

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

**G. NONPROFIT INVOLVEMENT**

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

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

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

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

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

**A. Nonprofit Involvement (All Applicants)**

There is nonprofit involvement in this development..... TRUE (If false, go on to #3.)

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

**B. Type of involvement:**

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

**or**

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

**C. Identity of Nonprofit (All nonprofit applicants):**

The nonprofit organization involved in this development is: ▶ Applicant

Name: NHT Communities (Please fit NP name within available space)

Contact Person: Kevin B.W. White

Street Address: 1101 30th Street NW #100a

City: Washington State: ▶ DC Zip: 00002-0007

Phone: (202) 333-8931 Extension: 136 Contact Email: kwhite@nhtinc.org

**G. NONPROFIT INVOLVEMENT**

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

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

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

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

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

**Name of qualified nonprofit:** NHT Communities

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

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

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

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

**H. STRUCTURE AND UNITS INFORMATION**

**1. General Information**

a. Total number of <b>all</b> units in development	91	bedrooms	94
Total number of <b>rental</b> units in development	90	bedrooms	92
Number of low-income rental units	90	bedrooms	92
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	90	bedrooms	92
c. If any, indicate number of planned exempt units (included in total of all units in development).....			1
d. Total Floor Area For The Entire Development.....			69,189.54 <small>(Sq. ft.)</small>
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			0.00 <small>(Sq. ft.)</small>
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			4,795.72
g. Total Usable Residential Heated Area.....			64,393.82 <small>(Sq. ft.)</small>
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....			0.00%
i. Exact area of site in acres .....	10630.000		
j. Locality has approved a final site plan or plan of development.....			FALSE
If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. <b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> )			
l. Development is eligible for Historic Rehab credits.....			FALSE

**Definition:**

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





**H. STRUCTURE AND UNITS INFORMATION**

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).	<u>FALSE</u>
If true, # of Elevators.	<u>0</u>
Elevator Type (if known)	<u></u>

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

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

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

l. Describe Community Facilities: Community room includes kitchen, restrooms, common area and laundry

m. Number of Proposed Parking Spaces.....	<u>96</u>
Parking is shared with another entity .....	<u>FALSE</u>

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing public bus stop. .... TRUE

If **True**, Provide required documentation (**TAB K3**).

**H. STRUCTURE AND UNITS INFORMATION**

**5. Plans and Specifications**

- a. **Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
  - i. A location map with development clearly defined.
  - ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
  - iii. Sketch plans of all building(s) reflecting overall dimensions of:
    - a. Typical floor plan(s) showing apartment types and placement
    - b. Ground floor plan(s) showing common areas
    - c. Sketch floor plan(s) of typical dwelling unit(s)
    - d. Typical wall section(s) showing footing, foundation, wall and floor structure
 Notes must indicate basic materials in structure, floor and exterior finish.
  
- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
  - i. Phase I environmental assessment.
  - ii. Physical needs assessment for any rehab only development.

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

**6. Market Study Data:**

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

Project Wide Capture Rate - LIHTC Units	6.40%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	6.40%
Project Wide Absorption Period (Months)	4

**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.                                                                                                                 |
| 83.70% | 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).                                                                                                          |
| TRUE   | d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.                                                                                                  |
| FALSE  | e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.                                                                                      |
| FALSE  | f. Free WiFi access will be provided in community room for resident only usage.                                                                                                            |
| FALSE  | g. Each unit is provided free individual high speed internet access.                                                                                                                       |
| or     |                                                                                                                                                                                            |
| 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     |                                                                                                                                                                                            |
| FALSE  | 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.                                                                                                                   |
| FALSE  | r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.                                                                                           |
| FALSE  | s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.                              |

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



J. ENHANCEMENTS

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

2. Green Certification

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

The applicant will also obtain one of the following:

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

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

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

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


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

- TRUE a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.
- 9 b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:

10% of Total Rental Units

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

If not, please explain:



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 Gas Forced Air
- b. Cooking Type Electric
- c. AC Type Central Air
- d. Hot Water Type Gas

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	36	53	0	0
Air Conditioning	0	0	0	0	0
Cooking	0	0	0	0	0
Lighting	0	55	93	0	0
Hot Water	0	0	0	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	\$91	\$146	\$0	\$0

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

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

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

**K. SPECIAL HOUSING NEEDS**

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

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

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

**TRUE**

a. Any development in which (i) the greater of 5 units or 10% of units will be assisted by HUD project-based vouchers (as evidenced by the submission of a letter satisfactory to the Authority from an authorized public housing authority (PHA) that the development meets all prerequisites for such assistance), or another form of documented and binding federal project-based rent subsidies in order to ensure occupancy by extremely low-income persons. Locality project based rental subsidy meets the definition of state project based rental subsidy;

(ii) will conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.

(iii) above must include roll-in showers, roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

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

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

(60 points)

**FALSE**

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

**FALSE**

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

**For items a,b or c, all common space must also conform to HUD regulations interpreting the accessibility 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**

**3. Target Population Leasing Preference**

Unless prohibited by an applicable federal subsidy program, each applicant shall commit to provide a leasing preference to individuals (i) in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth, (ii) having a voucher or other binding commitment for rental assistance from the Commonwealth, and (iii) referred to the development by a referring agent approved by the Authority. The leasing preference shall not be applied to more than ten percent (10%) of the units in the development at any given time. The applicant may not impose tenant selection criteria or leasing terms with respect to individuals receiving this preference that are more restrictive than the applicant’s tenant selection criteria or leasing terms applicable to prospective tenants in the development that do not receive this preference, the eligibility criteria for the rental assistance from the Commonwealth, or any eligibility criteria contained in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.

**Primary Contact for Target Population leasing preference.** The agency will contact as needed.

First Name:

Last Name:

Phone Number:

Email:

**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

\*Administering Organization:

**FALSE** State Assistance

\*Administering Organization:

**FALSE** Other:



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..... TRUE

(If True, Virginia Housing 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: No

Organization which holds waiting list:

Contact person:

Title:

Phone Number:

Action: Provide required notification documentation (TAB L)

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

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

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

K. SPECIAL HOUSING NEEDS

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

TRUE

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

0

d. Number of units receiving assistance:

90

How many years in rental assistance contract?

18.00

Expiration date of contract:

5/1/2039

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:** Warning: Greater than 50% of units does not increase bonus points.

Income Levels			Avg Inc.	Rent Levels			Avg Inc.
# of Units	% of Units			# of Units	% of Units		
0	0.00%	20% Area Median		0	0.00%	20% Area Median	
0	0.00%	30% Area Median		0	0.00%	30% Area Median	
0	0.00%	40% Area Median		0	0.00%	40% Area Median	
90	100.00%	50% Area Median		90	100.00%	50% Area Median	
0	0.00%	60% Area Median		0	0.00%	60% Area Median	
0	0.00%	70% Area Median		0	0.00%	70% Area Median	
0	0.00%	80% Area Median		0	0.00%	80% Area Median	
0	0.00%	Market Units		0	0.00%	Market Units	
90	100.00%	<b>Total</b>		90	100.00%	<b>Total</b>	

- 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	50% AMI	88	8	642.67	\$1,024.00	\$90,112
Mix 2	2 BR - 1 Bath	50% AMI	2	1	729.95	\$1,225.00	\$2,450
Mix 3							\$0
Mix 4							\$0
Mix 5							\$0
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0

**L. UNIT DETAILS**

Mix 17									\$0
Mix 18									\$0
Mix 19									\$0
Mix 20									\$0
Mix 21									\$0
Mix 22									\$0
Mix 23									\$0
Mix 24									\$0
Mix 25									\$0
Mix 26									\$0
Mix 27									\$0
Mix 28									\$0
Mix 29									\$0
Mix 30									\$0
Mix 31									\$0
Mix 32									\$0
Mix 33									\$0
Mix 34									\$0
Mix 35									\$0
Mix 36									\$0
Mix 37									\$0
Mix 38									\$0
Mix 39									\$0
Mix 40									\$0
Mix 41									\$0
Mix 42									\$0
Mix 43									\$0
Mix 44									\$0
Mix 45									\$0
Mix 46									\$0
Mix 47									\$0
Mix 48									\$0
Mix 49									\$0
Mix 50									\$0
Mix 51									\$0
Mix 52									\$0
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
Mix 73									\$0



**L. UNIT DETAILS**

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
<b>TOTALS</b>			90	9				\$92,562

<b>Total Units</b>	<b>90</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>58,014.86</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>58,014.86</b>

<b>Floor Space Fraction (to 7 decimals)</b>	<b>100.00000%</b>
---------------------------------------------	-------------------

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$2,180
2. Office Salaries			\$29,990
3. Office Supplies			\$12,760
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$51,238
<u>4.85%</u> of EGI	<u>\$569.31</u>	Per Unit	
6. Manager Salaries			\$44,990
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$1,200
9. Auditing			\$10,450
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$6,510
12. Tax Credit Monitoring Fee			\$3,150
13. Miscellaneous Administrative			\$11,510
<b>Total Administrative</b>			<b>\$173,978</b>

**Utilities**

14. Fuel Oil			\$0
15. Electricity			\$11,987
16. Water			\$42,739
17. Gas			\$7,663
18. Sewer			\$0
<b>Total Utility</b>			<b>\$62,389</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$6,000
21. Janitor/Cleaning Contract			\$7,200
22. Exterminating			\$4,350
23. Trash Removal			\$20,508
24. Security Payroll/Contract			\$12,000
25. Grounds Payroll			\$0
26. Grounds Supplies			\$750
27. Grounds Contract			\$35,004
28. Maintenance/Repairs Payroll			\$71,270
29. Repairs/Material			\$12,100
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$2,500
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$3,720
36. Decorating Supplies			\$1,675
37. Miscellaneous			\$8,278
<b>Totals Operating &amp; Maintenance</b>			<b>\$185,355</b>

**M. OPERATING EXPENSES**

**Taxes & Insurance**

38. Real Estate Taxes	\$75,159
39. Payroll Taxes	\$16,652
40. Miscellaneous Taxes/Licenses/Permits	\$4,000
41. Property & Liability Insurance	\$98,288
42. Fidelity Bond	\$0
43. Workman's Compensation	\$2,943
44. Health Insurance & Employee Benefits	\$39,779
45. Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$236,821</b>

<b>Total Operating Expense</b>	<b>\$658,543</b>
--------------------------------	------------------

<b>Total Operating Expenses Per Unit</b>	<b>\$7,317</b>	<b>C. Total Operating Expenses as % of EGI</b>	<b>62.33%</b>
------------------------------------------	----------------	------------------------------------------------	---------------

<b>Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)</b>	<b>\$27,000</b>
-----------------------------------------------------------------------------------------	-----------------

<b>Total Expenses</b>	<b>\$685,543</b>
-----------------------	------------------

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

**N. PROJECT SCHEDULE**

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract	12/10/2020	James Englehardt
b. Site Acquisition	2/15/2022	Carrie Fischer
c. Zoning Approval	2/10/2021	Don Adams/Vertexico
d. Site Plan Approval	N/A	N/A
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
i. Loan Application	7/1/2021	Stacey French - BWE
ii. Conditional Commitment	N/A	N/A
iii. Firm Commitment	10/31/2021	Stacey French - BWE
<b>b. Permanent Loan - First Lien</b>		
i. Loan Application	7/1/2021	Stacey French - BWE
ii. Conditional Commitment	N/A	N/A
iii. Firm Commitment	10/31/2021	Stacey French-BWE
<b>c. Permanent Loan-Second Lien</b>		
i. Loan Application	N/A	
ii. Conditional Commitment	N/A	
iii. Firm Commitment	N/A	
<b>d. Other Loans &amp; Grants</b>		
i. Type & Source, List	N/A	
ii. Application	N/A	
iii. Award/Commitment	N/A	
<b>2. Formation of Owner</b>	2/14/2019	James Englehardt
<b>3. IRS Approval of Nonprofit Status</b>	11/3/2003	NHTC
<b>4. Closing and Transfer of Property to Owner</b>	2/15/2022	Carrie Fischer
<b>5. Plans and Specifications, Working Drawings</b>	5/11/2021	Chris Crowder
<b>6. Building Permit Issued by Local Government</b>	12/31/2021	Don Adams/Vertexico
<b>7. Start Construction</b>	2/25/2022	Don Adams/Vertexico
<b>8. Begin Lease-up</b>	1/1/2023	Property Manager
<b>9. Complete Construction</b>	3/2/2023	Don Adams/Virtexico
<b>10. Complete Lease-Up</b>	5/15/2023	Property Manager
<b>11. Credit Placed in Service Date</b>	3/2/2023	Carrie Fischer

**O. PROJECT BUDGET - HARD COSTS**

**Cost/Basis/Maximum Allowable Credit**

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	3,817,735	0	3,817,735	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
<b>Total Structure</b>	3,817,735	0	3,817,735	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	132,494	0	132,494	0
i. Site Improvements	100,000	0	100,000	0
j. Lawns & Planting	14,168	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	20,478	0	0	0
n. Demolition	145,245	0	145,245	0
o. Site Work	0	0	0	0
p. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	412,385	0	377,739	0
<b>Total Structure and Land</b>	4,230,120	0	4,195,474	0
q. General Requirements	253,807	0	253,807	0
r. Builder's Overhead ( 2.0% Contract)	84,602	0	84,602	0
s. Builder's Profit ( 6.0% Contract)	253,807	0	253,807	0
t. Bonds	36,876	0	36,876	0
u. Building Permits	6,924	0	6,924	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: <u>Cost Certification</u>	5,000	0	5,000	0
y. Other 2: <u>As-Built Drawings</u>	500	0	500	0
z. Other 3: <u>Builder's Risk</u>	10,787	0	10,787	0
<b>Contractor Costs</b>	<b>\$4,882,423</b>	<b>\$0</b>	<b>\$4,847,777</b>	<b>\$0</b>

**O. PROJECT BUDGET - OWNER COSTS****MUST USE WHOLE NUMBERS ONLY!**

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>2. Owner Costs</b>				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$1,386 /Unit)	124,735	0	124,735	0
c. Architecture Supervision Fee \$594 /Unit)	53,475	0	53,475	0
d. Tap Fees	0	0	0	0
e. Environmental	12,100	0	12,100	0
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	11,350	0	11,350	0
i. Market Study	0	0	0	0
j. Site Engineering / Survey	19,635	0	19,635	0
k. Construction/Development Mgt	80,000	0	80,000	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	8,500	0	8,500	0
n. Construction Interest ( 6.3% for 12 months)	475,000	0	90,000	0
o. Taxes During Construction	75,000	0	60,000	0
p. Insurance During Construction	177,693	0	177,693	0
q. Permanent Loan Fee ( 0.0% )	203,522	0	0	0
r. Other Permanent Loan Fees	45,775	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	40,000	0	0	0
v. Title and Recording	66,650	0	54,653	0
w. Legal Fees for Closing	195,000	0	60,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	43,581			
z. Tenant Relocation	129,090	0	0	0
aa. Fixtures, Furnitures and Equipment	7,450	0	0	0
ab. Organization Costs	7,000	0		0
ac. Operating Reserve	492,812	0	0	0
ad. Contingency	569,632	0	569,632	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0



**O. PROJECT BUDGET - OWNER COSTS**

(1) Other* specify: PNA	5,230		5,230	0
(2) Other* specify: HUD Working Capital Reser	129,682	0	0	0
(3) Other* specify: Marketing	5,000	0	0	0
(4) Other* specify: Bond Issuance Fees	249,000	0	0	0
(5) Other* specify: Lender Const. Inspections	40,000	0	40,000	0
(6) Other* specify: Permit Management	50,000	0	50,000	0
(7) Other* specify: Preconstruction Services	369,954	0	369,954	0
(8) Other* specify:		0		0
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
<b>Owner Costs Subtotal (Sum 2A..2(10))</b>	<b>\$3,686,866</b>	<b>\$0</b>	<b>\$1,786,957</b>	<b>\$0</b>
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	<b>\$8,569,289</b>	<b>\$0</b>	<b>\$6,634,734</b>	<b>\$0</b>
<b>3. Developer's Fees</b>	<b>1,573,003</b>	<b>157,300</b>	<b>1,415,700</b>	<b>0</b>
<b>Action:</b> Provide Developer Fee Agreement (Tab A)				
<b>4. Owner's Acquisition Costs</b>				
Land	1,033,200			
Existing Improvements	4,706,800	4,706,800		
Subtotal 4:	\$5,740,000	\$4,706,800		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	\$15,882,292	\$4,864,100	\$8,050,434	\$0

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

**Maximum Developer Fee:**

**\$1,574,743**

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

\$147 **Meets Limits**  
\$176

**2021 Low-Income Housing Tax Credit Application For Reservation**

**P. ELIGIBLE BASIS CALCULATION**

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
<b>1. Total Development Costs</b>	15,882,292	4,864,100	8,050,434	0
<b>2. Reductions in Eligible Basis</b>				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	0
<b>3. Total Eligible Basis (1 - 2 above)</b>		4,864,100	8,050,434	0
<b>4. Adjustment(s) to Eligible Basis</b> (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			2,415,130	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
<b>Total Adjusted Eligible basis</b>			10,465,564	0
<b>5. Applicable Fraction</b>		100.00000%	100.00000%	100.00000%
<b>6. Total Qualified Basis</b> (Eligible Basis x Applicable Fraction)		4,864,100	10,465,564	0
<b>7. Applicable Percentage</b> <i>(Beginning in 2021, All Tax Exempt requests should use the standard 4% rate and all 9% requests should use the standard 9% rate.)</i>		4.00%	4.00%	4.00%
<b>8. Maximum Allowable Credit under IRC §42</b> (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$194,564	\$418,623	\$0
			\$613,187 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. Tax Exempt Bonds	09/23/20	11/19/20	\$7,400,000	Philip Page
2.				
3.				
Total Construction Funding:			\$7,400,000	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. FHA 221(d)(4)			\$6,500,000	\$302,165	3.50%	40.00	40.00
2. Seller Note			\$2,440,000				
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$8,940,000	\$302,165			

**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.			
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$0

**5. Recap of Federal, State, and Local Funds**

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$8,000,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$0
g.	HOME Funds	\$0
h.	Other:	\$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)	\$6,500,000
e.	Section 236	\$0
f.	Section 223(f)	\$0
g.	Other:	\$0

Grants\*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

**Q. SOURCES OF FUNDS**

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

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **57.36%**

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

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

TEB to be cash collateralized

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

a. **FALSE** Real Estate Tax Abatement on the increase in the value of the development.

b. **FALSE** **New** project based subsidy from HUD or Rural Development for the greater of 5 or 10% of the units in the development.

c. **FALSE** Other

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

**R. EQUITY**

**1. Equity**

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit				
Amount of Federal historic credits	\$0	x Equity \$	\$0.000	= <span style="border: 1px solid black; padding: 2px;">\$0</span>
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	= <span style="border: 1px solid black; padding: 2px;">\$0</span>
b. Equity that Sponsor will Fund:				
i. Cash Investment	\$431,385			
ii. Contributed Land/Building				
iii. Deferred Developer Fee	\$478,154	(Note: Deferred Developer Fee cannot be negative.)		
iv. Other: <u>Income during construction</u>	\$497,248			
<b>ACTION:</b> If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at <b>TAB A.</b>				
<b>Equity Total</b>	<u>\$1,406,787</u>			

**2. Equity Gap Calculation**

a. Total Development Cost	\$15,882,292	
b. Total of Permanent Funding, Grants and Equity	-	<u>\$10,346,787</u>
c. Equity Gap		<span style="border: 1px solid black; padding: 2px;">\$5,535,505</span>
d. Developer Equity	-	<u>\$5,535</u>
e. Equity gap to be funded with low-income tax credit proceeds		\$5,529,970

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

a. Actual or Anticipated Name of Syndicator:	NAHT		
Contact Person:	Brian Robinson	Phone:	(614) 917-2868
Street Address:	2245 North Bank Drive, Suite 200		
City:	Columbus	State:	43220
b. Syndication Equity			
i. Anticipated Annual Credits		\$608,297.00	
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)		\$0.910	
iii. Percent of ownership entity (e.g., 99% or 99.9%)		99.90000%	
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)		\$0	
v. Net credit amount anticipated by user of credits		\$607,689	
vi. Total to be paid by anticipated users of credit (e.g., limited partners)		<span style="border: 1px solid black; padding: 2px;">\$5,529,970</span>	
c. Syndication:	Private		
d. Investors:	Corporate		

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs	<u>\$5,529,970</u>
-------------------------------------------------------	--------------------

**5. Net Equity Factor**

Must be equal to or greater than 85%	<u>91.0000461207%</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 Virginia Housing to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, Virginia Housing at all times retains the right to substitute such information and assumptions as are determined by Virginia Housing 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 Virginia Housing for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$15,882,292</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$10,346,787</u>
3. Equals Equity Gap		<u>\$5,535,505</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>91.0000461207%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$6,082,970</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$608,297</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$613,187</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$608,297</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$6,758.8556</u>	
Credit per LI Bedroom	<u>\$6,611.9239</u>	
	<b>Combined 30% &amp; 70% PV Credit Requested</b>	<b><u>\$608,297</u></b>

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

**T. CASH FLOW**

**1. Revenue**

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

Total Monthly Rental Income for LIHTC Units	\$92,562
Plus Other Income Source (list): <u>Laundry</u>	<u>\$117</u>
Equals Total Monthly Income:	<u>\$92,679</u>
Twelve Months	x12
Equals Annual Gross Potential Income	<u>\$1,112,148</u>
Less Vacancy Allowance <u>5.0%</u>	<u>\$55,607</u>
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>	<b><u>\$1,056,541</u></b>

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

Total Monthly Income for Market Rate Units:	\$0
Plus Other Income Source (list): <u></u>	<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>
<b>Equals Annual Effective Gross Income (EGI) - Market Rate Units</b>	<b><u>\$0</u></b>

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

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

a. Annual EGI Low-Income Units	\$1,056,541
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,056,541
d. Total Expenses	\$685,543
e. Net Operating Income	\$370,998
f. Total Annual Debt Service	\$302,165
g. Cash Flow Available for Distribution	\$68,833

**T. CASH FLOW****4. Projections for Financial Feasibility - 15 Year Projections of Cash Flow**

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
<b>Eff. Gross Income</b>	1,056,541	1,077,671	1,099,225	1,121,209	1,143,634
<b>Less Oper. Expenses</b>	685,543	706,109	727,293	749,111	771,585
<b>Net Income</b>	370,998	371,562	371,932	372,098	372,049
<b>Less Debt Service</b>	302,165	302,165	302,165	302,165	302,165
<b>Cash Flow</b>	68,833	69,397	69,767	69,933	69,884
<b>Debt Coverage Ratio</b>	1.23	1.23	1.23	1.23	1.23

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Eff. Gross Income</b>	1,166,506	1,189,836	1,213,633	1,237,906	1,262,664
<b>Less Oper. Expenses</b>	794,732	818,574	843,131	868,425	894,478
<b>Net Income</b>	371,774	371,262	370,502	369,480	368,186
<b>Less Debt Service</b>	302,165	302,165	302,165	302,165	302,165
<b>Cash Flow</b>	69,609	69,097	68,337	67,315	66,021
<b>Debt Coverage Ratio</b>	1.23	1.23	1.23	1.22	1.22

	Year 11	Year 12	Year 13	Year 14	Year 15
<b>Eff. Gross Income</b>	1,287,917	1,313,675	1,339,949	1,366,748	1,394,083
<b>Less Oper. Expenses</b>	921,312	948,952	977,420	1,006,743	1,036,945
<b>Net Income</b>	366,605	364,724	362,529	360,005	357,138
<b>Less Debt Service</b>	302,165	302,165	302,165	302,165	302,165
<b>Cash Flow</b>	64,440	62,559	60,364	57,840	54,973
<b>Debt Coverage Ratio</b>	1.21	1.21	1.20	1.19	1.18

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



**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 Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing'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 Virginia Housing 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 Virginia Housing 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 Virginia Housing 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 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, Virginia Housing 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 Virginia Housing 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 Virginia Housing at its sole discretion.

**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 Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing'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 Virginia Housing 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 Virginia Housing 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 Virginia Housing 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 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, Virginia Housing 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 Virginia Housing 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 Virginia Housing at its sole discretion.

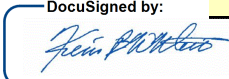
**2021 Low-Income Housing Tax Credit Application For Reservation**

**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 Virginia Housing 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 Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, 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: MHV Preservation Partners LP

DocuSigned by: 

By: Kevin P. McLean

Its: Manager (Title)





**V. STATEMENT OF ARCHITECT**

The architect signing this document is certifying that the development plans and specifications incorporate all Virginia Housing 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:	Thomas Retnauer
Virginia License#:	0407005548
Architecture Firm or Company:	Retnauer Baynes Associates, LLC

By:   
Its:   
(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 Virginia Housing'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. Virginia Housing reserves the right to change application data and/or score sheet responses where appropriate, which may change the final score.

**MANDATORY ITEMS:**

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

**1. READINESS:**

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 or 40	0.00
d. Location in a revitalization area based on Qualified Census Tract	Y	0 or 10	10.00
e. Location in a revitalization area with resolution	N	0 or 15	0.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
<b>Total:</b>			<b>10.00</b>

**2. HOUSING NEEDS CHARACTERISTICS:**

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

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			46.68
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	N	0 or 10	0.00
g. Units constructed to meet Virginia Housing's Universal Design standards	10%	Up to 15	0.00
h. Developments with less than 100 units	Y	up to 20	4.00
i. Historic Structure	N	0 or 5	0.00
Total:			<u>120.68</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$82,500	\$62,300

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 Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 15	0.00
c.	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units with rent and income at or below 50% of AMI	100.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	100.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	100.00%	Up to 50	0.00
Total:			<u>50.00</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 Virginia Housing	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	74.91
b. Cost per unit		Up to 100	6.15
Total:			<u>81.06</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:** **371.74**

**Enhancements:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	24.68
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00
e. Infrastructure for high speed internet/broadband	1	0.00
f. Free WiFi Access in community room	4	0.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	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	0.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. Shelf or Ledge at entrance within interior hallway	2	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>45.68</u>
All elderly units have:		
t. Front-control ranges	1	1.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>1.00</u>
<b>Total amenities:</b>		<b><u>46.68</u></b>

X. Development Summary

Summary Information 2021 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Mt. Hermon Village

Cycle Type: 4% Tax Exempt Bonds Credits Requested Credit Amount: \$608,297  
 Allocation Type: N/A Jurisdiction: Portsmouth City  
 Total Units: 90 Population Target: Elderly  
 Total LI Units: 90  
 Project Gross Sq Ft: 69,189.54 Owner Contact: Kevin White  
 Green Certified? FALSE

**Total Score**  
371.74

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$8,940,000	\$99,333	\$129	\$302,165

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$4,230,120	\$47,001	\$61	26.63%
General Req/Overhead/Profit	\$592,216	\$6,580	\$9	3.73%
Other Contract Costs	\$60,087	\$668	\$1	0.38%
Owner Costs	\$3,686,866	\$40,965	\$53	23.21%
Acquisition	\$5,740,000	\$63,778	\$83	36.14%
Developer Fee	\$1,573,003	\$17,478	\$23	9.90%
<b>Total Uses</b>	<b>\$15,882,292</b>	<b>\$176,470</b>		

Total Development Costs	
Total Improvements	\$8,569,289
Land Acquisition	\$5,740,000
Developer Fee	\$1,573,003
<b>Total Development Costs</b>	<b>\$15,882,292</b>

Income		
Gross Potential Income - LI Units		\$1,112,148
Gross Potential Income - Mkt Units		\$0
Subtotal		\$1,112,148
Less Vacancy %	5.00%	\$55,607
<b>Effective Gross Income</b>		<b>\$1,056,541</b>

Proposed Cost Limit/Sq Ft: \$147  
 Applicable Cost Limit/Sq Ft: \$176

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	88
# of 2BR	2
# of 3BR	0
# of 4+ BR	0
<b>Total Units</b>	<b>90</b>

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$173,978	\$1,933
Utilities	\$62,389	\$693
Operating & Maintenance	\$185,355	\$2,060
Taxes & Insurance	\$236,821	\$2,631
<b>Total Operating Expenses</b>	<b>\$658,543</b>	<b>\$7,317</b>
Replacement Reserves	\$27,000	\$300
<b>Total Expenses</b>	<b>\$685,543</b>	<b>\$7,617</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	90	90
60% AMI	0	0
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$1,056,541
Total Expenses	\$685,543
<b>Net Income</b>	<b>\$370,998</b>
Debt Service	\$302,165
<b>Debt Coverage Ratio (YR1):</b>	<b>1.23</b>

Income Averaging? FALSE

Extended Use Restriction? 30

## 2021 Low-Income Housing Tax Credit Application For Reservation

---

Virginia Housing is running a BETA test of new EUR calculations that will be considered for implementation in 2022. These points are only a test and will not be used for scoring purposes in 2021. Please contact [taxcreditapps@virginiahousing.com](mailto:taxcreditapps@virginiahousing.com) with questions or comments.

### Credit Points:

If the Combined Max Allowable is \$500,000 and the annual credit requested is \$200,000, you are providing a 60% savings for the program. This deal would receive all 200 credit points.

For another example, the annual credit requested is \$300,000 or a 40% savings for the program. Using a sliding scale, the credit points would be calculated by the difference between your savings and the desired 60% savings. Your savings divided by the goal of 60% times the max points of 200. In this example,  $(40\%/60\%) \times 200$  or 133.33 points.

<b>Using Current E-U-R method (up to 200)</b>		74.91
<b>Using proposed method:</b>		
Combined Max	\$613,187	
Credit Requested	\$608,297	
% of Savings	0.80%	
Sliding Scale Points		2.67
<i>Difference</i>		-72.24

### Cost Points:

If the Applicable Cost by Square foot is \$238 and the deal's Proposed Cost by Square Foot was \$119, you are saving 50% of the applicable cost. This deal would receive all 100 credit points.

For another example, the Applicable Cost by SqFt is \$238 and the deal's Proposed Cost is \$153.04 or a savings of 35.70%. Using a sliding scale, your points would be calculated by the difference between your savings and the desired 50% savings. Your savings divided by the goal of 50% times the max points 100. In this example,  $(35.7\%/50\%) \times 100$  or 71.40 points.

<b>Using Current E-U-R method (up to 100)</b>		6.15
<b>Using proposed method:</b>		
Total Costs Less Acquisition	\$10,142,292	
Total Square Feet	69,189.54	
Proposed Cost per SqFt	\$146.59	
Applicable Cost Limit per Sq Ft	\$176.00	
% of Savings	16.71%	
Sliding Scale Points		33.42
<i>Difference</i>		27.27

\$/SF = **\$222.94** Credits/SF = **10.48519** Const \$/unit = **\$54,249.1444**

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

**12000**  
**500**  
**3**

\*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	0.00	0.00	0.00	642.67	729.95
NUMBER OF UNITS	0	0	0	0	0	88	2
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	152,109	206,869
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	152,109	206,869
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	152,109	206,869
PROJECT COST PER UNIT	0	0	0	0	0	143,280	162,739
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	10,734	14,599
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	10,734	14,599
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	10,734	14,599
PROJECT CREDIT PER UNIT	0	0	0	0	0	6,739	7,654
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	5.68	0.47
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	72.79	2.11

	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 **6.15**

TOTAL CREDIT PER UNIT POINTS **74.91**



**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	0	0	0	152,109	206,869
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>152,109</b>	<b>206,869</b>

**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	0	0	0	10,734	14,599
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,734</b>	<b>14,599</b>

**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	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(</b>

**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	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(</b>

**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	0	0	0	152,109	206,869
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>152,109</b>	<b>206,869</b>

**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	0	0	0	10,734	14,599
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,734</b>	<b>14,599</b>

**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	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(</b>

**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	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(</b>



t-TH  
)  
)  
)  
)  
)  
)

t-TH  
)  
)  
)  
)  
)  
)

t-TH  
)  
)  
)  
)  
)  
)

t-TH  
)  
)  
)  
)  
)  
)

\$/SF = **\$222.94** Credits/SF = **10.48519** Const \$/unit = **\$54,249.14**

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\*(10,000-35,000)=4

**12000**  
**500**  
**3**

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

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	642.67	729.95
NUMBER OF UNITS	0	0	0	0	0	88	2
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	152,109	206,869
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	152,109	206,869
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	152,109	206,869
PROJECT COST PER UNIT	0	0	0	0	0	143,280	162,739
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	10,734	14,599
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	10,734	14,599
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	10,734	14,599
PROJECT CREDIT PER UNIT	0	0	0	0	0	6,739	7,654
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	5.68	0.47
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	72.79	2.11

	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 **6.15**

TOTAL CREDIT PER UNIT POINTS **74.91**

**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	0	0	0	152,109	206,869
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>152,109</b>	<b>206,869</b>

**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	0	0	0	10,734	14,599
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,734</b>	<b>14,599</b>

**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
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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	0	0	0	152,109	206,869
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>152,109</b>	<b>206,869</b>

**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	0	0	0	10,734	14,599
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,734</b>	<b>14,599</b>

**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
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



t-TH  
)  
)  
)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

t-TH  
)  
)  
)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

t-TH  
)  
)  
)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

t-TH  
)  
)  
)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A

# Partnership or Operating Agreement

Including **chart of ownership structure with percentage of interests** and **draft developer fee agreement**  
(MANDATORY)



**MHV PRESERVATION PARTNERS LP**  
**AGREEMENT OF LIMITED PARTNERSHIP**  
**dated as of**  
**SEPTEMBER 1, 2020**

**AGREEMENT OF LIMITED PARTNERSHIP  
OF  
MHV PRESERVATION PARTNERS LP  
(a Virginia limited partnership)**

This AGREEMENT OF LIMITED PARTNERSHIP of MHV PRESERVATION PARTNERS LP is made as of the 1st day of September, 2020, by and among MHV PRESERVATION GP LLC, a Virginia limited liability company (“General Partner”), as general partner and the Party(ies) whose name(s) are set forth on Schedule A, attached hereto and incorporated by reference herein, as limited partner(s) (whether one or more than one, the “Limited Partners”), pursuant to the provisions of the Virginia Revised Uniform Limited Partnership Act (the “Act”), on the following terms and conditions:

**1. THE PARTNERSHIP**

a. Formation. The Partners hereby agree to form the Partnership as a limited partnership pursuant to the provisions of the Act and upon the terms and conditions set forth in this Agreement.

b. Name. The name of the Partnership shall be “MHV PRESERVATION PARTNERS LP” or such other name as General Partner may hereafter designate in writing to Limited Partners.

c. Purpose; Character of Partnership Business. The purpose of the Partnership is to foster low income housing and specifically, to redevelop, own and operate the Project (as hereinafter defined) and to take advantage of financing and investment funds which may be made available for the development of such Project as affordable and other residential property, with such commercial components as are appropriate. In furtherance of this purpose, the Partnership may acquire, hold, maintain, develop, own, operate, improve, lease, manage, sell, finance or transfer the Project, or portions thereof; and may engage in any other activities deemed by General Partner in its sole discretion to be incidental or related thereto.

d. Principal Place of Business. The principal place of business of the Partnership shall be maintained at 1101 30th Street, NW, Suite 100A, Washington, DC 20007. General Partner may from time to time change such office and the principal place of business and in such event General Partner shall notify Limited Partners prior to the effective date of such change.

e. Term. The term of the Partnership commenced on the date that the certificate of limited partnership (the “Certificate”) of the Partnership was filed with the State Corporation Commission of the Commonwealth of Virginia, in accordance with the Act and shall continue until the winding up and liquidation of the Partnership.

f. Filings.

- i. General Partner has caused the Certificate to be filed in the appropriate offices of the Commonwealth of Virginia in accordance with the provisions of the Act. General Partner shall take any and all other actions reasonably necessary to perfect and maintain the status of the Partnership as a limited partnership under the laws of the Commonwealth of Virginia or similar type of entity under the laws of any other states or jurisdictions in which the Partnership may engage in business. General Partner shall cause amendments to the Certificate to be filed whenever required by the Act. Such amendments may be executed by General Partner or by any person designated in the amendment as a new General Partner.
- ii. Upon dissolution, General Partner shall promptly execute and cause to be filed a certificate of dissolution in accordance with the Act and the laws of any other states or jurisdictions in which the Partnership engages in business.

**2. DEFINITIONS**

As used in this Agreement, the following terms shall have the following meanings:

- a. Agreement or Partnership Agreement means this Agreement of Limited Partnership, as amended from time to time.
- b. Capital Account means the bookkeeping account maintained for each Partner in accordance with Treasury Regulations issued under Section 704(b) of the Code.
- c. Capital Contribution means, with respect to any Partner, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Partnership by such Partner or attributable to a Partnership Interest transferred to such Partner (whether or not for consideration).
- d. Code means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).
- e. Depreciation means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Fiscal Year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period,

Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year or other period bears to such beginning adjusted tax basis. In the event that the federal income tax depreciation, amortization, or other cost recovery deduction is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method.

f. Fiscal Year means the twelve-month period ending December 31 in each year.

g. General Partner means any Person who (i) is referred to as general partner of the Partnership in the preamble of this Agreement or has become a general partner of the Partnership pursuant to the terms of this Agreement, and (ii) has not ceased to be a general partner of the Partnership pursuant to the terms of this Agreement.

h. Interest means, with respect to any Partner, such Partner's Interest in the capital of the Partnership, and Percentage Interest means such Interest expressed as a percentage of all Partners' Interests in the capital of the Partnership. Each Partner's initial Percentage Interest shall be as reflected on Schedule A attached hereto.

i. Limited Partner means any Person whose name is set forth on Schedule A hereto as a limited partner or any Person who has been admitted to the Partnership as an additional or substitute limited partner pursuant to the terms of this Agreement.

j. Majority in Interest means those Partners holding in the aggregate more than fifty percent (50%) of all of the Percentage Interests in the Partnership.

k. Net Cash Flow means, for each Fiscal Year, the Partnership's Profits (for this purpose any Losses shall be treated as negative Profits), adjusted as follows:

- i. Increased by the following:
  - (a) Any receipts which are not included in the computation of Profits (such as capital contributions, loan proceeds, and withdrawals from reserves).
  - (b) Any deductions not involving cash expenditures (such as depreciation, amortization and other cost recovery deductions).
- ii. Decreased by the following:

- (a) All expenditures which are not deducted in determining Profits (such as expenditures for capital improvements, asset acquisitions, and loan repayments).
- (b) Contributions to any reserve established by General Partner (the amount of which shall be in the sole discretion of General Partner) for anticipated working capital needs, improvements, reinvestments or any other purposes General Partner may determine is necessary or appropriate for the operation of the Partnership.

l. Partner means any General Partner or any Limited Partner, where no distinction is required by the context in which the term is used herein.

m. Partnership means the partnership continued pursuant to this Agreement and the partnership continuing the business of this Partnership in the event of dissolution as herein provided.

n. Partnership Property means all real and personal property acquired by the Partnership and any improvements thereto, and shall include both tangible and intangible property.

o. Person means any individual, partnership, corporation, trust, or other entity.

p. Project means a multifamily apartment complex, commonly known as Mount Hermon Elderly, and located in Portsmouth, Virginia.

q. Profits and Losses means, for each fiscal year or other period, an amount equal to the Partnership's taxable income or loss for such year or period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments:

- i. Income of the Partnership that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to such taxable income or loss.
- ii. Expenditures of the Partnership described in Section 705(a)(2)(b) of the Code or treated as such expenditures pursuant to Treasury Regulation §1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses shall be subtracted from such taxable income or loss.

iii. In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period.

r. Transfer means to sell, assign, transfer, gift, donate, pledge, bequeath, devise or otherwise dispose of or encumber to any Person other than the Partnership.

s. Treasury Regulations means the regulations promulgated under the Code, as such regulations may be amended from time to time (including temporary regulations and corresponding provisions of succeeding regulations).

### **3. CAPITAL CONTRIBUTIONS**

a. Contributions of Partners. Simultaneous with the execution hereof, each Partner shall make an initial contribution to the capital of the Partnership of cash or property in the amount and kind set forth next to that Partner's respective name on Schedule A attached hereto. The Partners shall not be required to make any additional capital contributions or advance any funds to the Partnership, except as expressly provided herein.

b. Limited Liability of Limited Partners. No Limited Partner shall be liable for the debts, liabilities, contracts, or any other obligations of the Partnership. Except as otherwise provided by applicable state law, a Limited Partner shall be liable only to make his Capital Contributions and shall not be required to lend any funds to the Partnership or, after his Capital Contributions have been paid, to make any additional Capital Contributions to the Partnership.

### **4. CAPITAL ACCOUNTS**

a. Maintenance of Capital Accounts. The Partnership shall maintain a Capital Account for each Partner in accordance with Treasury Regulations issued under Section 704(b) of the Code.

### **5. ALLOCATIONS**

a. Profits and Losses. Profits and losses of the Partnership shall be distributed in accordance with the Partners' Percentage Interest.

### **6. DISTRIBUTIONS**

a. Net Cash Flow. Except as otherwise provided in Section 6 hereof, Net Cash Flow, if any, shall be distributed once annually, or at such time as General Partner, in its sole discretion, shall determine and agree, in

accordance with the Partners' Percentage Interests. Any distribution made pursuant to this Section 6 shall be to all Partners in accordance with each Partner's Percentage Interest as it exists on the date of such distribution.

b. Special Distribution of Project Proceeds. It is foreseen by the Partners that after payment of all costs of development for the Project, including, without limitation, fees to third-party vendors and consultants, a portion of the funds from financing sources utilized by the Partnership for development may remain unexpended ("Remaining Proceeds"). The Partners agree that such funds should be distributed to General Partner, as compensation for their development services.

c. Distributions Upon Liquidation. Notwithstanding Section 6.a hereof, if all or substantially all of the assets of the Partnership are sold in connection with a liquidation of the Partnership, or if the Partnership is otherwise liquidated, the assets of the Partnership shall be distributed in the following order and priority:

- i. First, to payment of the debts and liabilities of the Partnership (other than those to Partners) in the order of priority provided by law, provided that General Partner shall first pay, to the extent permitted by law, liabilities with respect to which any Partner is or may be personally liable.
- ii. Second, to payment of the expenses of liquidation of the Partnership in the order of priority provided by law, provided that General Partner shall first pay, to the extent permitted by law, liabilities or debts owed to Partners.
- iii. Third, to the setting up of such reserves as General Partner may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership arising out of or in connection with its business, provided that any such reserve will be held by General Partner for the purposes of disbursing such reserves in payment of any of the aforementioned contingencies and at the expiration of such period as General Partner shall deem advisable (but in no case to exceed eighteen (18) months from the date of liquidation unless an extension of time is consented to by a Majority in Interest), to distribute the balance thereafter remaining in the manner hereinafter provided.
- iv. The balance of the proceeds, if any, to be distributed on or before the later of (i) the end of the taxable year during which such liquidation occurs or (ii) ninety (90) days after the date of such liquidation, in accordance with the positive

Capital Account balances of the Partners, as determined after taking into account all Capital Account adjustments required by Treasury Regulation §1.704-1(b) for the taxable year of the Partnership in which such liquidation occurs.

## 7. MANAGEMENT

a. Authority of General Partner. Subject to the limitations and restrictions set forth below and otherwise in this Agreement, General Partner shall have the exclusive right to manage and control the day-to-day operations, business and investments, and affairs of the Partnership, and shall have all of the rights and powers which may be possessed by a general partner under the Act, including, without limitation, the following right and power:

- i. To make final investment decisions of the Partnership;
- ii. To sell, finance or refinance the assets of the Partnership in pursuit of the Partnership's purpose as set forth in Section 1 of this Agreement and to exercise any rights or powers possessed by General Partner thereunder;
- iii. To purchase, hold for investment and dispose of, securities and to enter into agreements with other parties with respect to any investment activities, which agreements may contain such terms, conditions and provisions as General Partner shall approve;
- iv. To purchase from or through others contracts of liability, casualty and other insurance which General Partner deems advisable, appropriate or convenient for the protection of the Partnership Property or other assets or affairs of the Partnership or for any purpose convenient or beneficial to the Partnership;
- v. To acquire by purchase, lease, or otherwise any real or personal property which may, in the sole discretion of General Partner, be necessary, convenient, or incidental to the accomplishment of the purposes of the Partnership;
- vi. To invest the funds of the Partnership in any medium or form of investment whatsoever;
- vii. To pay with Partnership funds any and all fees and expenses incurred in the organization of the Partnership;



- viii. To appoint, employ, or contract with any person, General Partner may in its sole discretion deem necessary or desirable for the management of the Partnership, which persons may, under the supervision of General Partner: administer the day-to-day operations of the Partnership; act as consultants, accountants, correspondents, attorneys, brokers, escrow agents, or in any other capacity deemed by General Partner necessary or desirable; investigate, select and, on behalf of the Partnership, conduct relations with persons acting in such capacities and pay appropriate fees to, and enter into appropriate contracts with, or employ, or retain services performed or to be performed by any of the foregoing persons in connection with the Partnership Property acquired, sold, or otherwise disposed of; perform or assist in the performance of such administrative or managerial functions necessary in the management of the Partnership; and perform such other acts or services for the Partnership as General Partner, in its sole and absolute discretion, may approve; and
- ix. To execute and deliver such agreements, contracts, documents and instruments with such parties and to give such receipts, releases and discharges with respect to all of the foregoing and any matters incident thereto as General Partner may deem advisable, appropriate or convenient.

b. Right to Rely on General Partner. Any Person dealing with the Partnership may rely upon a certificate signed by General Partner as to any of the following:

- i. The identity of any Partner.
- ii. The existence or nonexistence of any fact or facts which constitute a condition precedent to acts by a General Partner or which are in any manner germane to the affairs of the Partnership.
- iii. The Persons who are authorized to execute and deliver any instrument or document of the Partnership.
- iv. Any act or failure to act by the Partnership or any other matter whatsoever involving the Partnership or any Partner.

c. Restrictions on Authority of General Partner.

- i. Without the consent of all of the Partners, no General Partner shall have the authority to do any of the following:

- (a) any act in contravention of this Agreement;
  - (b) confess a judgment against the Partnership;
  - (c) To knowingly perform any act that would subject any Limited Partner to liability as a general partner in any jurisdiction.
- ii. Without the consent of a Majority in Interest, no General Partner may have the authority to
  - (a) elect to dissolve the Partnership; or
  - (b) amend this Agreement in any manner other than as specifically permitted herein.
- d. Duties and Obligations of General Partner. General Partner shall take all actions which may be necessary or appropriate (a) for the continuation of the Partnership's valid existence as a limited partnership under the laws of the Commonwealth of Virginia (and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Limited Partners or to enable the Partnership to conduct the business in which it is engaged) and (b) for the acquisition, development, maintenance, preservation, and operation of Partnership Property in accordance with the provisions of this Agreement and applicable laws and regulations.
- e. Indemnification of General Partner. The Partnership, its receiver, or its trustee shall indemnify, save harmless, and pay all judgments and claims against any General Partner or any officers, members or directors of such General Partner relating to any liability or damage incurred by reason of any act performed or omitted to be performed by such General Partner, or officer or director of such General Partner in connection with the business of the Partnership, including attorney fees incurred by such General Partner, or officer or director of such General Partner in connection with the defense of any action based on any such act or omission, which attorney fees may be paid as incurred, including all such liabilities under federal and state securities laws (including the Securities Act of 1933, as amended) as permitted by law.

## **8. RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS**

- a. Voting Rights. Each Limited Partner shall have the right to vote on the matters explicitly set forth in this Agreement as requiring the vote or consent of Limited Partners.
- b. No Right to Participate in Business. Except as set forth in Section 8.a, no Limited Partner may participate in the management and

control of the business or affairs of the Partnership or to act to bind the Partnership in any way.

c. General Partner as Attorney-in-Fact. Each Limited Partner hereby makes, constitutes and appoints General Partner, with full power of substitution and re-substitution, its true and lawful attorney-in-fact for it and in its name, place, and stead and for its use and benefit, to sign, execute, certify, acknowledge, swear to, file, and record (a) this Agreement and all agreements, certificates, instruments, and other documents amending or changing this Agreement as now or hereafter amended which General Partner may deem necessary, desirable, or appropriate including, without limitation, amendments or changes to reflect (i) the exercise by General Partner of any power granted to it under this Agreement; (ii) any amendments adopted by the Partners in accordance with the terms of this Agreement; (iii) the admission of any substituted Partner; and (iv) the disposition by any Partner of his Interest in the Partnership; and (b) any certificates, instruments, and documents as may be required by, or may be appropriate under, the laws of any state or jurisdiction in which the Partnership is doing or intends to do business. Each Limited Partner authorizes General Partner as such attorney-in-fact to take any further action which such attorney-in-fact shall consider necessary or advisable in connection with any of the foregoing, hereby giving each such attorney-in-fact full power and authority to do and perform each and every act or thing whatsoever requisite or advisable to be done in connection with the foregoing as fully as such Limited Partner might or could do personally, and hereby ratifying and confirming all that any such attorney-in-fact shall lawfully do or cause to be done.

## **9. BOOKS OF ACCOUNT AND FINANCIAL REPORTS**

a. Books of Account. At all times during the continuance of the Partnership, General Partner shall keep or cause to be kept full and true books and records of account in which shall be entered fully and accurately the business transactions arising out of and in connection with the conduct of the Partnership.

b. Access by Limited Partner. A Limited Partner shall have access to the Partnership books and records of accounts during business hours.

## **10. TRANSFERABILITY OF PARTNERSHIP INTERESTS**

a. Restrictions on Transfers. Except as otherwise permitted by this Agreement, no General Partner or Limited Partner shall Transfer all or any portion of their respective Interests.

b. Permitted Limited Partner Transfers. A Limited Partner may Transfer all or any portion of its Interests to (a) any other Limited Partner, or (b) a third party upon approval by General Partner.

c. Permitted General Partner Transfers. A General Partner may Transfer all or any portion of his/her Interests to (a) any other General Partner, or (b) a third party upon approval by a Majority in Interest of Partners.

## **11. DISSOLUTION AND WINDING UP**

a. Dissolution. The Partnership shall be dissolved upon the first to occur of any of the following:

i. December 31, 2090.

ii. The sale of all or substantially all of the Partnership Property.

## **12. AMENDMENTS AND MEETINGS**

a. Amendments. Amendments to this Agreement shall be adopted and be effective as an amendment hereto if it receives the affirmative vote of a Majority in Interest, unless the amendment relates to a provision requiring a higher percentage for action thereunder, in which case the affirmative vote of such higher percentage shall be required.

b. Notwithstanding. Notwithstanding Section 12.a hereof, this Agreement may be amended by General Partner, without the consent of any of the Limited Partners: (a) to add to the representations, duties, or obligations of General Partner or surrender any right or power granted to General Partner herein for the benefit of Limited Partners; and (b) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provisions hereof, or to make any other provision with respect to matters or questions arising under this Agreement not inconsistent with the intent of this Agreement; provided that no amendment shall be adopted pursuant to this Section unless the adoption thereof is for the benefit of or not adverse to the Interests of Limited Partners.

## **13. MISCELLANEOUS**

a. Binding Effect. Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the Partners and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

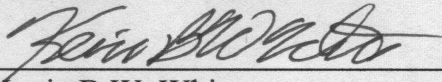
- b. Construction. Every covenant, term, and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Partner.
- c. Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.
- d. Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.
- e. Incorporation by Reference. Every exhibit, schedule, and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.
- f. Variation of Pronouns. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.
- g. Governing Law. The laws of the Commonwealth of Virginia shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Partners.
- h. Sole and Absolute Discretion. Except as otherwise provided in this Agreement, all actions which a General Partner may take and all determinations which General Partner may make pursuant to this Agreement may be taken and made at the sole and absolute discretion such General Partner.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement of Limited Partnership on the day first set forth above.

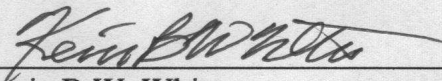
**GENERAL PARTNER:**

**MHV PRESERVATION GP LLC,**  
a Virginia limited liability company

By:   
Kevin B.W. White  
Executive Manager

**LIMITED PARTNER:**

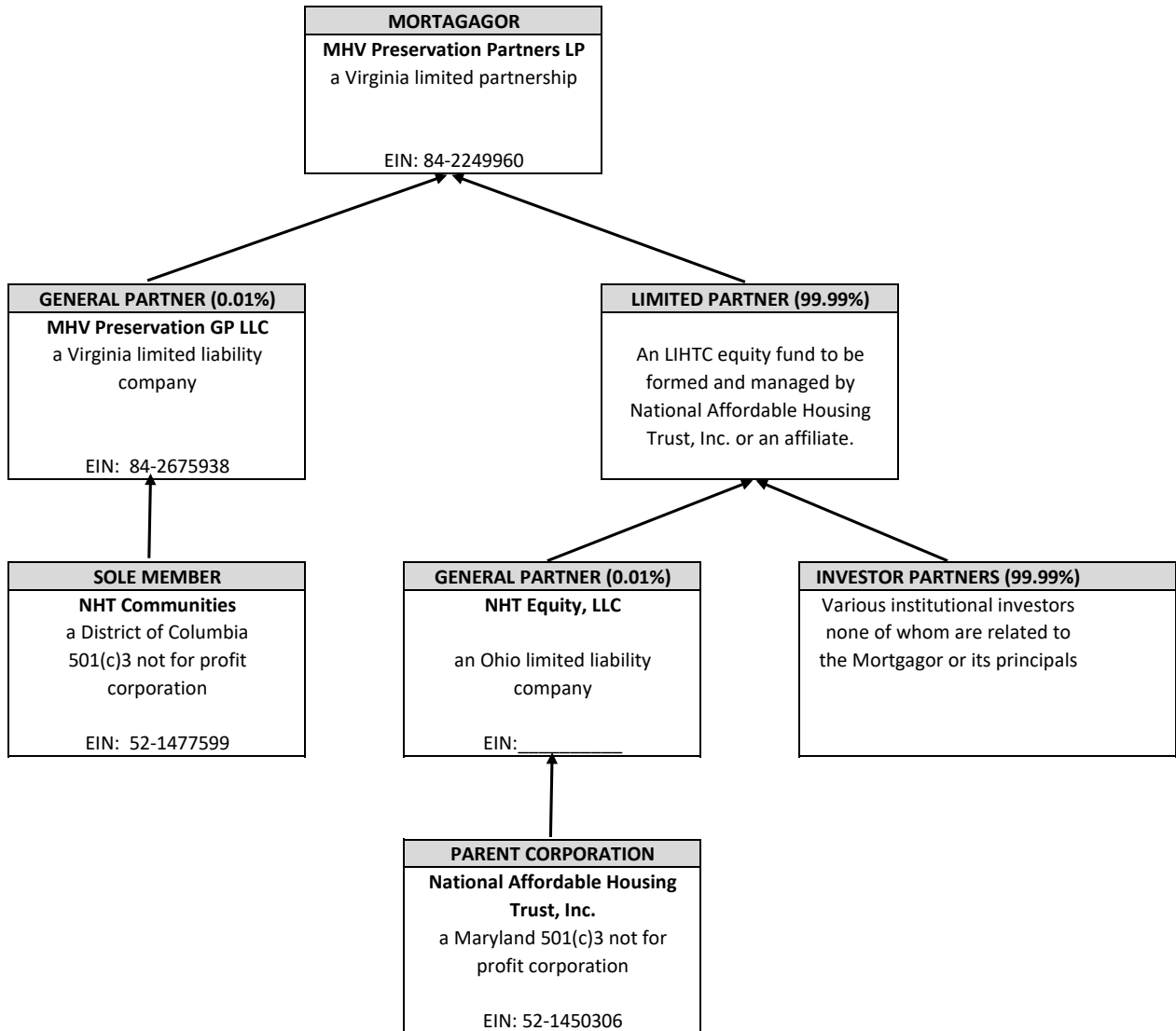
**NHT COMMUNITIES,**  
a District of Columbia nonprofit corporation

By:   
Kevin B.W. White  
Vice President

SCHEDULE A  
to  
AGREEMENT OF LIMITED PARTNERSHIP  
of  
MHV PRESERVATION PARTNERS LP  
(a Virginia limited partnership)

	<u>Partner Name</u>	<u>Capital Contribution</u>	<u>Partnership Interest</u>
<b>GENERAL PARTNER:</b>	<b>MHV PRESERVATION GP LLC</b>	<b>\$10.00</b>	<b>00.01%</b>
<b>LIMITED PARTNER:</b>	<b>NHT COMMUNITIES</b>	<b>\$100.00</b>	<b>99.99%</b>

Project: Mt. Hermon Village  
Location: Portsmouth, VA





## DEVELOPMENT SERVICES AGREEMENT

THIS DEVELOPMENT SERVICES AGREEMENT (this “*Development Services Agreement*”), dated and effective as of the [ ] day of [August] 2021, is made by and between MHV PRESERVATION PARTNERS LP, a limited partnership formed under the laws of the State of Virginia (the “*Partnership*”), and NHT COMMUNITIES, a District of Columbia not-for-profit corporation (the “*Developer*”).

### Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, constructing, rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a ninety (90) unit residential project in twenty-three (23) residential apartment building located on one (1) site in Portsmouth, VA (the “*Project*”). The Partnership is governed by a First Amended and Restated Agreement of Limited Partnership in the form to which this Development Services Agreement is attached as an exhibit (the “*Partnership Agreement*”).

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

The Partnership desires that the Developer provide certain services with respect to the development of the Project.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Appointment and Term.** The Partnership hereby appoints the Developer to render services in overseeing the development of the Project for the Partnership as herein contemplated and the Developer hereby accepts such appointment. The term of this Development Services Agreement shall begin on the date hereof and shall end unless sooner terminated in accordance with this Development Services Agreement or the Partnership Agreement, upon payment in full of the Development Fee.

2. **Authority and Obligations.** Subject to the provisions of the Partnership Agreement, the Developer shall have the authority and obligation to:

(a) Obtain construction financing on behalf of the Partnership in an amount sufficient to fund the construction of the Project pursuant to the Projections;

(b) Prepare or cause to be prepared such environmental and neighborhood impact studies or reports, engineering surveys, and plans and specifications as may be required in connection with the construction of the Project;

(c) Prepare and submit to the Partnership for approval a construction budget and make recommendations to the Partnership regarding any necessary modifications thereto;

(d) Make available to the Partnership upon request copies of all contracts, option agreements, construction financing commitments, budgets, plans and specifications or other items prepared or obtained;

(e) Obtain a construction contract (the “*Construction Contract*”) in an amount not to exceed the amount provided therefor pursuant to the Projections, from a reputable general contractor (the “*Contractor*”), which Construction Contract shall require the Contractor to post a payment and performance bond in the full amount of the Construction Contract;

(f) Perform or cause to be performed, in a diligent and efficient manner, general administration and supervision of construction of the Project, including but not limited to the following:

(i) administration and supervision of the activities of the Contractor and all other contractors, subcontractors and others employed in connection with the construction of the Project;

(ii) preparation of construction schedules pursuant to which all phases of construction are to be completed on or before the Completion Date and supervision of the scheduling of construction in conformity with such construction schedules;

(iii) periodic inspection of construction in progress, including but not limited to inspection at completion, for defects in construction and to assure compliance with the plans and specifications, and supervision of correction of any and all deficiencies noted pursuant to such inspections;

(iv) processing and payment of applications for progress payments made by the Contractor, including verification of such applications against the progress of construction as indicated by the aforementioned periodic inspections; and

(v) analysis of requests for any and all change orders to or variations from the Projections and the plans and specifications and submission of such requests to the Partnership for approval.

(g) Perform, or cause to be performed, in a diligent and efficient manner, preparation of contracts, letter agreements, purchase orders, and similar documents as are necessary to complete timely the construction of the Project in accordance with the plans and specifications;

(h) Cause the Project to be completed on or before the Completion Date in a manner consistent with good workmanship, in compliance with the following:

(i) the Plans and Specifications;

(ii) all obligations of the Partnership under any documents executed by the Partnership under the Loan Documents; and

(iii) all municipal, state, and other governmental laws, ordinances, and regulations governing the construction of the Project and the use thereof for its intended purposes and all other requirements of law applicable to construction of the Project;

(i) Maintain, or cause to be maintained, builders risk, contractor's liability, and workers' compensation insurance required by law or by the Limited Partner with the Partnership named as an additional insured, the limits of such coverage to be reasonable under the circumstances, but no less than that required by the Construction Lender or applicable statutes;

(j) Keep or cause to be kept separate project accounts and cost records and prepare and furnish upon request financial and progress reports and statements with respect to construction of the Project;

(k) Make available to the Partnership upon request copies of all contracts and subcontracts;

(l) Deliver to the Partnership copies of all inspection reports and applications for payment given any lender providing a loan to the Partnership.

(m) Acquisition Services:

(i) Identify the Project as appropriate for acquisition and negotiate the terms of its acquisition with the owner;

(ii) Act on behalf of the Partnership in its relation with federal, state and local authorities with respect to the acquisition of the Project; and

(iii) Prepare or cause to be prepared such environmental and neighborhood impact and other studies as may be required in connection with the acquisition of the Property.

3. **Accrual Schedule.** For development services to be performed under this Development Services Agreement, the Partnership shall pay the Developer a fee in the total amount of \$[1,667,466] (the "*Development Fee*").

(a) The Development Fee shall be earned as follows:

(i) 40% of the Development Fee earned at Closing; and

(ii) 60% of the Development Fee shall be earned at the Completion Date, but in all events no later than when the Project is placed in service for purposes of Section 42 of the Code.

(b) Once a portion of the Development Fee has been earned, it shall be payable by the Company in all events.

4. **Payment Schedule.**

(a) The Development Fee shall be paid as follows:

(i) **[\$333,493]** shall be paid at the time of the payment of the First Installment of the Limited Partner Capital Contribution;

(ii) **[\$250,120]** shall be paid at the time of the payment of the Third Installment of the Limited Partner Capital Contribution;

(iii) **[\$805,186]** shall be paid at the time of the payment of the Fourth Installment of the Limited Partner Capital Contribution;

(iv) **[\$278,667]** shall be paid at the time of the payment of the Fifth Installment of the Limited Partner Capital Contribution;

(b) The balance of the Development Fee, i.e. Deferred Development Fee which is currently anticipated to be **[\$0]**, shall be paid in accordance with Article XI of the Partnership Agreement. The unpaid balance of the Deferred Development Fee, if any, shall bear interest at the rate of **[0]%** per annum. At the time of any sale or refinancing, any unpaid Development Fee shall be paid from Capital Proceeds to the extent available for payment of such fee pursuant to Section 11.02 of the Partnership Agreement. In addition, amounts of the Development Fee that have not been paid in full on or before December 31, **[2034]**, shall be paid no later than such date in accordance with Section 3.04 of the Partnership Agreement. The obligation to pay the Deferred Development Fee shall be evidenced by a Deferred Development Fee Note in the form attached hereto as an exhibit.

(c) A portion of the Development Fee in the amount of **[\$166,747]** shall be deemed earned by the Developer in connection with services rendered for the acquisition of the Project.

(d) In the event that the Limited Partner shall give notice to the General Partner that in the reasonable judgment of the Limited Partner depreciation deductions will no longer be allocated to the Limited Partner as a result of the treatment of the outstanding balance of the Development Fee as a Partner Nonrecourse Debt or recourse obligation of the Partnership, the Developer agrees that the General Partner may take all such action as may be necessary to assure that the outstanding balance of the Development Fee shall constitute partnership nonrecourse debt. One such action may be the assignment of the outstanding balance of the Development Fee to an entity unrelated to the Developer. The Developer agrees that, if requested to do so by the General Partner under the foregoing circumstances, it will assign any outstanding balance of the Development Fee to an entity unrelated to the Developer.

5. **Partnership Agreement.** Except as expressly provided herein, this Development Services Agreement shall be subject to the applicable terms and conditions of the Partnership Agreement.

6. **Burden and Benefit.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. No party may assign this Development Services Agreement without the consent of the other party.

7. **Severability of Provisions.** Each provision of this Development Services Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Development Services 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 Development Services Agreement that are valid.

8. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Development Services Agreement shall not operate or be construed to be a waiver of any subsequent breach.

9. **Defined Terms.** Except as expressly provided herein, terms used in this Development Services Agreement with initial capital letters shall have the meanings set forth in the Partnership Agreement.

10. **Governing Law.** This Development Services Agreement shall be construed and enforced in accordance with the laws of the State of Virginia, without regard to principles of conflicts of laws.

11. **Binding Agreement.** This Development Services Agreement shall be binding on the parties hereto and their successors and assigns.

12. **Headings.** All headings in this Development Services Agreement are for convenience of reference only and are not intended to qualify the meaning of any provision of this Development Services Agreement.

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

14. **Counterparts.** This Development Services 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.

*[SIGNATURES BEGIN ON THE FOLLOWING PAGE]*

IN WITNESS WHEREOF, the parties have executed this Development Services Agreement as of the date first written above.

**PARTNERSHIP:**

**MHV PRESERVATION PARTNERS LP,**  
a Virginia limited partnership

By: MHV Preservation Partners LLC, a Virginia  
limited liability company, its General Partner

By:

\_\_\_\_\_  
[NAME, TITLE]

**DEVELOPER:**

**NHT COMMUNITIES,** a District of  
Columbia not-for-profit corporation

By:

\_\_\_\_\_  
[NAME, TITLE]

**[Note: This note should not be executed and delivered until the Completion Date]**

EXHIBIT 1

**DEFERRED DEVELOPMENT FEE NOTE**

**[\$0]**

\_\_\_\_\_, 202\_

FOR VALUE RECEIVED, MHV PRESERVATION PARTNERS LP, a Virginia limited partnership (the “*Partnership*”), promises to pay the order of and NHT COMMUNITIES, a District of Columbia not for profit corporation (the “*Developer*”) the principal sum of [zero] AND 00/100 DOLLARS (\$[0]), with interest at the rate of [0%], on or before December 31, [2034] or the date of liquidation of the Partnership (the “*Maturity Date*”), in accordance with that certain Development Services Agreement by and between the Partnership and the Developer dated as of (- month, date, year -) (the “*Development Agreement*”).

This Note evidences the obligation of the Partnership to pay the Developer a Deferred Development Fee pursuant to the Development Agreement. The Deferred Development Fee is payable from the proceeds of certain Capital Contributions and from distributions of Cash Flow or the proceeds of Capital Transactions in accordance with the provisions of the First Amended and Restated Agreement of Limited Partnership of the Partnership dated as of [August] \_\_, 2021 (the “*Partnership Agreement*”), the provisions of which are specifically incorporated herein by this reference. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Partnership Agreement.

The outstanding principal balance of this Note, together with all accrued interest thereon, shall unconditionally be due and payable on the Maturity Date.

If payment of the balance of the Deferred Development Fee and all accrued interest thereon is not paid on the Maturity Date, and such default continues for a period of ten (10) days after written notice from the Developer to the Partnership, then interest on the unpaid principal amount of this Note shall be computed at a rate per annum equal to two percent (2%) over the prevailing Prime Rate, which rate shall commence upon the expiration of such ten (10) day period and shall continue in effect until all past due principal and interest has been paid.

The Partnership may, at its election, from time to time prior to maturity, prepay without penalty all or any portion of the principal indebtedness of this Note.

Demand for payment shall be presumed to have been issued and the entire unpaid principal sum of this Note, together with accrued interest thereon, if any, shall become immediately due in the event of the occurrence of any one or more of the following: default in the payment of any installment due hereunder continuing for a period in excess of ten (10) days after written notice from the Developer to the Partnership; the filing by the Partnership of a voluntary petition in bankruptcy; or the failure by the Partnership within ninety (90) days thereof to lift any filing against the Partnership of any involuntary petition, execution, or attachment; or the adjudication of the Partnership as bankrupt; or any assignment by the Partnership of all or substantially all of its assets for the benefit of its creditors; or the invalidity or illegality of any portion of this Note by reason of any act or omission by the Partnership.

Except as may be specifically required under the provisions of the Development Agreement, this Note shall not be assigned, hypothecated, pledged, sold, or otherwise transferred without the prior written consent of the Partnership, and any such other transfer without the Partnership's consent shall be null and void.

The payment of this Note shall be a recourse obligation of the Partnership.

This Note shall be governed by and construed in accordance with the internal laws of the State of Virginia.



IN WITNESS WHEREOF, the Partnership has executed this Note as of the date written above.

**PARTNERSHIP:**

**MHV PRESERVATION PARTNERS LP,**  
a Virginia limited partnership

By: MHV Preservation Partners LLC, a Virginia  
limited liability company, its General Partner

By:

\_\_\_\_\_  
[NAME, TITLE]

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, February 14, 2019*

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

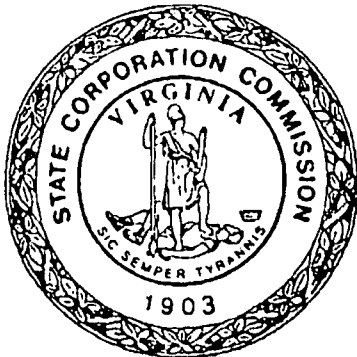
**MHV Preservation Partners LP**

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

*State Corporation Commission*

*Attest:*

*Joel H. Beck*  
Clerk of the Commission



C

Principal's Previous  
Participation Certification  
(MANDATORY)



## Previous Participation Certification Instructions

### General Instructions:

The following certification:

- Must be completed, regardless of any principal's inclusion on the Developer Experience List.
- Must be signed by an individual who is, or is authorized to act on behalf of, the Controlling General Partner (if LP) or Managing Member (if LLC) of the Applicant, as designated in the partnership agreement. Virginia Housing will accept an authorization document, which gives signatory authorization to sign on behalf of the principals.
- Must be dated no more than 30 days prior to submission of the LIHTC Application.

### Definitions:

*Development* - the proposed multifamily rental housing development

*Participants* - the principals who will participate in the ownership of the development

*Principal* - any person (including any individual, joint venture, partnership, limited liability company, corporation, nonprofit organization, trust, or any other public or private entity) that (i) with respect to the proposed development, will own or participate in the ownership of the proposed development or (ii) with respect to an existing multifamily rental property, has owned or participated in the ownership of such property, all as more fully described herein below. The person who is the owner of the proposed development or multifamily rental property is considered a principal. In determining whether any other person is a principal, the following guidelines shall govern:

- In the case of a partnership which is a principal (whether as the owner or otherwise), all general partners are also considered principals, regardless of the percentage interest of the general partner;
- In the case of a public or private corporation or organization or governmental entity that is a principal (whether as the owner or otherwise), principals also include the president, vice president, secretary, and treasurer and other officers who are directly responsible to the board of directors or any equivalent governing body, as well as all directors or other members of the governing body and any stockholder having a 25% or more interest;
- In the case of a limited liability company (LLC) that is a principal (whether as the owner or otherwise), all members are also considered principals, regardless of the percentage interest of the member;
- In the case of a trust that is a principal (whether as the owner or otherwise), all persons having a 25% or more beneficial ownership interest in the assets of such trust;
- In the case of any other person that is a principal (whether as the owner or otherwise), all persons having a 25% or more ownership interest in such other person are also considered principals; and

## **Instructions, cont'd**

- Any person that directly or indirectly controls, or has the power to control, a principal shall also be considered a principal.

Please follow guidelines below for listing principals.

- If the owner is a partnership, list the names of all GPs, regardless of % interest in the General Partnership
- If the owner is an LLC, list the names of all members regardless of % interest
- If the owner is a Corporation (public or private), Organization or Governmental Entity, list the names of officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder having a 25% or more interest
- If the owner is a Trust, list the names of all persons having a 25% or more beneficial ownership interest in the assets of the trust
- If the owner is an Individual, list the name of anyone having a 25% or more ownership interest of the named individual

If none of the above applies, list the name of any person that directly or indirectly controls or has the power to control a principal.

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



## Previous Participation Certification

Development Name: Mt. Hermon Village  
Name of Applicant (entity): MHV Preservation Partners LP

I hereby certify that:

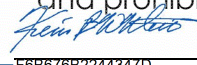
1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily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

**Previous Participation Certification, cont'd**

- 9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
- 10. None of the participants is a Virginia Housing 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.

DocuSigned by:  
  
 F6B676B224347D...  
 Signature  
 Kevin B.W. White  
 KEVIN WHITE

Printed Name

10/6/2021

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: Mt. Hermon Village  
 Name of Applicant: MHV Preservation Partners LP

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an **uncorrected** 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

	Principal's Name: <u>NHT Communities</u>	Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*						
	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member of 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"
5	Hazel Hill / Fredericksburg VA	Fredericksburg Affordable Housing Limited Partnership 202-333-8931	Y	96	96	11/29/2004	11/6/2006	N
6	Galen Terrace / Washington DC	Galen Terrace, L.P. 202-333-8931	Y	147	147	3/3/2006	10/2/2007	N
7	R Street Apartments / Washington DC	R Street Preservation Partners, L.P. 202-333-8931	Y	130	130	9/28/2007	9/21/2009	N
8	Skyview Apartments / Scranton PA	Greatview Development Limited Partnership 954-566-7450	N	188	188	3/12/2008	11/6/2009	N
9	Mountain View Towers / Cumberland MD	Cumberland Housing Preservation Partners, L.P. 619-543-4200	N	114	114	2/25/2010	6/25/2012	N
10	Buckingham Gardens (Parcel A) / Arlington VA	Buckingham Village Limited Partnership 202-333-8447	N	92	92	4/21/2011; 4/26/11; 5/18/11; 5/27/11; 6/30/11; 9/30/11; 10/27/11; 10/31/11; 11/30/11; 12/16/11; 12/21/11;	1/29/2013	N
11	St. Dennis / Washington DC	NHTE St. Dennis LP 202-333-8931	Y	32	32	10/1/2011	1/30/2012	N
12	Poppleton II Apartments / Baltimore MD	Poppleton Partners II, L.P. 202-333-8931	Y	111	111	5/1/2011	2/3/2014	N
13	Pullman Wheelworks / Chicago IL	104th Street Limited Partnership 312-447-4500	N	210	210	12/21/2011	9/30/2014	N
14	Monsenor Romero / Washington DC	3145 Mount Pleasant Street L.P. 202-333-8931	Y	63	63	11/12/2014	6/12/2015	N
15	Buckingham Village (Parcel B) / Arlington VA	BV3 Parcel B Limited Partnership 202-333-8447	N	48	48	2/25/2015; 3/13/15; 4/27/15; 6/30/15; 7/31/15	3/17/2016	N
16	Laurelwood Place Apartments / Bridgeport CT	Laurelwood Housing Associates Limited Partnership 207-774-5101	N	102	102	3/17/2015	5/25/2016	N
17	Castlewood Apartments / Davenport IA	Davenport MAHC LLLP 202-333-8931	Y	96	96	12/8/2016; 11/1/2017	2/20/2018	N
18	Courtyard Senior Apartments / Cincinnati OH	Cincinnati NHTE Housing, L.P. 202-333-8931	Y	137	137	11/7/2017	6/18/2018	N
19	Phoenix House / Atlanta GA	Phoenix Nimbus, LP 202-333-8931	Y	69	69	10/27/2017	8/16/2018	N
20	Sarah's Circle / Washington DC	Sarah's Circle Renewal LLC 202-332-1400	N	49	49	12/11/2018	10/8/2019	N
21	Mass Place / Washington DC	Mass Place Apartments LLC 202-333-8931	Y	160	160	10/1/2020	TBD	N
22	Liberty Place / Washington DC	Liberty Place Apartments LLC 202-333-8931	Y	71	71	TBD	TBD	N
23	The Faxon / West Hartford, CT	Faxon LLC 202-333-8931	Y	67	53	TBD	TBD	N
24	Savannah Apartments / Washington, DC	New Savannah Preservation Partners LLC 202-333-8931	Y	65	65	TBD	TBD	N
25	The Refinery / Abbeville, SC	Refinery Apartments, LLC 202-333-8931	Y	60	60	TBD	TBD	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:** 2,107 2,093 LIHTC as % of  
99% Total Units

E

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

**SECOND AMENDMENT TO  
PURCHASE AND SALE AGREEMENT  
(Mt. Hermon Apartments)**

**THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT** (this “**Amendment**”) is made and entered into as of the 7th day of October, 2021 (the “**Effective Date**”), by and between MT HERMON VILLAGE LLC, a Virginia limited liability company (“**Seller**”) and MHV PRESERVATION PARTNERS LP, a Virginia limited partnership (“**Purchaser**”).

**RECITALS**

The following recitals form the basis for, and are part of, this Amendment:

A. Seller and Purchaser entered into a Purchase and Sale Agreement, dated as of October 27, 2020, as amended by that certain First Amendment to Purchase and Sale Agreement, dated as of July 26, 2021, for the sale by Seller and purchase by Purchaser of the property described therein (the “Contract”).

B. Seller and Purchaser have deemed it appropriate to amend the Contract by this Amendment.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. **Closing Date.** Section 4 of the Contract is hereby amended and restated to read in its entirety as follows:

“4. **Closing Date.** The closing of the transaction contemplated hereby (the “Closing”) shall take place, at a location mutually agreeable to the parties, on or before March 31, 2022 (the day on which Closing actually occurs shall be the “Closing Date”).

Notwithstanding the foregoing, the risk of loss of all or any portion of the Project shall be borne by Seller up to and including the actual time of the Closing and thereafter by Purchaser.”

2. **No Change.** This Amendment relates only to the specific matters covered herein and shall not constitute a consent to or waiver or modification of any other provision, term or condition of the Contract nor shall it serve to extend or reset any time periods set forth in the Contract.

3. **Full Force.** All terms, provisions, covenants, representations, warranties, agreements and conditions contained in the Contract shall remain in full force and effect, except as expressly provided herein.


4. Capitalized Terms. Capitalized terms used and not defined in this Amendment shall have the meanings ascribed to them in the Contract.

5. Multiple Counterparts. This Amendment may be executed in multiple counterparts by the parties, and a facsimile telecopy hereof shall be considered the same as the original executed counterpart hereof, such that, when read together, separately executed multiple counterparts of this Amendment transmitted by facsimile telecopy, shall serve as an original fully executed counterpart hereof for all purposes.

**IN WITNESS WHEREOF**, the parties have executed this Amendment as of the date first indicated above.

**SELLER:**


**MT HERMON VILLAGE LLC**, a Virginia limited liability company

DocuSigned by:  
  
By: \_\_\_\_\_  
E6B676B2244347D...  
Name: Kevin B.W. White  
Title: Executive Manager

**PURCHASER:**

**MHV PRESERVATION PARTNERS LP**,  
a Virginia limited partnership

By: MHV Preservation GP LLC,  
a Virginia limited liability company,  
its general partner

DocuSigned by:  
  
By: \_\_\_\_\_  
E6B676B2244347D...  
Name: Kevin B.W. White  
Title: Executive Manage

**FIRST AMENDMENT TO  
PURCHASE AND SALE AGREEMENT  
(Mt. Hermon Apartments)**

**THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT** (this “**Amendment**”) is made and entered into as of the 26th day of July, 2021 (the “**Effective Date**”), by and between MT HERMON VILLAGE LLC, a Virginia limited liability company (“**Seller**”) and MHV PRESERVATION PARTNERS LP, a Virginia limited partnership (“**Purchaser**”).

**RECITALS**

The following recitals form the basis for, and are part of, this Amendment:

A. Seller and Purchaser entered into a Purchase and Sale Agreement, dated as of October 27, 2020, for the sale by Seller and purchase by Purchaser of the property described therein (the “Contract”).

B. Seller and Purchaser have deemed it appropriate to amend the Contract by this Amendment.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. **Closing Date.** Section 4 of the Contract is hereby amended and restated to read in its entirety as follows:

“4. **Closing Date.** The closing of the transaction contemplated hereby (the “Closing”) shall take place, at a location mutually agreeable to the parties, on or before December 31, 2021 (the day on which Closing actually occurs shall be the “Closing Date”).

Notwithstanding the foregoing, the risk of loss of all or any portion of the Project shall be borne by Seller up to and including the actual time of the Closing and thereafter by Purchaser.”

2. **No Change.** This Amendment relates only to the specific matters covered herein and shall not constitute a consent to or waiver or modification of any other provision, term or condition of the Contract nor shall it serve to extend or reset any time periods set forth in the Contract.

3. **Full Force.** All terms, provisions, covenants, representations, warranties, agreements and conditions contained in the Contract shall remain in full force and effect, except as expressly provided herein.

4. Capitalized Terms. Capitalized terms used and not defined in this Amendment shall have the meanings ascribed to them in the Contract.

5. Multiple Counterparts. This Amendment may be executed in multiple counterparts by the parties, and a facsimile telecopy hereof shall be considered the same as the original executed counterpart hereof, such that, when read together, separately executed multiple counterparts of this Amendment transmitted by facsimile telecopy, shall serve as an original fully executed counterpart hereof for all purposes.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first indicated above.

**SELLER:**

**MT HERMON VILLAGE LLC**, a Virginia limited liability company

By:   
Name: Kevin White  
Title: Executive Manager

**PURCHASER:**

**MHV PRESERVATION PARTNERS LP**, a Virginia limited partnership

By: MHV Preservation GP LLC,  
a Virginia limited liability company,  
its general partner

By:   
Name: Kevin White  
Title: Executive Manager



**PURCHASE AND SALE AGREEMENT  
(Mt. Hermon Apartments)**

THIS PURCHASE AND SALE AGREEMENT (this “Agreement”) is made and entered into as of the 20th day of October 27, 2020 (the “Effective Date”), by and between MT HERMON VILLAGE LLC, a Virginia limited liability company (“Seller”) and MHV PRESERVATION PARTNERS LP, a Virginia limited partnership (“Purchaser”).

RECITALS:

**WHEREAS**, Seller is the owner of a multifamily apartment complex commonly referred to as Mt. Hermon Apartments, located in Portsmouth, VA, and further described herein, which Seller desires to sell and convey to Purchaser, and Purchaser desires to purchase from Seller.

**WHEREAS**, the Project (as defined below) benefits from that certain Project-Based Section 8 Housing Assistance Payments Basic Renewal Contract, effective May 1, 2019, entered into between Seller’s predecessor in interest and the U.S. Department of Housing and Urban Development (“HUD”).

AGREEMENT:

**NOW THEREFORE**, for good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. **Purchase and Sale of the Project.** Seller hereby agrees to sell and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, upon the terms and conditions set forth in this Agreement, all right, title and interest of Seller in and to the following:

a) **Real Property.** The real property more particularly described in Exhibit A attached hereto (the “Land”), together with all rights, easements and interests appurtenant thereto including, but not limited to, Seller’s interest in any streets or other public ways adjacent to said Land and any water or mineral rights owned by or leased to Seller (“Additional Interests”), and including all improvements located on the Land (“Improvements”), including, but not limited to, all residential apartment buildings (the “Buildings”), all other structures, parking areas, systems and utilities associated with, and utilized by, Seller in the ownership and operation of the Buildings (the Land, Additional Interests, Buildings, and Improvements collectively referred to as, the “Real Property”).

b) **Personal Property.** All furniture, furnishings, fixtures, equipment, tools, supplies and other tangible personal property presently affixed to and/or located at or on the Real Property, and which is used in connection with the management, operation or repair of the Real Property, or replacements of those items as permitted under this Agreement (collectively, “Personal Property”); and

c) **Intangible Property.** The following intangibles (collectively, “Intangible Property”): (i) any and all residential leases (“Leases”) and all commitments, contracts, options or other agreements with respect to the maintenance, repair or operation of the Real Property and Personal Property (collectively, “Contracts”) in effect on the Closing Date (as hereinafter

defined), provided however that Purchaser shall assume only such Contracts as Seller may be allowed to assign; (ii) any and all refundable tenant security deposits (and required interest thereon) with respect to the Leases and Contracts as of the Closing Date which are held or controlled by Seller in connection with the Real Property; (iii) any and all licenses, permits, authorizations, certificates of occupancy and other approvals that are in effect as of the Closing Date and necessary for the current use and operation of the Project; (iv) any and all warranties, telephone exchange numbers, architectural or engineering plans and specifications, and development rights that exist as of the Closing Date and relate to the Real Property or the Personal Property; and (v) any and all rights to the name of the Improvements and Buildings upon the Real Property.

The term "Project" as used herein means the aggregate of the Real Property, the Personal Property and the Intangible Property.

2. **Purchase Price.** The total purchase price to be paid to Seller by Purchaser for the Project shall be FIVE MILLION SEVEN HUNDRED FORTY THOUSAND AND 00/100 DOLLARS (\$5,740,000.00) (the "Purchase Price"), which Purchase Price may be increased upon written notice by Purchaser to Seller ("Price Notice") following determination of fair market value of the Project by appraisal acceptable to Purchaser in its sole and absolute discretion which Price Notice shall contain a statement of the revised Purchase Price, and upon delivery of which Price Notice to Seller, the Purchase Price hereunder shall be deemed to be that contained therein. Provided that all conditions precedent to Purchaser's and Seller's obligations to close as set forth in this Agreement have been satisfied and fulfilled, or waived, the Purchase Price shall be paid to Seller at Closing (as hereinafter defined) in the form of cash, a promissory note secured by a mortgage and/or the assumption of indebtedness owed by Seller in connection with the Project, in accordance with the terms of this Agreement (plus or minus prorations and other adjustments required under this Agreement).

3. **Conditions Precedent to Closing.** The Closing and the obligations of Purchaser and Seller under this Agreement are subject to the satisfaction of all the conditions set forth in this Section 3. If this schedule of conditions precedent is not met either Seller or Purchaser may terminate this Agreement by giving written notice of such termination to the other, and thereafter, this Agreement shall terminate and the parties shall be relieved of all further obligations to each other.

a) **Purchaser's Tax Credits.** Purchaser shall have been awarded by the Virginia Housing Development Authority an allocation of federal low income housing tax credits in an amount sufficient, in Purchaser's sole discretion, when combined with other funds available to Purchaser, to allow Purchaser's acquisition and planned rehabilitation of the Project.

b) **Seller's Financing.** Seller shall have received any necessary approval for prepayment from any mortgagee currently holding security in the Project.

c) **HUD Consent.** Purchaser and Seller shall have received any necessary approval from HUD.

4. **Closing Date.** The closing of the transaction contemplated hereby (the “Closing”) shall take place, at a location mutually agreeable to the parties, on or before July 31, 2021, provided however that Purchaser may extend the Closing by three (3) successive 30 day periods by notice to Seller (the day on which Closing actually occurs shall be the “Closing Date”).

Notwithstanding the foregoing, the risk of loss of all or any portion of the Project shall be borne by Seller up to and including the actual time of the Closing and thereafter by Purchaser.

5. **Deliveries at Closing.** At Closing, or, if noted otherwise, at the appropriate time period prior to the scheduled Closing Date as described below, the parties hereto shall deliver, or cause to be delivered, the following:

a) **Deed.** Seller shall provide a quitclaim deed for the Real Property (the “Deed”) in recordable form, sufficient to vest title to the Land and Improvements.

b) **Bill of Sale.** Seller shall provide Bill of Sale and Assignment conveying and assigning to Purchaser title to all of the Personal Property to be transferred to Purchaser in conjunction with the sale of the Project and constituting assignments of all Intangible Property which Seller has the power to assign and Purchaser has agreed to assume. The Bill of Sale and Assignment shall include, without limitation, an assignment of Seller’s rights and interests as landlord or lessor under the Leases.

c) **Closing Statement.** A Closing Statement shall be signed by Purchaser and Seller.

d) **Leases.** Seller shall deliver to Purchaser the Leases and all such Leases shall be assigned to Purchaser pursuant to the Bill of Sale and Assignment Agreement. To the extent not credited to Purchaser on the Closing Statement, Seller shall deliver to Purchaser an assignment of all security deposits including interest accrued as of the Closing Date in which the residents of the Project have continuing interests, and shall transfer all funds constituting such security deposits to Purchaser.

e) **Rent Roll.** Seller shall deliver to Purchaser a “Rent Roll” in the form normally utilized by Seller and its management agent, dated within one week prior to the Closing Date, certified by Seller to be true, correct and complete.

f) **Notice to Tenants.** Seller and Purchaser shall agree upon the form of written notice to be sent to residents of the Project, notifying them of the sale of the Project, and the name and address of Purchaser as the new owner of the Project, which notice shall be distributed by Purchaser on the day following the Closing.

g) **Seller’s Affidavit.** Seller shall deliver to Purchaser an Affidavit (i) inducing the title insurance company engaged by Purchaser to eliminate the standard exceptions to Purchaser’s title insurance policy, (ii) reciting Seller’s authority to sell the Project to Purchaser and (iii) containing a certification that Seller is not a “foreign person” as defined in Section 1445(f)(3) of the Internal Revenue Code, as amended, any temporary or final regulations promulgated thereunder, or any officially published announcements of the Internal Revenue Service or United States Treasury in connection therewith.

h) Other Documents. The parties shall deliver to each other such other documents as may be reasonably required to effectuate the conveyance of the Project contemplated hereunder.

## 6. **Costs, Taxes and Adjustments**

a) Adjustments. The Purchase Price shall be adjusted as follows based upon the premise that Purchaser owns the Project as of 12:01 a.m. on the Closing Date:

i) All real estate and personal property taxes and assessments (general and special) which are due and payable shall assumed by Purchaser.

ii) All security deposits held by Seller with respect to the residents of the Project, including interest thereon, will be transferred to Purchaser.

iii) All operating accounts and replacement reserve accounts held by Seller on the Closing Date with respect to the Project will remain with Seller.

iv) If any Project reserves or escrows, including without limitation Reserve Fund for Replacement, Tax or Insurance Escrow, or Residual Receipts Escrow, are required to remain with the Project following Closing and/or are not released to Seller upon Closing, Seller shall receive payment or credit at the Closing equal to the aggregate sum of such reserves and escrows.

v) If Purchaser elects to take an assignment of all or any portion of Seller's insurance, subject to Seller's consent, Seller shall receive a credit for any insurance premiums paid prior to the Closing Date for such insurance coverage beyond the Closing Date.

b) Closing Costs.

i) Seller shall pay its own counsel fees.

ii) Purchaser shall pay for customary escrow and closing fees, all expenses of examinations of title, title insurance premiums, costs of all surveys, and all recordation taxes and fees associated with the recordation of any documents required to be recorded by Purchaser's lenders, if any, all documentary stamp and transfer taxes, intangible taxes and other recordation taxes and fees in connection with the recording of the Deed and the transfer of the Project, all costs of lender's or owner's title insurance and its own counsel fees.

## 7. **Representations and Warranties**

a) Seller's Representations and Warranties. Seller represents and warrants to Purchaser that the following representations and warranties are true, accurate and complete as of the Effective Date and shall remain true as of the Closing Date:

i) Each of the persons executing this Agreement on behalf of Seller is duly authorized to do so. Seller has full right and authority to enter into this Agreement and to consummate the transaction described in this Agreement.

ii) There are no actions, suits, Claims or other proceedings (collectively, “Litigation”) pending or, to the best of Seller’s knowledge, threatened against Seller that could affect Seller’s ability to perform its obligations when and as required under the terms of this Agreement.

b) Purchaser’s Representations and Warranties. Purchaser represents and warrants to Seller that the following are true, accurate and complete as of the Effective Date and shall remain true as of the Closing Date:

i) Authority. Each of the persons executing this Agreement on behalf of Purchaser is duly authorized to do so. Purchaser has full right and authority to enter into this Agreement and to consummate the transaction described in this Agreement.

ii) Litigation. There is no Litigation pending or, to the best of Purchaser’s knowledge, threatened against Purchaser that could affect Purchaser’s ability to perform its obligations when and as required under the terms of this Agreement.

8. **Context.** In construing this Agreement, it is understood that if the context so requires, the singular shall be taken to mean and include the plural, the masculine shall include the feminine and the neuter and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to one or more individuals, partners (general and limited) and/or corporations. All references to “days” shall be construed to be references to calendar days.

9. **Entire Agreement** This Agreement represents the entire Agreement between Seller and Purchaser with respect to the subject matter hereof and supersedes all prior discussions, understanding, agreements and negotiations between the parties hereto. This Agreement shall not be amended, modified or supplemented except by agreement in writing executed by the duly authorized persons for Seller and Purchaser.

10. **Assignments of this Agreement.** No party to this Agreement shall have the right to assign its interest in the rights and obligations of this Agreement without the prior written consent of the other parties hereto.

11. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute but one instrument.

12. **Severability.** The invalidity of any provision, section, subsection, paragraph, sentence, word, punctuation, or abbreviation of this Agreement shall not affect the validity of any other provision thereon, provided however that in the event the provision declared invalid shall cause this Agreement not to substantially provide the economic benefits expected by the parties, the parties shall in good faith attempt to meet the original expectations, failing which this Agreement shall be null and void.

13. **Applicable Law.** This Agreement shall be governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects by the laws of the Commonwealth of Virginia.

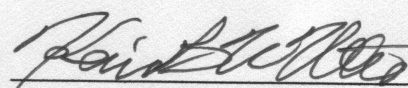
*[remainder of page intentionally left blank]*



IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**SELLER:**

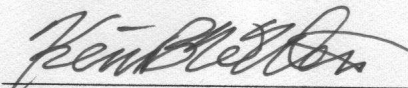
**MT HERMON VILLAGE LLC**, a Virginia limited liability company

By:   
Name: Kevin White  
Title: Executive Manager

**PURCHASER:**

**MHV PRESERVATION PARTNERS LP**, a Virginia limited partnership

By: MHV Preservation GP LLC,  
a Virginia limited liability company,  
its general partner

By:   
Name: Kevin White  
Title: Executive Manage

**EXHIBIT A**  
**LEGAL DESCRIPTION**



## EXHIBIT A

### PARCEL 1

All that certain piece or parcel of land, situate in the City of Portsmouth, Virginia, being known, numbered and designated as Disposition Parcel No. 16 as shown on a certain plat entitled "Plat Showing Survey of Disposition Parcel 16, Mt. Hermon Conservation & Redevelopment Project, VA. R-69, Portsmouth, Virginia," dated January 28, 1980, prepared by Robert T. Addison & Associates, Ltd., Surveying-Engineering, Portsmouth, Virginia, and recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Map Book 11, Page 34.

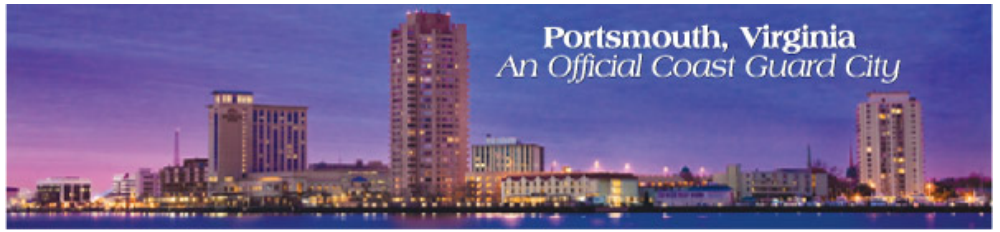
It being the same property conveyed to Mt. Hermon Community Improvement Foundation by Deed from Portsmouth Redevelopment and Housing Authority dated September 18, 1981, recorded September 24, 1981 in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Deed Book 815, Page 453.

**AND**

### PARCEL 2

All that certain piece or parcel of land situate, lying and being in the City of Portsmouth, Virginia, known and designated as a portion of County Street closed and vacated west of Kirn Avenue by Ordinance of the Portsmouth City Council recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Deed Book 728, at page 795, being that portion of said closed County street lying within that certain parcel of land designated as Disposition Parcel No. 16 on a certain plat entitled "Plat Showing Survey of Disposition Parcels 16 and 17, Mt. Hermon Conservations and Redevelopment Project, VA R-69, Portsmouth, Virginia, " dated January 28, 1980, prepared by Robert T. Addison and Associates, Ltd., Surveying-Engineering, Portsmouth, Virginia and recorded in the aforesaid Clerk's Office in Map Book 11, Page 34.

It being the same property conveyed to Mt. Hermon Community Improvement Foundation by Deed from James W. Jones, Special Receiver for Western Branch Land Company dated May 24, 1982, recorded July 8, 1982 in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Deed Book 829, Page 684.





City's Home Page  
Assessor Home

**REAL ESTATE ASSESSOR**  
801 Crawford Street, 2nd Floor  
P.O. Box 820  
Portsmouth, Virginia 23705  
Telephone : (757) 393-8631  
Fax: (757) 393-8177  
assessor@portsmouthva.gov

**Real Estate Assessment Data & Tax Maps  
Commercial / Exempt Commercial / Industrial**

[Click Here to Restart Your Search](#)  
Print in landscape mode or select "Shrink to fit"

Search Results

Sales History for the past 5 years

Sales Date	Sales Price
11/20/2019	\$ 3000000

Assessment History for the past 3 years

Year	Land	Building	Total
2018	\$ 784,870	\$ 3,418,611	\$ 4,203,481
2019	\$ 784,870	\$ 3,418,611	\$ 4,203,481
2020	\$ 935,410	\$ 3,418,611	\$ 4,354,021

[Click here to View the 0179 Tax Map](#) [Click here for the Tax Map Legend](#)  
[Click here to View the GIS Map of this property in a new window.](#)

**General Information**

<b>Address:</b>	2428 CUTHERELL ST	<b>Property Type:</b>	COMMERCIAL
<b>Zip Code:</b>	237070000	<b>Building Type:</b>	MULTIPLE BUILDINGS
<b>Map &amp; Parcel:</b>	01790100	<b>Land Assessment:</b>	\$ 935,410
<b>Zoning:</b>	UR-H	<b>Bldg Assessment:</b>	\$ 3,418,611
<b>Neighborhood:</b>	COMMERCIAL DISTRICT 6	<b>Total Assessment:</b>	\$ 4,354,021

**Deed Information**

Current:			
<b>Book:</b>	0000	<b>Deed Date:</b>	11-20-19
<b>Page:</b>	0000	<b>Sale Amount:</b>	\$
<b>Instrument #:</b>	D190011903		
Previous:			
<b>Book:</b>	0815	<b>Deed Date:</b>	09-18-81
<b>Page:</b>	0453	<b>Sale Amount:</b>	\$
<b>Instrument #:</b>			

**Land Information**

<b>Zoning:</b>	UR-H	<b>Acres:</b>	10.630
----------------	------	---------------	--------

<b>Legal Description</b>	PT DISP PAR 16 MT HERMON CONS & R		
<b>Waterfront:</b>	N	<b>Lakefront:</b>	N
<b>Tidal Marsh:</b>	N	<b>Golf Course:</b>	N
<b>Sewer:</b>	Y		
<b>Structure Information</b>			
<b>Number of Units:</b>	91	<b>Date Constructed:</b>	1982
<b>Exterior Finish:</b>	FACE BRICK VENEER	<b>Total Square Feet (All Bldgs):</b>	69049
<b># of Stories:</b>	1	<b># of Bathrooms:</b>	91
<b>Remodeled:</b>	N	<b># of Half Baths:</b>	2
<b>Heat Type:</b>	WARM AIR	<b>Air Conditioning:</b>	Y
<b>Basement:</b>	N	<b>Accessory Structures:</b>	N
<b>Site Improvement:</b>	Y	<b>More Specific Information:</b>	See the Assessor's Office

City of Portsmouth, Virginia · All Rights Reserved · Portsmouth City Hall · 801 Crawford Street · Portsmouth, VA 23704 · 757-393-8000

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.

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

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

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

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

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

Signed:  \_\_\_\_\_

Date: 6/22/21

Printed Name: Stacey Smith

Resnet Provider Agency  
 Viridiant \_\_\_\_\_

RESNET Rater

Signature  \_\_\_\_\_

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

G

Zoning Certification Letter  
(MANDATORY)



# Zoning Certification

**NOTE TO DEVELOPER:** You are strongly encouraged to submit this certification to the appropriate local official **at least three weeks in advance of the application deadline** to ensure adequate time for review and approval.

## General Instructions:

1. The Zoning Certification **must** be submitted on locality's letterhead or professional civil engineer's letterhead.
2. The Local Certification section **must** be completed by the appropriate local official or Civil Engineer.
3. The Engineer **must** be registered in the Commonwealth of Virginia.
4. 'Development Description' should be provided by the Owner.
5. 'Development Address' should correspond to the application.
6. 'Legal Description' should correspond to the site control document in the application.
7. 'Proposed Improvements' should correspond with the application.
8. 'Other Descriptive Information' should correspond with information in the application.
9. Any change in this Certification may result in disqualification of the application.

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

# Zoning Certification

**DATE:**

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

**RE:** ZONING CERTIFICATION

Name of Development: \_\_\_\_\_

Name of Owner/Applicant: \_\_\_\_\_

Name of Seller/Current Owner: \_\_\_\_\_

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 credits available under VHDA's Qualified Allocation Plan.

**DEVELOPMENT DESCRIPTION:**

Development Address:

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

Legal Description:

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

Proposed Improvements:

- New Construction: \_\_\_\_\_ # Units \_\_\_\_\_ # Buildings \_\_\_\_\_ 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: \_\_\_\_\_ allowing a density of \_\_\_\_\_ units per acre, and the following other applicable conditions: \_\_\_\_\_  
\_\_\_\_\_

Other Descriptive Information:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### LOCAL CERTIFICATION:

Check one of the following as appropriate:

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

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Title of Local Official or Civil Engineer

\_\_\_\_\_  
Phone:

\_\_\_\_\_  
Date:

### NOTES TO LOCALITY:

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

## EXHIBIT A

### PARCEL 1

All that certain piece or parcel of land, situate in the City of Portsmouth, Virginia, being known, numbered and designated as Disposition Parcel No. 16 as shown on a certain plat entitled "Plat Showing Survey of Disposition Parcel 16, Mt. Hermon Conservation & Redevelopment Project, VA. R-69, Portsmouth, Virginia," dated January 28, 1980, prepared by Robert T. Addison & Associates, Ltd., Surveying-Engineering, Portsmouth, Virginia, and recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Map Book 11, Page 34.

It being the same property conveyed to Mt. Hermon Community Improvement Foundation by Deed from Portsmouth Redevelopment and Housing Authority dated September 18, 1981, recorded September 24, 1981 in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Deed Book 815, Page 453.

**AND**

### PARCEL 2

All that certain piece or parcel of land situate, lying and being in the City of Portsmouth, Virginia, known and designated as a portion of County Street closed and vacated west of Kirn Avenue by Ordinance of the Portsmouth City Council recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Deed Book 728, at page 795, being that portion of said closed County street lying within that certain parcel of land designated as Disposition Parcel No. 16 on a certain plat entitled "Plat Showing Survey of Disposition Parcels 16 and 17, Mt. Hermon Conservations and Redevelopment Project, VA R-69, Portsmouth, Virginia, " dated January 28, 1980, prepared by Robert T. Addison and Associates, Ltd., Surveying-Engineering, Portsmouth, Virginia and recorded in the aforesaid Clerk's Office in Map Book 11, Page 34.

It being the same property conveyed to Mt. Hermon Community Improvement Foundation by Deed from James W. Jones, Special Receiver for Western Branch Land Company dated May 24, 1982, recorded July 8, 1982 in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Deed Book 829, Page 684.

- (1) Recent Survey of Property & Buildings
- (2) Old Survey with Permits of Improvements
- (3) City Assessor’s Records & Maps

**(G)Area and Bulk Requirement Tables**

[Table 40.2-218\(1\)](#) Area and Bulk Requirements, sets out the area and bulk requirements for Residential Districts NR, GR, UR and UR-M as established by this Ordinance.

<b>TABLE 40.2-218(1): AREA AND BULK REQUIREMENTS</b>									
<b>“sf.” = Square Feet; “ft.” = Feet; “DU” = Dwelling Unit; “AC” = Acre; “N/A” = Not Applicable</b>									
<b>RESIDENTIAL DISTRICTS (NR, GR, UR, &amp; UR-M)</b>									
<b>Minimum Lot Requirements</b>	<b>NR</b>	<b>GR</b>		<b>UR</b>			<b>UR-M</b>		
	<b>All Uses</b>	<b>Detached Single-Family</b>	<b>All Other Uses</b>	<b>Detached Single-Family</b>	<b>Townhouse</b>	<b>All Other Uses</b>	<b>Detached Single-Family</b>	<b>Townhouse</b>	<b>All Other Uses</b>
<b>Lot Size (sf.)</b>	30,000	12,500		7,500	N/A	7,500	6,000	N/A	7,500
<b>Lot Width (ft.)</b>	150	75		60	20	60	50	16	50
<b>Corner/End Unit Lot Width (ft.)</b>	N/A	N/A		N/A	35	N/A	N/A	26	N/A
<b>Maximum Density (DU/AC)</b>	N/A	N/A	8	N/A	N/A	12	N/A	N/A	25

<b>TABLE 40.2-218(1): AREA AND BULK REQUIREMENTS</b>									
<b>“sf.” = Square Feet; “ft.” = Feet; “DU” = Dwelling Unit; “AC” = Acre; “N/A” = Not Applicable</b>									
<b>RESIDENTIAL DISTRICTS (NR, GR, UR, &amp; UR-M)</b>									
<b>Minimum Lot Requirements</b>	<b>NR</b>	<b>GR</b>		<b>UR</b>			<b>UR-M</b>		
	<b>All Uses</b>	<b>Detached Single-Family</b>	<b>All Other Uses</b>	<b>Detached Single-Family</b>	<b>Townhouse</b>	<b>All Other Uses</b>	<b>Detached Single-Family</b>	<b>Townhouse</b>	<b>All Other Uses</b>
<b>Front Yard Setback (ft.)</b>	40	30		25			10		
<b>Side Yard Setback (ft.)</b>	10	10		7	0	10	7	0	10
<b>Corner/End Side Yard Setback (ft.)</b>	15	15		10			10		
<b>Rear Yard Setback (ft.)</b>	40	30		25			25	20	25
<b>Maximum Building Coverage (%)</b>	45	45		55			65		
<b>Maximum Height (ft.)</b>	36	36		36			36		45
<b>Garage Setback (Attached/Detached)</b>	Even with or behind front façade for all residential dwellings								

<b>TABLE 40.2-218(1): AREA AND BULK REQUIREMENTS</b>									
<b>“sf.” = Square Feet; “ft.” = Feet; “DU” = Dwelling Unit; “AC” = Acre; “N/A” = Not Applicable</b>									
<b>RESIDENTIAL DISTRICTS (NR, GR, UR, &amp; UR-M)</b>									
<b>Minimum Lot Requirements</b>	<b>NR</b>	<b>GR</b>		<b>UR</b>			<b>UR-M</b>		
	<b>All Uses</b>	<b>Detached Single-Family</b>	<b>All Other Uses</b>	<b>Detached Single-Family</b>	<b>Townhouse</b>	<b>All Other Uses</b>	<b>Detached Single-Family</b>	<b>Townhouse</b>	<b>All Other Uses</b>
<b>Accessory Buildings &amp; Structures</b>									
<b>Front/Corner Side Yard Setback</b>	Behind the front façade of the principal building								
<b>Side/Rear Yard Setbacks (ft.)</b>	10	7	5			5			
<b>Corner Side Yard Setback (ft.)</b>	10	10	7	5	10	7	3	10	
<b>Maximum Size (sf.)</b>	5% of lot area	10% of lot area		800, or 7.5% of the lot size, whichever is greater	7.5% of the lot size	800, or 7.5% of the lot size, whichever is greater	800, or 7.5% of the lot size, whichever is greater	7.5% of the lot size	800, or 7.5% of the lot size, whichever is greater

H

Attorney's Opinion  
(MANDATORY)

October 18, 2021

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

RE: 2021 Tax Credit Reservation Request

Name of Development: Mt. Hermon Village  
Name of Owner: MHV Preservation Partners LP

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated October 18, 2021 (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 Sections O.1. (Contractor Cost)(Hard Cost tab) and O.2. (Owner Costs)(Owners Costs tab) of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development in Section P (Eligible Basis tab) of the Application form and (b) of the estimated Qualified Basis of each building in the Development in Section P (Eligible Basis tab) of the Application form 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 Section B (Request Info tab) of the Application form.
4. The information set forth in Section L (Unit Details tab) of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations provided units receive Section 8 assistance.



ATTORNEY'S OPINION LETTER, continued

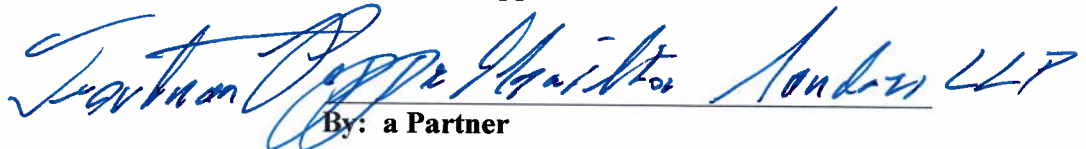
5. The site of the captioned Development is controlled by the Owner, as identified in Section C (Ownership Info tab) of the Application, for a period of not less than four (4) months beyond the application deadline, as described in Section D (Site Control)(Site & Seller tab).
6. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.
7. The nonprofit organizations' ownership interest in the development is as described in Section G (Non Profit tab) of the Application form.
8. It is more likely than not that the representations made under Section F (Rehab Info tab) of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.
9. After reasonable investigation, the undersigned has no reason to believe that the representations made under Section F.2. (Ten-Year Rule For Acquisition Credits)(Rehab Info tab) of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code §42(d)(2)(B) are not correct.

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

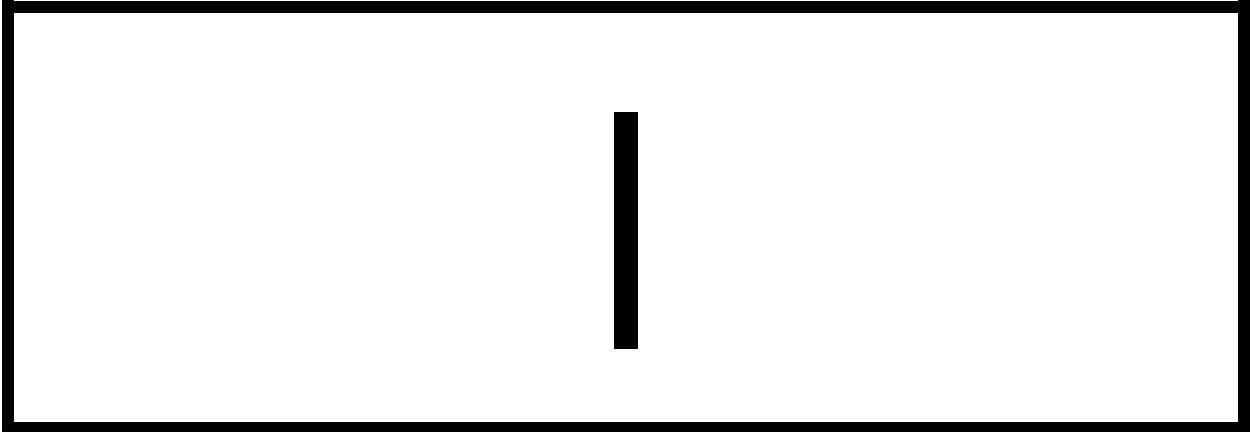
This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("VHDA") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by VHDA and may not be relied upon by any other party for any other purpose.

**This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.**

Troutman Pepper Hamilton Sanders LLP

  
By: a Partner





# Nonprofit Questionnaire

(MANDATORY for points or pool)

## Virginia Housing Experienced LIHTC Developers

### Notes:

Updated:

3/10/2021

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

I Listed if documentation supported at least 6 LIHTC developments

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

See LIHTC Manual for instructions on being added to this list

### INDIVIDUALS

1 Alexander, Randall P.	30 Fitch, Hollis M.	58 Melton, Melvin B.
2 Arista, Roberto	31 Fore, Richard L.	59 Midura, Ronald J.
3 Asarch, Chad	32 Franklin, Wendell C.	60 Mirmelstein, George
4 Ayd, Tom	33 Friedman, Mitchell M.	61 Nelson, IV, John M.
5 Barnhart, Richard K.	34 Gardner, Mark E.	62 Orth, Kevin
6 Baron, Richard	35 Gunderman, Timothy L.	63 Page, David
7 Bennett, Vincent R.	36 Haskins, Robert G.	64 Parent, Brian
8 Burns, Laura P.	37 Heatwole, F. Andrew	65 Park, Richard A.
9 Chapman, Tim	38 Honeycutt, Thomas W.	66 Park, William N.
10 Cohen, Howard Earl	39 Hunt, Michael C.	67 Pasquesi, R.J.
11 Connelly, T. Kevin	40 Iglesias, Adrian	68 Pedigo, Gerald K.
12 Connors, Cathy	41 Jaeger, Jeffrey	69 Poulin, Brian M.
13 Copeland, M. Scott	42 Jester, M. David	70 Queener, Brad
14 Copeland, Robert O.	43 Johnston, Thomas M.	71 Rappin, Steve
15 Copeland, Todd A.	44 Jones Kirkland, Janice	72 Ripley, F. Scott
16 Cordingley, Bruce A.	45 Kirkland, Milton L.	73 Ripley, Ronald C.
17 Counselman, Richard	46 Kittle, Jeffery L.	74 Ross, Stephen M.
18 Crosland, Jr., John	47 Koogler, David M.	75 Salazar, Tony
19 Curtis, Lawrence H.	48 Koogler, David Mark	76 Sari, Lisa A.
20 Daigle, Marc	49 Lancaster, Dale	77 Sciortino, Richard
21 Dambly, Mark H.	50 Lawson, Phillip O.	78 Sinito, Frank T.
22 Deutch, David O.	51 Lawson, Steve	79 Stockmaster, Adam J.
23 Dischinger, Chris	52 Leon, Miles B.	80 Stoffregen, Phillip J.
24 Douglas, David D.	53 Lewis, David R.	81 Surber, Jen
25 Edmondson, Jim	54 Levitt, Michael	82 Taft Sr., Thomas F.
26 Edson, Rick	55 Margolis, Robert B.	83 Valey, Ernst
27 Eichler, Moshe	56 McCormack, Kevin	84 Uram, David
28 Ellis, Gary D.	57 McNamara, Michael L.	85 Wilson, Stephen
29 Fekas, William L.		86 Woda, Jeffrey J.
		87 Wohl, Michael D.
		88 Wolfson, III, Louis

### 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 LEDIC Realty Company, LLC
- 16 Newport News RHA
- 17 NHT Communities
- 18 Norfolk Redevelopment Housing Authority
- 19 People Incorporated
- 20 Piedmont Housing Alliance
- 21 Preserving US, Inc.
- 22 Portsmouth RHA
- 23 RHA/Housing, Inc.
- 24 Rush Homes
- 25 The Community Builders
- 26 Virginia Supportive Housing
- 27 Virginia United Methodist Housing Development Corporation
- 28 Wesley Housing Development Corporation

J

Relocation Plan  
Including Unit  
Delivery Schedule  
(MANDATORY, if tenants are displaced)

**MT. HERMON VILLAGE**  
**Relocation Plan**  
**May 6, 2021**

**Prepared for National Housing Trust (NHT) Communities**

**Prepared by HousingToHome LLC**



HousingToHome (HTH) | [www.housingtohome.com](http://www.housingtohome.com) | 50 Summer St. Boston, MA 02110 | 617-293-6572

## **TABLE OF CONTENTS**

- I. DEFINITIONS
- II. INTRODUCTION
- III. PROJECT DESCRIPTION
- IV. RESIDENT RELOCATION
  - i. Resident Demographics
  - ii. Relocation Assistance and Benefits
  - iii. Resident Relocation Assessment
  - iv. Ongoing Resident Communication & Notices
  - v. COVID-19 Protocols & Precautions
- V. UNIT DELIVERY SCHEDULE
- VI. APPEALS

## **ATTACHMENTS**

- A. Cover Letter & General Information Notice (GIN)
- B. Notice of Nondisplacement
- C. 30 Day Move Notice
- D. HousingToHome Resume
  
- E. Construction Schedule

## I. DEFINITIONS

1. ADA Unit - Units compliant under the American's with Disabilities Act (ADA).
2. Affected Residents - All households living at Mt. Hermon Village during the period of the renovation project.
3. Agency - Owner of Mt. Hermon Village, NHT Communities undertaking the project.
4. Coronavirus Disease 2019 (COVID-19) - A respiratory illness that is caused by the new coronavirus, SARS-CoV-2; the disease is easily spread from person to person.
5. Elderly Person - Person 62 years of age or older.
6. HousingToHome (HTH) - A highly experienced national firm that specializes in relocation, resident engagement, community building, and consulting services. HTH provides services for affordable and mixed-income owners undertaking a renovation or redevelopment project. In addition to writing the Mt. Hermon relocation plan, HTH will provide consulting services to the Relocation Coordinator and project team for the duration of the project.
7. HUD - The United States Department of Housing and Urban Development.
8. Low-Income Housing Tax Credit (LIHTC) - Created by the Tax Reform Act of 1986, the LIHTC program gives State and local LIHTC-allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.
9. Person with a Disability - Person who has a physical or mental impairment that substantially limits one or more major life activities.
10. Rehabilitation - The act or process of expanding, remodeling, altering or renovating apartments and common areas within a development.
11. Relocation Coordinator - Representative(s) of Mt. Hermon Village's property management, whose specific task is to relocate each resident as a result of the rehabilitation of the Mt. Hermon Village as well as monitor and coordinate all relocation activity and implement the relocation plan to ensure compliance with applicable relocation regulations, guidelines and laws.
12. Relocation Unit - An on-site vacant apartment that will house residents who must relocate temporarily or an on-site renovated vacant apartment that will house residents who move permanently.

13. Temporary Move - When residents must relocate for less than one year or transfer permanently to a comparable unit on-site.
14. Uniform Relocation Act (URA) - A federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displaced persons from their homes, businesses, or farms. The URA's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects.
15. VHDA - Virginia Housing Development Authority and the administrator of the LIHTC for Mt. Hermon Village.

## II. INTRODUCTION

Mt. Hermon Village is 90-unit HUD-assisted property restricted to residents 62 and older in Portsmouth, Virginia built in 1982 under the HUD 202 Program. It consists of 22 single-story four-unit buildings, one (1) duplex unit, and a community building on 10.63 acres located at 2400-2428 (even) and 2401-2417 (odd) Curtherell Street, Portsmouth, Virginia. Despite the nearly 40-year-old age of most of the buildings' components, the property's occupancy rate has consistently been in the high 90s over the last 5 years, and it has also received high REAC scores, with the most recent January 2019 inspection scoring a 96b.

NHT Communities purchased the property from the local single-asset nonprofit that owned and managed the property since its original construction on November 15, 2019. NHT Communities purchased the property using an acquisition bridge loan in November 2019 and expects to close on a tax-exempt bond, 4% tax credit, seller note-financed transaction in the third or fourth quarter of 2021. A 20-year HAP contract was approved as of May 1, 2019 was assigned to NHT Communities on November 15, 2019. NHT plans to complete a scope of work on the exterior and interior of the property as a part of this acquisition.

This relocation plan has been written to ensure that residents of Mt. Hermon Village are treated fairly and in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1978, as amended (URA) and the implementing regulations found at 49 CFR part 24 and Virginia Housing Development Authority (VHDA) Relocation Assistance Guidelines.

People of contact for this relocation plan are as follows:

Ownership:

Carrie Fischer, Real Estate Development Manager

NHT Communities  
1101 30th Street, NW  
Suite 100 A  
Washington, DC 20007  
202-495-7410  
cfischer@nhtinc.org

Relocation Contact/Property Management:

Hope Peoples, Property Manager  
2400 Curtherell Street  
Portsmouth, Virginia  
(757) 399-4406  
Hpeoples@mthermonv.com

Relocation Consultant:

Hannagh Jacobsen, Cofounder  
HousingToHome  
50 Summer St  
Boston, MA 02110  
508-314-0644  
[hannagh@housingtohome.com](mailto:hannagh@housingtohome.com)

### **III. PROJECT DESCRIPTION**

The project is a renovation of single-story apartment buildings and a community building at Mt. Hermon Village Senior Apartments located in Portsmouth, Virginia. One (1) duplex apartment building, twenty-two (22) four-plex apartment buildings and a community building containing a manager's apartment, offices, a community room, a laundry room and maintenance offices. In total, there are 91 residential units (including the manager's apartment) that will be renovated as part of this project. There are 88 one-bedroom apartments and 3 two-bedroom apartments, one of which is the manager's unit.

NHT Communities contracted Retnauer Baynes, an architecture firm based in Chesapeake, VA experienced in VHDA-financed renovations and Virtexco, a VHDA- and multifamily-experienced general contractor based in Norfolk, VA. Retnauer Baynes provided a preliminary scope of work based on a site visit in mid-2018.

The scope of work is planned to include significant in-unit updates including new kitchens, bathrooms, LED lighting, and flooring, new roofs, new windows, an upgraded community



building, site improvements. Exterior upgrades include selective windows replacement and new exterior doors.

There will also be upgrades to make 9 units to become ADA compliant.

Renovations are anticipated to begin in late December 2021 and end in February of 2023.

Permanent financing will be provided by an FHA insured 221(d)(4) loan. NHT Communities plans to work with the Portsmouth Redevelopment and Housing Authority (PRHA) to issue multifamily tax-exempt bonds. PRHA issued an inducement resolution for Mt. Hermon Village on November 19, 2020. National Affordable Housing Trust will be the tax credit investor for this project. The project is in a qualified census tract, earning it a 30% basis boost resulting in 30% more tax credits generated from the renovation work. The project is also located in an Opportunity Zone.

Quantum Real Estate Management (Quantum) is the proposed management company. Quantum is based in the Washington, D.C. metro area but has a presence in central Virginia; a significant portion of QPM's portfolio is HUD-financed and/or age-restricted.

#### **IV. RESIDENT RELOCATION**

In order to complete the renovation, residents will need to be temporarily relocated from their apartments. NHT Communities' primary goal is to be resident-focused and plans to minimize disruption for the residents of Mt. Hermon Village as much as possible. The property management team will act as the relocation coordinator to residents and will work closely with residents to provide guidance and support through the relocation and project period.

Due to the extensive scope of work in units, residents will need to relocate from their units. Residents will move with all of their belongings ideally only one time to a different renovated unit at Mt. Hermon Village. The majority of units are 1 bedroom apartments with the exact same layouts so this method of relocation will ideally minimize stress on residents by only requiring one move. This plan will be executed by utilizing and maintaining vacancies at Mt. Hermon Village that will be renovated in the first phase of the project. Residents living in the next phase of construction will move one time permanently to the renovated apartments from the first phase and then so on. This pattern will continue until all 90 units are renovated. Each phase of construction will take approximately 45-52 days.

In the case where residents cannot move one time to a renovated apartment due to phasing or unit availability, they will be moved temporarily to a relocation unit. The relocation unit in this case may be unrenovated but it will be in good condition for the resident to move to temporarily. The temporary relocation will be approximately 45-52 days after which residents will be moved back to their apartment or another suitable renovated apartment upon construction completion.

As of March 31, 2021 there were 13 vacant one-bedroom units that will be utilized for relocation purposes.

The project does not anticipate any permanent off-site relocation. In the case that permanent relocation has to occur, residents will be notified and given permanent relocation assistance in accordance with the URA and VHDA Relocation Guidelines.

#### i. Resident Demographics

As of October 2020, there were 7 vacant 1 bedroom apartments at Mt. Hermon Village. There are 83 households at Mt. Hermon Village and 87 total residents.

Demographics about the residents of Mt. Hermon Village include:

- 7% (6) residents are under the age of 62, 24% (21) of residents are between the ages of 62 and 69, 46% (40) residents are between the ages of 70 and 79 and 23% (20) residents are 80 years of age or older.
- 83% (70) residents are female and 16% (14) residents are male.
- 95% (83) residents are African-American, 0.3% (3) residents are white and 0.1% (1) resident is Asian.

#### ii. Relocation Assistance & Benefits

As mentioned, residents will be assisted and supported by Mt. Hermon Village property management staff in all aspects of this project. HTH will support and oversee the relocation of this project through consultation with the on-site relocation coordinator.

The relocation staff will be responsible for providing the following benefits, assistance and advisory services:

- Meet with each household one-on-one (in whatever format makes residents feel most comfortable including by phone, in-person, virtually, etc.) to complete a relocation

assessment to best understand and assist residents through the relocation process, *see Section iii: Resident Relocation Assessment.*

- Provide required notices and all verbal and written correspondence regarding relocation updates, progress and other important information, *see Section iv: Ongoing Resident Communication and Notices.*
- Be accessible for residents' questions or concerns and have business hours communicated to residents with contact information and an on-site office location.
- Notify residents of the option to meet outside of office hours.
- Provides appropriate counseling for residents who may be unable to read and understand notices.
- Assign relocation units (temporary and permanent) to residents based on any reasonable accommodation needs.
- Understand and anticipate the needs of families and the elderly and able to meet the special advisory services they may need.
- Inspect and treat any pest issues in residents' units.
- Arrange, schedule and supervise the moving of residents' belongings to their relocation unit. This includes distribution of packing materials, arranging for the packing assistance for residents unable to pack themselves and monitoring the move(s).

Other Benefits to residents include:

- Move Assistance
  - Move(s) in connection to the project will be arranged and paid for at no cost to the resident. This will include utility connection and transfer fees.
  - Move will be conducted by a licensed, bonded and insured moving company.
  - In accordance with the VHDA, and in addition to the moving assistance provided, any household that must temporarily relocate for more than 30 days will be given a Moving Cost Reimbursement of \$100.
- No additional housing costs will be incurred during relocation, whether it is to a temporary unrenovated apartment or permanently to a renovated apartment. Rent amounts will remain the same unless there is a change in the resident's income.

### iii. Resident Relocation Assessment

Relocation staff will meet one on one with every household in order to explain the renovations, review their relocation benefits, and to develop a relocation plan that works for the household. During this assessment, relocation staff will also determine the level of packing assistance needed by the household.

The Resident Assessment process include the following:

- Meet one on one with each household to establish their relocation plan based on their household's situation and needs. Identify any and all obstacles and/or issues that may impact relocation. Among information collected in assessment will include household composition, approved reasonable accommodations, pets, current in-home services, planned vacations/hospitalizations, households requiring day space accommodations, etc.
- If the Head of Household does not speak English then the relocation staff will arrange for appropriate translation services.
- Discuss and evaluate the households furniture and belongings. Relocation staff makes note of large furnishings, housekeeping issues, clutter, pest issues, and hoarding disorders.
- Relocation staff determines if a household requires packing and unpacking services.

iv. Ongoing Resident Communication & Notices

Residents will receive ongoing and frequent communication regarding the project and how to access information about the project and relocation. Along with phone calls and letter updates that will provide information regarding relocation, the required notices will be promptly sent to each affected household. Any requested translation and/or interpretation of these notices will be completed and delivered.

Required notices will include:

- General Information Notice (GIN) and Cover Letter - This will be delivered to each resident and a signed copy will be kept on file to confirm receipt for each household. The GIN Cover Letter will explain that ownership plans to begin renovations soon and provide Relocation Contact Information for any questions or concerns. The letter will also explain that residents can find the Relocation Plan, upon finalized approval, at the Property Management office. **See Attachment A.**
- Notice of Nondisplacement - This will be delivered to each resident and a signed copy will be kept on file to confirm receipt for each household. The Notice of Nondisplacement confirms that project funding has been secured and relocation will begin soon but no residents will be permanently displaced as a part of the project. The notice also details how residents will not incur any additional costs due to the project. **See Attachment B.**

- 30 Day Relocation Notice - This notice will be issued and delivered no less than 30 days before a resident has to move addressed to the resident at their current address. The notice will state the specific move date and time frame moving services will arrive; state the responsibilities of the tenant pertaining to the move and contact information in order to request assistance with said responsibilities; states the address to which the tenant will be relocated; state, if applicable, the date on which the move-in inspection will be completed. Residents will receive this minimum notice but may also agree, in writing, to move sooner if feasible. **See Attachment C.**

All relocation notices, communications, relocation reimbursements and receipts will be documented in files for each affected household.

v. COVID-19 Protocols & Precautions

Safety of the residents is of utmost importance to NHT Communities and the on-site team. Due to current concerns regarding COVID-19 the following protocols will be taken to minimize risk and exposure at Mt. Hermon Village during the renovations:

- Relocation units and rental furniture, if used, will be cleaned and disinfected between phases of household relocation. This will be done by a third party cleaning company that will comply with CDC cleaning/disinfection guidelines. The areas to clean will include but not be limited to bathrooms, kitchens, shared electronic equipment (remote controls, TV) and especially focusing on frequently touched surfaces like doorknobs and counters.
- During moves, residents will be required to wear a face covering and keep at least 6 feet of distance between themselves and movers.
- Renovated apartments will be cleaned and disinfected after construction has completed work in the unit and before the household returns.
- Contractors, cleaners, movers, and all on-site property management and ownership staff will wear Personal Protective Equipment (PPE) at all times while at the Mt. Hermon Village.

Self-certification forms may be required and used by contractors and other vendors on-site. As the CDC, state and local officials release additional guidance, the Mt. Hermon Village team will monitor and adjust this plan accordingly. Residents will be provided with information about these protocols prior to their relocation.

**V. UNIT DELIVERY SCHEDULE**

Construction is scheduled to begin in December 2021 and is anticipated to be completed in November 2023. Construction will renovate units by a block of quads for each phase which will be completed in approximately 42-50 days. The Construction Schedule can be found in Exhibit E.

## **VI. APPEALS**

NHT Communities, the agency, is required to consider a written appeal regardless of form under the following guidelines as set in the URA.

The agency may set a reasonable time limit for a person to file an appeal. The time limit shall not be less than 60 days after the person receives written notification of the Agency's determination on the person's claim.

Promptly after receipt of all information submitted by a person in support of an appeal, NHT Communities shall make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person a copy. If the full relief requested is not granted, the agency shall advise the person of his or her right to seek judicial review.

The Agency official conducting the review of the appeal shall be either the head of the Agency or his or her authorized designee. However, the official shall not have been directly involved in the action appealed.

**Attachment A: Cover Letter & General Information Notice (GIN)**

General Information Notice Cover Letter

Date:

Dear resident of Mt. Hermon Village,

The enclosed letter is a General Information Notice (GIN) which is a required form to inform you that the owners of Mt. Hermon Village, NHT Communities, plans to complete renovations in your apartment and the rest of the Mt. Hermon Village property.

The renovations will require you to move to another apartment at Mt. Hermon Village in order for construction to be completed in your current home. You will not be required to leave Mt. Hermon Village or incur any additional costs due to the renovations at the property.

We are adhering to state, local and Center for Disease Control and Prevention (CDC) guidelines concerning COVID-19 and ask that you comply with Personal Protective Equipment (PPE) requirements when you meet with the project team.

*(Name of relocation coordinator contact)* will be in contact with you soon to discuss the information enclosed and answer any questions or concerns you may have. If you have questions or concerns in the meantime, you can contact us at *(phone number)*, *(Email address)* and in person at *(office address)*.

Please note that we ask you sign a copy of the enclosed GIN so we can confirm you received it. There is also a written Relocation Plan located at the property management office, please let us know if you'd like to have a copy.

Thank you,

(Name, Title)

GENERAL INFORMATION NOTICE RESIDENTIAL TENANT NOT DISPLACED

Date: \_\_\_\_\_

Dear: \_\_\_\_\_

NHT Communities, is interested in rehabilitating Mt. Hermon Village, the property you currently occupy for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the HAP program.

The purpose of this notice is to inform you that you will **not** be displaced in connection with the proposed project.

If the project application is approved and federal financial assistance provided, you may be required to move temporarily so that the rehabilitation can be completed. If you must move temporarily, suitable housing will be made available to you and you will be reimbursed for all reasonable out of pocket expenses, including moving costs and any increase in housing costs. You will need to continue to pay your rent and comply with all other lease terms and conditions.

Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions.

If federal financial assistance is provided for the proposed project, you will be protected by a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). One of the URA protections for persons temporarily relocated is that such relocations shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered all permanent relocation assistance as a displaced person under the URA. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered.

**(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional**



**hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)**

We urge you not to move at this time. If you choose to move, you will not be provided relocation assistance.

Please remember:

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: (name, title) at (phone/email) or at (address).\_\_\_\_\_.

Sincerely,

(name and title)

By signing below you acknowledge receipt of this notice:

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Date

## Attachment B: Notice of Nondisplacement

### NOTICE OF NONDISPLACEMENT TO RESIDENTIAL TENANT

Date: \_\_\_\_\_

Dear: \_\_\_\_\_

On (date of GIN), NHT Communities, notified you of proposed plans to rehabilitate the property you currently occupy at Mt. Hermon Village for a project which could receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Section 202 and HAP programs. On (date), the project was approved and will receive federal funding. Repairs will begin soon.

- **This is a notice of nondisplacement.** You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions.
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

**Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move.** (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs.

Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Of course, you must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact (name), at (phone), or at (address). This letter is important to you and should be retained.

Sincerely,

(name and title)

By signing below you acknowledge receipt of this notice:

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Date

**Attachment C: 30 Day Move Notice**

**30 Day Move Notice  
Mt. Hermon Village**

Date: \_\_\_\_\_

Dear: (Resident Name & Current Address)

Dear resident of Mt. Hermon Village, this notice is to inform you that in approximately 30 days, you will be required to move to your temporary unit due to construction plans in your current apartment.

*You will be permanently transferred to a renovated apartment at: (new unit address).  
**Or** You will be temporarily relocated to (temporary unit address) for approximately (relocation time frame).*

Your move details are as follows:

Move Date: \_\_\_\_\_ Move Start Time Frame: \_\_\_\_\_

Moving Company: \_\_\_\_\_

Please note that any changes to your move date, time, and temporary unit address will be communicated to you as soon as possible.

Please do not purchase any boxes or packing materials for your move, we will provide those to you at no additional cost in the upcoming days. If you have any questions or concerns about this notice or your move please contact (name, title), at (phone/email) or at (address).

We are following state, local and CDC guidelines concerning COVID-19 and request that you follow our guidelines including PPE requirements on the day of your move.

We truly appreciate your patience and understanding as we move forward to making the necessary repairs and renovations at Mt. Hermon Village.

Thank you,

(Name, title)

By signing below, you acknowledge receipt of this notice:

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Date

Attachment D: HousingToHome Resume



---

HousingToHome LLC Resume

January 2021

HousingToHome (HTH) is a Limited Liability Corporation (LLC) founded in 2020 with offices located at 50 Summer St. in Boston, Massachusetts. HousingToHome's has a national footprint and our core business lines include: resident relocation, commercial relocation, resident engagement, and community building. We are a women owned business and our principals are Katie Provencher and Hannagh Jacobsen.

HTH's Executive Team has extensive experience in executing all types of relocation across the country including temporary, occupied/resident in-place, permanent relocation as well as consulting services. HTH is highly knowledgeable about and up to date with the relocation rules and regulations for the Uniform Relocation and Real Properties Acquisition Act of 1970, as amended (URA), Section 104(d), Section 18 Demolition/Disposition, and the Rental Assistance Demonstration (RAD) Program and other pertinent local, state, and federal guidelines.

HTH has a commitment to high quality service to our clients and to the residents. We pride ourselves on being on schedule and budget and having excellent communication and follow through on our work. We strive to grow our business while at the same time having extremely knowledgeable, productive, and satisfied employees. Diversity, Equity, and Inclusion (DEI) is a priority for us and is reflected in the staff who we hire as well in the decisions that we make as a company.

Katie Provencher has extensive experience in community development across the country including resident engagement, relocation, and community building. Prior to founding HTH, Katie was the Chief Executive Officer for a national relocation company in which she grew the company significantly in scale, efficiency, and profitability. Katie also had the experience of being the Deputy Director of Urban Edge Housing Corporation, a premier community development corporation in New England.

Katie is a graduate of the NeighborWorks Achieving Excellence program at Harvard University's John F. Kennedy's School of Government, and holds a Master's Degree in Social Work from Boston College and a Bachelor of Arts Degree from Boston University. Katie is a proud native of Lowell, Massachusetts and was honored with the Massachusetts Association of Community Development Corporation's (MACDC) Ricanne Hadrian Award in 2015 and the Comcast NBCUniversal National Leadership Award in 2012 for her work in community building and organizing.

Hannagh Jacobsen has experience with resident relocation and community building on a national level. Hannagh is one of the leading experts in resident relocation rules and regulations in the country. She has invaluable first-hand experience with executing temporary, permanent, and resident in-place relocation and re-occupancy jobs. Hannagh is strongly versed and experienced in various local, state, and federal resident relocation guidelines including URA, Section 18, and RAD regulations and compliance. Hannagh is adept in new business development and in strengthening company infrastructure, systems, and operations. Hannagh assisted in the management of an elected official campaign in Cambridge, Massachusetts and holds a Bachelor of Science from Suffolk University.



Prepared by HousingToHome LLC HousingToHome (HTH) | www.housingtohome.com | 50 Summer St. Boston, MA 02110 | 617-293-6572

<b>Mt. Hermon Village Relocation Expenses</b>				
<b>Cost Description</b>	<b># of Units</b>	<b>Cost</b>	<b>Instances</b>	<b>Total</b>
<b>Move</b>				
1 bedroom	88	\$375		\$33,000
2 bedroom	2	\$500		\$1,000
<b>Packing Supplies</b>				
1 bedroom				\$0
2 bedroom				\$0
<b>Packing/Unpacking Assistance (estimated 50%)</b>				
1 bedroom	88	\$225		\$19,800
2 bedroom	2	\$270		\$540
<b>Cleaning (for temp moves)</b>				
1 bedroom	88	\$150		\$13,200
2 bedroom	2	\$200		\$400
<b>Pest Treatment</b>				
Inspections	90	\$45		\$4,050
Treatments	90	\$90		\$8,100
<b>Contingency</b>			10%	\$8,009
<b>Relocation Cost Total:</b>				<b>\$88,099</b>

WBS Code	WBS Name	Qtr 4, 2021		Qtr 1, 2022			Qtr 2, 2022			Qtr 3, 2022			Qtr 4, 2022			Qtr 1, 2023		
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Mt Ve	MT. Hermon Village Senior Apartments Renovation																	15-Feb-23
Mt	Preconstruction Phase			30-Dec-21														
	Administration & Contract Agreement	04-Nov-21																
	Fabrication & Deliver Materials	21		30-Dec-21														
Mt	Construction Phase		30-Dec-21															02-Feb-23
	Mobilize to Site		30-Dec-21	13-Jan-22														
	Unit 2401 Quad Plex		14-Jan-22	14-Feb-22														
	Unit 2401 Quad Plex		14-Jan-22	14-Feb-22														
	Unit A		14-Jan-22	07-Feb-22														
	Unit B		14-Jan-22	04-Feb-22														
	Unit C		14-Jan-22	08-Feb-22														
	Unit D		14-Jan-22	09-Feb-22														
	Owner Move/Turn Next Building			10-Feb-22	14-Feb-22													
	Unit 2402 Quad Plex		28-Jan-22	25-Feb-22														
	Unit A		28-Jan-22	21-Feb-22														
	Unit B		28-Jan-22	18-Feb-22														
	Unit C		28-Jan-22	21-Feb-22														
	Unit D		28-Jan-22	22-Feb-22														
	Owner Move/Turn Next Building			23-Feb-22	25-Feb-22													
	Unit 2403 Quad Plex		14-Feb-22	24-Mar-22														
	Unit A		14-Feb-22	11-Mar-22														
	Unit B		14-Feb-22	11-Mar-22														
	Unit C Accessible Unit		14-Feb-22	16-Mar-22														
	Unit D		14-Feb-22	21-Mar-22														
	Owner Move/Turn Next Building			22-Mar-22	24-Mar-22													
	Unit 2404 Quad Plex			25-Feb-22	29-Mar-22													
	Unit A			25-Feb-22	21-Mar-22													
	Unit B			25-Feb-22	18-Mar-22													
	Unit C			25-Feb-22	22-Mar-22													
	Unit D			25-Feb-22	24-Mar-22													
	Owner Move/Turn Next Building			25-Mar-22	29-Mar-22													
	Unit 2405 Quad Plex			24-Mar-22	25-Apr-22													
	Unit A Accessible Unit			24-Mar-22	15-Apr-22													
	Unit B			24-Mar-22	15-Apr-22													
	Unit C			24-Mar-22	19-Apr-22													
	Unit D			24-Mar-22	20-Apr-22													
	Owner Move/Turn Next Building			21-Apr-22	25-Apr-22													
	Unit 2406 Quad Plex			29-Mar-22	29-Apr-22													
	Unit A			29-Mar-22	20-Apr-22													
	Unit B			29-Mar-22	20-Apr-22													
	Unit C			29-Mar-22	22-Apr-22													
	Unit D			29-Mar-22	26-Apr-22													
	Owner Move/Turn Next Building			27-Apr-22	29-Apr-22													
	Unit 2407 Quad Plex			25-Apr-22	25-May-22													
	Unit A Accessible Unit			25-Apr-22	17-May-22													
	Unit B			25-Apr-22	17-May-22													
	Unit C			25-Apr-22	18-May-22													

▼ All Projects     
 ▼ Summary  
■ WBS Elements below Project



Date	Revision	Checked	Approved
12-Jul-21	Modify Start to October 31, 2021		



WBS Code	WBS Name	Qtr 4, 2021		Qtr 1, 2022			Qtr 2, 2022			Qtr 3, 2022			Qtr 4, 2022			Qtr 1, 2023			
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	Unit D							25-Apr-22	20-May-22										
	Owner Move/Turn Next Building							23-May-22	25-May-22										
	Unit 2408 Quad Plex							29-Apr-22	01-Jun-22										
	Unit A							29-Apr-22	23-May-22										
	Unit B							29-Apr-22	23-May-22										
	Unit C							29-Apr-22	25-May-22										
	Unit D							29-Apr-22	27-May-22										
	Owner Move/Turn Next Building							30-May-22	01-Jun-22										
	Unit 2409 Quad Plex							25-May-22	24-Jun-22										
	Unit A							25-May-22	16-Jun-22										
	Unit B							25-May-22	16-Jun-22										
	Unit C							25-May-22	20-Jun-22										
	Unit D							25-May-22	21-Jun-22										
	Owner Move/Turn Next Building							22-Jun-22	24-Jun-22										
	Unit 2410 Quad Plex							01-Jun-22	04-Jul-22										
	Unit A							01-Jun-22	23-Jun-22										
	Unit B							01-Jun-22	23-Jun-22										
	Unit C							01-Jun-22	27-Jun-22										
	Unit D Accessible Unit							01-Jun-22	29-Jun-22										
	Owner Move/Turn Next Building							30-Jun-22	04-Jul-22										
	Unit 2411 Quad Plex							24-Jun-22	26-Jul-22										
	Unit A							24-Jun-22	18-Jul-22										
	Unit B							24-Jun-22	18-Jul-22										
	Unit C							24-Jun-22	20-Jul-22										
	Unit D							24-Jun-22	21-Jul-22										
	Owner Move/Turn Next Building							22-Jul-22	26-Jul-22										
	Unit 2412 Quad Plex							04-Jul-22	05-Aug-22										
	Unit A							04-Jul-22	26-Jul-22										
	Unit B							04-Jul-22	26-Jul-22										
	Unit C							04-Jul-22	29-Jul-22										
	Unit D							04-Jul-22	02-Aug-22										
	Owner Move/Turn Next Building							03-Aug-22	05-Aug-22										
	Unit 2413 Quad Plex							26-Jul-22	26-Aug-22										
	Unit A							26-Jul-22	17-Aug-22										
	Unit B							26-Jul-22	17-Aug-22										
	Unit C							26-Jul-22	19-Aug-22										
	Unit D							26-Jul-22	23-Aug-22										
	Owner Move/Turn Next Building							24-Aug-22	26-Aug-22										
	Unit 2414 Duplex							05-Aug-22	01-Sep-22										
	Unit A Accessible Unit							05-Aug-22	29-Aug-22										
	Unit B							05-Aug-22	26-Aug-22										
	Owner Move/Turn Next Building							30-Aug-22	01-Sep-22										
	Unit 2415 Quad Plex							26-Aug-22	28-Sep-22										
	Unit A							26-Aug-22	19-Sep-22										
	Unit B							26-Aug-22	19-Sep-22										
	Unit C							26-Aug-22	21-Sep-22										
	Unit D							26-Aug-22	23-Sep-22										

All Projects  
 Summary  
 WBS Elements below Project



Date	Revision	Checked	Approved
12-Jul-21	Modify Start to October 31, 2021		

WBS Code	WBS Name	Qtr 4, 2021			Qtr 1, 2022			Qtr 2, 2022			Qtr 3, 2022			Qtr 4, 2022			Qtr 1, 2023		
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	Owner Move/Turn Next Building											26-Sep-22	28-Sep-22						
	Unit 2416 Quad Plex											01-Sep-22	04-Oct-22						
	Unit A											01-Sep-22	23-Sep-22						
	Unit B											01-Sep-22	23-Sep-22						
	Unit C											01-Sep-22	27-Sep-22						
	Unit D											01-Sep-22	29-Sep-22						
	Owner Move/Turn Next Building											30-Sep-22	04-Oct-22						
	Unit 2417 Quad Plex											28-Sep-22	02-Nov-22						
	Unit A Accessible Unit											28-Sep-22	20-Oct-22						
	Unit B											28-Sep-22	20-Oct-22						
	Unit C											28-Sep-22	25-Oct-22						
	Unit D											28-Sep-22	28-Oct-22						
	Owner Move/Turn Next Building												31-Oct-22	02-Nov-22					
	Unit 2418 Quad Plex											04-Oct-22	04-Nov-22						
	Unit A											04-Oct-22	26-Oct-22						
	Unit B											04-Oct-22	26-Oct-22						
	Unit C											04-Oct-22	28-Oct-22						
	Unit D											04-Oct-22	01-Nov-22						
	Owner Move/Turn Next Building												02-Nov-22	04-Nov-22					
	Unit 2420 Quad Plex												02-Nov-22	05-Dec-22					
	Unit A												02-Nov-22	24-Nov-22					
	Unit B												02-Nov-22	24-Nov-22					
	Unit C												02-Nov-22	28-Nov-22					
	Unit D												02-Nov-22	30-Nov-22					
	Owner Move/Turn Next Building													01-Dec-22	05-Dec-22				
	Unit 2422 Quad Plex												04-Nov-22	08-Dec-22					
	Unit A												04-Nov-22	28-Nov-22					
	Unit B												04-Nov-22	29-Nov-22					
	Unit C Accessible Unit												04-Nov-22	01-Dec-22					
	Unit D												04-Nov-22	05-Dec-22					
	Owner Move/Turn Next Building													06-Dec-22	08-Dec-22				
	Unit 2424 Quad Plex													05-Dec-22	05-Jan-23				
	Unit A													05-Dec-22	27-Dec-22				
	Unit B													05-Dec-22	27-Dec-22				
	Unit C													05-Dec-22	29-Dec-22				
	Unit D													05-Dec-22	02-Jan-23				
	Owner Move/Turn Next Building														03-Jan-23	05-Jan-23			
	Unit 2426 Quad Plex													08-Dec-22	05-Jan-23				
	Unit A													08-Dec-22	30-Dec-22				
	Unit B													08-Dec-22	29-Dec-22				
	Unit C													08-Dec-22	30-Dec-22				
	Unit D Accessible Unit													08-Dec-22	02-Jan-23				
	Owner Move/Turn Next Building														03-Jan-23	05-Jan-23			
	Unit 2428 Quad Plex														05-Jan-23	02-Feb-23			
	Unit A														05-Jan-23	27-Jan-23			
	Unit B Accessible Unit														05-Jan-23	26-Jan-23			
	Unit C														05-Jan-23	27-Jan-23			

▼ All Projects     
 ▼ Summary  
■ WBS Elements below Project



Date	Revision	Checked	Approved
12-Jul-21	Modify Start to October 31, 2021		

WBS Code	WBS Name	Qtr 4, 2021		Qtr 1, 2022			Qtr 2, 2022			Qtr 3, 2022			Qtr 4, 2022			Qtr 1, 2023		
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
	Unit D														05-Jan-23		30-Jan-23	
	Owner Move/Turn Next Building																	
Mt	Community Center							29-Apr-22		06-Jun-22								
	Common Space							29-Apr-22		06-Jun-22								
	General Space							29-Apr-22		06-Jun-22								
	Managers Apartment							10-May-22		27-May-22								
	Unit B							10-May-22		27-May-22								
Mt	Close Out Phase														02-Feb-23		15-Feb-23	

All Projects       Summary  
 WBS Elements below Project



Date	Revision	Checked	Approved
12-Jul-21	Modify Start to October 31, 2021		

K

Documentation of  
Development Location

**K.1**

Revitalization Area  
Certification



## Revitalization Area

### General Instructions

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

### Designation

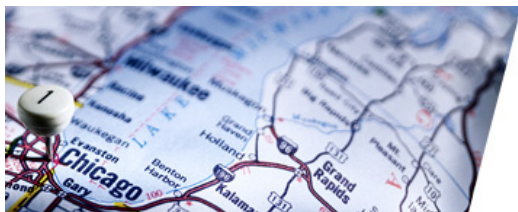
To qualify for revitalization area points, select one of the following (and provide adequate documentation):

1. The development is located in a Qualified Census Tract, as defined by HUD. (10 points)
2. The development is located in a census tract wherein 70% or more of the families have incomes which are  $\leq$  80% statewide median income. **NOTE:** These census tracts are included in the definition of target area for single-family purposes, but do not include ACEDS. (10 points)
3. The development is located in an already established redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to §36-1 et seq. Documentation must show area boundaries and support that the development lies within those boundaries. (10 points)
4. The development is located in a Housing Rehabilitation Zone established through an ordinance created by a city, county or town pursuant to §36-55.64. Documentation must include a copy of the ordinance with support that the development lies within the Rehabilitation Zone. (15 points)
5. The development is located in a defined revitalization area. Documentation must include a resolution from the locality supporting the development's location within the revitalization area. See language below. (15 points)

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

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

6. The development is located in a Qualified Opportunity Zone and has a binding commitment of funding. Documentation must include a firm commitment of funding from a Qualified Opportunity Fund (QOF). Evidence of the self-certification to become a QOF must be provided with the commitment for funding. (15 points)



# 2020 and 2021 Small DDAs and QCTs

2400 Cutherell Street, Portsmouth, VA

Go

Select a State

Select a County

Go

Map Options : [Clear](#) | [Reset](#) | [Full Screen](#)

QCT Legend:

Tract Outline



LIHTC Project



2021 Qualified Census Tracts

SADDA Legend:

FMR Boundary

ZCTA Boundary



2021 Small DDA

Part DDA

Non Metro DDA

Hide the overview

The 2021 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2021. The 2021 designations use data from the 2010 Decennial census. The designation methodology is explained in the federal Register notice published September 23, 2020

### Map Options

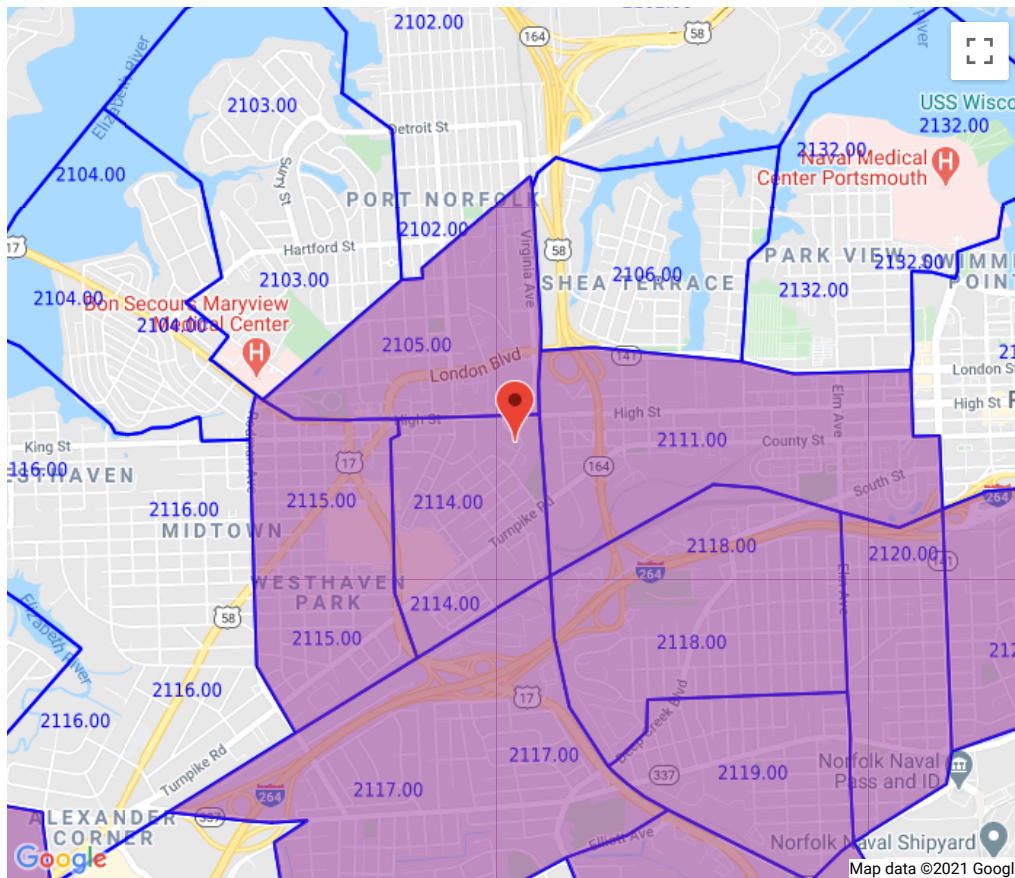
14 Current Zoom Level

- Show Difficult Development Areas (Zoom 7+)
- Color QCT Qualified Tracts (Zoom 7+)
- Show Tracts Outline (Zoom 11+)
- Show FMR Outlines (Zoom 4+)
- Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

### Select Year

- 2021
- 2020



◀ 1.4K

## About PD&R

- Delegations of Authority and Order of Succession
- Events
- HUD at 50
- HUD Secretary's Awards
- PD&R Careers

## Initiatives

- Aging Research and Resources
- Public Health Research and Resources
- Regulatory Barriers Clearinghouse

## Research

- Case Studies
- Data Sets
- Periodicals
- Regulatory Barriers Clearinghouse
- Reports

### Reference

- [Bibliographic Database](#)
- [Data Sets Reference Guide](#)
- [Guidelines for Preparing a Report for Publication](#)
- [HUD Historical Timeline](#)
- [Programs of HUD](#)

### Resources

- [Disaster Recovery PD&R Toolkit](#)
- [Housing Scorecard](#)
- [International and Philanthropic Affairs Division](#)
- [Market Analysis](#)

### More...

- [Contact Us](#)
- [eBookstore](#)
- [HUDUser Archives](#)
- [Webstore](#)

## Connect with HUD User

*Note:* Guidance documents, except when based on statutory or regulatory authority or law, do not have the force and effect of law and are not meant to bind the public in any way. Guidance documents are intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

[Accessibility](#) | [Contact Info](#) | [Privacy Policy](#) | [FOIA](#) | [Web Management and Web Policies](#) | [Inspector General](#) | [No Fear Act](#) | [PaymentAccuracy.gov](#)



HUD USER

P.O. Box 23268, Washington, DC 20026-3268

**Toll Free:** 1-800-245-2691 **TDD:** 1-800-927-7589

**Local:** 1-202-708-3178 **Fax:** 1-202-708-9981



K.2

Location Map



2400 Cuthrell Street, Ports X

Show search results for 2400 C...

Search result (1 of 3)

2400 CUTHERELL ST, PORTSMOUTH, VA, 23707

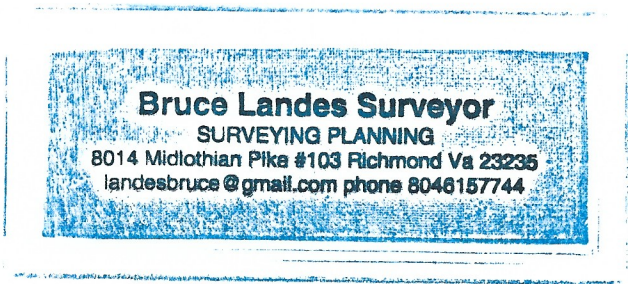
Show more results

Zoom to



K.3

Surveyor's Certification of  
Proximity to Public  
Transportation



**Surveyor's Certification of Proximity to Transportation**

DATE:

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

RE: 2021 Tax Credit Reservation Request

Name of Development: Mt. Hermon Village 2400 CUTHRELL ST  
Name of Owner: MHV Preservation Partners LP PORTSMOUTH, VA, 23707

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.



BRUCE LANDES SURVEYOR  
Firm Name  
By: [Signature]  
Its: OWNER 3/12/2021  
Title

M

Locality CEO Response  
Letter



July 1, 2021

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

VDHA Tracking Number: 2021-TEB-83  
Development Name: Mt. Herman Village  
Name of Owner/Applicant: MHV Preservation Partners LP

Dear Mr. Bondurant:

The construction or rehabilitation of the above-named development and the allocation of federal housing tax credits available under IRC Section 42 for said development will help to meet the housing needs and priorities of the City of Portsmouth. Accordingly, the City of Portsmouth supports the allocation of federal housing tax credits requested by MHV Preservation Partners for this development.

Sincerely,

**Angel L. Jones**  
City Manager

P

Copies of 8609s to  
Certify Developer  
Experience and  
Partnership agreements

## VHDA Experienced LIHTC Developers

### Notes:

Updated:

1/10/2020

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

I Listed if documentation supported at least 6 LIHTC developments

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

**See LIHTC Manual for instructions on being added to this list**

### INDIVIDUALS

1 Alexander, Randall P.	28 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 The Community Builders
- 24 Virginia Supportive Housing
- 25 Virginia United Methodist Housing Development Corporation
- 26 Wesley Housing Development Corporation
- 27 LEDIC Realty Company, LLC



Q

Documentation of  
Rental Assistance, Tax  
Abatement and/or  
Existing HUD/RD

**ASSIGNMENT, ASSUMPTION AND AMENDMENT AGREEMENT  
SECTION 8 HOUSING ASSISTANCE PAYMENTS CONTRACT  
(UNINSURED PROJECT)**

THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF SECTION 8 HOUSING ASSISTANCE CONTRACT (herein called the "Agreement") is made this \_\_ day of November, 2019, by the NAVIGATE AFFORDABLE HOUSING PARTNERS (herein called "the Contract Administrator"), MT. HERMON COMMUNITY IMPROVEMENT FOUNDATION, a Virginia nonprofit corporation (herein called "the Seller"), and MT HERMON VILLAGE LLC, a Virginia limited liability company (herein called "the Buyer").

**WHEREAS**, the Contract Administrator and Seller, pursuant to Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437(f), entered into a Section 8 Housing Assistance Payments Contract (herein called the "HAP Contract") identified as HAP Contract Number VA36T781003 for units in Mount Hermon Elderly (herein called "the Property"), a copy of which is attached hereto as "Exhibit A."

**WHEREAS**, the Seller and the Buyer have entered into a Property Purchase and Sale Agreement, dated as of January 25, 2019, as amended, wherein the Seller agrees to sell the Property and the Buyer agrees to purchase the Property, including, without limitation, the improvements situated thereon, and has agreed to accept the assignment of and assume all obligations under the HAP Contract;

**WHEREAS**, the Buyer has submitted to the Secretary of HUD (herein called "the Secretary") an Application and documents in support thereof (herein collectively referred to as the "Application") requesting the Secretary's approval of the proposed assignment of the HAP Contract to the Buyer as set forth in the aforesaid Property Purchase and Sale Agreement; and

**WHEREAS**, the Seller and the Buyer mutually desire to assign the HAP Contract; and it is necessary to and the Contract Administrator and the Buyer mutually desire to amend the HAP Contract to allow for physical inspections in accordance with 24 CFR Part 5 Subpart G and require financial reporting in accordance with 24 CFR Part 5 Subpart H;

**NOW, THEREFORE**, in consideration of the foregoing, the sum of Ten Dollars (\$10.00) in hand paid and other good consideration, the receipt of which is hereby acknowledged, and in order to comply with the requirements of the Secretary, the United States Housing Act of 1937, and the regulations adopted pursuant thereto, the parties hereto agree as follows:

1. The Seller hereby irrevocably assigns HAP Contract to the Buyer together with all rights and obligations in and under said contract;
2. Effective as of the date of this Agreement the Buyer agrees to assume and to be bound by said HAP Contract as modified herein, and is responsible for filing the Annual Financial Statement (AFS) from the date of this Agreement through the end of the Buyer's fiscal year.
3. Effective as of the date of this Agreement, the Seller is released from any future obligations under the HAP Contract, excepting that the Seller shall remain responsible for filing the AFS through the day before this Agreement if said HAP Contract includes an

AFS filing requirement. Nothing in this Agreement shall waive, compromise, impair, or prejudice any right HUD may have against the Seller for any violation of the HAP Contract that may have occurred prior to the date of this Agreement.

4. Part II of the HAP Contract shall be amended as follows to include the following provisions:

**Physical Conditions Standards and Inspection Requirements.** The Owner shall comply with the Physical Condition Standards and Inspection Requirements of 24 CFR Part 5, Subpart G, including any changes in the regulation and related Directives. In addition, the Owner shall comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR Part 200, Subpart P, including any changes in the regulation and related Directives. This obligation shall apply both during the current term of the HAP contract and during each successive renewal term.

**Financial Reporting Standards.** The Owner shall comply with the Uniform Financial Reporting Standards of 24 CFR Part 5, Subpart H, including any changes in the regulation and related Directives. This obligation shall apply during the current term of the HAP contract and for each successive renewal term.


5. This Agreement shall be construed under the laws of the Commonwealth of Virginia and to the extent inconsistent with the laws of the Commonwealth of Virginia, the laws of the United States of America. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
6. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.
7. The Secretary, by the signature of his authorized representative below, consents to assignment made hereby. Said consent shall be void ab initio if the Secretary determines that Buyer, or any principal or interested party of the Buyer, is debarred, suspended or subject to a limited denial of participation under 24 CFR Part 24, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or nonprocurement programs.

**NOTHING** in this Agreement shall in anyway impair the HAP Contract or alter, waive, annul, vary or affect any provision, condition, covenant therein, except as herein specifically provided, or affect or impair any rights, powers, or remedies under the HAP Contract, it being the intent of the parties hereto that the terms and conditions of the HAP Contract shall continue in full force and effect except as amended hereby.

**IN WITNESS WHEREOF**, the Seller, the Buyer and the Contract Administrator have caused this agreement to be executed.

**SELLER:**

MT. HERMON COMMUNITY IMPROVEMENT FOUNDATION,  
a Virginia nonprofit corporation

By:  \_\_\_\_\_  
Alvin Ely  
Executive Director

**BUYER:**

MT HERMON VILLAGE LLC,  
a Virginia limited liability company

By:   
Kevin White  
Executive Manager

**CONTRACT ADMINISTRATOR (HUD or PHA)**

Name of Contract Administrator (Print)

**United States Department of Housing and Urban Development**

---

By Judith Parker  
Signature of authorized representative

Judith Parker, Account Executive Branch Chief  
Name and title (Print)

**CONTRACT ADMINISTRATOR (HUD or PHA)**

Name of Contract Administrator (Print)

**Navigate Affordable Housing Partners**

---

By \_\_\_\_\_  
Signature of authorized representative

---

Name and title (Print)

*Not Applicable*

EXHIBIT A  
Housing Assistant Payment Contract



RECEIVED AUG 21 2019

RECEIVED AUG 19 2019

Attachment 11-2

**U.S. Department of Housing and Urban Development  
Office of Housing**

**Project-based Section 8**

**HOUSING ASSISTANCE PAYMENTS**

**BASIC RENEWAL CONTRACT**

**MULTI-YEAR TERM**

**Mount Hermon Elderly (VA36T781003 )**

OMB Control #2502-0587

\*Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for obtaining a signature on legally binding documents and will be used to enforce contractual obligations. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it has a currently valid OMB control number. No confidentiality is assured.\*

**PREPARATION OF CONTRACT**

Reference numbers in this form refer to notes at the end of the contract text. These endnotes are instructions for preparation of the Basic Renewal Contract. The instructions are not part of the Renewal Contract

(HUD-9637)

Basic Renewal Contract  
Multi-Year Term  
REV-11-05-2007

## TABLE OF SECTIONS

<b>1 CONTRACT INFORMATION</b>	<b>1</b>
<b>PROJECT</b>	<b>1</b>
<b>TYPE OF RENEWAL</b>	<b>1</b>
<b>2 TERM AND FUNDING OF RENEWAL CONTRACT</b>	<b>2</b>
<b>3 DEFINITIONS</b>	<b>3</b>
<b>4 RENEWAL CONTRACT</b>	<b>4</b>
<b>a Parties</b>	<b>4</b>
<b>b Statutory authority</b>	<b>4</b>
<b>c Expiring Contract</b>	<b>5</b>
<b>d Purpose of Renewal Contract</b>	<b>5</b>
<b>e Contract units</b>	<b>5</b>
<b>5 EXPIRING CONTRACT – PROVISIONS RENEWED</b>	<b>5</b>
<b>6 CONTRACT RENT</b>	<b>6</b>
<b>a Initial contract rents</b>	<b>6</b>
<b>b Contract rent adjustments</b>	<b>6</b>
<b>(1) OCAF or Budget-Based Rent Adjustments</b>	<b>6</b>
<b>(2) Comparability adjustments</b>	<b>7</b>
<b>(a) Applicability</b>	<b>7</b>
<b>(b) Fifth year adjustment (comparability adjustment at expiration of each 5-year period, if applicable)</b>	<b>7</b>

<b>(c) Mid-term adjustment (discretionary comparability adjustment within 5-year term)</b>	<b>8</b>
<b>(d) Adjusting contract rent</b>	<b>8</b>
<b>(3) Procedure for rent adjustments during renewal term</b>	<b>8</b>
<b>(4) No other adjustments</b>	<b>9</b>
<b>7 OWNER WARRANTIES</b>	<b>9</b>
<b>8 OWNER TERMINATION NOTICE</b>	<b>9</b>
<b>9 HUD REQUIREMENTS</b>	<b>9</b>
<b>10 STATUTORY CHANGES DURING TERM</b>	<b>10</b>
<b>11 PHA DEFAULT</b>	<b>10</b>
<b>12 EXCLUSION OF THIRD-PARTY RIGHTS</b>	<b>10</b>
<b>13 WRITTEN NOTICES</b>	<b>11</b>
<b>SIGNATURES</b>	<b>12</b>

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

RECEIVED AUG 21 2019

Project-based Section 8

RECEIVED AUG 14 2019

**HOUSING ASSISTANCE PAYMENTS**

**BASIC RENEWAL CONTRACT<sup>1</sup>**

**MULTI-YEAR TERM**

**1 CONTRACT INFORMATION<sup>2</sup>**

**PROJECT**

Section 8 Project Number: VA36T781003

Section 8 Project Number of Expiring Contract: Same

FHA Project Number (if applicable): 051-EH031

Project Name: Mount Hermon Elderly

**Project Description:**

This property consists of Semi-Detached 88 (1BR) and 2 (2BR) Section 8 Units and 1 (2BR) Non-Section 8 unit. The property is located at 2400 Cutherell Street, Portsmouth, Virginia, 23707-3645 and is located in Portsmouth City County.

**TYPE OF RENEWAL**

- Check this box for a project renewed under Section 524(a) of MAHRA (not including a Mark-Up-To-Market renewal).
- Check this box for a project renewed at exception rents under Section 524(b)(1) of MAHRA.

(HUD-9637)

Basic Renewal Contract  
Multi-Year Term  
REV-11-05-2007

RECEIVED AUG 21 2019

RECEIVED AUG 19 2019

**PARTIES TO RENEWAL CONTRACT**

**Name of Contract Administrator<sup>4</sup>**

Navigate Affordable Housing Partners

**Address of Contract Administrator**

1827 1st Avenue North, Ste 100  
Birmingham, AL 35203

**Name of Owner<sup>5</sup>**

Mount Herman Community Improvement Foundation

**Address of Owner**

2400 Cutherell Street  
Portsmouth, VA 23707-3645

**2 TERM AND FUNDING OF RENEWAL CONTRACT**

**a** The Renewal Contract begins on 5/1/2019<sup>6</sup> and shall run for a period of 20 (Twenty)<sup>7</sup> years.

**b** Execution of the Renewal Contract by the Contract Administrator is an obligation by HUD of \$ \$259,883<sup>8</sup>, an amount sufficient to

(HUD-9637)

Basic Renewal Contract  
Multi-Year Term  
REV-11-05-2007

provide housing assistance payments for approximately 5<sup>9</sup> months of the first annual increment of the Renewal Contract term.

- c HUD will provide additional funding for the remainder of the first annual increment and for subsequent annual increments, including for any remainder of such subsequent annual increments, subject to the availability of sufficient appropriations. When such appropriations are available, HUD will obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate period of time within the Renewal Contract term to which it will be applied.

### 3 DEFINITIONS

**ACC.** Annual contributions contract.

**Anniversary.** The annual recurrence of the date of the first day of the term of the Renewal Contract.

**Contract rent.** The total monthly rent to owner for a contract unit, including the tenant rent (the portion of rent to owner paid by the assisted family).

**Contract units.** The units in the Project which are identified in Exhibit A by size and applicable contract rents.

**Fifth year anniversary.** The Renewal Contract annual anniversary that falls at expiration of each 5-year period of the Renewal Contract term.

**Fifth year comparability adjustment.** An adjustment of contract rents by the contract administrator at the Fifth Year Anniversary. The contract rent for each unit size is set at comparable rent as shown by comparability analysis.

**HAP contract.** A housing assistance payments contract between the Contract Administrator and the Owner.

**HUD.** The United States Department of Housing and Urban Development.

**HUD requirements.** HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract.

**MAHRA.** The Multifamily Assisted Housing Reform and Affordability Act of 1997 (Title V of Public Law No.105-65, October 27, 1997, 111 Stat. 1384), as amended.

**Mid-term comparability adjustment.** An adjustment of contract rents by the contract administrator within each 5-year period of the Renewal Contract term (in addition to the comparability analysis and adjustment at the Fifth Year Anniversary). The contract rent for each unit size is set at comparable rent as shown by comparability analysis.

**OCAF.** An operating cost adjustment factor established by HUD.

**PHA.** Public housing agency (as defined and qualified in accordance with the United States Housing Act of 1937, 42 U.S.C. 1437 et seq.).

**Project.** The housing described in section 1 of the Renewal Contract.

**Renewal Contract.** This contract, including applicable provisions of the Expiring Contract (as determined in accordance with section 5 of the Renewal Contract).

**Section 8.** Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

#### **4 RENEWAL CONTRACT**

##### **a Parties**

- (1) The Renewal Contract is a housing assistance payments contract ("HAP Contract") between the Contract Administrator and the Owner of the Project (see section 1).
- (2) If HUD is the Contract Administrator, HUD may assign the Renewal Contract to a public housing agency ("PHA") for the purpose of PHA administration of the Renewal Contract, as Contract Administrator, in accordance with the Renewal Contract (during the term of the annual contributions contract ("ACC") between HUD and the PHA). Notwithstanding such assignment, HUD shall remain a party to the provisions of the Renewal Contract that specify HUD's role pursuant to the Renewal Contract, including such provisions of section 9 (HUD requirements), section 10 (statutory changes during term) and section 11 (PHA default), of the Renewal Contract.

##### **b Statutory authority**

The Renewal Contract is entered pursuant to section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), and section 524 of MAHRA.

**c Expiring Contract**

Previously, the Contract Administrator and the Owner had entered into a HAP Contract ("expiring contract") to make Section 8 housing assistance payments to the Owner for eligible families living in the Project. The term of the expiring contract will expire prior to the beginning of the term of the Renewal Contract.

**d Purpose of Renewal Contract**

- (1) The purpose of the Renewal Contract is to renew the expiring contract for an additional term. During the term of the Renewal Contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract.
- (2) Housing assistance payments shall only be paid to the Owner for contract units occupied by eligible families leasing decent, safe and sanitary units from the Owner in accordance with statutory requirements, and with all HUD regulations and other requirements. If the Contract Administrator determines that the Owner has failed to maintain one or more contract units in decent, safe and sanitary condition, and has abated housing assistance payments to the Owner for such units, the Contract Administrator may use amounts otherwise payable to the Owner pursuant to the Renewal Contract for the purpose of relocating or rehousing assisted residents in other housing.

**e Contract units**

The Renewal Contract applies to the Contract units.

**5 EXPIRING CONTRACT -- PROVISIONS RENEWED**

- a Except as specifically modified by the Renewal Contract, all provisions of the Expiring Contract are renewed (to the extent such provisions are consistent with statutory requirements in effect at the beginning of the Renewal Contract term).
- b All provisions of the Expiring Contract concerning any of the following subjects are not renewed, and shall not be applicable during the renewal term:



- (1) Identification of contract units by size and applicable contract rents;
- (2) The amount of the monthly contract rents;
- (3) Contract rent adjustments; and
- (4) Project account (sometimes called "HAP reserve" or "project reserve") as previously established and maintained by HUD pursuant to former Section 8(c)(6) of the United States Housing Act of 1937 (currently Section 8(c)(5) of the Act, 42 U.S.C. 1437f(c)(5)). Section 8(c)(5) does not apply to the Renewal Contract, or to payment of housing assistance payments during the Renewal Contract term.

c The Renewal Contract includes those provisions of the Expiring Contract that are renewed in accordance with this section 5.

## 6 CONTRACT RENT

### a Initial contract rents

At the beginning of the Renewal Contract term, and until contract rents for units in the Project are adjusted in accordance with section 6b, the contract rent for each bedroom size (number of bedrooms) shall be the initial contract rent amount listed in Exhibit A of the Renewal Contract.

### b Contract rent adjustments

#### (1) OCAF or Budget-Based Rent Adjustments

- (a) Except as provided in section 6b(2) below (concerning comparability adjustments at each Fifth Year Anniversary and discretionary comparability adjustments within each five-year term), during the term of the Renewal Contract the Contract Administrator shall annually, on the anniversary of the Renewal Contract, adjust the amounts of the monthly contract rents in accordance with HUD requirements by either of the following methods (as determined by the Contract Administrator in accordance with HUD requirements):

- (i) Using an OCAF; or

- (ii) At the request of the owner, based on the budget for the Project, as approved by the Contract Administrator in accordance with HUD requirements.
  - (b) Adjustments by use of the OCAF shall not result in a negative adjustment (decrease) of the contract rents. The OCAF shall not be used for adjustment of rent at each Fifth Year Anniversary (as determined in accordance with section 6b(2)(b) below).
- (2) **Comparability adjustments**
- (a) **Applicability.** This section 6b(2) is applicable only if the contract has been renewed pursuant to Section 524(a) of MAHRA. This section 6b(2) does not apply to a project renewed at exception rents under Section 524(b)(1) of MAHRA (See section 1 of the Renewal Contract).
  - (b) **Fifth year adjustment (comparability adjustment at expiration of each 5-year period, if applicable).**
    - (i) This section 6b(2)(b) is only applicable if the term of the Renewal Contract is longer than five (5) years (from the first day of the term specified in section 2a).
    - (ii) At the expiration of each 5-year period of the Renewal Contract term ("Fifth Year Anniversary"), the Contract Administrator shall conduct a comparability analysis of existing contract rents. At such Fifth Year Anniversary of the Renewal Contract, the Contract Administrator shall make any adjustments in the monthly contract rents, as reasonably determined by the Contract Administrator in accordance with HUD requirements, necessary to set the contract rent for each unit size at comparable market rent. Such adjustment may result in a negative adjustment (decrease) or positive adjustment (increase) of the contract rents for one or more unit sizes.
    - (iii) To assist in the redetermination of contract rents at each Fifth Year Anniversary, the

Contract Administrator may require that the Owner submit to the Contract Administrator a rent comparability study prepared (at the Owner's expense) in accordance with HUD requirements.

**(c) Mid-term adjustment (discretionary comparability adjustment within 5-year term)**

In addition to the comparability analysis and adjustment of contract rents at the Fifth Year Anniversary, HUD may, at HUD's discretion, require or permit the Contract Administrator to conduct a comparability analysis and adjustment of contract rents ("mid-term adjustment"), one more time within each 5-year period of the Renewal Contract term

**(d) Adjusting contract rent**

At the time of a fifth year or mid-term comparability adjustment, the Contract Administrator shall make any adjustments in the monthly contract rents, as reasonably determined by the Contract Administrator in accordance with HUD requirements, necessary to set the contract rent for each unit size at comparable rent. Such adjustment may result in a negative adjustment (decrease) or positive adjustment (increase) of the contract rents for one or more unit sizes.

**(3) Procedure for rent adjustments during renewal term**

- (a)** To adjust contract rents during the term of the Renewal Contract (including an OCAF or budget-based adjustment in accordance with section 6b(1), or a fifth year or midterm adjustment in accordance with section 6b(2)), the Contract Administrator shall give the Owner notice with a revised Exhibit A that specifies the adjusted contract rent amounts.
- (b)** The revised Exhibit A shall specify the adjusted contract rent amount for each bedroom size as determined by the Contract Administrator in accordance with this section. The adjustment notice by the Contract Administrator to the Owner shall

specify when the adjustment of contract rent is effective.

- (c) Notice of rent adjustment by the Contract Administrator to the Owner shall automatically constitute an amendment of the Renewal Contract.

**(4) No other adjustments**

Except for contract rent adjustments in accordance with this section, there shall not be any other adjustments of the contract rents during the term of the Renewal Contract. Special adjustments shall not be granted.

**7 OWNER WARRANTIES**

- a The Owner warrants that it has the legal right to execute the Renewal Contract and to lease dwelling units covered by the contract.
- b The Owner warrants that the rental units to be leased by the Owner under the Renewal Contract are in decent, safe and sanitary condition (as defined and determined in accordance with HUD regulations and procedures), and shall be maintained in such condition during the term of the Renewal Contract.

**8 OWNER TERMINATION NOTICE**

- a Before termination of the Renewal Contract, the Owner shall provide written notice to the Contract Administrator and each assisted family in accordance with HUD requirements.
- b If the Owner fails to provide such notice in accordance with the law and HUD requirements, the Owner may not increase the tenant rent payment for any assisted family until such time as the Owner has provided such notice for the required period.

**9 HUD REQUIREMENTS**

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD requirements that are inconsistent with the provisions of the Renewal Contract, including the provisions of section 6 (contract rent), shall not be applicable.

**10 STATUTORY CHANGES DURING TERM**

If any statutory change during the term of the Renewal Contract is inconsistent with section 6 of the Renewal Contract, and if HUD determines, and so notifies the Contract Administrator and the Owner, that the Contract Administrator is unable to carry out the provisions of section 6 because of such statutory change, then the Contract Administrator or the Owner may terminate the Renewal Contract upon notice to the other party.

**11 PHA DEFAULT**

- a This section 11 of the Renewal Contract applies if the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD. This includes a case where HUD has assigned the Renewal Contract to a PHA Contract Administrator, for the purpose of PHA administration of the Renewal Contract.
- b If HUD determines that the PHA has committed a material and substantial breach of the PHA's obligation, as Contract Administrator, to make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract, and that the Owner is not in default of its obligations under the Renewal Contract, HUD shall take any action HUD determines necessary for the continuation of housing assistance payments to the Owner in accordance with the Renewal Contract.

**12 EXCLUSION OF THIRD-PARTY RIGHTS**

- a The Contract Administrator does not assume any responsibility for injury to, or any liability to, any person injured as a result of the Owner's action or failure to act in connection with the Contract Administrator's implementation of the Renewal Contract, or as a result of any other action or failure to act by the Owner.
- b The Owner is not the agent of the Contract Administrator or HUD, and the Renewal Contract does not create or affect any relationship between the Contract Administrator or HUD and any lender to the Owner or any suppliers, employees, contractors or subcontractors used by the Owner in connection with implementation of the Renewal Contract.
- c If the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD, the Contract Administrator is not the

---

agent of HUD, and the Renewal Contract does not create any relationship between HUD and any suppliers, employees, contractors or subcontractors used by the Contract Administrator to carry out functions or responsibilities in connection with contract administration under the ACC.

**13 WRITTEN NOTICES**

- a Any notice by the Contract Administrator or the Owner to the other party pursuant to the Renewal Contract shall be given in writing.
- b A party shall give notice at the other party's address specified in section 1 of the Renewal Contract, or at such other address as the other party has designated by a contract notice. A party gives a notice to the other party by taking steps reasonably required to deliver the notice in ordinary course of business. A party receives notice when the notice is duly delivered at the party's designated address.

RECEIVED AUG 21 2019

Attachment 11-2

**SIGNATURES**

**Contract administrator (HUD or PHA)**

**Name of Contract Administrator**

Navigate Affordable Housing Partners

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

Signature of authorized representative

Lisa McCarroll, President and CEO

Name and official title

Date

8/20/19

**U.S. Department of Housing and Urban Development**

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

Signature of authorized representative

Kyle Anderson - Supervisory Project Manager, U.S. Department of HUD

Name and official title

Date \_\_\_\_\_

**Owner**

**Name of Owner**

Mount Herman Community Improvement Foundation

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

Signature of authorized representative

Alvin R. Ely, Sr. - Executive Director

Name and title

Alvin R. Ely Sr. EXECUTIVE DIRECTOR

Date

08/19/2019

(HUD-9637)

Basic Renewal Contract  
Multi-Year Term  
REV-11-05-2007

RECEIVED AUG 19 2019

Digitally signed by: Brenda  
DN: CN = Brenda email = brenda.j.  
brown@hud.gov C = US O =  
Multifamily Housing  
Date: 2019.08.21 09:56:43 -04'00'





RECEIVED AUG 19 2019

Attachment 11-2

**EXHIBIT B****DISTRIBUTIONS LIMITATION****FOR PROJECT NOT SUBJECT TO DISTRIBUTIONS LIMITATION:**

If the project is not subject to any limitation on distributions of project funds, either pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, neither HUD nor the PHA may impose any additional limitation on distributions of project funds during the term of the Renewal Contract.

**FOR PROJECT SUBJECT TO DISTRIBUTIONS LIMITATION:**

If the project is subject to any limitation on distributions of project funds pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, such limitation on distributions shall continue to be applicable during the term of the Renewal Contract, provided that the owner may take an increased distribution in accordance with the Section 8 Renewal Policy Guidance for Renewal of Project-Based Section 8 Contracts, (the "Guidebook").

However, owners of Section 8 properties must maintain the property in good condition, as demonstrated by a REAC score of 60 or higher, in order to take increased distributions.

The owner shall comply with the distribution limitations. The maximum distribution to the owner shall be equal to the total of:

- 1 The limited distribution permitted pursuant to the FHA Regulatory agreement or the Expiring Contract, plus
- 2 Any increased distribution as approved by HUD in accordance with the Guidebook.

## INSTRUCTIONS FOR PREPARATION OF RENEWAL CONTRACT

The following instructions are not part of the Renewal Contract.

Endnote numbers are keyed to references in the text of the Renewal Contract.

<sup>1</sup> This form of Renewal Contract is to be used for initial and subsequent renewals of an expiring Section 8 project-based HAP contract under the authority of Section 524(a) or 524(b)(1) of MAHRA for a term of two years or more. Attachment 11-1 is to be used for renewals under the authority of Section 524(a) or 524(b)(1) of MAHRA for a renewal term of one year.

This form may not be used for Mark-Up-To-Market Renewals. The HUD prescribed form of Mark-Up-To-Market Renewal Contract must be used for this purpose.

Section 2 of the Renewal Contract specifies the contract term.

<sup>2</sup> To prepare the Renewal Contract for execution by the parties, fill out all contract information in section 1 and section 2.

<sup>3</sup> Enter a description of housing that will be covered by the Renewal Contract. The description must clearly identify the Project by providing the Project's name, street address, city, county, state, and zip code, block and lot number (if known), and any other information, necessary to clearly designate the covered Project.

<sup>4</sup> Enter the name of the Contract Administrator that executes the Renewal Contract. If HUD is the Contract Administrator, enter "United States of America - Department of Housing and Urban Development (HUD)". If the Contract Administrator is a public housing agency ("PHA"), enter the full legal name of the PHA.

<sup>5</sup> Enter the full legal name of the Owner. For example: "ABC Corporation, Inc., a Maryland corporation."

RECEIVED AUG 21 2019

RECEIVED AUG 19 2019

Attachment 11-2

---

<sup>6</sup> The Renewal Contract must be entered before expiration of the Expiring Contract. Enter the date of the first day after expiration of the term of the Expiring Contract.

<sup>7</sup> Enter a whole number of two or more years.

<sup>8</sup> Enter the amount of funding obligated.

<sup>9</sup> Enter a whole number of months.

---

Basic Renewal Contract  
Multi-Year Term  
REV-11-05-2007

RECEIVED AUG 21 2019

**Attachment 1**

RECEIVED AUG 19 2019

**PRESERVATION EXHIBIT**

Subject to all applicable laws and regulations in effect upon expiration, the Renewal Contract shall automatically renew for a term of **3 Years**<sup>1</sup> beginning on **05/01/2039**<sup>2</sup>. Owner and the Contract Administrator, as identified in section 1 of the Renewal Contract, and on all their successors and assigns.

R

Documentation of  
Operating Budget  
and Utility Allowance



**Part G – Information on Mortgagor Entity**

Name of Entity

Mount Hermon Village LLC

Type of Entity

- Individual       General Partnership       Joint Tenancy/Tenants in Common       Other (specify) LLC
- Corporation       Limited Partnership       Trust

List all Principals Comprising Mortgagor Entity: provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:

- corporation, list: (1) all officers; (2) all directors; and (3) each stockholder having a 10% or more interest.
- partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
- trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

Name and Title

Priya Jayachandran

Manager

Name and Title

Tracy Kaufman

Manager/Secretary

Name and Title

Angela Bruno

Manager/Treasurer

Name and Title

Kevin White

Manager/Executive Manager

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

**Part H – Owner Certification**

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name and Title

Angela Bruno - Manager/Treasurer

Authorized Official's Signature



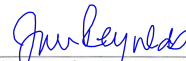
01/13/2021  
Date (mm/dd/yyyy)

**Part I – HUD/Lender Approval**

Addendum Number

Branch Chief/Lender Official Signature

HAP Contract Number VA36T781003



Date (mm/dd/yyyy)  
2/15/2021

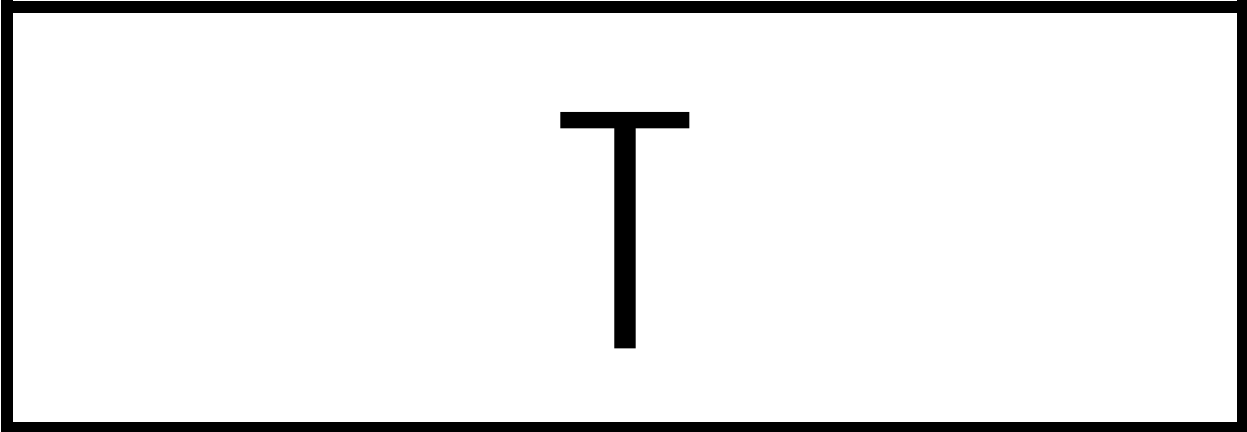
Exhibit Number

Director, Housing Management Division Signature

Loan Servicer Signature

Date (mm/dd/yyyy)

Date (mm/dd/yyyy)



T

Funding Documentation





April 7, 2020

JT Engelhardt  
NHT Communities  
1101 30th Street NW, Suite 100 A  
Washington, DC 20007

Subject: Mt. Hermon Village  
Portsmouth, VA

Dear Mr. Engelhardt:

We are writing this letter to confirm the engagement by ("you" or "the Client") of Bellwether Enterprise Real Estate Capital, LLC ("we", "Lender" or "Bellwether Enterprise") to provide the services described herein in connection with the above referenced project (the "Project"). We understand that you own or control the Project and desire Bellwether Enterprise to provide FHA mortgage insurance processing and underwriting services and to structure and provide the permanent loan financing (the "Insured Loan") for the Project. We are pleased to have this opportunity to represent and work with you.

**A. FHA Mortgage Insurance Processing Services.**

The Client hereby retains Bellwether Enterprise as its exclusive agent to prepare, submit and process an application (the "Application") for FHA mortgage insurance pursuant to FHA's MAP Section 221(d)(4) program for the Insured Loan. Bellwether Enterprise agrees to use its diligent efforts to obtain issuance of an FHA mortgage insurance commitment (the "FHA Commitment") in form and content reasonably acceptable to the Client. In connection with our processing of the Application, the Client agrees to: Comply with all requirements of the MAP program; cooperate with us fully; provide information, documents, and exhibits, when requested by us or required by FHA, in a timely manner; participate (and make your representatives available to participate) in meetings and consultations with FHA; clear with us in advance and provide copies to us of any communications with FHA; and promptly advance the funds necessary to process, underwrite and Close (as defined in the Project Processing Summary) the Insured Loan.

**B. Issuance of FHA Firm Commitment, Rate Lock, Closing and Loan Servicing.**

Upon completing its review of the Firm Commitment Application, FHA may issue the FHA Commitment. If the FHA Commitment is issued, pursuant to a separate funding commitment to be entered into between the Client and Bellwether Enterprise on mutually agreed terms (the "Funding Commitment"), Bellwether Enterprise will provide the services necessary to close and provide funding for the Insured Loan. Bellwether Enterprise shall have the exclusive right to close and provide funding for the Insured Loan and to service the Insured Loan. Bellwether Enterprise makes no representation as to whether FHA will issue the FHA Commitment or, if issued, what terms and conditions will be contained in the in the FHA Commitment.

  
Initial

Upon execution of the Funding Commitment, the Client will deposit with Bellwether Enterprise the Good Faith Deposit, which will be returned to the Client upon issuance of the initial GNMA security or other security providing funding for the Insured Loan. If the Insured Loan does not close and the Funding Commitment expires for any reason, Bellwether Enterprise may retain the Good Faith Deposit as compensation for services performed by it. Pursuant to the Funding Commitment, Bellwether Enterprise will quote financing terms for the Insured Loan. All financing terms must be acceptable to you. You understand that the processed interest rate contained in the Application is not an estimate or representation by Bellwether Enterprise of the interest rate at which the Insured Loan will be funded.

In the event that the Client is not to be the borrower pursuant to the Insured Loan, the Client may assign its rights and obligations pursuant to this Agreement and the Funding Commitment to the borrower, subject to approval by Bellwether Enterprise.

**C. Project Processing Summary.**

We have listed in the attached Project Processing Summary (the "Summary") certain requirements applicable to the Insured Loan as currently in effect pursuant to FHA's MAP Section 221(d)(4) program, current estimates of fees required in processing the Application and certain information regarding the Project and your financing goals. In addition, the Project Processing Summary lists the various fees and charges payable to Bellwether Enterprise for the services to be provided to you as described in this Engagement Letter:

1. The Engagement Fee is a non-refundable retainer fee payable to us to confirm our business relationship and to cover staff time and out-of-pocket expenses incurred in connection with the processing of your Application.
2. The Financing Fee represents compensation for services rendered by us in originating, underwriting, processing the loan and obtaining the FHA Commitment. The Financing Fee shall be earned at the time the FHA Commitment is issued substantially in the form and content requested in the Application or other form acceptable to the Client and shall be due and payable to us at the earlier to occur of the FHA Closing or the expiration of the FHA Commitment.
3. The GNMA Placement Fee represents compensation to Bellwether Enterprise for structuring, negotiating and marketing the MBS with competitive investors, locking the rate and funding the construction and permanent loans.
4. The Closing Fee represents an amount to be paid to our counsel for legal services associated with the closing of the Insured Loan.

The Client shall be responsible for all costs incurred in processing and closing the Insured Loan including costs of its counsel, title charges, recording and filing charges, survey charges and all third party charges and costs. The Project Processing Summary lists our estimate of certain MAP Third Party Costs which will be incurred in connection with processing the Application, which amount shall be paid to Bellwether Enterprise upon your execution of this Agreement and applied to payment of the costs of required third party reports. Any unexpended amount shall be returned immediately following Closing. In the event that such amount shall be insufficient, the Client shall pay such deficiency to Bellwether Enterprise immediately upon demand regardless of whether the Insured Loan closes.

**D. Agreement not a Commitment to Lend.**

  
Initial

PROJECT PROCESSING SUMMARY: Section 221(d)(4)

Neither this agreement nor any statements contained herein or in correspondence or conversation between the Client and Bellwether Enterprise shall be deemed to obligate Bellwether Enterprise, directly or indirectly, to make a loan to the Client or to issue to the Client the Funding Commitment. Any such commitment to make a loan shall be only upon terms and conditions agreed to by the parties in their sole discretion, and set forth in the Funding Commitment. In the event of any conflict between the terms of this Agreement and the terms of the Funding Commitment, the terms of the Funding Commitment shall govern.

**E. Limitation of Services to be Provided by Bellwether Enterprise.**

The scope of services to be provided by Bellwether Enterprise hereunder is wholly and expressly limited to the matters covered by this agreement, and complying with conditions, requirements or procedures imposed by FHA in connection with the processing of the Application and the issuance of the FHA Commitment. It is agreed that neither the Client nor Bellwether Enterprise shall engage in any lobbying activities, directly or indirectly, to influence FHA in any manner concerning the Project.

**F. Exclusivity.**


The Client agrees that Bellwether Enterprise shall have the exclusive right to provide mortgage insurance processing services with regard to the Application and to close and fund the Insured Loan.

**G. Advertising.**

The Client authorizes Bellwether Enterprise to publicly use, at its discretion, the name of the Property, Borrower's name, photographs of the Property, and basic transaction information (for example, the number of units in the Property, the loan amount, etc.) relating to the loan.

**H. Miscellaneous.**

1. This agreement shall be binding upon the parties hereto and their heirs, successors and assigns. The parties have made and executed this agreement in exchange for the mutual commitments made herein.
2. This agreement is not and shall not be construed as a commitment to lend. Any such commitment to lend shall be the subject of a separate writing following issuance of the FHA Commitment, and shall reflect the requirements of FHA and Bellwether Enterprise for closing and funding of the Insured Loan, including the rate-lock arrangements which have been agreed to by the Client.
3. The Client understands, acknowledges and agrees that: (i) Bellwether Enterprise has not made any representations or warranties regarding the results of the FHA mortgage insurance processing; (ii) the Target Interest Rate and Target Loan Amount set forth in the Project Processing Summary reflect what you hope to achieve and what Bellwether Enterprise believes it is reasonable to expect FHA will be willing to insure given the information you have provided us, market area data currently available to us, the criteria generally applied by FHA in determining an insurable mortgage under the Section 221(d)(4) program and the interest rate environment prevailing as of this date and (iii) while we will use our skill, expertise and diligent efforts to obtain a mortgage commitment satisfactory to you, we cannot promise or otherwise assure you that we will be successful, nor do we make any representation as to current or future interest rate market conditions or whether such interest rate and loan amount will ultimately be acceptable to FHA.
4. The Client understands the Bellwether Enterprise will rely upon the factual statements and other information provided by the Client in the processing of the Application and hereby affirms that all

 Initial

**Date:** April 7, 2020  
**Borrower:** TBD  
**Project Name:** Mt. Herman Village  
**Project Location:** Portsmouth, VA  
**Number of Units:** 90  
**Existing Debt or Purchase Price:** \$5,210,000  
**Target Loan Amount:** \$8,000,000  
**Target Interest Rate:** Construction and Permanent Loan: 3.75%. This rate is not a prediction of the rate that will be available, but rather represents the rate that would be achievable if the rate were locked today assuming all underwriting standards and conditions were satisfied.  
**Prepayment:** Negotiable. Preferred in the current market environment is a 1 year lock out with an 9% prepayment penalty in the third year, declining by 1% per year and to -0- the eleventh year.  
**Mortgage Term:** 40 years plus construction period.  
**Amortization Term:** 40 years  
**FHA Insurance Program:** Section 221(d)(4)  
**Security:** The loan shall be secured by a first lien on all project assets.  
**Non-Recourse Loan:** This loan will be non-recourse subject to the provisions for acts of malfeasance as recited in the FHA Regulatory Agreement, form HUD 92466M, Item 50.  
**Assumption:** The loan is assumable subject to FHA's approval.  
**FHA Application Fee:** HUD requires a fee of \$3 per thousand dollars of the requested mortgage amount for review of the Firm Commitment application. For market rate transactions, one half of this amount, which is non-refundable, is due with the submission of the pre-application package and the other half is due with the application for Firm Commitment. For affordable new construction or substantial rehabilitation proposals and for any refinancing or acquisition transactions, the entire amount is paid at the Firm Commitment stage.

 Initial



**FHA Inspection Fee:** The HUD Inspection Fee is \$5 per thousand of the mortgage amount for new construction and \$5 per thousand of the improvement costs for substantial rehabilitation.

**FHA MIP:** MIP (Mortgage Insurance Premium) is 0.25% annually.

**MAP Third Party Fees:** The following third-party reports are required by MAP Underwriting Guidelines (preliminary cost estimates are presented below):

• Firm Application:	
Appraisal	\$11,350
Phase I ESA	\$ 6,050
AEC Review	\$15,000
Total	\$32,400

If the actual costs are less, the difference will be refunded. If the costs are greater, the Client shall advance the difference to Bellwether Enterprise upon demand. Bellwether Enterprise has diligently negotiated with vendors to receive the lowest cost possible. If unforeseen costs arise Bellwether Enterprise will immediately inform the Client.

**Engagement Fee:** \$7,500

**Financing, Placement and Closing Fees:**

*Financing Fee:* 1.5% of the mortgage amount, payable from Loan Proceeds at Initial Endorsement.

*Placement Fee:* 0.5% of the mortgage amount. This fee is payable at Initial Endorsement.

**Good Faith Deposit:** An amount equal to 0.5% of the mortgage amount will be payable pursuant to the Funding commitment.

**Assurance of Completion:** The general contractor shall provide an assurance of completion of construction on forms approved by HUD.

1. For non-elevator buildings, or elevator buildings with three stories or less, where the cost of construction or rehabilitation is more than \$500,000, the assurance shall be in the form of corporate surety bonds for payment and performance, each in the amount of 100% of HUD's estimated cost of construction or rehabilitation including an assumed builder's profit on BSPRA transactions (see Section G Line 50, Form HUD-92246, less architect's design and supervisory fee and mortgagor's other fees). Alternatively, the completion assurance agreement may be secured by a cash deposit or Letter of Credit in the amount of 15% of the HUD estimated cost of construction or rehabilitation.

2. For elevator buildings of four (4) stories or more, the assurance shall be in the form of corporate surety bonds for payment and performance, each in the amount of 100% of HUD's estimated cost of construction or

KW \_\_\_\_\_  
Initial

rehabilitation including an imposed builder's profit on BSPRA transactions. Alternatively, the completion assurance agreement may be secured by a cash deposit or Letter of Credit in the amount of 25% of the HUD estimated cost of construction or rehabilitation.

**Builder's Warranty:**

In projects involving Insurance Upon Completion, or in cases where a Letter of Credit has been used in lieu of a surety bond, the general contractor must enter into a latent defect agreement with HUD and provide one of the following at Final Endorsement to assure correction of any latent defects:

1. Cash escrow deposit of 2.5% of the principal amount of the mortgage, to be retained in escrow by the Lender for a period of 15 months, or
2. An irrevocable, unconditional letter of credit issued to Lender by a banking institution, or.
3. Surety bond in the amount of 10% of the cost of construction or substantial rehabilitation. The bond must be in effect for 2 years after substantial project completion. The bond must be on Form HUD-3259, Surety Bond Against Defects Due to Defective Materials and/or Workmanship.

KW \_\_\_\_\_  
Initial

**ATTACHMENT A PROFORMA**

<b>PROJECT NAME</b> Mt. Hermon Village	<b>CONTACT</b> Tony Love
<b>ADDRESS</b> 2400 Cuthbert St.	<b>TELEPHONE</b> 216-487-2931
<b>CITY STATE ZIP</b> Portsmouth, VA 23707	<b>E-MAIL</b> tlove@bweicap.com
<b>BORROWER</b> TBD	
<b>CONTACT</b> JT Englehardt	<b>PROPOSED LOAN</b> \$8,000,000
<b>TELEPHONE</b> (202) 405-7410	<b>HUD PROGRAM</b> 221(d)(4) Sub Rehab
<b>E-MAIL</b> jenglehardt@nhinc.org	<b>DATE</b> April 7, 2020

<b>MAXIMUM MORTGAGE COMPUTATION - the Lowest of:</b>	
CRITERION #1: FHA LOAN AMOUNT REQUESTED	\$8,000,000
CRITERION #3: 90% OF REPLACEMENT COST	\$10,278,700
CRITERION #4: LIMITATIONS PER FAMILY UNIT @ 270% HIGH COST FACTOR	\$19,487,700
CRITERION #5: DEBT SERVICE COVERAGE	\$8,779,800
	\$11,420,800
<b>MAXIMUM MORTGAGE BASED ON:</b>	<b>\$8,000,000</b>

<b>PROPERTY INFORMATION</b>	
Number of Units	90

<b>REPLACEMENT COST</b>	
Replacement Cost	\$11,420,882
Loan-to-Cost Ratio	90.00%

<b>LOAN STRUCTURE &amp; PAYMENT</b>	
Term (Months)	480
Debt Service Coverage Ratio	1.1582
Mortgage Rate	3.75%
MIP & Broadly Affordable	0.25%
Monthly Payment (P&I only)	\$39,048.84
Monthly Payment (P&I and MIP)	\$40,715.51

<b>ESTIMATED SOURCES &amp; USES</b>	
FHA Mortgage Amount	\$8,000,000
BSPRA	\$0
Other Sources	\$6,348,117
<b>TOTAL SOURCES</b>	<b>\$14,348,117</b>
Total Land Improvements	\$0
Total Structures	\$4,300,450
General Requirements	\$0
Total Fees	\$125,000
Architect & Engineering	\$250,000
Construction Interest	\$187,500
Taxes During Construction	\$0
Construction Insurance	\$95,000
HUD Insurance Premium	\$40,000
HUD Exam Fee	\$24,000
HUD Inspection Fee	\$23,377
Financing Fee	\$120,000
Placement Fee	\$300,460
Est. Title & Recording	\$66,650
Borrower Legal	\$120,000
Organizational/Third Party Costs	\$32,400
Other Fees/Reserves/Dev Costs.	\$480,045
Builder's Profit	\$0
Cost Cert Audit	\$46,000
Processing Fee	\$0
Land Debt	\$5,210,000
Non-Mortgageable Uses	\$2,927,235
<b>TOTAL USES</b>	<b>\$14,348,117</b>

<b>NOI CALCULATION</b>	
<b>INCOME</b>	
Gross Rental Income	\$974,400
Other Income	\$5,400
Residential Vacancy Loss (5.00%)	(\$48,990)
Net Commercial Income	\$0
<b>NET RENTAL REVENUE</b>	<b>\$930,810</b>
<b>EXPENSES</b>	
Advertising	\$5,400
Management Fee (5%)	\$46,541
Other Admin	\$27,000
Elevator	\$0
Fuel	\$0
Lighting & Power	\$10,800
Water & Sewer	\$31,500
Gas	\$7,200
Trash	\$0
Payroll	\$162,000
Other Operating	\$0
Decorating	\$0
Repairs	\$135,000
Exterminating	\$0
Insurance	\$24,750
Ground Expenses	\$0
Other Maintenance	\$0
Real Estate Tax	\$63,591
Personal Property Tax	\$0
Employee Payroll Tax	\$0
Other Taxes	\$0
Other Taxes	\$0
Replacement Reserves	\$40,455
Commercial Expenses	\$0
<b>TOTAL EXPENSES &amp; RESERVES</b>	<b>\$594,237</b>
<b>NOI</b>	<b>\$336,573</b>
Per Unit Expenses	\$6,158

<b>NOTES</b>	

Wiring Instructions

Name: Key Bank  
127 Public Square, Cleveland, Ohio 44114

ABA#: 041001039

Account Name: Bellwether Enterprise Real Estate Capital, LLC  
(FHA Disbursement Clearing Acct.)

Account#: 359681267415

REFERENCE: Mt. Hermon Village

*KW*  
Initial

*KW*

material information and statements heretofore given (and to be provided hereafter) are (will be) true, complete and accurate as of the date of the submittal of same. Client further agrees to notify us in writing immediately of any material change in the information provided to us.

5. The Client represents to Bellwether Enterprise that to the best of its knowledge, after due investigation, there is no identity of interest between the Client and Bellwether Enterprise. Identity of interest includes any financial or family relationship between an officer or director of Bellwether Enterprise, its principal staff or contract employees working on the Application and an officer, director or partner of the Client, sponsor or principals or any general or subcontractors working on the Project or the seller of the Project.

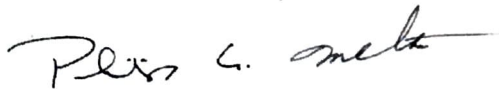
**I. Patriot Act.**

By Acceptance of this Loan Application Borrower acknowledges that all Borrower signatories will be required to provide documentation which includes social security identification number and driver's license in order to comply with Lender's USA Patriot Act requirements.

If the above arrangements are satisfactory to you, please countersign this letter in the space provided below, initial each of the pages at the bottom, and return the original of this letter to our office, together with a check for the Engagement Fee and the MAP third-party report estimate as detailed in the attached Project Processing Summary. The total is \$39,900.


We look forward to working with you toward the successful closing of your Project.

Sincerely,



Philip A. Melton, EVP  
National Director of Affordable Housing and FHA Lending

Approved and Agreed this 20 day of April, 2020.

Borrower: MHV Preservation Partners LP  
Name/Title: Kevin B.W. White, Executive Manager of MHV Preservation GP LLC  
Signature:   
Date: 4/20/2020  
FEID#: 84-2249960  
Enclosure: Project Processing Summary



Initial

T

Funding Documentation



*“HELPING CREATE & PRESERVE  
HOMES FOR THOSE IN NEED”*

NATIONAL AFFORDABLE HOUSING TRUST | 2245 NORTH BANK DRIVE, SUITE 200 | COLUMBUS, OHIO 43221

May 24, 2021

Ms. Carolyn Fischer  
Development Manager  
NHT Communities  
1101 30<sup>th</sup> Street, NW  
Suite 100 A  
Washington, DC 20007

RE: Mt. Hermon Village (the “Project”)

Dear Ms. Fischer:

The purpose of this letter is to outline the basic terms and conditions under which our equity fund or funds (the "Fund"), would agree to make an equity investment in the Project located at Mt. Hermon Village, 2400 Cutherell Street, Portsmouth, Virginia.

A. The Project

The Project consists of the rehabilitation of a 90-unit, 24 building senior community. Closing is expected to be in October, 2021 (the “Closing Date”). Construction is expected to begin in October, 2021 and be substantially complete by February, 2023. The Project will be owned by a to-be-named limited partnership, a Virginia limited partnership (the "Partnership"). It is expected that 100% (90) of the units ("Credit Units") will qualify for the federal low-income housing tax credit (the "LIHTC") as provided for in Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). Furthermore, all of the units will qualify for rental subsidy. The Partnership will operate the Project in accordance with any applicable HUD and/or other federal, state, or local regulations.

B. Interest

The Partnership will have a to-be-name entity, a Virginia corporation as its general partner (the "General Partner"), which will be a single asset entity, with a 0.01% interest therein. The sponsor/guarantor for this Project will be NHT Communities (the “Sponsor” and “Guarantor”), which will have the controlling interest in the General Partner. The Fund will be the Limited Partner (the "Limited Partner") with a 99.99% interest in the Partnership. The Limited Partner will enter the Partnership through the execution of an amended and restated limited partnership agreement (the “Partnership Agreement”).

C. Limited Partner

The Limited Partner/Fund will be managed by National Affordable Housing Trust, Inc. (NAHT).



D. Summary of Compensation

1. The Sponsor will receive a developer fee in the amount of \$1,729,992 (the "Developer Fee"), of which \$1,672,554 will be paid out of equity, as detailed in Exhibit A below.
2. The General Partner will receive 0.01% of all tax credits allocated to the Project.
3. The General Partner will be entitled to 45.00% of sale proceeds from the Project after certain priority payments outlined in Section I.
4. The General Partner will receive 0.01% of ordinary profits and losses and 45.00% of Cash Flow and profits attributable to such Cash Flow.
5. The General Partner will receive an annual Partnership Administration Fee in the amount of \$15,000.

The sum of all cash flow fees and distributions paid to the Sponsor, General Partner and their affiliates will conform to the requirements of the IRS Code, applicable partnership requirements under state law and tax counsel approval.

E. Capital Contributions

The Limited Partner proposes to make an equity investment in the Partnership of \$5,782,531. This total equity investment represents a price of \$0.91 (the "LIHTC Credit Price") on 99.99% of the 10-year LIHTC amount allocated to the Partnership, assuming an annual allocation of \$636,079 in LIHTC (the "Annual Tax Credit Amount"). We anticipate that the Limited Partner will be admitted to the Partnership on or about October 15, 2021.

The General Partner will be required to make an equity investment of \$100.

Subject to the satisfaction by the Fund of all of the conditions contained in this letter, and the additional conditions which result from the underwriting of the Project, the Limited Partner's Capital Contributions shall be payable in installments in accordance with the following:

First Payment. \$1,156,506 on the Admission Date, at which point the General Partner will make its equity contribution of \$100;

Second Payment. \$2,602,139 upon the latest to occur of a.) 75% of lien free completion of construction with appropriate qualifying documentation; and b.) November 1, 2022;

Third Payment \$867,380 upon the latest to occur of a.) 100% of lien free construction completion with appropriate qualifying documents; b.) issuance of all certificates of occupancy; c) receipt of certificate of substantial completion; and d.) March 1, 2023;

Fourth Payment \$867,380 on the latest of a) July 1, 2023 b.) achievement of the Stabilization Date (see section J.1.ii); c.) 100% qualification of Credit Units; and d.) repayment of the construction loan;

Final Payment: \$289,127 on the latest of: a.) September 1, 2023; b.) receipt of the final cost certification; c.) receipt of the IRS Forms 8609; and d.) receipt of the 2022 tax return.

After the First Payment, all subsequent payments will be contingent upon the satisfaction of all the conditions to all prior payments and receipt by the Fund of all outstanding and due diligence reporting items. All subsequent payments will also be contingent upon certain representations and warranties to insure the Project's viability, including, but not limited to: a) no existing, pending or threatened foreclosure of the Project; b) all of the General Partner's representations, warranties and covenants contained in the Partnership documents remain true and correct including, but not limited to, an environmental representation and warranty substantially as described in Exhibit B; c) no default exists under any of the Project's financing documents; d) no breach of the Partnership documents has occurred which would have a materially adverse effect on the Partnership, the Partners or the Partnership property; and e) the General Partner has made all advances and reserve deposits required by the Partnership documents.



F. Credit Adjuster

The Limited Partner's capital contributions are subject to adjustments as follows:

1. LIHTC Basis Adjuster. In the event the actual amount of LIHTC differs from the projected LIHTC amount listed in the Projections, the amount of the Limited Partner's capital contribution will be adjusted as set forth below.
  - (i) LIHTC Downward Basis Adjuster. If at any time the actual amount of LIHTC will be less than the projected LIHTC amount, and/or the Partnership or the Accountants determine that the Partnership may recapture any of the Credit allocated to the Limited Partner that the Partnership claimed in any previous taxable year, then the capital contribution of the Limited Partner shall be reduced. The reduction in price for the Credits shall be equal to the sum of (i) the LIHTC Credit price of \$0.91 multiplied by each \$1.00 that the projected LIHTC amount exceeds the actual amount of LIHTC, and (ii) the portion of the Credit allocated to the Limited Partner that the Partnership claimed but that the Partnership or the Accountants determine must be recapture during such taxable year, if any, plus any interest or penalties imposed by the IRS payable by the Limited Partner (or its participants) as a result of any recapture of LIHTC affecting the foregoing calculation.
  - (ii) LIHTC Upward Basis Adjuster. If at the time of the final Installment it is determined that the actual amount of LIHTC will be greater than the projected LIHTC amount then the Limited Partner may increase its capital contribution. The price for the additional LIHTCs, in the event the Limited Partner increase its capital contribution, shall be equal to: (i) the LIHTC Credit Price of \$0.91 multiplied by each \$1.00 of additional LIHTCs. The additional Capital Contribution may be up to a maximum of five (5%) of the total capital contributions shown in Section E above [5% is Aggregate for Volume and Timing Adjuster]. Only the Investor will be allowed to purchase any additional credits - no provision providing for dilution of the Investor's interest so as to permit the sale of additional credits to a different investor or to the developer or an affiliate thereof will be permitted. Investor will review purchasing credits above the 5% cap with the potential for lower per credit pricing over a certain threshold. If the rate is locked by an act of Congress no upward basis adjuster will be due unless the issuer of the tax-exempt bonds makes the required finding under Section 42(m) (2) (D) of the Code that the Project requires an increase in its annual Tax Credits to ensure the Project's financial feasibility (the "42(m) (2) (D) Letter").
2. LIHTC Timing Adjuster. In the event the timing of LIHTCs delivered to the Limited Partner differs from the Projections, the amount of the Limited Partner's capital contribution will be adjusted as set forth below.
  - (i) LIHTC Downward Timing Adjuster. If at any time it is determined that the actual amount of LIHTC delivered in 2022 is less than the projected LIHTCs, then the capital contribution of the Limited Partner shall be reduced by \$0.61 for each \$1.00 that the LIHTC actual amounts is less than the applicable projected LIHTC for any such years. Notwithstanding the foregoing, however, in the event that the actual amount of LIHTC shall vary from the projected LIHTC in effect on the admission date of the Limited Partner, the projected LIHTC for purposes of the preceding sentence shall be adjusted by the same percentage by which the actual amount of LIHTC varies from the projected LIHTC amount.
  - (ii) LIHTC Upward Timing Adjuster. If at any time it is determined that the actual amount of LIHTC delivered in 2022 is more than the projected LIHTCs, then the capital contribution of the Limited Partner shall be increased by \$0.61 for each \$1.00 that the actual amount of LIHTC is more than the applicable projected LIHTC for any such years. The additional Capital Contribution may be up to a maximum of five (5%) of the total capital contributions shown in Section E above. [5% is Aggregate for Volume and Timing Adjuster]

3. LIHTC Adjuster for Change to Depreciation. In the event that for any taxable year any building in the Project is not entitled to the depreciable life as projected, (other than due to actions or inactions of the Limited Partner or due to a change in the Code or the regulations thereto), the Limited Partner's next succeeding capital contributions shall, at the option of the Limited Partner, be reduced to reflect the reduction in tax benefits due to such change to depreciation, taking into account any other adjusters (i.e. timing adjusters) paid timely by the General Partner or Guarantor. The reduction in the Limited Partner's capital contribution shall be made in such an amount that will provide the Limited Partner with the projected IRR which also accounts for the change in timing of capital contributions. In connection with the foregoing, if the amount of the reduction computed exceeds the sum of all subsequent installments, then upon notice, the General Partner shall immediately make a payment equal to the amount of such excess, and the Partnership shall immediately thereafter make a special distribution, which shall neither reduce nor be limited by Cash Flow, to the Limited Partner equal to such amount.

If the unpaid capital contributions are insufficient to cover a required adjustment (including interest and penalties), or if there are no further scheduled capital contributions at the time the deficiency arises, the General Partner will be required to make a cash contribution to the Company equal to the Developer Fee or the Annual Tax Credit Amount, whichever amount is the greater, but in no event more than the actual amount of the reduction in Federal LIH Tax Credits (plus any applicable interest and penalties). Any further credit deficiencies will be paid as a priority from available Project cash flow and from capital proceeds upon sale of the Project. If it is determined that an adjuster will be applicable in subsequent years, the full adjuster for the future years will be made at the time of the initial determination. Any payments by the General Partner under this section shall be treated as partner loans to the partnership, which partner loans will accrue interest at the AFR.

G. Operating Benefits

The General Partner will be entitled to 0.01% of ordinary profit, losses, tax credits and the Fund will be entitled to 99.99%. Cash flow available for distribution (as defined in the Partnership documents and outlined below), will be distributed 45.00% to the General Partner and the Fund will be entitled to 55.00%.

1. to the Limited Partner, an amount equal to any Credit Deficiency;
2. to the Limited Partner, an amount sufficient to pay federal income taxes on taxable income allocated to the Limited Partner for such Fiscal Year by the Partnership, assuming the highest marginal tax rates applicable to corporations;
3. payment of the Investor Asset Management Fee;
4. replenishment of operating reserve to required level, if necessary;
5. payment of deferred developer fee, if any;
6. payment of the Partnership Administration fee, and any accrued Partnership Administration fee, to the General Partner;
7. payment to the Seller Note, if any
8. payment of operating deficit loans, credit adjuster advances, and fees;
9. payment of soft debt;
10. payment of Cash Flow distribution to partners

H. Disposition of Property

It is the express objective of the Fund to identify and implement strategies so that the projects in which it invests are maintained permanently as low income housing. If the General Partner agrees to maintain the Project as low-income housing, as defined in the Code, for at least an additional 15-year period after the initial 15-year compliance period the General Partner shall have the following options:

1. Purchase of the Limited Partner's Interest

The General Partner will have the option to purchase the Limited Partner's interest in the Partnership for a price equal to the greater of: (i) the appraised value of the Limited Partner's interest assuming that the Project remains available for low-income use plus any additional amount required to pay off all outstanding principal and interest on any loans made by the Limited Partner to the Partnership or, (ii) all outstanding limited partnership debt including Limited Partner loans; the total amount of any taxes payable by the Limited Partner as the result of the sale, and any unpaid obligations remaining due and owing under the Partnership Agreement to the Limited Partner, including but not limited to any credit adjusters.

2. Right of First Refusal

Sponsor/Guarantor, or another 501(c) (3) corporation qualified under Section 42 approved by the Fund, may have a right of first refusal, at the end of the compliance period and for up to 2 years following, which will allow that non-profit to purchase the Project for a price equal to the sum of: 1) any outstanding Partnership debt including unpaid obligations to the Limited Partner; 2) any taxes payable by the Limited Partner that result from the sale; and 3) any unpaid obligations remaining due and owing under the Partnership Agreement to the Limited Partner, including but not limited to any credit adjusters. In the event of such sale to a qualified non-profit, no return of Limited Partner capital is required.

In addition, any 501(c) member of the General Partner shall have a Right of First Refusal, as described in 42(i)(7), which Right of First Refusal shall be by agreement in recordable form, shall be recorded, and shall be subject only to the holder's qualification as "qualified nonprofit organization" under the Code ~~a-501(e)(3)~~, and the Partnership's receipt of a third party offer to acquire the Project. After the end of the Compliance Period, the Partnership will not sell the Project or any portion thereof to any Person without first offering the Project for a period of forty-five (45) days to the 501(c)(3) member of the General Partner (if it then qualifies as an organization described in Section 42(h)(5)(C) of the Code).

3. Limited Partner Transfer Rights

The Limited Partner shall not, without the consent of the General Partner, enter into a contract to transfer its interest to "Prohibited Parties". Prohibited Parties shall initially include Alden Torch Financial LLC, Alden Capital Partners, HCP Pacific Asset Management, LLC, Centerline Capital Group LLC, Hunt Companies, Inc., SunAmerica Housing Fund, HallKeen, Boston Financial Investment Management, or Wentwood Companies, or any of their respective affiliates.

I. Early Exit

Regarding the early exit, this will be granted following the end of Year 12 if the Limited Partner determines in its sole discretion that (i) the deal will deliver the internal rate of return projected at closing (adjusted to account for the actual delivery of credits and losses to the Limited Partner through the exercise of the option), even after the exercise of the buyout option and (ii) there are no negative tax consequences to the Limited Partner. provided that all reporting, tax returns, and notifications to the Limited Partner as required under the Partnership Agreement continue through the remainder of the compliance period and further provided that guarantees are extended through 6 years past the filing of the tax return for the last year of the compliance period and/or the General Partner provides adequate protection against the possibility of tax credit recapture through the remainder of the compliance period for a price equal to the greater of: (i) the fair market value of the Project (as determined by an independent appraiser, selected in the manner set forth in the Partnership Agreement) plus any additional amount required to pay off all outstanding principal and interest on any loans made by the Limited Partner to the Limited Partnership, or (ii) a price equal to the sum of: (a) all outstanding Limited Partnership debt, including Limited Partner loans, if the General Partner elects to purchase the Project, or all outstanding principal and interest on any Limited Partner loans, if the General Partner elects to purchase the Limited Partner's interest, (b) any state, local or federal taxes owed by the Limited Partner as a

result of the sale, and (c) any unpaid portion of any Credit Adjuster payments, fees and any other amounts payable to the Limited Partner under the Partnership Agreement which are due and owing to the Limited Partner.

J. Sale or Refinancing

The net proceeds of a sale or refinancing of the Project will be shared as follows:

1. To the Limited Partner in the amount of the federal income tax liability that would be imposed on the Limited Partner and its partners as a result of the transaction giving rise to capital proceeds, calculated based on the assumption they all are subject to federal income tax at a rate of twenty-one percent (21%);
2. To the Limited Partner in the amount of any accumulated but unpaid credit adjusters;
3. To the Limited Partner an amount equal to any unpaid Investor Asset Management Fee;
4. To pay any unpaid Developer Fee;
5. To the General Partner to repay, in the following order: any (i) development advances (made in the form of a loan), (ii) operating deficit contributions, or (iii) other General Partner advance; and
6. The balance, forty-five percent (45.00%) to the General Partner and fifty-five percent (55.00%) to the Limited Partner.

K. General Partner Obligations

1. Guarantees

- (i) Sponsor/Guarantor hereby absolutely and unconditionally guarantees the due and punctual substantial completion of the construction of the Project, including the resolution of any latent defects discovered within one year of the Completion Date (the "Work"), in accordance with the terms and requirements of the Partnership Agreement (including the payment of development advances by the General Partner under of the Partnership Agreement), the Loan Documents and the Project Documents, free and clear of any liens or claims of liens (except for the liens specifically permitted by the Partnership Agreement, the Loan Documents and the Project Documents), in the manner and within the time necessary to comply with all of the terms, covenants and conditions of the Partnership Agreement, the Project loan documents and other Project documents, including all future amendments thereto. Should the cost of completion of the Work exceed the amounts available therefor in loan proceeds and Partnership funds, or should any liens be filed against the Partnership assets and/or the Project (except for liens specifically permitted by the Partnership Agreement, the Project loan documents and other Project documents) prior to completion of or in connection with the Work, or should there arise a deficit in the ongoing business operations of the Partnership applicable to the period prior to the Project's stabilization, the Guarantor hereby absolutely and unconditionally guarantees the prompt, absolute, and unconditional payment of any such sums necessary to complete the Work and discharge such liens. All sums due and payable hereunder by the Guarantor shall be payable on demand of the Partnership. Any amounts paid by the Guarantor shall be considered a development advance made in the form of a loan to the Partnership by the General Partner. The maximum liability of the Sponsor/Guarantor under this guaranty shall be unlimited. The guaranty shall terminate on the latest of: (a) the Project's Stabilization Date (see definition below); or (b) the date on which the Project has obtained Internal Revenue Service Form 8609.
- (ii) Sponsor/Guarantors will be obligated to advance funds, which shall be treated as partner loans, needed to cover all operating deficits until the Project has achieved three consecutive months of operations at the required 1.15 debt service coverage ratio following the achievement of physical 93% occupancy, actual net rental income of at least 93% of projected net rental

income, and 100% qualified occupancy for all Credit Units (the “Stabilization Date”). All debt coverage service ratio calculation in reference to stabilization are based on the greater of actual or underwritten expenses, with parties working together in good faith to achieve reasonable calculation based on the facts at such time.

- (iii) Sponsor/Guarantors will be obligated to advance to the Partnership any funds required to fund operating deficits during the period beginning on the Stabilization Date and ending five years from the Stabilization Date and the later of: (i) 4 consecutive quarters of operation while achieving the required debt service coverage of 1.15, (ii) the operating reserve is fully funded to the amount required at closing, and (iii) confirmation that the housing subsidy is in place and committed through the balance of the compliance period. The Guarantors will not be required to make further Operating Loans at any time when the total of all outstanding unpaid operating loans exceeds an amount equal to six (6) months of operating expenses, required debt service, and reserve deposits (such amount to be fixed at closing and set forth in the Partnership Agreement).
- (iv) Sponsors/Guarantors will guaranty the tax credits in the following manner: in the event that the General Partner is required to make a credit adjuster advance and the General Partner does not make the credit adjuster advance as required pursuant to the Partnership Agreement, within thirty (30) days after notice thereof by the General Partner, or if the General Partner fails to give such notice, within five (5) days after notice from the Limited Partner, Guarantor shall advance funds to the General Partner in the amount necessary for the General Partner to make the required credit adjuster advance. The Guarantor's obligations shall be limited to \$1 million or the annual LIHTC amount, whichever amount is the greater.
- (v) Sponsors/Guarantors will be obligated to guarantee the payment of all cash related to the General Partner’s obligations to indemnify the Limited Partner in the following manner: In the event that the General Partner is required to make an indemnity payment to the Partnership or the Limited Partner pursuant to the Partnership Agreement, and the General Partner does not make the indemnity payment as required within thirty (30) days after notice thereof by the Limited Partner, the Guarantor shall advance funds to the General Partner in the amount necessary for the General Partner to make the required indemnity payment. The Guarantor’s indemnity obligations shall not exceed the General Partner’s indemnity obligations under the Partnership Agreement and shall be limited to \$1 million or the Annual Tax Credit Amount.
- (vi) Sponsors/Guarantors will be obligated to repurchase the Fund’s interest in the Partnership, plus interest, if the Partnership: (a) fails to meet the accuracy of material representations made in the tax credit application; (b) fails to file IRS forms 8609s by October 1 of the year following the year the Project is placed in service, unless amended tax return; (c) fails to reach the minimum set-aside test for the Project prior to the end of the calendar year following the year in which construction is completed; (d) fails to achieve closing and/or conversion of permanent financing, if any; (e) the construction loan, if any, is foreclosed upon; (f) any Project loan commitment is withdrawn and not replaced by a comparable commitment within a reasonable period of time; and/or (g) the Project has not operated at break-even operations for 3 consecutive months within 24 months of the completion of construction.

Each Guarantee in this section is individual and not limited to any combined maximum. Further terms and general conditions may be established by NAHT, its Investment and Lending Committee, and the Investor based upon the specifics of this transaction.

## 2. Reserve Requirements

- (i) The General Partner will be required to establish a Partnership Operating Reserve account in the total amount of six (6) months of projected operating expenses, replacement reserve deposit, and must-pay debt service. The Partnership Operating Reserve will be available to

fund operating deficits after the Project has demonstrated income-subsidy continuation and achieved the Stabilization Date. The General Partner will be permitted to use the Partnership Operating Reserve prior to making Operating Deficit Contributions to the extent the Partnership Operating Reserve has been funded as of the date of the deficit. The Partnership Operating Reserve will be held in an account requiring the joint signatures of the General Partner and the Limited Partner. The Partnership Operating Reserve will be established from the Limited Partner's capital contribution as detailed in Exhibit A. Twenty-Five percent (25%) of the Partnership Operating Reserve shall be released to flow through the Partnership cash flow waterfall at the end of year 12 of the Compliance Period, conditioned on prior year's debt service coverage of 1.15 or higher. Twenty-Five percent (25%) of the Partnership Operating Reserve shall be released to flow through the Partnership cash flow waterfall at the end of year 13 of the Compliance Period, conditioned on prior year's debt service coverage of 1.15 or higher. Fifty percent (50%) of the Partnership Operating Reserve shall be released to flow through the Partnership cash flow waterfall at the end of year 14 of the Compliance Period conditioned on prior year's debt service coverage of 1.15 or higher.

- (ii) The General Partner will establish a Replacement Reserve for the Project. The Replacement Reserve will be funded with \$27,000 from the acquired Replacement Reserve cash account or minimum required by HUD, if applicable, and/or from the Limited Partner's Second Payment, and thereafter annually from Project operations in the amount of \$300 per unit per year, increasing 0% annually. The Replacement Reserve will be held in an account requiring the joint signatures of the General Partner and the Limited Partner. At the end of year 15 of the Compliance Period the Replacement Reserve shall be released to flow through the Partnership cash flow waterfall conditioned on prior year's debt coverage and review and approval of capital needs assessment report for the property.

L. Legal Costs and Fees

1. The Partnership will pay its attorneys, and the Limited Partner will pay its attorneys. The Limited Partner's attorneys will prepare an amended and restated partnership agreement (the "Partnership Agreement" as previously defined above), conduct the collection of relevant and necessary due diligence according to a due diligence checklist to be provided, and prepare the Limited Partner's tax opinion. The General Partner and the Partnership attorneys will prepare all other necessary documents, due diligence, legal opinions and other tasks necessary to complete the transaction.
2. The Limited Partner will invoice the Partnership at closing the costs for the required tax opinion, third party construction monitoring and other third party review costs, not to exceed \$15,000 for tax opinion and \$45,000 for such third party review and construction monitoring costs.
3. The Partnership will pay the Limited Partner an investor asset management fee of \$7,500 annually (increasing 3% annually) from cash flow during the term of the Compliance Period. Payment of the asset management fee will be cash flow contingent, and paid after payment of the first mortgage, but before any deferred Developer Fee or soft loan repayments. Any unpaid asset management fee shall accrue and be payable as a priority from subsequent years' cash flow and sales proceeds.

M. Opinion of Counsel

The Fund will require an opinion from counsel for the General Partner satisfactory to the Fund on certain corporate and other matters including: formation of the Partnership, limited liability of the Limited Partner, no conflict between the Partnership Agreement and other binding contracts, no litigation pending against the Sponsor/Guarantor, General Partner, etc. Tax opinions required by the Fund will be provided by its counsel



N. Additional Requirements

In addition to the conditions set forth above, any investment by the Fund is contingent upon (a) a mutually acceptable closing date for the safety of the residents; (b) an award of annual LIHTC in the amount of at least the Annual Tax Credit Amount from the State Housing Finance Tax Credit Allocating Agency; c) the Fund's receipt and written approval of: (i) a satisfactory appraisal of the estimated value of the Project; (ii) confirmation of market demand and appropriate rent and operating expense assumptions; (iii) approval of the management agent and management plan; (iv) approval that the proposed scope of work meets the capital needs requirements of the Project as assessed by the Fund's third party construction consultant; (v) acceptable commitments from all other sources of financing; (vi) receipt of 3<sup>rd</sup> party review and confirmation that flood insurance for property is adequate; (vii) evidence of adequate property insurance including 100% replacement cost along with the maximum amount available through NFIP; (viii) receipt of a satisfactory Phase I Environmental Assessment including radon, mold, lead based paint and asbestos reports, as applicable; (ix) receipt of a satisfactory seismic report, as applicable; (x) satisfactory negotiation of the Partnership Agreement; (xi) review and approval by the Limited Partner of all other relevant due diligence documents; (xii) evidence of good standing and UCC clearance within 30 days of closing; (xiii) review and approval of all financing documents and receipt and approval of all opinions outlined herein by the Fund; and (xiv) review and approval by NAHT Investment and Lending Committee and NAHT Board Investment and Lending Committee.

The pricing of the LIHTC Tax Credits and the other terms and conditions set forth herein are based on the transaction being consistent with the assumptions set forth in Exhibit A and the closing of the transaction occurring on or before the Closing Date. In the event that the transaction is not consistent with the assumptions, or the closing date is delayed, the Fund reserves the right to modify the terms and conditions of the investment by the Fund. This letter is intended to describe the terms and conditions of the Fund's proposed equity investment. Please note that we will re-evaluate our pricing if the closing date occurs later than 60 days following the actual Closing Date, and our pricing will reflect yield requirements at that point in time. Should the re-evaluated pricing not be sufficient to support the Project, the Sponsor/Guarantor may elect to obtain additional equity pricing offers at that time.

Sponsor acknowledges that upon execution of this letter, the Fund shall commence its underwriting process and due diligence review and will have its outside counsel commence the preparation of the transaction documents. In consideration for the Fund commencing such undertakings General Partner agrees that Fund shall have exclusive right to syndicate the LIHTC.

If the terms and conditions set forth above are acceptable to you, please this letter where indicated below and return one fully executed copy. This offer will expire if not accepted by May 27, 2021 or extended as agreed to by both parties.

We look forward to working with you.

Sincerely,

NHT EQUITY, LLC



---

Brian Robinson  
Senior Vice President

Agreed and accepted:

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

Title: Kevin B.W. White, Managing Director

EXHIBIT A: PROJECT ASSUMPTIONS

The terms and conditions set forth in the Commitment Letter including pricing of the LIHTC are based on the following assumptions:

I. Operations

Rents will meet the restrictions imposed by the LIHTC Program in addition to any other applicable restrictions imposed on the Project.

Based on the General Partner’s projections, approximate annual operating expenses of \$7,336 per unit net of Replacement Reserves and asset management fee.

- 1) Rent inflate at 2%, all expenses inflate at 3%, and Replacement Reserves inflates at 3%.
- 2) Vacancy rate of 5%.
- 3) An above the line initial property management fee of \$51,238, payable monthly.

II. Uses of Equity Payments:

	<u>First Payment</u>	<u>2<sup>nd</sup> Payment</u>	<u>3<sup>rd</sup> Payment</u>	<u>4<sup>th</sup> Payment</u>	<u>Final Payment</u>	<u>Total</u>
Project Costs	\$620,826	\$2,102,773	\$607,881	\$89,449	\$0	\$3,420,929
Developer Fee	\$345,998	\$0	\$259,499	\$777,930	\$289,127	\$1,672,554
Syndication Expenses	\$60,000	\$0	\$0	\$0	\$0	\$60,000
Operating Reserve	\$0	\$499,366	\$0	\$0	\$0	\$499,366
Other Reserves	\$129,682	\$0	\$0	\$0	\$0	\$129,682
Total	\$1,156,506	\$2,602,139	\$867,380	\$867,380	\$289,127	\$5,782,531



III. Sources of Financing:

<u>Financing Source</u>	<u>Interest Rate</u>	<u>Term / Amortization</u>	<u>Amount</u>	<u>Comments</u>
Bellwether Enterprise	3.25%	40 / 40	\$6,700,000	Permanent Loan
Seller Note	3.50%	40 / 40	\$2,440,000	Cash Flow Contingent Loan
GP Equity			\$100	
Deferred Developer Fee	0.00%	15 / 15	\$57,438	Cash Flow Contingent Loan
Sponsor Equity			\$1,009,746	

This financing structure assumes that the Fund's counsel concludes that any accruing debt does not jeopardize the Partnership's tax ownership of the Project or the treatment of the mortgage loans as debt at the stated interest rate.

IV. Additional Assumptions

- 1) An acquisition tax credit and tax credit percentage of 4.00%, as confirmed by the state agency issuing a new 42(m) letter.
- 2) NAHT and our investor acknowledge that the Partnership may lock the credit rate for the acquisition credits and the rehabilitation credits at different times, respectively at closing/issuance of bonds and during rehab period/by PIS.
- 3) Satisfaction of investor insurance requirements, including 100% replacement costs along with the maximum amount available through the NFIP.
- 4) All underwriting due diligence items must be submitted and available for final investor review at least 30 days prior to closing in order to meet the designated project closing date.
- 5) The Project contractor will provide 100% payment and performance bond.
- 6) We have assumed 30 year depreciation and Bonus Depreciation. Failure to make the appropriate elections (including elections under ERPTOB and 168(h)) necessary to utilize this depreciable life will result in an adjuster.
- 7) We have assumed that the financing and tax structure will be approved by our tax attorney, if not it will need to be restructured in a mutually acceptable manner.
- 8) We have assumed a delivery of \$537,133 tax credits in 2022.
- 9) We have assumed that the title company will issue the non-imputation endorsement to the owner's title policy to NHT Equity, LLC, an Ohio limited liability company, and the investment fund; or, the title company will issue the non-imputation endorsement to the owner's title policy to NHT Equity, LLC and its successors and/or assigns.

## EXHIBIT B

### Environmental Representations, Warranties and Covenants

The Partnership has received an environmental assessment report and has delivered a complete copy to the Limited Partner. No amendments, modifications or other changes or additions have been made to such report.

The General Partner warrants and represents that, to the best of The General Partner's knowledge, after diligent inquiry, there presently are not in, on, or under the Project, nor will there be in, on, or under the Project, upon completion of the construction: (i) any "hazardous substance" as that term is defined under the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. section 9601, et seq., as amended ("CERCLA"), or any other hazardous or toxic substance, waste or material or any other substance or pollutant that poses a risk to human health or the environment, including, but not limited to petroleum in any form, lead-based paint, asbestos, urea formaldehyde insulation, methane gas, polychlorinated biphenyls ("PCBs") or radon, except for ordinary and necessary quantities of office supplies, cleaning materials and pest control supplies stored in a safe and lawful manner and petroleum products contained in motor vehicles (the "Hazardous Materials"); (ii) any underground storage tanks; (iii) accumulations of debris, mining spoil, spent batteries, except for ordinary garbage stored in receptacles for regular removal; (iv) or any other condition which could result in liability for an owner or operator of the Project under any federal state or local law, rule, regulation or ordinance. If any such substance (including lead-based paint and asbestos) or pollutant was found to exist or be present, it has been either removed from the Partnership Property and disposed of or encapsulated and/or otherwise corrected, contained and made safe and inaccessible, all in strict accordance with federal, state and local laws, rules and regulations, any recommendations set forth in the environmental report(s) approved by the Limited Partner and any requirements in the Loan Documents.

The General Partner further warrants and represents to the best of The General Partner's knowledge that the Project is in compliance with all applicable federal, state and local laws, rules, regulations and ordinances (the "Environmental Laws"), including, but not limited to, CERCLA, the Clean Air Act, the Clean Water Act, the Toxic Substance Control Act, the Resource Conservation and Recovery Act, the Safe Drinking Water Control Act and the Occupational Health and Safety Act, and The General Partner has not received notice of any violations of the Environmental Laws. The General Partner covenants and agrees to take all necessary action within its control to ensure that the Project is in compliance with the Environmental Laws at all times and that the Project remains free from the presence of any Hazardous Materials in, on, or under the Project. The General Partner shall promptly deliver any notice it may receive of any violation of the Environmental Laws to the Partnership.

At any time during the term of the Partnership that the Limited Partner determines that the foregoing representations may not have been true when made, or may have become untrue, the Partnership shall promptly obtain an environmental audit of the Project. The scope of such audit and the company performing it shall be determined by The General Partner with the consent of the Limited Partner.

The General Partner agrees to indemnify and hold harmless the Limited Partner and any member or partner of the Limited Partner (the "Indemnified Parties") from any and against all claims, actions, causes of action, liability and expense (including, without limitation, attorney's fees, court costs and remedial response costs) incurred or suffered by, or asserted by any person, entity or governmental agency against the Indemnified Parties due to breach of The General Partner's representations, warranties or covenants, or a violation of the Environmental Laws, or the presence of Hazardous Materials in, on, or under the Project. The foregoing indemnification shall be a recourse obligation of The General Partner and shall (to the full extent permitted by law) survive the dissolution of the Partnership and the death, dissolution, retirement, incompetency, insolvency, bankruptcy or withdrawal of The General Partner of the Partnership.





**Project Location** LLC or LP?

Legal Name:

Project Name:

Project Address:

City:

County:

State:  Zip:

HUD Statistical Area:

HUD Med. Income Limit: (50% - Family of 4)

Year of Median Income Table:

Designated Opportunity Zone:

**Site/Building Information**

Size of Site: (Acres or Square feet)  Acres

Number of Residential Buildings in Project:

Number of Elevators in Project:

Number of Floors in Majority of Buildings:

Year Built: (Existing Buildings Only)

**Project Description**

Project Location:

Construction Type:

For Construction type: Moderate/Substantial Rehab  Rehab Occupied?

For Construction type: Mixed  # Of New units:  # of Rehab Units:

Building Type: (Select primary type)

Scattered Site:

Project Type:

Tenant Population:

	# Units	% Units	Special Needs Type 1	Special Needs Type 2	Special Needs Type 3
Special Needs Type (if Applicable)		0%			
		0%			
		0%			
		0%			

**Timing Assumptions**

	Date
Partnership Closing Date:	October 15, 2021
Construction Start Date:	October 20, 2021
Acquisition Placed in Service Date:	October 15, 2021
Date First Building Placed in Service:	August 1, 2022
Construction Completion Date:	February 1, 2023
Qualified Occupancy: (100% of Tax Credit Units)	October 31, 2022
Permanent Debt Start Date:	July 1, 2023
Months during Construction:	15
Months of Construction & Lease Up:	12
Disposition Year:	2038

**Sponsor / Developer**

**Ownership Assumptions**

Percentage Ownership Interest:  
 Share of Project Cash Flow:  
 Share of Capital Proceeds at Sale:  
 Investor Income Tax Rate Over 15 years:  
 Multiple Investor Income Tax Rates Over 15 years?

LP	For Profit GP	Non Profit GP
99.900%		0.100%
55.000%		45.000%
55.000%		45.000%
21.00%		
No		

*Note: Only applicable if assuming one tax rate over 15 year*  
*Note: If "Yes", input each year's tax rate in row 52 of Taxinc.*

**Depreciation Assumptions**

Is For-Profit GP a Subsidiary (>=50%) of a Non-Profit entity?  
 Bonus Depreciation?  
 Is there a Commercial Depreciation Override?  
 Will there be a Building by Building Override?

No
No
No

**Depreciable Life of Assets**

Depreciable Life of Building:  
 Depreciable Life of Furniture, Fixtures, Equipment:  
 Depreciable Life of Site Work:

30
10
20

**Assumptions Affecting CF Calculations**

Is the property manager an affiliate of the GP?  
 Percent of LP net cash flow to be distributed:

Yes
100.00%

**Tax Credit Information**

Allocation Year:  
 Federal Acquisition Tax Credits: (4%)  
 Federal Constr/Rehab Credits: (9% or 4%)  
 Fed Historic Tax Credits:  
 State Low Income Tax Credits:  
 State Historic Tax Credit:  
 Other State Credit: (Specify)  
 Other State Credit: (Specify)  
 Other Fed Credit: (Specify)  
 Other Fed Credit: (Specify)

Check all that apply	Term (Yrs)	Tax Credit Rate	Credit Allocation Year 1	Multiple year allocations	
				Credit Allocation Year 2	Credit Allocation Year 3
<input type="checkbox"/>	10	4.00%			
<input type="checkbox"/>	10	4.00%			
<input type="checkbox"/>	5	20%			
<input type="checkbox"/>	10				
<input type="checkbox"/>	1				
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					

**Basis Boost Rate**

Eligibility / Designation:   
 Comments: (i.e., If in a DDA/QCT, Agency Designation)

Boost Rate	% Project Eligible	Applicable Boost
30%	100%	130.00%

Have Tax Credits Been Allocated to the Project?  
 Federal Tax Credit Status:  
 Lock-in Date for Tax Credit %:  
 TC Minimum Set Aside Election:  
 Additional Income Restrictions:  
 Additional Income Restrictions:  
 Additional Income Restrictions:  
 Additional Income Restrictions:  
 Additional Income Restrictions:

No		
Applying		
Not Locked	Year:	
40%/60%		
	at	
	at	
	at	
	at	
	at	

**Comments for additional restrictions**



Project Name: Mt Hermon Village

Residential Rental Income Assumptions

Inflator:

Unit Information					Rent and Income Targeting					Affordability and Marketability Analysis					Total				
Unit Description	No. of BRs	No. of BAs	Unit Sq. Ft.	No. of Units	Tax Credit Unit <small>Check Yes</small>	Rent Subsidy <small>Check Yes</small>	Max. Tenant Income Limit (% AMI)	Max. Income Target for Rent (% AMI)	Utility Allowance	Maximum Contract Rent	Actual Contract Rent	Market Rents	Contract Rent % Below Market	Contract Rent per Sq. Foot	Maximum Tenant Rent Burden %	Minimum Tenant Income	Maximum Tenant Income	Gross Rent Affordability (% AMI)	Total Annual Rental Inc - Actual Contract
1 BR 50%	1	1.0	670	88	<input type="checkbox"/>	<input checked="" type="checkbox"/>	50%	50%	91	701	1,024	940	-8.94%	\$1.53	40%	33,450	31,688	70.37%	1,081,344
2 BR 50%	2	1.0	765	2	<input type="checkbox"/>	<input checked="" type="checkbox"/>	50%	50%	146	805	1,225	1,020	-20.10%	\$1.60	40%	41,130	38,025	72.11%	29,400
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	0	0		0

Detailed Schedule of Rents and Tax Credits During Lease-Up

5/24/21 6:10 PM



Project Name: Mt Hermon Village

Date 1st Bldg. Available for Occupancy: 10/15/21

Construction Completion Date: 02/01/23

Qualified Occupancy: (100% of LIHTC Units) 10/31/22

First Year of Tax Credits: 2022

Month	Tax Credit Units Leased	Cumulative Tax Credit Units Leased	Non Tax Credit Units Leased	Cumulative Non Tax Credit Units Leased	Total Units Leased	Tax Credit Rental Income	Non-tax Credit Rental Income	Total Rental Income	Cumulative Tax Cr Unit Delivery	NC/rehab Tax Credits	Acquisition Tax Credits	Total Tax Credits
<b>Total Number of Units</b>	90		0							9% or 4%	4%	
<b>Year: 2021</b>										408	181	589
January-21		0		0	0	0	0	0	0	0	0	0
February-21		0		0	0	0	0	0	0	0	0	0
March-21		0		0	0	0	0	0	0	0	0	0
April-21		0		0	0	0	0	0	0	0	0	0
May-21		0		0	0	0	0	0	0	0	0	0
June-21		0		0	0	0	0	0	0	0	0	0
July-21		0		0	0	0	0	0	0	0	0	0
August-21		0		0	0	0	0	0	0	0	0	0
September-21		0		0	0	0	0	0	0	0	0	0
October-21	76	76	0	0	76	78,163	0	78,163	0	0	0	0
November-21		76	0	0	76	78,163	0	78,163	0	0	0	0
December-21		76	0	0	76	78,163	0	78,163	0	0	0	0
<b>First Year TOTALS</b>		76			76	234,490	0	234,490		0	0	0
<b>Year: 2022</b>												
January-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
February-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
March-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
April-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
May-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
June-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
July-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
August-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
September-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
October-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
November-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
December-22		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
<b>Second Year TOTALS</b>		76			76	937,962	0	937,962		372,305	164,829	537,133
<b>Year: 2023</b>												
January-23		76		0	76	78,163	0	78,163	76	31,025	13,736	44,761
February-23	14	90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
March-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
April-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
May-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
June-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
July-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
August-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
September-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
October-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
November-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
December-23		90		0	90	92,562	0	92,562	90	36,741	16,266	53,007
<b>Third Year TOTALS</b>		90			90	1,096,345	0	1,096,345		435,172	192,662	627,834



Project Name: Mt Hermon Village

Base Year for Expenses:  Source:

Inflator:

Professional Fees	Amount	Per Unit	Inflator
Legal		0	
Accounting / Audit		0	
Bookkeeping		0	
Other Prof Fees (specify)		0	
Professional Fees (combined)	11,650	129	
<b>Total Professional Fees</b>	<b>11,650</b>	<b>129</b>	3.00%

Administrative Expenses	Amount	Per Unit	Inflator
Advertising & Marketing	2,180	24	
Office Equipment & Supplies		0	
Office Expenses		0	
Other Leasing Expenses		0	
Manager or Superintendent Salaries	44,990	500	
Office Salaries	29,990	333	
Telephones / Cable / Internet		0	
Office or Model Apartment Rent		0	
Bookkeeping Fees / Account Services		0	
Bad Debt		0	
Misc. Admin Exp: (Specify) IT, BckGrnd Check, Ban	8,810	98	
Misc. Admin Exp: (Specify) community events	1,500	17	
Administrative Expenses (combined)	23,470	261	
<b>Total Administrative</b>	<b>110,940</b>	<b>1,233</b>	3.00%

Utilities	Amount	Per Unit	Inflator
Fuel Oil / Coal		0	
Electricity	15,987	178	
Water / Sewer	42,739	475	
Gas	7,663	85	
Other Utilities (specify)		0	
Utilities (Combined)		0	
<b>Total Utilities</b>	<b>66,389</b>	<b>738</b>	3.00%

Repairs and Maintenance	Amount	Per Unit	Inflator
Payroll	79,270	881	
Supplies	14,600	162	
Decorating / Turnover Repair	5,000	56	
Contract - Repairs		0	
Contract - Janitorial	7,200	80	
Exterminating	4,350	48	
Elevators		0	
Grounds Maintenance	35,004	389	
Operating and Maintenance General Repairs		0	
Garbage / Trash removal	20,508	228	
Security Payroll / Security Contract / Safety Systems	12,000	133	
Heating / Cooling Repairs and Maintenance	2,500	28	
Snow Removal		0	
Vehicle & Maintenance Equipment Op and Rep		0	
Misc. Op & Maint Exp.: (Specify) Fire Protection	5,088	57	
Misc. Op & Maint Exp.: (Specify)	13,635	152	
Repairs and Maintenance (Combined)		0	
<b>Total Repairs and Maintenance</b>	<b>199,155</b>	<b>2,213</b>	3.00%

Real Estate Taxes and Insurance	Amount	Per Unit	Inflator
Real Estate Taxes	74,907	832	
Less: Abated Taxes Expiration Date: <input type="text"/>		0	
<b>Net Real Estate Taxes</b>	<b>74,907</b>	<b>832</b>	3.00%
Property and Liability Insurance	82,616	918	
Payroll Taxes (project share)		0	
Fidelity Bond Insurance		0	
Workmen Compensation	2,943	33	
Health Ins & Other Employee Benefits	56,431	627	
Misc. Tax, Licenses and Perm (specify)		0	
Misc. Tax, Licenses and Perm (specify)	4,000	44	
Taxes and Insurance (combined)		0	
<b>Total Other Taxes and Insurance</b>	<b>145,990</b>	<b>1,622</b>	3.00%
<b>Total Real Estate Taxes and Insurance</b>	<b>220,897</b>	<b>2,454</b>	

Property Management Fee	Input	Amount	Per Unit	Inflator
Method for calculating Residential PM Fee:				
Percent of Effective Gross Income	0	0	0	
Fiat Fee Per Unit/Per Month	0	0	0	
Total Annual Amount	51,238	51,238	569	
Commercial Property Management Fee			0	
<b>Total Property Management Fee</b>		<b>51,238</b>	<b>569</b>	2.00%

Other Miscellaneous Operating Expenses	Amount	Per Unit	Inflator
Monitoring Compliance:		0	
Specify:		0	
Specify:		0	
<b>Total Misc. Expenses</b>	<b>0</b>	<b>0</b>	3.00%

Total Operating Expenses	Amount	Per Unit
	660,269	7,336
- Total Net of Real Estate Taxes	585,362	6,504
- Total Net of Real Estate Taxes and Misc. Expenses	585,362	6,504

Annual Contributions To Reserves	Total Per Annum	Per Unit Per Annum	Inflator
Replacement Reserve	27,000	300	0.00%
Operating Reserve	0		
Other Reserve: (Specify)			
Other Reserve: (Specify)			

Total Operating Expenses (including Annual Contributions to Reserves)	Total	Per Unit
	687,269	7,636

Cash Flow Contingent Fees, Expenses and Distributions	GP Fee?	Amount	Annual Inflator	Accrue	Cap Amount	% Available Cash Flow
Asset Management Fee	No	7,500	3.00%	Yes		100%
Partnership Administration Fee	Yes	15,000	3.00%	No		100%
Guaranty Fee	No		3.00%			100%
	No					
	No					
Priority Cash Flow Distribution to GP?						
Gross Income Allocation to GP						



Project Name: Mt Hermon Village

Sources-Uses Surplus/(Gap): \$0

Cost Item	Total	Cost Per Unit	% of Total	Tax Treatment of Assets				OK?	Allocation of Depreciable Basis				OK?	Historic Credit Basis		OK?	Notes & Other Information	
				Depreciable	Non Depreciable	Amortized	Expensed		Residential		Commercial			Residential	Commercial			
									Acq.	Rehab / New Constr.	Acq.	Rehab / New Constr.						Historic Eligible %=
<b>A. ACQUISITION COSTS</b>																		
Purchase Price: Land	1,033,200	11,480	6.5%		1,033,200													
Purchase Price: Buildings	4,706,800	52,298	29.4%	4,706,800					4,706,800		\$0							
Title Insurance, Recording, Closing Costs		0		0	0				\$0		\$0							
Acquisition Legal Fees		0		0	0				\$0		\$0							
Demolition: Razing of Buildings		0		0	0				\$0		\$0							
Holding Costs		0		0	0				\$0		\$0							
Other Acq. (Specify):		0		0	0				\$0		\$0							
<b>TOTAL ACQUISITION COSTS</b>	<b>5,740,000</b>	<b>63,778</b>	<b>35.9%</b>	<b>4,706,800</b>	<b>1,033,200</b>	<b>0</b>	<b>0</b>		<b>4,706,800</b>		<b>0</b>							
<b>B. CONSTRUCTION / REHABILITATION COSTS</b>																		
Site Work: Off-Site/Non-Depreciable		0			0													
Site Work: On-Site Improvements-20 Year Property	43,941	488	0.3%	43,941						43,941		0						
Demolition: Interior		0		0						0		0						
New Construction: Residential		0		0						0		0						
New Construction: Commercial		0		0						0		0						
Rehabilitation: Residential	4,220,522	46,895	26.4%	4,220,522					4,220,522									
Rehabilitation: Commercial		0		0						0		0						
General Requirements		0		0						0		0						
Contractor Overhead	91,965	1,022	0.6%	91,965					91,965		0							
Contractor Profit	469,221	5,214	2.9%	469,221					469,221		0							
Payment & Performance Bond	36,876	410	0.2%	36,876					36,876		0							
Appliances	199,349	2,215	1.2%	199,349					199,349		0							
Furniture, Fixtures and Equipment	50,113	557	0.3%	50,113					50,113		0							
Other Constr. (specify): Cost Cert	6,000	67	0.0%	6,000					6,000		0							
Other Constr. (specify):		0		0					0		0							
Contractors Contingency	84,330	937	0.5%	84,330					84,330		0							
Construction Contingency	519,632	5,774	3.2%	519,632					519,632		0							
<b>TOTAL CONSTRUCTION COSTS</b>	<b>5,721,949</b>	<b>63,577</b>	<b>35.8%</b>	<b>5,721,949</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>5,721,949</b>	<b>0</b>	<b>0</b>							
<b>C. PROFESSIONAL FEES &amp; OTHER SOFT COSTS</b>																		
Architect Design	175,210	1,947	1.1%	175,210					175,210		0							
Architect Supervision		0		0					0		0							
Engineering	20,000	222	0.1%	20,000					20,000		0							
Geotechnical/Soils Engineering		0		0					0		0							
Environmental Site Assessment	6,050	67	0.0%	6,050					6,050		0							
Survey (Boundary/Topo/As-Built)	15,000	167	0.1%	15,000					15,000		0							
Building Permits		0		0					0		0							
Utility Tap Fees		0		0					0		0							
Impact Fees		0		0					0		0							
Hazard & Liability Insurance (Construction Period)	177,693	1,974	1.1%	177,693					177,693		0							
Closing Costs/Title Insurance	66,650	741	0.4%	54,653	11,997				54,653		0							
Real Estate Taxes/ Fees	93,750	1,042	0.6%	93,750					93,750		0							
Market Study		0		0					0		0							
Appraisal	11,350	126	0.1%	11,350					11,350		0							
Accounting/Audit	20,000	222	0.1%	0			20,000		0		0							
Cost Certification	20,000	222	0.1%	0			20,000		0		0							
Legal Fees: Real Estate (Developer)	107,000	1,189	0.7%	67,000	40,000				67,000		0							
Development Consultant Fees		0		0					0		0							
Construction Management Fees	80,000	889	0.5%	80,000					80,000		0							
Developer Fees	1,729,992	19,222	10.8%	1,729,992					172,999	1,556,993	0							
Developer Overhead		0		0					0		0							
Soft Cost Contingency	54,000	600	0.3%	40,500	13,500				40,500		0							
Other Soft Cost (specify): PNA/Cost Estimate	10,000	111	0.1%	10,000					10,000		0							
Other Soft Cost (specify):		0		0					0		0							
Other Soft Cost (specify): Furnishings (outside of construction contract)	7,450	83	0.0%	7,450					7,450		0							
Investor 3rd Party Reports and Construction Monitoring	45,000	500	0.3%	0	15,000	15,000	15,000		0		0							
<b>TOTAL PROFESSIONAL FEES &amp; OTHER SOFT COSTS</b>	<b>2,639,145</b>	<b>29,324</b>	<b>16.5%</b>	<b>2,488,648</b>	<b>80,497</b>	<b>15,000</b>	<b>55,000</b>		<b>172,999</b>	<b>2,315,649</b>	<b>0</b>	<b>0</b>						
<b>D. FINANCING COSTS</b>																		
Mt Hermon Village 5 24 21_DEV / Uses																		





Project Name: Mt Hermon Village

Sources-Uses Surplus/(Gap): 50

Cost Item	Total	Cost Per Unit	% of Total	Tax Treatment of Assets				OK?	Allocation of Depreciable Basis				OK?	Historic Credit Basis		Notes & Other Information			
				Depreciable	Non Depreciable	Amortized	Expensed		Residential		Commercial			Residential	Commercial				
									Acq.	Rehab / New Constr.	Acq.	Rehab / New Constr.					Historic Eligible %=	0.00%	
														Commercial %=	0.00%	Commercial %=	0.00%		
<b>Construction Loan Only</b>																			
Loan Points/Fees		0		0					0					-	-				
Loan Inspections	40,000	444	0.3%	40,000					40,000					-	-				
Loan Title & Recording		0		0					0					-	-				
Loan Legal (Bank)		0		0					0					-	-				
Loan Interest			% Depreciable = 75%	450,000	5,000	2.8%	337,500		112,500		337,500			-	-				
Other Loan Cost: Bridge Loan Fees and Interest	63,500	706	0.4%	63,500					63,500					-	-				
Bridge/Interim Loan Costs		0		0					0					-	-				
<b>Permanent Only or Construction/Perm</b>			% Depreciable																
Loan Points/Fees	226,002	2,511	0%	0			226,002				0			-	-				
Loan Inspections		0	0%	0			0		0		0			-	-				
Loan Mortgage Insurance (MIP)		0	0%	0			0		0		0			-	-				
Loan Title & Recording		0	0%	0			0		0		0			-	-				
Loan Legal (Bank)	35,000	389	0%	0			35,000				0			-	-				
Loan Interest		0	0%	0		0	0		0		0			-	-				
Loan Legal (Developer)		0	0%	0			0		0		0			-	-				
Cost of Issuance (Bonds)	243,877	2,710	0%	0			243,877				0			-	-				
FHA Fees		0	0%	0			0		0		0			-	-				
Ginnie Mae Fees		0	0%	0			0		0		0			-	-				
Letter of Credit Fees		0	0%	0			0		0		0			-	-				
Credit Report		0	0%	0			0		0		0			-	-				
Negative Arbitrage		0	0%	0			0		0		0			-	-				
Other Loan Cost:		0	0%	0			0		0		0			-	-				
Other Loan Cost:		0	0%	0			0		0		0			-	-				
<b>TOTAL FINANCING COSTS</b>	<b>1,058,379</b>	<b>11,760</b>	<b>6.6%</b>	<b>441,000</b>	<b>0</b>	<b>504,879</b>	<b>112,500</b>		<b>441,000</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>					
<b>E. TAX CREDIT &amp; SYNDICATION COSTS</b>																			
Tax Credit Application and Allocation Fees	52,204	580	0%				52,204				0			-	-				
Tax Credit Monitoring Fees		0					0		0		0			-	-				
Legal/Organizational Fees (Developer)		0	% Amortized = 29%				0		0		0			-	-				
Legal Fees (Investor) % Amortized=>	15,000	167	0%		7,500	7,500			0		0			-	-				
Tax Credit Consultant		0	% Amortized =		0	0			0		0			-	-				
Other Syndication Costs:		0	% Amortized =		0	0			0		0			-	-				
<b>TOTAL TAX CREDIT &amp; SYNDICATION COSTS</b>	<b>67,204</b>	<b>747</b>	<b>0.4%</b>	<b>0</b>	<b>7,500</b>	<b>59,704</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>					
<b>F. START-UP COSTS, RESERVES &amp; ESCROWS</b>																			
Leasing/Marketing Expenses	5,000	56	0.0%			5,000			0		0			-	-				
Tenant Relocation (Basis Eligible)		0		0					0		0			-	-				
Tenant Relocation (Non Basis Eligible)	129,090	1,434	0.8%		64,545	64,545			0		0			-	-				
Escrows & Prepays		0			0				0		0			-	-				
Lease Up Reserve		0			0				0		0			-	-				
Operating Reserves (Capitalized)			No. Months OpExp, RR, Must Pay DS: 6.1 x	499,366	5,549	3.1%	499,366		0		0			-	-				
Replacement Reserve (Capitalized)		0			0				0		0			-	-				
Other Reserve: Working Capital (HUD)	129,682	1,441	0.8%		129,682				0		0			-	-				
Other Reserve:		0			0				0		0			-	-				
<b>TOTAL START UP COSTS, RESERVES &amp; ESCROWS</b>	<b>763,138</b>	<b>8,479</b>	<b>4.8%</b>	<b>0</b>	<b>693,593</b>	<b>69,545</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>					
<b>TOTAL USES OF FUNDS</b>	<b>15,989,815</b>	<b>177,665</b>	<b>100.0%</b>	<b>13,358,397</b>	<b>1,814,790</b>	<b>649,128</b>	<b>167,500</b>		<b>4,879,799</b>	<b>8,478,598</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>				



Project Name: Mt Hermon Village

Sources-Uses Surplus/(Gap): \$0  
1.168

Project Loan Information:

Make sure loans are entered in lien position. Place unsecured loan(s) after the last secured loan.

Collateral / Lien Position	LOAN 1	LOAN 2	LOAN 3	LOAN 4	LOAN 5	LOAN 6	LOAN 7	LOAN 8
Lender Name:	TBD	Seller Note	Deferred Developer Fee					
Fin Source:	FHA Insured Cr Enhancement	Other	Other					
Loan Amount:	6,700,000	2,440,000	57,438					
Interest Rate (accrual):	3.25%	3.50%	0.00%					
Simple or Compound Int?:	Compound	Compound	Compound	Compound	Compound	Compound	Compound	Compound
Simple or Compound Int Value	1	1	1	1	1	1	1	1
Int Rate Paid (if differs from accrual):	3.25%	3.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mortgage Insurance Premium:	0.25%	0.00%	0.00%					
Fixed or Variable:	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed
Term (Yrs):	40	40	15					
Amortization (Yrs):	40	40	15					
Loan Type	Conv Perm	Seller Loan	DDF					
Must-pay Type:	Conventional Must pay	Contingent	Deferred Develop. Fee					
Loan Repayment Type:	Fully Amortizing	Cash Flow Contingent	Cash Flow Contingent					
Loan First Payment Date:	7/1/2023	10/15/2021	2/1/2023					
# Monthly Pmts-Yr1:	6	3	11	12	12	12	12	12
Monthly P&I Pmt:	24,960	0	0	0	0	0	0	0
Annual P&I Pmt:	299,523	0	0	0	0	0	0	0
Non-Recourse Loan?	Non-Recourse	Non-Recourse	Recourse					
Related Party Loan?	Non-Related Party	Related Party	Related Party					

CASH FLOW CONTINGENT LOAN OPTIONS (DO NOT COMPLETE CELLS BELOW FOR LOANS THAT ARE "MUST-PAY")

% of Available CF Applied:	100.00%	100.00%	100.00%	100.0%	100.00%	100.00%	100.00%	100.00%
Interest-Only or P&I?	P&I	P&I	P&I	P&I	P&I	P&I	P&I	P&I
Req'd Annual Pmt Amt:								
Est Int Accrued During Const:								
Amt Repaid by Equity:								
Comments:								

Construction Loan Information

	Construction Loan #1	Construction Loan #2
Lender Name:	TE Bonds	
Loan Amount:	7,320,212	620,212
Interest Rate:	3.650%	
Term (months):	20	

Payment Priority	
1	Loan 1 - TBD
2	Asset Management Fee
3	Loan 3 - Deferred Developer Fee
4	Partnership Administration Fee
5	Loan 2 - Seller Note
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	

Maximum Loan Calculator	
<b>FIRST MORTGAGE</b>	
Net Operating Income:	\$369,268
Required DSCR:	
Loan Interest Rate:	
Loan Amortization:	
Max. Annual Payment	\$0
Max. Monthly Payment	\$0
Loan Amount:	\$0
<b>SECOND MORTGAGE</b>	
Required DSCR:	
Loan Interest Rate:	
Loan Term:	
Max. Annual Payment	0
Max. Monthly Payment	0
Loan Amount:	0

Project Name: Mt Hermon Village

Sources-Uses Surplus/(Gap): \$0

Limited Partner Capital Contributions

	Total Credits	Credit Price (Cents/\$)	Total LP Equity
LIHTC Acquisition Credits	1,951,920		
LIHTC Rehab/New Construction Credits	4,408,871		
<b>Total LIHTC Credits</b>	<b>6,354,430</b>	<b>0.9100</b>	<b>5,782,531</b>
Federal Historic Tax Credits	0		0
State Historic Tax Credits	0		0
State Low-Income Housing Tax Credits	0		0
Other Credits			0
<b>Total Limited Partner Equity</b>		Round Total Equity To:	<b>5,782,531</b>

Timing Assumptions

	Date
Partnership Closing Date	October 15, 2021
Acquisition Placed in Service Date	October 15, 2021
Construction Start Date	October 20, 2021
Date First Building Placed in Service	August 1, 2022
Construction Completion Date	February 1, 2023
Qualified Occupancy (100% of Tax Credit Units)	October 31, 2022
Permanent Finance Start Date	July 1, 2023
Months during Construction	15.0
Months during Lease Up	12.0

Estimated Construction Draw Schedule Calculator

Percentage	Draw Date
25%	March 1, 2022
50%	July 1, 2022
75%	November 1, 2022
100%	March 1, 2023



Timing and Amount of LP Capital Contributions Choose "Percentage (P) or Amount (A) method: P

Allocation of LP Capital Contributions

<-Capitalized Replacement Reserve NOT funded by Equity

Installment	Project Benchmark	Date	LT (Net) Capital			Constr Related Costs	Dvpr Fees & Overhead	Synd Fees / Costs	Lease Up Reserve	Operating Reserve	Replcmt Reserve	Other Reserves	Ln Repmt (Non Bridge)	Bridge Ln P&I	Total
			Contributions	Percent	Cumulative										
						3,420,929	1,672,554	60,000	0	499,366	0	129,682			
1	Admission	10/15/2021	1,156,506	20.00%	20.00%	620,826	345,998	60,000			0	129,682			1,156,506
2	25% Construction Complete	3/1/2022	0		20.00%	0									0
3	50% Construction Complete	7/1/2022	0		20.00%	0									0
4	75% Construction Complete	11/1/2022	2,602,139	45.00%	65.00%	2,102,773				499,366		0			2,602,139
5	100% Construction Complete	3/1/2023	867,380	15.00%	80.00%	607,881	259,499			0					867,380
6	Stabilization & Conversion to Perm	7/1/2023	867,380	15.00%	95.00%	89,449	777,930								867,380
7	TR / 8609	9/15/2023	289,127	5.00%	100.00%	0	289,127								289,127
8			0		100.00%	0									0
9			0		100.00%	0									0
10			0		100.00%	0									0
11			0		100.00%	0									0
12			0		100.00%	0									0
13			0		100.00%	0									0
14			0		100.00%	0									0
15			0		100.00%	0									0
<b>Total:</b>			<b>5,782,531</b>		<b>100.00%</b>	<b>3,420,929</b>	<b>1,672,554</b>	<b>60,000</b>	<b>0</b>	<b>499,366</b>	<b>0</b>	<b>129,682</b>	<b>0</b>		<b>5,782,531</b>



Project Name: Mt Hermon Village

Federal LIHTC Rehab/New Construction Credits	
Total Development Costs	15,989,815
Less:	
Acquisition Costs	5,912,999
Non Depreciable (non-acquisition)	781,590
Amortized	649,128
Expensed	167,500
Commercial	0
Eligible Rehab/N.C. Basis	8,478,598
Less:	
Historic Tax Credits (Residential)	0
Ineligible Grants	
Other Ineligible Costs	
Net Eligible Rehab/N.C. Basis	8,478,598
Adjusted for:	
DDA/QCT Basis Boost	130.00%
Applicable Fraction	100.00%
Qualified Rehab/N.C. Basis	11,022,177
Tax Credit Rate	4.00%
<b>Calculated Rehab/ N.C. Credit</b>	<b>440,887</b>
<b>Credits reserved / allocated</b>	<b>0</b>
<b>Annual Rehab/N.C. Tax Credit</b>	<b>440,887</b>
Number of Years of Annual Credit:	10
<b>Total Rehab/N.C. Credits</b>	<b>4,408,871</b>
Unused Tax Credit Basis	0
Unused Tax Credits	0

Federal LIHTC Acquisition Credits	
Total Acquisition Costs	5,912,999
Less:	
Land	1,033,200
Ineligible Grants	
Other Non-Eligible Costs	0
Eligible Acquisition Basis	4,879,799
Applicable Fraction	100.00%
Qualified Acquisition Basis	4,879,799
Tax Credit Rate	4.00%
<b>Calculated Acquisition Credit</b>	<b>195,192</b>
<b>Amount Requested/Allocated</b>	<b>0</b>
<b>Annual Acquisition Tax Credit</b>	<b>195,192</b>
Number of Years of Annual Credit:	10
<b>Total Acquisition Credits</b>	<b>1,951,920</b>
Unused Tax Credit Basis	0
Unused Tax Credits	0

UT,MO or GA State Low Income Credits	
State of UT,MO or GA only	0
Annual State Credit Amount	0
Number of Years of Annual Credit:	10
<b>Total State Low Income Credits</b>	<b>0</b>

Federal Historic Tax Credits	
Total Costs Eligible for HTC	
Eligible Portion of Acq Costs	0
Residential Rehab/ NC	0
Commercial Rehab/ NC	0
Federal Historic Tax Credit Basis	0
HTC Rate	20.0%
<b>Historic Tax Credit Amt.</b>	<b>0</b>

State Historic Tax Credits	
Total Costs Eligible for HTC	
Acquisition	
Residential Rehab/ NC	0
Commercial Rehab/ NC	0
State Historic Tax Credit Basis	0
HTC Rate	0.0%
<b>Calc. Historic Tax Credit Amt.</b>	<b>0</b>
<b>Amount Requested/Allocated</b>	<b>0</b>
<b>Annual Historic Tax Credit</b>	<b>0</b>

CA State Low Income Credits only	
State of CA only	
Calculated State Credit Amount	0
State Credits Allocated	0
<b>Total CA Low Income Credits</b>	<b>0</b>

Project Name: Mt Hermon Village



## Limited Partner Equity

Tax Credit Generated				Amount	Amount/Unit	% Total Dev Cost
Federal Low-Income Housing Tax Credit				5,782,531	64,250	36.16%
Federal Historic Tax Credit				0	0	
State Historic Tax Credit				0	0	
State Low-Income Housing Tax Credit				0	0	
Other Credit				0	0	
<b>LIMITED PARTNER EQUITY</b>				<b>5,782,531</b>	<b>64,250</b>	<b>36.16%</b>

## Permanent Sources

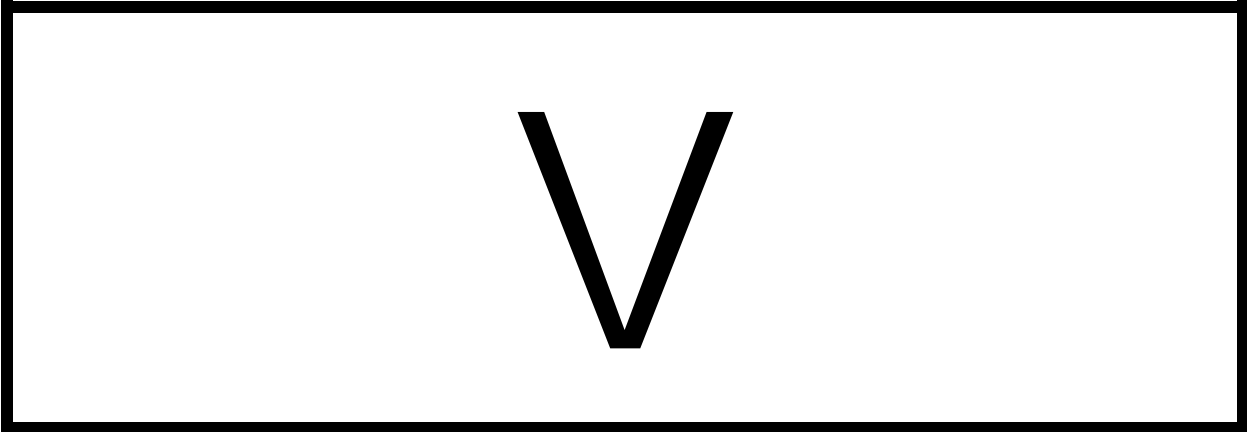
Lender Name	Interest Rate	Term	Amortization	Amount	Amount/Unit	% Total Dev Cost
TBD	3.25%	40	40	6,700,000	74,444	41.90%
Seller Note	3.50%	40	40	2,440,000	27,111	15.26%
Deferred Developer Fee	0.00%	15	15	57,438	638	0.36%
					0	
					0	
					0	
					0	
					0	
					0	
<b>TOTAL DEBT</b>				<b>9,197,438</b>	<b>102,194</b>	<b>57.52%</b>

Other Sources	Financing Source	Amount	Amount/Unit	% Total Dev Cost
General Partner Equity		100	1	0.00%
Construction Period Income		0	0	
Sponsor Equity (Int. Income and RR release)	Other	1,009,746	11,219	6.31%
			0	
			0	
			0	
			0	
			0	
<b>TOTAL OTHER SOURCES</b>		<b>1,009,846</b>	<b>11,221</b>	<b>6.32%</b>

<b>TOTAL SOURCES OF FUNDS:</b>	<b>15,989,815</b>	<b>177,665</b>
--------------------------------	-------------------	----------------

Uses	Amount	Amount/Unit	% Total Dev Cost
ACQUISITION COSTS	5,740,000	63,778	35.90%
CONSTRUCTION / REHABILITATION COSTS	5,721,949	63,577	35.78%
PROFESSIONAL FEES & OTHER SOFT COSTS	2,639,145	29,324	16.51%
FINANCING COSTS	1,058,379	11,760	6.62%
TAX CREDIT & SYNDICATION COSTS	67,204	747	0.42%
START-UP COSTS, RESERVES & ESCROWS	763,138	8,479	4.77%
<b>TOTAL USES OF FUNDS:</b>	<b>15,989,815</b>	<b>177,665</b>	<b>100.00%</b>

<b>FUNDING SURPLUS/&lt;GAP&gt;</b>	<b>0</b>	<b>0</b>
------------------------------------	----------	----------



V

Nonprofit or LHA Purchase  
Option or Right of First  
Refusal

## RIGHT OF FIRST REFUSAL AGREEMENT

THIS RIGHT OF FIRST REFUSAL AGREEMENT (this “*Agreement*”), dated and effective as of the [ ] day of [August], 2021, is made by and between MHV PRESERVATION PARTNERS LP, a limited partnership formed under the laws of the State of Virginia (the “*Partnership*”), and NHT COMMUNITIES, a District of Columbia not-for-profit corporation (the “*Purchaser*”).

### Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, constructing, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a ninety (90) unit residential project in twenty-three (23) residential apartment building located on one (1) site in Portsmouth, Virginia (the “*Project*”), the legal description of which is attached hereto as Exhibit A. The Partnership is governed by a First Amended and Restated Agreement of Limited Partnership in the form to which this Agreement is attached as Exhibit B (the “*Partnership Agreement*”).

The Partnership desires to give, grant, bargain, sell, and convey to Purchaser certain rights to purchase the Property on the terms and subject to the conditions set forth herein.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Right of First Refusal.** For a period of two (2) years commencing after the end of the Compliance Period, the Partnership will not sell the Project or any portion thereof to any Person without first offering the Project for a period of forty-five (45) days to Purchaser (or qualifying member of the General Partner (as defined in the Partnership Agreement) of the Partnership) (if it then qualifies as an organization described in Section 42(h)(5)(C) of the Code) (the “*Buyout*”), at a price (the “*Buyout Price*”) equal to the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, all other loans from the General Partner or its Affiliates, any accrued and unpaid Asset Management Fee, and any accrued interest on any debts, plus (ii) all federal, state, and local taxes attributable to such sale, including those incurred or to be incurred by the partners of the Limited Partner; plus (iii) any Credit Adjuster Advance due to the Limited Partner in accordance with the provisions of Section 3.03 of the Partnership Agreement; provided, however, that such right of first refusal shall be conditioned upon an agreement by Purchaser to maintain the Project for low-income use for at least fifteen (15) years after the later of (i) the end of the Compliance Period under Section 42 of the Code or (ii) the date of the buyout and provided, further, that such restriction shall be recorded in the real property records as a restriction against the Project (but in no event can such low-income use terminate before the end of the Extended Use Period). All costs of the Buyout including any filing fees, shall be paid by Purchaser. In the event that Purchaser does not purchase the Project on the terms set forth above, then the right of first refusal granted herein shall lapse.

The closing of a sale of the Project pursuant to the Right of First Refusal shall occur within one hundred twenty (120) days after Purchaser delivers to the Partnership written notice of its intent to exercise such right. The Buyout Price shall be paid to the Partnership at the closing by (i) assumption of any existing mortgage indebtedness, provided that Purchaser shall

be responsible for obtaining all approvals required for such assumption, and (ii) the balance in cash or immediately available funds, unless otherwise mutually agreed.

2. **Option to Purchase.** The parties hereto agree that if the Internal Revenue Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an “option to purchase” pursuant to Section 42(i)(7) of the Code as opposed to a “right of first refusal” without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Partnership shall grant Purchaser an option to purchase the Project at the Buyout Price that meets the requirements of Code Section 42(i)(7).

In addition, the parties hereto agree that if the Internal Revenue Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a “right of first refusal” pursuant to Section 42(i)(7) of the Code to purchase only the interest of a Partner but not the entire Project without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Partnership shall grant Purchaser a right of first refusal to purchase the Interest of the Limited Partner at the Buyout Price that meets the requirements of Code Section 42(i)(7).

3. **Partnership Agreement.** Except as expressly provided herein, this Agreement shall be subject to the applicable terms and conditions of the Partnership Agreement.

4. **Burden and Benefit.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. No party may assign this Agreement without the consent of the other party.

5. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the 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 that are valid.

6. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. 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.

7. **Defined Terms.** Except as expressly provided herein, terms used in this Agreement with initial capital letters shall have the meanings set forth in the Partnership Agreement.

8. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Virginia, without regard to principles of conflicts of laws.

9. **Binding Agreement.** This Agreement shall be binding on the parties hereto and their successors and assigns.



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

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

12. **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.

13. **Subordination.** This Agreement is and shall be subject and subordinate to all Mortgages, and all amendments, modifications, extensions and renewals of all Mortgages and any rights in the Property acquired as a result of exercise of any rights under this Agreement. Each Lender shall be a third-party beneficiary of this Section.

*[SIGNATURES BEGIN ON THE FOLLOWING PAGE]*

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal Agreement as of the date first above written.

**PARTNERSHIP:**

**MHV PRESERVATION PARTNERS LP,**  
a Virginia limited partnership

By: MHV Preservation GP LLC, a Virginia  
limited liability company, its General Partner

By: \_\_\_\_\_  
[NAME, TITLE]

STATE OF \_\_\_\_\_, COUNTY/CITY OF \_\_\_\_\_

On this the \_\_\_\_ day of \_\_\_\_\_, 2021, personally appeared \_\_\_\_\_,  
\_\_\_\_\_ of MHV Preservation GP LLC, a Virginia limited liability company, the  
General Partner of MHV Preservation Partners LP, a Virginia limited partnership, who  
acknowledged that she executed the foregoing instrument for the purposes therein contained by  
signing the name of the company by herself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal Agreement as of the date first above written.

**PURCHASER:**

**NHT COMMUNITIES**, a District of Columbia not-for-profit corporation

By: \_\_\_\_\_  
[NAME, TITLE]

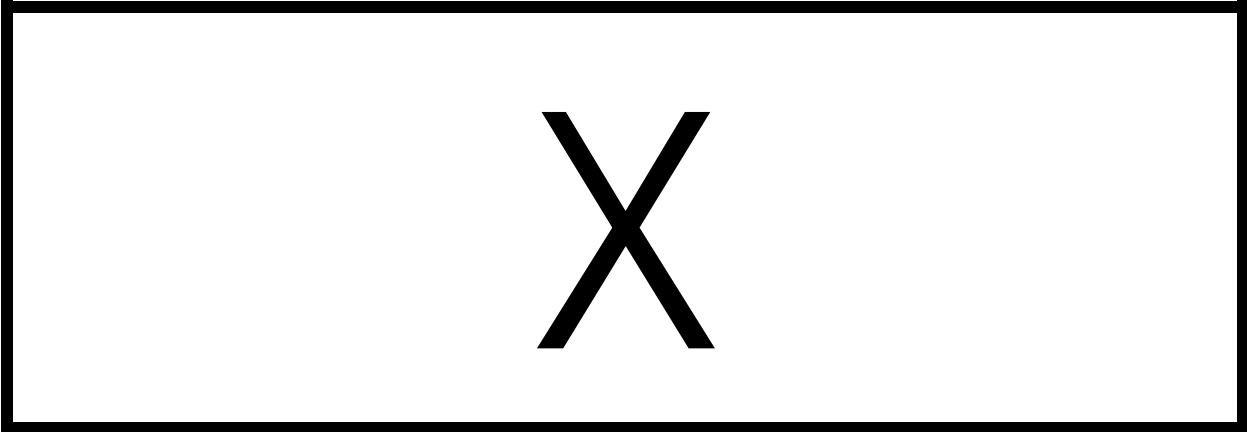
STATE OF \_\_\_\_\_, COUNTY/CITY OF \_\_\_\_\_

On this the \_\_\_\_ day of \_\_\_\_\_, 2021, personally appeared \_\_\_\_\_ of NHT Communities, a District of Columbia not-for-profit corporation, who acknowledged that s/he executed the foregoing instrument for the purposes therein contained by signing the name of the company by her/himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_

Notary Public



X

# Marketing Plan

For units meeting accessibility requirements of HUD section

504

**Marketing Plan For Accessible Units  
Mt. Hermon Village**

- I. This Marketing Plan is specifically for Mt. Hermon Village and the special needs resident base that Mt. Hermon Village intends to serve.
- II. The property will be listed on [www.virginiahousingsearch.com](http://www.virginiahousingsearch.com).
- III. Either:
  - a. Units will be held for 60 days during which ongoing marketing will be documented.
  - OR:
    - b. Marketing to the Target Population will be conducted satisfactorily on an ongoing basis throughout the year, with Management providing sufficient documentation to VHDA's Compliance Officer. If this done, then Management may request the ability to lease to a household NOT in the Targeted Publication without the unit remaining vacant for the 60-day time frame.
      - i. "Ongoing Basis" means: Contact to at least two (2) Resources\* at least monthly in the manner noted below at any time the required number of units is not actually occupied by the Target Population.
        - 1. \*These Resources include but are not limited to:

PrimePlus Senior Centers  
7300 Newport Avenue Suite 100, Norfolk, VA 23505  
Main: (757) 625-5857  
Fax: (757) 625-5858

Portsmouth Department of Parks, Recreation & Tourism  
The Senior Station, Portsmouth, VA 23707  
Main: (757) 391-3241  
Fax: (757) 393-8802

Senior Station  
3500 Clifford Street, Portsmouth, VA 23707  
Main: (757) 391-3241  
Fax: (757) 391-3243

City of Portsmouth Social Services  
1701 High Street  
Portsmouth, VA 23704

Salvation Army of Portsmouth  
2306 Airline Boulevard  
Portsmouth, VA

Portsmouth Redevelopment and Housing Authority  
3116 South Street  
Portsmouth, VA 23707

---

IV. Each time a vacancy occurs in an accessible unit, if a qualified household including a person in the Target Population is not located in the 60-day time frame, Management may submit evidence of marketing to VHDA's Compliance Officer and request approval to rent the unit to an income-qualified household not part of the Target Population. If the request is approved, the lease must contain a provision that the household must move to a vacant unit of comparable size at Mt. Hermon Village if a household in the Target Population applies for the unit. The move will be paid for by the owner.

---

V. If no vacant unit of comparable size is available at that time, the Target Population prospective tenant will be placed on Mt. Hermon Village's Waiting List and placed in the accessible unit when the first available vacant comparably sized unit becomes available to move to the non-Targeted Population tenant. NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.

Y

Inducement Resolution  
for Tax Exempt Bonds

**INDUCEMENT RESOLUTION APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 90-UNIT MT. HERMON VILLAGE APARTMENTS LOCATED IN THE CITY OF PORTSMOUTH, VIRGINIA**

**WHEREAS**, the Portsmouth Redevelopment and Housing Authority (the "Authority") is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the "Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"), to issue its bonds for the purpose, among others, of financing the Plan of Finance (as hereinafter defined); and

**WHEREAS**, MHV Preservation Partners LP (the "Borrower") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an aggregate maximum principal amount of \$10,000,000 (the "Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project for seniors consisting of 23 one-story buildings containing approximately 90 units representing approximately 60,490 rentable square feet known as Mt. Hermon Village Apartments (the "Project") located at 2400 Cutherell Street in the City of Portsmouth, Virginia (the "City"), and expected to be owned and used by the Borrower or a party related to the Borrower and (b) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") as permitted under the Act; and

**WHEREAS**, the Project shall be established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, preliminary plans for the Plan of Finance have been described to the Authority and a public hearing (the "Public Hearing") has been held on November 19, 2020, with respect to the Plan of Finance and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906, as applicable to housing authorities, of the Virginia Code; and

**WHEREAS**, the Public Hearing described in the immediately preceding paragraph was held telephonically in accordance with Internal Revenue Service Revenue Procedure 2020-21 and the Commonwealth of Virginia's budget bill for the biennium ending June 30, 2022, as the Governor of the Commonwealth of Virginia has issued Executive Order Fifty-One (2020) declaring a state of emergency, and the nature of such emergency makes it impracticable or unsafe for the Board of Commissioners of the Authority to assemble in a single location; and

**WHEREAS**, the Authority has determined that it is in the best interest of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance the Plan of Finance.

**NOW, THEREFORE, BE IT RESOLVED BY THE PORTSMOUTH REDEVELOPMENT AND HOUSING AUTHORITY THAT:**



1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.

2. It is hereby found and determined that the Plan of Finance will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.

3. It is hereby found and determined that the Project will constitute a "residential building" as that term is defined in the Act.

4. To induce the Borrower to undertake the Plan of Finance and maintain the Project as a "qualified residential rental project" within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrower in financing the Plan of Finance by undertaking the issuance of (and hereby declares its official intent to issue) its multifamily housing revenue bonds therefor in an aggregate maximum principal stated amount of \$10,000,000 upon the terms and conditions to be mutually agreed upon between the Authority and the Borrower. The Bonds shall be issued in form and pursuant to terms to be set by the Authority. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.

5. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Plan of Finance are hereby ratified, approved and confirmed.

6. The Authority hereby designates McGuireWoods LLP, Tysons, Virginia, to serve as bond counsel ("Bond Counsel") and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

7. The Authority hereby agrees, if requested, to accept the recommendation of the Borrower with respect to the appointment of a placement agent or underwriter for the sale of the Bonds pursuant to the terms to be mutually agreed upon.

8. The Borrower has represented to the Authority that interest on the Bonds is intended to be generally excluded from the gross income of the holders thereof for federal and state income tax purposes, and that the Borrower will pay to the Authority an administrative fee for issuing and carrying the Bonds equal to one-eighth of 1% per annum (i.e., 12.5 basis points) calculated on the declining outstanding principal balance of the Bonds and payable annually, without notice or invoice, on the date of issuance of the Bonds and on each anniversary date thereof until payment in full of the Bonds.

9. The Borrower agrees to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.

10. All costs and expenses in connection with the financing and the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, any application fee and/or origination fee), Bond Counsel, counsel for the Authority and any placement agent or underwriter for the sale of the Bonds shall be paid from the proceeds of the Bonds (but only to the extent permitted by applicable law) or by the Borrower. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

11. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

12. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrower and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the Authority to issue the Bonds for any reason. Any obligation of the Authority to exercise its powers in the City to issue the Bonds as requested by the Borrower is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrower for any damages, direct or consequential, resulting from the Authority's failure to issue Bonds for the Plan of Finance for any reason, including but not limited to, the failure of the City Council of the City (the "City Council") to approve the issuance of the Bonds.

13. The Authority recommends that the City Council approve the issuance of the Bonds, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$10,000,000 for the purpose of undertaking the Plan of Finance as required by Section 147(f) of the Code.

14. Each of the Chair, Vice Chair, Chief Executive Officer or Secretary of the Authority is authorized and directed to deliver to the City Council (1) a reasonably detailed summary of the comments, if any, expressed at the Public Hearing, (2) a fiscal impact statement concerning the Plan of Finance and (3) a copy of this resolution.

15. Each of the Chair, Vice Chair, Chief Executive Officer or Secretary of the Authority, or the designee of any of them, is hereby authorized to request an allocation or allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code) in accordance with the applicable provisions of the Virginia Code and any regulations or executive

orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceeding shall be paid for by the Borrower.

16. No Bonds may be issued pursuant to this resolution until such time as (a) the issuance of the Bonds has been approved by the City Council, (b) the Bonds have received an allocation or allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder, and (c) the final terms and details of the Bonds have been approved by subsequent resolution of the Authority.

17. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Plan of Finance or of the Borrower.

18. This resolution is a Declaration of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Code. Based upon the representations of the Borrower, the Authority reasonably expects that certain costs of the Project may be reimbursed with the proceeds of the Bonds.

19. The Authority confirms the findings and determinations contained in the recitals to this Resolution setting forth the reason for the need to meet by electronic means without requiring the Board of Commissioners to physically assemble at one location during the current declared state of emergency by the Governor of the Commonwealth of Virginia arising from COVID-19.

20. This resolution shall take effect immediately upon its adoption.

Adopted: November 19, 2020

**CERTIFICATE OF VOTES**


Record of the roll-call vote by the Portsmouth Redevelopment and Housing Authority, upon reading on a resolution titled "**INDUCEMENT RESOLUTION APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 90-UNIT MT. HERMON VILLAGE APARTMENTS LOCATED IN THE CITY OF PORTSMOUTH, VIRGINIA**" taken at a meeting of the Authority held on November 19, 2020:

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Davy Smith III, Chair	✓			
Bruce LaLonde, Vice Chair	✓			
Edward Barham, IV	✓			
Miriam Jiggetts	✓			
Sean Prince	✓			
Rita Roberts	✓			
Renee Wicks	✓			

Dated: November 19, 2020

(SEAL)

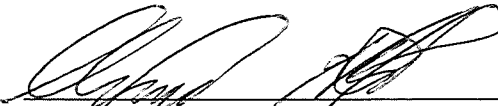
  
 \_\_\_\_\_  
 Chair, Portsmouth Redevelopment and  
 Housing Authority

ATTEST:  \_\_\_\_\_  
 Secretary

The undersigned Secretary of the Portsmouth Redevelopment and Housing Authority hereby certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Authority's commissioners present and voting at a meeting duly called and held on November 19, 2020, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

**WITNESS** my hand and the seal of the Authority this 19<sup>th</sup> day of November, 2020.

**PORTSMOUTH REDEVELOPMENT  
AND HOUSING AUTHORITY**

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