
2021 Federal Low Income Housing Tax Credit Program

Application For Reservation

Deadline for Submission

9% Competitive Credits

Applications Must Be Received At VHDA No Later Than **12:00 PM**
Richmond, VA Time On **March 18, 2021**

Tax Exempt Bonds

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



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

INSTRUCTIONS FOR THE VIRGINIA 2021 LIHTC APPLICATION FOR RESERVATION

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

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

Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **12:00 PM** Richmond Virginia time on **March 18, 2021**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

Please Note:

Applicants should submit all application materials in electronic format only.

There should be distinct files which should include the following:

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

IMPORTANT:

Virginia Housing only accepts files via our work center sites on Procorem. Contact TaxCreditApps@virginiahousing.com for access to Procorem or for the creation of a new deal workcenter. Do not submit any application materials to any email address unless specifically requested by the Virginia Housing LIHTC Allocation Department staff.

Disclaimer:

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

Entering Data:

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

Please Note:

- ▶ **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another.
- ▶ Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.
- ▶ The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the application has been entered.
- ▶ Also note that some cells contain error messages such as “#DIV/0!” as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

Assistance:

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

Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
JD Bondurant	johndavid.bondurant@virginiahousing.com	(804) 343-5725
Sheila Stone	sheila.stone@virginiahousing.com	(804) 343-5582
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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 (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input type="checkbox"/> | Scanned Copy of the Signed Tax Credit Application with Attachments (excluding market study and plans & specifications) (MANDATORY) |
| <input type="checkbox"/> | Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application) |
| <input type="checkbox"/> | Electronic Copy of the Plans and Unit by Unit writeup (MANDATORY) |
| <input type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input type="checkbox"/> | Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab) |
| <input type="checkbox"/> | Electronic Copy of the Physical Needs Assessment (MANDATORY at reservation for a 4% rehab request) |
| <input type="checkbox"/> | Electronic Copy of Appraisal (MANDATORY if acquisition credits requested) |
| <input type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested) |
| <input type="checkbox"/> | Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement (MANDATORY) |
| <input type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input type="checkbox"/> | Tab C: Principal's Previous Participation Certification (MANDATORY) |
| <input type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) (MANDATORY) |
| <input type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input type="checkbox"/> | Tab F: RESNET Rater Certification (MANDATORY) |
| <input type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input type="checkbox"/> | Tab H: Attorney's Opinion (MANDATORY) |
| <input type="checkbox"/> | Tab I: Nonprofit Questionnaire (MANDATORY for points or pool) |
| | 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 type="checkbox"/> | Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY) |
| <input type="checkbox"/> | Tab K: Documentation of Development Location: |
| <input type="checkbox"/> | K.1 Revitalization Area Certification |
| <input type="checkbox"/> | K.2 Location Map |
| <input type="checkbox"/> | K.3 Surveyor's Certification of Proximity To Public Transportation |
| <input type="checkbox"/> | Tab L: PHA / Section 8 Notification Letter |
| <input 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 type="checkbox"/> | Tab P: Developer Experience documentation and Partnership agreements |
| <input type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input type="checkbox"/> | Tab R: Documentation of Operating Budget and Utility Allowances |
| <input type="checkbox"/> | Tab S: Supportive Housing Certification |
| <input 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 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 type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504 |
| <input type="checkbox"/> | Tab Y: Inducement Resolution for Tax Exempt Bonds |

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 2/23/2021

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: Cynthia D. Rohlf
 Chief Executive Officer's Title: City Manager Phone: 757926-8411
 Street Address: 2400 Washington Ave
 City: Newport News State: VA Zip: 23607

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

- 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 an extended use agreement of 35 additional years after the 15-year compliance period for a total of 50 years.

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: AOZPCREI Woodlands LLC

Developer Name: AOZPCREI Woodlands Development LLC

Contact: M/M ▶ Mr. First: Mark MI: Last: Hall

Address: 43238 Brownstone Court

City: Ashburn St. ▶ VA Zip: 20147

Phone: (703) 431-9931 Ext. Fax:

Email address: mhall@abcmah.com

Federal I.D. No. 84-3608207 (If not available, obtain prior to Carryover Allocation.)

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

Additional Contact: Please Provide Name, Email and Phone number.
Peter Tzelios Ptelios@allagashoz.com 917-576-5318

- 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.

<u>Names **</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
<u>Mark Hall</u>	<u>(703) 431-9931</u>	<u>Co-Manager</u>	<u>23.500%</u>
<u>Peter Tzelios</u>	<u>(917) 576-5318</u>	<u>Co-Manager</u>	<u>23.500%</u>
<u>Tony Barkin</u>	<u>(917) 658-9847</u>	<u>Co-Manager</u>	<u>47.000%</u>
<u>German Campuzano, Jr.</u>	<u>(651) 728-3265</u>	<u>Member</u>	<u>6.000%</u>
<u> </u>	<u> </u>	<u> </u>	<u>0.000%</u>
<u> </u>	<u> </u>	<u> </u>	<u>0.000%</u>
<u> </u>	<u> </u>	<u> </u>	<u>0.000%</u>

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

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

C. OWNERSHIP INFORMATION

- ACTION:**
 - a. Provide Principals' Previous Participation Certification **(Mandatory TAB C)**
 - b. Provide a chart of ownership structure (Org Chart) and a list of all LIHTC Developments within the last 15 years. **(Mandatory at TABS A/D)**

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

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

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: Deed

Expiration Date:

In the Option or Purchase contract - Any contract for the acquisition of a site with an existing residential property may not require an empty building as a condition of such contract, unless relocation assistance is provided to displaced households, if any, at such level required by 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. **TRUE** Owner already controls site by either deed or long-term lease.

b. **FALSE** Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... **00/00/0000** .

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

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

D. SITE CONTROL

3. Seller Information:

Name: Wellington Apartments Associates LLC

Address: 525 South Independence Boulevard, Suite 200

City: Va Beach St.: VA Zip: 23452

Contact Person: Bernie J Grablowsky Phone: (757) 497-5752

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

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

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

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

E. DEVELOPMENT TEAM INFORMATION

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

1. Tax Attorney: Susanna Mitchel This is a Related Entity. FALSE
 Firm Name: Nixon Peabody
 Address: 799 N Street NW Suite 500, Washington DC 20001
 Email: smitchel@nixonpeabody.com Phone: (202) 585-8150

2. Tax Accountant: Renee Mathews This is a Related Entity. FALSE
 Firm Name: Cohen Reznick
 Address: 7501 Wisconsin Ave, Suite 400E Bethesda, MD 20814
 Email: Renee.Mathews@cohenreznick.com Phone: (301) 652-9100

3. Consultant: Ryne Johnson This is a Related Entity. FALSE
 Firm Name: Astoria LLC Role: Tax Credit App
 Address: 3450 Lady Marian Ct, Midlothian, VA 23113
 Email: Rynejohnson@Astoriallc.com Phone: (804) 320-0585

4. Management Entity: Realty Management Services, Inc. This is a Related Entity. FALSE
 Firm Name: Ross Management Services
 Address: 7910 Woodmont Ave, Bethesda, MD 20814
 Email: Dmiskovich@rossmgtservices.com Phone: (301) 657-8899

5. Contractor: Ross Renovation and Construction, Inc. This is a Related Entity. FALSE
 Firm Name: Ross Construction & Renovation
 Address: 7910 Woodmont Ave, Bethesda, Md 20814
 Email: Dstocks@rossmgtservices.com Phone: (301) 657-8899

6. Architect: Megan Shope This is a Related Entity. FALSE
 Firm Name: Edward H. Winks - James D Snowa
 Address: 2119 East Franklin Street, Suite 200, Richmond VA 23223
 Email: mshope@ws-arch.com Phone: (804) 643-6190

7. Real Estate Attorney: Susanna Mitchel This is a Related Entity. FALSE
 Firm Name: Nixon Peabody
 Address: 799 N Street Suite 500, Washington DC 20001
 Email: Smitchel@nixonpeabody.com Phone: (202) 356-1857

8. Mortgage Banker: Marc Cohen This is a Related Entity. FALSE
 Firm Name: Fallbrook Credit Financial
 Address: 26610 Agoura Road, #120, Calabasas CA 91302
 Email: Marc@fbrook.com Phone: 202-585-8150

9. Other: Michael W. Graff This is a Related Entity. FALSE
 Firm Name: McGuire Woods LLP Role:
 Address: 1750 Tysons Corner VA 22102-4215
 Email: Mgraff@mcguirewoods.com Phone: (202) 246-8054

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... **TRUE**
If no credits are being requested for existing buildings acquired for the development, skip this tab.
- b. This development has received a previous allocation of credits..... **FALSE**
 If so, in what year did this development receive credits?
- c. The development is listed on the RD 515 Rehabilitation Priority List?..... **FALSE**
- d. This development is an existing RD or HUD S8/236 development..... **FALSE**
Action: (If True, provide required form in **TAB Q**)

Note: If there is an identity of interest between the applicant and the seller in this proposal, and the applicant is seeking points in this category, then the applicant must either waive their rights to the developer's fee or other fees associated with acquisition, or obtain a waiver of this requirement from 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)..... **FALSE**
- d. There are different circumstances for different buildings..... **FALSE**
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

b. Minimum Expenditure Requirements

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

4. Request For Exception

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

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

Name of qualified nonprofit:

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

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.

Do not select if extended compliance is selected on Request Info Tab

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

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	151	bedrooms	300
Total number of rental units in development	151	bedrooms	300
Number of low-income rental units	151	bedrooms	300
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:.....	151	bedrooms	300
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....			133,569.92 (Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			9,996.94 (Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			123,572.98 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			0.00%
i. Exact area of site in acres	7.023		
j. Locality has approved a final site plan or plan of development.....			TRUE
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....			FALSE

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	592.86	SF	4	4
2BR Garden	821.94	SF	145	145
3BR Garden	1010.12	SF	2	2
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			151	151

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

3. Structures

- a. Number of Buildings (containing rental units)..... 20
- b. Age of Structure:..... 42 years
- c. Number of stories:..... 2
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use: N/A
- f. Development consists primarily of : **(Only One Option Below Can Be True)**
 - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
 - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
 - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

H. STRUCTURE AND UNITS INFORMATION

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

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

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

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Pool, Fitness, Clubhouse, Barbeque Pit, Outdoor Lounge Area

m. Number of Proposed Parking Spaces..... 273
 Parking is shared with another entity FALSE

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

H. STRUCTURE AND UNITS INFORMATION

5. Plans and Specifications

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

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

NOTE: All developments must meet 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	5.80%
Project Wide Capture Rate - Market Units	NA
Project Wide Capture Rate - All Units	5.80%
Project Wide Absorption Period (Months)	10

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:

New Constr.

- | | |
|--------------|--|
| FALSE | a. A community/meeting room with a minimum of 749 square feet is provided. |
| 0.00% | b. Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations. |
| 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. |
| TRUE | e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service. |
| FALSE | f. Free WiFi access will be provided in community room for resident only usage. |
| FALSE | g. Each unit is provided free individual high speed internet access. |
| or | |
| FALSE | h. Each unit is provided free individual WiFi access. |
| TRUE | i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS. |
| or | |
| FALSE | j. Full bath fans are equipped with a humidistat. |
| FALSE | k. Cooking surfaces are equipped with fire prevention features |
| or | |
| TRUE | l. Cooking surfaces are equipped with fire suppression features. |
| FALSE | m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system. |
| or | |
| FALSE | n. All Construction types: each unit is equipped with a permanent dehumidification system. |
| FALSE | o. All interior doors within units are solid core. |
| FALSE | 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. |

J. ENHANCEMENTS

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

- FALSE 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:

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

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

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


- | | |
|--|--------------------------------------|
| <u>FALSE</u> Zero Energy Ready Home Requirements | <u>FALSE</u> Passive House Standards |
|--|--------------------------------------|

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

- FALSE a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.
- 0 b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:
0% of Total Rental Units

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	17	19	21	0
Air Conditioning	0	7	10	13	0
Cooking	0	4	6	8	0
Lighting	0	17	24	30	0
Hot Water	0	11	14	17	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	\$56	\$73	\$89	\$0

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

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

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**)

FALSE

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

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

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

(60 points)

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)

TRUE

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

For items a,b or c, all common space must also conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act.



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

K. SPECIAL HOUSING NEEDS

2. Special Housing Needs/Leasing Preference:

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

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

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

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

(If **True**, 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: **Yes**

Organization which holds waiting list: **Newport News Housing Authority**

Contact person: **Carl V Williamson**

Title: **Housing Operations Director**

Phone Number: **(757) 928-2658**

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

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: Mara

Last Name: Zingg

Phone Number: (301) 657-8899 Email: mzingg@rossmgtservices.com

4. Rental Assistance

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

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

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

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 8 Certificates

FALSE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

TRUE Section 8 Vouchers
*Administering Organization: Newport News Housing Authority

FALSE State Assistance
*Administering Organization: _____

FALSE Other: _____

K. SPECIAL HOUSING NEEDS

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

FALSE

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

0

d. Number of units receiving assistance:

0

How many years in rental assistance contract?

Expiration date of contract:

There is an Option to Renew.....

FALSE

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

L. UNIT DETAILS

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

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

a. Units Provided Per Household Type:


Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
0	0.00%	40% Area Median	0%
0	0.00%	50% Area Median	0%
151	100.00%	60% Area Median	9060%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	
151	100.00%	Total	60.00%

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
0	0.00%	40% Area Median	0%
0	0.00%	50% Area Median	0%
151	100.00%	60% Area Median	9060%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	
151	100.00%	Total	60.00%

b. The development plans to utilize average income..... TRUE
 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	60% AMI	2		593.64	\$872.00	\$1,744
Mix 2	1 BR - 1 Bath	60% AMI	2		501.88	\$872.00	\$1,744
Mix 3	2 BR - 1 Bath	60% AMI	53		778.13	\$1,041.00	\$55,173
Mix 4	2 BR - 1 Bath	60% AMI	6	6	778.13	\$1,041.00	\$6,246
Mix 5	2 BR - 1 Bath	60% AMI	65		772.15	\$1,041.00	\$67,665
Mix 6	2 BR - 1 Bath	60% AMI	7		778.13	\$1,041.00	\$7,287
Mix 7	2 BR - 1 Bath	60% AMI	2	2	778.13	\$1,041.00	\$2,082
Mix 8	2 BR - 1 Bath	60% AMI	9		772.15	\$1,041.00	\$9,369
Mix 9	2 BR - 1 Bath	60% AMI	1		772.15	\$1,041.00	\$1,041
Mix 10	2 BR - 1 Bath	60% AMI	1		778.13	\$1,041.00	\$1,041
Mix 11	2 BR - 1 Bath	60% AMI	1		772.15	\$1,041.00	\$1,041
Mix 12	3 BR - 1.5 Bath	60% AMI	1		957.84	\$1,198.00	\$1,198
Mix 13	3 BR - 1.5 Bath	60% AMI	1		957.84	\$1,198.00	\$1,198
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

L. UNIT DETAILS

Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			151	8				\$156,829

Total Units	151	Net Rentable SF:	TC Units	116,481.09
			MKT Units	0.00
			Total NR SF:	116,481.09

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

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$63,673
39. Payroll Taxes	\$11,500
40. Miscellaneous Taxes/Licenses/Permits	\$1,000
41. Property & Liability Insurance	\$67,500
42. Fidelity Bond	\$0
43. Workman's Compensation	\$0
44. Health Insurance & Employee Benefits	\$17,500
45. Other Insurance	\$0
Total Taxes & Insurance	\$161,173

Total Operating Expense	\$747,033
--------------------------------	------------------

Total Operating Expenses Per Unit	\$4,947	C. Total Operating Expenses as % of EGI	40.68%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$45,300
---	-----------------

Total Expenses	\$792,333
-----------------------	------------------

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

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract		
b. Site Acquisition	3/6/2020	Completed
c. Zoning Approval	12/15/2020	Completed
d. Site Plan Approval	12/15/2020	Completed
2. Financing		
a. Construction Loan		
i. Loan Application	10/15/2020	Completed
ii. Conditional Commitment	N/A'	
iii. Firm Commitment	11/3/2020	Completed
b. Permanent Loan - First Lien		
i. Loan Application	10/15/2020	Completed
ii. Conditional Commitment	N/A	
iii. Firm Commitment	11/3/2020	Completed
c. Permanent Loan-Second Lien		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
d. Other Loans & Grants		
i. Type & Source, List	N/A	
ii. Application	N/A	
iii. Award/Commitment	N/A	
2. Formation of Owner	12/20/2019	Completed
3. IRS Approval of Nonprofit Status	N/A	
4. Closing and Transfer of Property to Owner	3/6/2020	Completed
5. Plans and Specifications, Working Drawings	2/15/2021	Completed
6. Building Permit Issued by Local Government	5/15/2021	Tony Barkan
7. Start Construction	6/1/2021	Tony Barkan
8. Begin Lease-up	8/1/2021	Tony Barkan
9. Complete Construction	8/1/2022	Tony Barkan
10. Complete Lease-Up	10/1/2022	Tony Barkan
11. Credit Placed in Service Date	11/1/2022	Tony Barkan

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	7,073,409	0	7,073,409	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
Total Structure	7,073,409	0	7,073,409	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	0	0	0	0
i. Site Improvements	0	0	0	0
j. Lawns & Planting	0	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	0	0	0	0
o. Site Work	0	0	0	0
p. Other Site work	0	0	0	0
Total Land Improvements	0	0	0	0
Total Structure and Land	7,073,409	0	7,073,409	0
q. General Requirements	268,936	0	268,936	0
r. Builder's Overhead (3.6% Contract)	252,128	0	252,128	0
s. Builder's Profit (5.7% Contract)	403,405	0	403,405	0
t. Bonds	0	0	0	0
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: _____	0	0	0	0
y. Other 2: _____	0	0	0	0
z. Other 3: _____	0	0	0	0
Contractor Costs	\$7,997,878	\$0	\$7,997,878	\$0

O. PROJECT BUDGET - OWNER COSTS

MUST USE WHOLE NUMBERS ONLY!

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	25,000	0	25,000	0
b. Architecture/Engineering Design Fee \$2,815 /Unit)	425,000	0	425,000	0
c. Architecture Supervision Fee \$166 /Unit)	25,000	0	25,000	0
d. Tap Fees	0	0	0	0
e. Environmental	15,000	0	15,000	0
f. Soil Borings	10,000	0	10,000	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	25,000	0	25,000	0
i. Market Study	12,500	0	12,500	0
j. Site Engineering / Survey	33,000	0	33,000	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	350,000	0	350,000	0
n. Construction Interest (4.2% for 18 months)	1,250,000	0	300,000	0
o. Taxes During Construction	162,000	0	162,000	0
p. Insurance During Construction	108,000	0	108,000	0
q. Permanent Loan Fee (1.5%)	270,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	50,000	0	50,000	0
w. Legal Fees for Closing	400,000	0	400,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	53,805			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	0	0	0	0
ad. Contingency	0	0	0	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: Underwriting Fee	10,000	0	0	0
(2) Other* specify: Escrow Fee	300	0	0	0
(3) Other* specify: DD reimbursements	10,000	0	0	0
(4) Other* specify: Prepayment Penalty	1,250,000	0	0	0
(5) Other * specify: Start up & Marketing	175,000	0	175,000	0
(6) Other* specify: Operating Reserve	1,000,000	0	0	0
(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$5,659,605	\$0	\$2,115,500	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)	\$13,657,483	\$0	\$10,113,378	\$0
3. Developer's Fees Action: Provide Developer Fee Agreement (Tab A)	2,263,399	0	2,263,399	0
4. Owner's Acquisition Costs				
Land	2,778,000			
Existing Improvements	6,482,000	6,482,000		
Subtotal 4:	\$9,260,000	\$6,482,000		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$25,180,882	\$6,482,000	\$12,376,777	\$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: \$2,263,399

Proposed Development's Cost per Sq Foot \$119 **Meets Limits**
 Applicable Cost Limit by Square Foot: \$176

2021 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	25,180,882	6,482,000	12,376,777	0

2. Reductions in Eligible Basis

a. Amount of federal grant(s) used to finance qualifying development costs	0	0	0
b. Amount of nonqualified, nonrecourse financing	0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)	0	0	0
d. Historic Tax Credit (residential portion)	0	0	0

3. Total Eligible Basis (1 - 2 above)

6,482,000	12,376,777	0
-----------	------------	---

4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	0	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0

Total Adjusted Eligible basis

12,376,777	0
------------	---

5. Applicable Fraction

100.00000%	100.00000%	100.00000%
------------	------------	------------

6. Total Qualified Basis

(Eligible Basis x Applicable Fraction)

6,482,000	12,376,777	0
-----------	------------	---

7. Applicable Percentage

(Beginning in 2021, All Tax Exempt requests should use the standard 4% rate and all 9% requests should use the standard 9% rate.)

4.00%	4.00%	4.00%
-------	-------	-------

8. Maximum Allowable Credit under IRC §42

(Qualified Basis x Applicable Percentage)

(Must be same as BIN total and equal to or less than credit amount allowed)

\$259,280	\$495,071	\$0
-----------	-----------	-----

\$754,351	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. Newport News HA	11/17/20	01/12/21	\$18,000,000	Michael McGraff
2.				
3.				
Total Construction Funding:			\$18,000,000	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. Newport News HA	11/17/2020	1/12/2021	\$17,685,200	\$854,250	3.75%	40.00	15.00
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$17,685,200	\$854,250			

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..... **FALSE**

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	\$18,000,000
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)	\$0
e.	Section 236	\$0
f.	Section 223(f)	\$0
g.	Other:	\$0

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

Q. SOURCES OF FUNDS

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

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **83.19%**

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

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

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

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

b. **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	=	\$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	=	\$0

b. Equity that Sponsor will Fund:

i. Cash Investment	\$67,000	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$938,832	(Note: Deferred Developer Fee cannot be negative.)
iv. Other: 	\$0	

ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at **TAB A**.

Equity Total \$1,005,832

2. Equity Gap Calculation

a. Total Development Cost	\$25,180,882
b. Total of Permanent Funding, Grants and Equity	- \$18,691,032
c. Equity Gap	\$6,489,850
d. Developer Equity	- (\$121,889)
e. Equity gap to be funded with low-income tax credit proceeds	\$6,611,739

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	Fallbrook Credit Financial		
Contact Person:	Marc Cohen	Phone:	301-3568150
Street Address:	26610 Agoura Road, Suite #120		
City:	Calabasas	State:	▶
		Zip:	91302

b. Syndication Equity

i. Anticipated Annual Credits	\$754,351.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.880
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.60000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$147,846
v. Net credit amount anticipated by user of credits	\$751,334
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$6,611,739

c. Syndication:	Private
d. Investors:	Corporate

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$6,463,893

5. Net Equity Factor

Must be equal to or greater than 85% 86.0322636231%

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>\$25,180,882</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$18,691,032</u>
3. Equals Equity Gap		<u>\$6,489,850</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>86.0322636231%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$7,543,507</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$754,351</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$754,351</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$754,351</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$4,995.7020</u>	
Credit per LI Bedroom	<u>\$2,514.5033</u>	
	Combined 30% & 70% PV Credit Requested	\$754,351

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		\$156,829
Plus Other Income Source (list): <u>Vending, pet fees, app fees, late/termination</u>		\$4,250
Equals Total Monthly Income:		\$161,079
Twelve Months		x12
Equals Annual Gross Potential Income		\$1,932,948
Less Vacancy Allowance <u>5.0%</u>		\$96,647
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$1,836,301

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$1,836,301
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,836,301
d. Total Expenses	\$792,333
e. Net Operating Income	\$1,043,968
f. Total Annual Debt Service	\$854,250
g. Cash Flow Available for Distribution	\$189,718

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	1,836,301	1,873,027	1,910,487	1,948,697	1,987,671
Less Oper. Expenses	792,333	816,103	840,586	865,804	891,778
Net Income	1,043,968	1,056,924	1,069,901	1,082,893	1,095,893
Less Debt Service	854,250	854,250	854,250	854,250	854,250
Cash Flow	189,718	202,674	215,651	228,643	241,643
Debt Coverage Ratio	1.22	1.24	1.25	1.27	1.28

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	2,027,424	2,067,973	2,109,332	2,151,519	2,194,549
Less Oper. Expenses	918,531	946,087	974,470	1,003,704	1,033,815
Net Income	1,108,893	1,121,886	1,134,863	1,147,815	1,160,734
Less Debt Service	854,250	854,250	854,250	854,250	854,250
Cash Flow	254,643	267,636	280,613	293,565	306,484
Debt Coverage Ratio	1.30	1.31	1.33	1.34	1.36

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	2,238,440	2,283,209	2,328,873	2,375,451	2,422,960
Less Oper. Expenses	1,064,829	1,096,774	1,129,677	1,163,568	1,198,475
Net Income	1,173,611	1,186,435	1,199,196	1,211,883	1,224,485
Less Debt Service	854,250	854,250	854,250	854,250	854,250
Cash Flow	319,361	332,185	344,946	357,633	370,235
Debt Coverage Ratio	1.37	1.39	1.40	1.42	1.43

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

U. Building-by-Building Information

Must Complete

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

Number of BINS: 20

Total Qualified Basis should equal total on Elig Basis Tab

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

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
		DO NOT use the CUT feature																		
1.		4		819 Forrest Drive	Units 1-4	Newport News	VA	23606	\$171,708	02/01/22	4.00%	\$6,868	\$317,846	02/01/22	4.00%	\$12,714				\$0
2.		8		819 Forrest Drive	Units 5-12	Newport News	VA	23606	\$343,417	02/01/22	4.00%	\$13,737	\$635,692	02/01/22	4.00%	\$25,428				\$0
3.		8		819 Forrest Drive	Units 12-20	Newport News	VA	23606	\$343,417	02/01/22	4.00%	\$13,737	\$635,692	02/01/22	4.00%	\$25,428				\$0
4.		8		819 Forrest Drive	Units 21-28	Newport News	VA	23606	\$343,417	02/01/22	4.00%	\$13,737	\$635,692	02/01/22	4.00%	\$25,428				\$0
5.		8		819 Forrest Drive	Units 29-36	Newport News	VA	23606	\$343,417	02/01/22	4.00%	\$13,737	\$635,692	02/01/22	4.00%	\$25,428				\$0
6.		8		819 Forrest Drive	Units 37-44	Newport News	VA	23606	\$343,417	02/01/22	4.00%	\$13,737	\$635,692	02/01/22	4.00%	\$25,428				\$0
7.		4		821 Forrest Drive	Units 45-48	Newport News	VA	23606	\$171,708	02/01/22	4.00%	\$6,868	\$317,846	02/01/22	4.00%	\$12,714				\$0
8.		8		821 Forrest Drive	Units 49-56	Newport News	VA	23606	\$343,417	06/01/22	4.00%	\$13,737	\$635,692	06/01/22	4.00%	\$25,428				\$0
9.		8		821 Forrest Drive	Units 57-64	Newport News	VA	23606	\$343,417	06/01/22	4.00%	\$13,737	\$635,692	06/01/22	4.00%	\$25,428				\$0
10.		8		821 Forrest Drive	Units 65-72	Newport News	VA	23606	\$343,417	06/01/22	4.00%	\$13,737	\$635,692	06/01/22	4.00%	\$25,428				\$0
11.		8		821 Forrest Drive	Units 73-80	Newport News	VA	23606	\$343,417	06/01/22	4.00%	\$13,737	\$635,692	06/01/22	4.00%	\$25,428				\$0
12.		8		821 Forrest Drive	Units 81-88	Newport News	VA	23606	\$343,417	06/01/22	4.00%	\$13,737	\$635,692	06/01/22	4.00%	\$25,428				\$0
13.		8		818 Forrest Drive	Units 1-8	Newport News	VA	23606	\$343,417	09/01/22	4.00%	\$13,737	\$635,692	09/01/22	4.00%	\$25,428				\$0
14.		8		818 Forrest Drive	Units 9-16	Newport News	VA	23606	\$343,417	09/01/22	4.00%	\$13,737	\$635,692	09/01/22	4.00%	\$25,428				\$0
15.		8		818 Forrest Drive	Units 17-24	Newport News	VA	23606	\$343,417	09/01/22	4.00%	\$13,737	\$635,692	09/01/22	4.00%	\$25,428				\$0
16.		7		820 Forrest Drive	Units 1-8	Newport News	VA	23606	\$300,495	12/01/22	4.00%	\$12,020	\$556,236	12/01/22	4.00%	\$22,249				\$0
17.		8		820 Forrest Drive	Units 9-16	Newport News	VA	23606	\$343,417	12/01/22	4.00%	\$13,737	\$635,692	12/01/22	4.00%	\$25,428				\$0
18.		8		820 Forrest Drive	Units 17-24	Newport News	VA	23606	\$343,417	12/01/22	4.00%	\$13,737	\$635,692	12/01/22	4.00%	\$25,428				\$0
19.		8		820 Forrest Drive	Units 25-32	Newport News	VA	23606	\$343,417	02/01/23	4.00%	\$13,737	\$635,692	02/01/23	4.00%	\$25,428				\$0
20.		8		820 Forrest Drive	Units 33-40	Newport News	VA	23606	\$343,417	02/01/23	4.00%	\$13,737	\$635,692	02/01/23	4.00%	\$25,428				\$0
21.																\$0				\$0
22.																\$0				\$0
23.																\$0				\$0
24.																\$0				\$0
25.																\$0				\$0
26.																\$0				\$0
27.																\$0				\$0
28.																\$0				\$0
29.																\$0				\$0
30.																\$0				\$0
31.																\$0				\$0
32.																\$0				\$0
33.																\$0				\$0
34.																\$0				\$0
35.																\$0				\$0

151 0

Totals from all buildings

\$6,482,000

\$11,998,692

\$0

\$259,280

\$479,948

\$0

Number of BINS: 20

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 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.
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: AOZPCREI Woodlands LLC

By:  Anthony S. Barkan
Its: Co-Managing Member of the Owner's Managing Member, AOZCREI GP LLC
(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:	<u>Megan Shope</u>
Virginia License#:	<u>0401012111</u>
Architecture Firm or Company:	<u>Edward H. Winks - James D. Snow Architects P.C.</u>

By:  _____

Its: Principal
(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		Score
a. Signed, completed application with attached tabs in PDF format	Y	Y or N	0
b. Active Excel copy of application	Y	Y or N	0
c. Partnership agreement	Y	Y or N	0
d. SCC Certification	Y	Y or N	0
e. Previous participation form	Y	Y or N	0
f. Site control document	Y	Y or N	0
g. 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
Total:			0.00

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

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	5.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	0.00%	Up to 40	0.00
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
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
Total:			10.00

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			11.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	N	0 or 60	0.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	Y	0 or 15	15.00
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	0%	Up to 15	0.00
h. Developments with less than 100 units	N	up to 20	0.00
i. Historic Structure	N	0 or 5	0.00
	Total:		36.00

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	1.32%	Up to 15	0.00
c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
	Total:		0.00

5. SPONSOR CHARACTERISTICS:

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	N	0 or 50	0.00
or b. Developer experience - 3 developments and at least 500,000 in liquid assets	N	0 or 50	0.00
or c. Developer experience - 1 development with 1 x units	N	0 or 10	0.00
d. Developer experience - life threatening hazard	N	0 or -50	0.00
e. Developer experience - noncompliance	N	0 or -15	0.00
f. Developer experience - did not build as represented	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements	N	0 or -20	0.00
h. Developer experience - termination of credits by 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:		0.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	144.54
b. Cost per unit		Up to 100	30.66
	Total:		175.20

7. BONUS POINTS:

a. Extended compliance	35	Years	40 or 50	50.00
or b. Nonprofit or LHA purchase option	N		0 or 60	0.00
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:			50.00

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

TOTAL SCORE: 326.20

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	0.00
b. Exterior walls constructed with brick and other low maintenance materials	25	0.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	0.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
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>11.00</u>
All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>0.00</u>
Total amenities:		<u>11.00</u>

X. Development Summary

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

Deal Name: Woodlands at Oyster Point

Cycle Type: 4% Tax Exempt Bonds Credits **Requested Credit Amount:** \$754,351
Allocation Type: N/A **Jurisdiction:** Newport News City
Total Units: 151 **Population Target:** General
Total LI Units: 151
Project Gross Sq Ft: 133,569.92 **Owner Contact:** Mark Hall
Green Certified? FALSE

Total Score 326.20

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$17,685,200	\$117,121	\$132	\$854,250

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$7,073,409	\$46,844	\$53	28.09%
General Req/Overhead/Profit	\$924,469	\$6,122	\$7	3.67%
Other Contract Costs	\$0	\$0	\$0	0.00%
Owner Costs	\$5,659,605	\$37,481	\$42	22.48%
Acquisition	\$9,260,000	\$61,325	\$69	36.77%
Developer Fee	\$2,263,399	\$14,989	\$17	8.99%
Total Uses	\$25,180,882	\$166,761		

Total Development Costs	
Total Improvements	\$13,657,483
Land Acquisition	\$9,260,000
Developer Fee	\$2,263,399
Total Development Costs	\$25,180,882

Income		
Gross Potential Income - LI Units		\$1,932,948
Gross Potential Income - Mkt Units		\$0
Subtotal		\$1,932,948
Less Vacancy %	5.00%	\$96,647
Effective Gross Income		\$1,836,301

Proposed Cost Limit/Sq Ft: \$119
Applicable Cost Limit/Sq Ft: \$176

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	4
# of 2BR	145
# of 3BR	2
# of 4+ BR	0
Total Units	151

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$243,920	\$1,615
Utilities	\$147,940	\$980
Operating & Maintenance	\$194,000	\$1,285
Taxes & Insurance	\$161,173	\$1,067
Total Operating Expenses	\$747,033	\$4,947
Replacement Reserves	\$45,300	\$300
Total Expenses	\$792,333	\$5,247

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	151	151
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$1,836,301
Total Expenses	\$792,333
Net Income	\$1,043,968
Debt Service	\$854,250
Debt Coverage Ratio (YR1):	1.22

Income Averaging? TRUE

Extended Use Restriction? 50

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 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.

Using Current E-U-R method (up to 200)		144.54
Using proposed method:		
Combined Max	\$754,351	
Credit Requested	\$754,351	
% of Savings	0.00%	
Sliding Scale Points		0
<i>Difference</i>		-144.54

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.

Using Current E-U-R method (up to 100)		30.66
Using proposed method:		
Total Costs Less Acquisition	\$15,920,882	
Total Square Feet	133,569.92	
Proposed Cost per SqFt	\$119.20	
Applicable Cost Limit per Sq Ft	\$176.00	
% of Savings	32.28%	
Sliding Scale Points		64.56
<i>Difference</i>		33.90

\$/SF = **\$181.29** Credits/SF = **6.104498** Const \$/unit = **\$52,966.0795**

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

11000
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	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	592.86	821.94	1,010.12	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	4	145	2	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	158,550	215,175	232,163	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	158,550	215,175	232,163	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	158,550	215,175	232,163	0	0	0	0
PROJECT COST PER UNIT	0	107,481	149,012	183,127	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	11,550	15,675	16,913	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	11,550	15,675	16,913	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	11,550	15,675	16,913	0	0	0	0
PROJECT CREDIT PER UNIT	0	3,619	5,018	6,166	0	0	0	0
COST PER UNIT POINTS	0.00	0.85	29.53	0.28	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	3.64	130.58	1.68	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **30.66**

TOTAL CREDIT PER UNIT POINTS **135.90**

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	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	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
Adjusted Credit Parameter	0	0	0	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Parameter - low rise	0	158,550	215,175	232,163	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	158,550	215,175	232,163	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Credit Parameter - low rise	0	11,550	15,675	16,913	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Credit Parameter	0	11,550	15,675	16,913	0	0	0	(

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

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	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
Adjusted Cost Parameter	0	0	0	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	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
Adjusted Cost Parameter	0	0	0	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	158,550	215,175	232,163	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	158,550	215,175	232,163	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	11,550	15,675	16,913	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	11,550	15,675	16,913	0	0	0	(

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\$/SF = **\$181.29** Credits/SF = **6.104498** Const \$/unit = **\$52,966.08**

TYPE OF PROJECT **GENERAL = 11000; ELDERLY = 12000**
 LOCATION **Inner-NVA=100; Outer-NV=200; NWN=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**

11000
500
3

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

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

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	592.86	821.94	1,010.12	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	4	145	2	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	158,550	215,175	232,163	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	158,550	215,175	232,163	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	158,550	215,175	232,163	0	0	0	0
PROJECT COST PER UNIT	0	107,481	149,012	183,127	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	11,550	15,675	16,913	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	11,550	15,675	16,913	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	11,550	15,675	16,913	0	0	0	0
PROJECT CREDIT PER UNIT	0	3,619	5,018	6,166	0	0	0	0
COST PER UNIT POINTS	0.00	0.85	29.53	0.28	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	3.64	130.58	1.68	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **30.66**

TOTAL CREDIT PER UNIT POINTS **144.54**

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	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	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
Adjusted Credit Parameter	0	0	0	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Parameter - low rise	0	158,550	215,175	232,163	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	158,550	215,175	232,163	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Credit Parameter - low rise	0	11,550	15,675	16,913	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Credit Parameter	0	11,550	15,675	16,913	0	0	0	(

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

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	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
Adjusted Cost Parameter	0	0	0	0	0	0	0

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	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
Adjusted Cost Parameter	0	0	0	0	0	0	0

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	158,550	215,175	232,163	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	158,550	215,175	232,163	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	11,550	15,675	16,913	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	11,550	15,675	16,913	0	0	0	(

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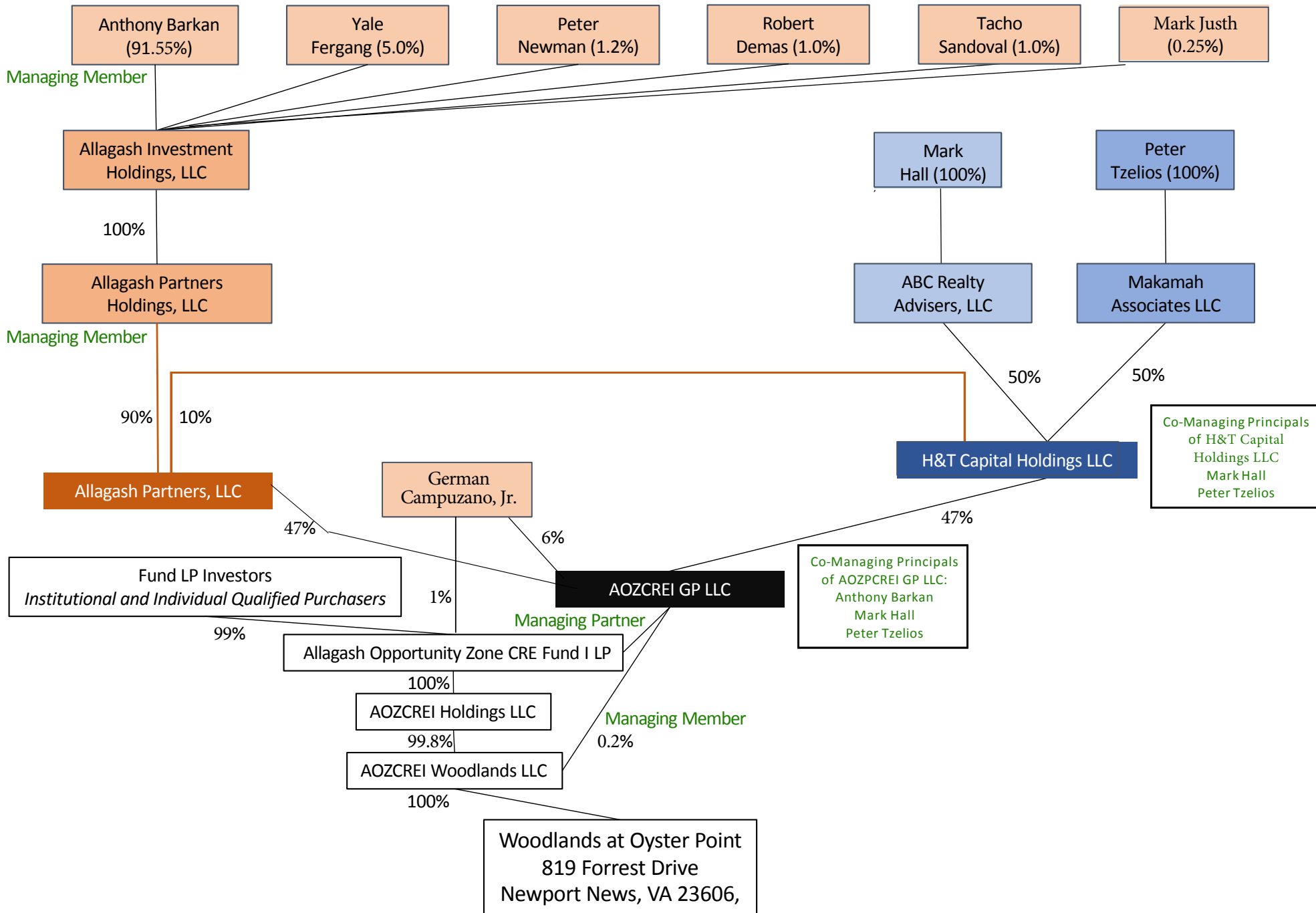
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A

Partnership or Operating Agreement

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

Woodlands at Oyster Point Ownership Chart



AOZPCREI WOODLANDS LLC

LIMITED LIABILITY COMPANY AGREEMENT

Dated as of December 20, 2019

**INTERESTS IN THE COMPANY MAY ONLY BE SOLD, TRANSFERRED, PLEDGED
OR HYPOTHECATED SUBJECT TO THE LIMITATIONS AND RESTRICTIONS SET
FORTH HEREIN AND ONLY IN COMPLIANCE WITH ALL APPLICABLE
SECURITIES LAWS.**

**AOZPCREI WOODLANDS LLC
LIMITED LIABILITY COMPANY AGREEMENT**

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**AOZPCREI WOODLANDS LLC
LIMITED LIABILITY COMPANY AGREEMENT**

LIMITED LIABILITY COMPANY AGREEMENT of AOZPCREI WOODLANDS LLC, dated as of December ____, 2019, by and among those Persons listed on Schedule A hereto. Capitalized terms used but not defined herein shall have the meanings set forth in Article II.

RECITALS:

WHEREAS, the Certificate was filed with the Office of the Secretary of State of the State of Delaware on November 7, 2019.

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

**ARTICLE I
FORMATION AND CONTINUATION OF THE COMPANY**

Section 1.1 Formation; Continuation. The Company was formed as a limited liability company under the Act by the filing of the Certificate. The Members agree to continue the Company. The Managing Member shall effect all filings, recordings, publications and other acts as the Managing Member may determine to be necessary or appropriate for compliance with all requirements applicable to the formation and operation of the Company as a limited liability company under this Agreement, the Act and all other laws of the State of Delaware and such other jurisdictions in which the Managing Member determines that the Company shall conduct business. Each Member shall promptly execute all relevant certificates and other documents as the Managing Member shall request.

Section 1.2 Name. The name of the Company is "AOZPCREI Woodlands LLC", as such name may be modified from time to time by the Managing Member following written notice to the Members.

Section 1.3 Business of the Company. Subject to the limitations on the activities of the Company otherwise specified in this Agreement, the Company is intended (i) to operate as a "qualified opportunity zone business" as defined in Code section 1400Z-2, (ii) to serve as a QOZ Subsidiary of the Fund engaged in renovating, developing, redeveloping, operating, managing and divesting one or more Properties, and (ii) to enter into, make and perform all contracts and other undertakings, and engage in all activities and transactions, as the Managing Member may reasonably deem necessary or advisable to the carrying out of the foregoing purpose and business.

Section 1.4 Location of Principal Place of Business. The location of the principal place of business of the Company shall be c/o Allagash Opportunity Zone Partners LLC, 20130 Lakeview Center Plaza, Suite 400, Ashburn, Virginia 20147. The Managing Member may change the location of the principal place of business of the Company at any time and cause the Company to maintain such other offices as it deems advisable at any other place or places within or without the United States.

Section 1.5 Registered Agent. The registered agent and office of the Company shall be Agents and Corporations, Inc., 1201 Orange Street, Suite 600, Wilmington, Delaware 19801, or such other registered agent and office as the Managing Member may designate from time to time.

Section 1.6 Term. The term of the Company commenced November 7, 2019, and the Company shall continue until dissolved and terminated in accordance with Article X.

ARTICLE II DEFINITIONS

“Act” means the Delaware Limited Liability Company Act, Chapter 18 of Title 6 of the Delaware Code, 6 Del. Code §18-101 et seq., as amended from time to time (or any succeeding law).

“Adjusted Capital Account Deficit” shall mean, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments: (a) credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulation §§ 1.704-2(g)(1) and (i)(5); and (b) debit to such Capital Account the items described in Regulation §§ 1.704-1(b)(2)(ii)(d)(4), (5) and (6). The foregoing definition is intended to comply with the provisions of Regulation § 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“Affiliate” means, with respect to a specified Person, any Person directly or indirectly Controlling, Controlled by or under common Control with the specified Person.

“Agreement” means this Limited Liability Company Agreement, as amended, modified or supplemented from time to time.

“Assignees” has the meaning set forth in Section 9.2(d).

“Book Value” means, with respect to any Investment or other Company asset, the gross adjusted tax basis (for U.S. federal income tax purposes) of such asset, adjusted as follows: (a) the Book Value of an Investment shall be decreased by the amount of any Write-Down Amount with respect to such Investment, (b) if there is a realization or distribution of a portion (but not all) of an Investment, its Book Value shall thereafter equal the Book Value prior to such event multiplied by a fraction, the numerator of which shall be the initial Book Value of the retained portion of the Investment and the denominator of which shall be the initial Book Value of the entire Investment, and (c) the Book Values of all Company assets may be adjusted to equal their respective Values, in accordance with the rules set forth in Regulations §1.704-1(b)(2)(iv)(f), as of: (i) the date of the acquisition of any additional Interest by any new or existing Member in exchange for more than a *de minimis* Capital Contribution, (ii) the distribution by the Company of more than a *de minimis* amount of property as consideration for a Member’s Interest, (iii) the date of the grant of an Interest in the Company as consideration for the provision of services to or for the benefit of the Company, or (iv) any other date specified in such Regulations; provided, however, that such adjustments shall be made only if they are deemed necessary or appropriate by the Managing Member to reflect the relative economic interests of the Members.

“Business Day” means any day on which the New York Stock Exchange and banks in New York and Virginia are open for business.

“Capital Account” means, with respect to each Member, the account established and maintained for such Member on the books of the Company in compliance with Regulation §§ 1.704-1(b)(2)(iv) and 1.704-2, as amended. The balance of the Capital Account of each Member shall initially equal zero, and throughout the term of the Company shall be (i) increased by the amount of (A) any Net Income that is allocated to such Member pursuant to Section 4.1 and (B) the amount of any Capital Contributions by such Member to the Company and (ii) decreased by (A) the amount of Net Loss allocated to such

Member pursuant to Section 4.1 and (B) the amount of any cash distributed and the Distribution Value of any asset distributed to such Member from such Member's Capital Account pursuant to Section 5.1 or 10.3(a)(iv).

“Capital Contribution” means a contribution to the capital of the Company.

“Certificate” means the certificate of formation of the Company, filed with the Office of the Secretary of State of the State of Delaware on November 7, 2019, as amended, modified or supplemented from time to time.

“Code” means the United States Internal Revenue Code of 1986, as amended from time to time (or any succeeding law).

“Company” means the limited liability company formed pursuant to the filing of the Certificate and governed by the terms of this Agreement.

“Company Counsel” has the meaning set forth in Section 13.12.

“Confidential Information” has the meaning set forth in Section 7.4(a).

“Control” means the possession, directly or indirectly, of the power to direct the management or policies of a Person, whether through ownership of voting securities or other voting ownership interests, by contract or otherwise.

“Drag-Along Rights” has the meaning set forth in Section 9.6(a).

“Drag-Along Transaction” has the meaning set forth in Section 9.6(a).

“Event of Withdrawal” has the meaning set forth in Section 10.2(a)(ii).

“Fiscal Year” means the calendar year, except that the Company's first Fiscal Year shall end on December 31, 2019, and the Company's last Fiscal Year shall end on the date the Company is liquidated.

“Fund” means Allagash Opportunity Zone CRE Fund I LP.

“Fund Agreement” means the Amended and Restated Agreement of Limited Partnership of the Fund, as amended from time to time.

“Fund Investors” means the Limited Partners (as such term is defined in the Fund Agreement).

“Fund Member” means AOZCREI Holdings LLC and its permitted successors and assigns.

“Indemnified Losses” has the meaning set forth in Section 8.5(a).

“Indemnified Persons” has the meaning set forth in Section 8.4.

“Initial Closing Date” has the meaning set forth in the Fund Agreement.

“Interest” means the entire ownership interest of a Member in the Company at any particular time, including, without limitation, such Member's interest in the capital, profits and losses of, and in any distributions from, the Company.

“Interest Percentage” means, with respect to each Member, the percentage set forth opposite its name on Schedule A under the column headed “Interest Percentage.”

“Investment” means any investment in a Property or other asset that has been acquired by the Company.

“Investment Proceeds” has the meaning set forth in Section 5.1(a).

“Liquidator” has the meaning set forth in Section 10.2(b).

“Managing Member” means AOZCREI GP LLC in its capacity as manager of the Company and any successor thereto.

“Member” means each Person listed on Schedule A hereto (including, without limitation, the Special Member), each Person admitted as a Substituted Member pursuant to Article IX, and, with respect to those provisions of this Agreement concerning a Member’s rights to receive a share of profits or other distributions as well as the return of such Member’s Capital Contribution, any Transferee of such Member’s Interest (except that a Transferee who is not admitted as a Substituted Member shall have only those rights specified by the Act that are consistent with the terms of this Agreement).

“Net Income” and “Net Loss,” respectively, of the Company for any Fiscal Year or other period, means the income or loss of the Company for such period as determined in accordance with the method of accounting followed by the Company for U.S. federal income tax purposes, including, for all purposes, any income exempt from tax and any expenditures of the Company that are described in Code section 705(a)(2)(B); provided that in determining Net Income and Net Loss and every item entering into the computation thereof, solely for the purpose of adjusting the Capital Accounts of the Members (and not for tax purposes), (i) upon an adjustment to the Book Value of any asset pursuant to the definition of “Book Value” herein, the amount of such adjustment shall be included as gain or loss; (ii) any income, gain, loss or deduction attributable to the taxable disposition of any Company asset shall be computed as if the adjusted basis of such Company asset on the date of such disposition equaled its Book Value as of such date; (iii) if any Company asset is distributed in kind to a Member, the difference between its Value and its Book Value at the time of such distribution shall be treated as gain or loss of the Company; and (iv) any depreciation, cost recovery and amortization as to any Company asset shall be computed by assuming that the adjusted basis of such Company asset equaled its Book Value, determined pursuant to the methodology described in Regulation §1.704-1(b)(2)(iv)(g)(3); and provided, further, that any item (computed after taking into account the adjustments in the preceding proviso) specially allocated to a Member under Section 4.2 or elsewhere in this Agreement, shall be excluded from the general computation of Net Income and Net Loss.

“Person” means any individual, partnership, limited liability company, association, corporation, trust or other entity.

“Property” means real property.

“QOF Rules” means Code section 1400Z-2, any proposed, temporary or permanent Treasury Regulations promulgated thereunder, and any applicable guidance.

“QOZ Subsidiary” has the meaning set forth in the Fund Agreement.

“Regulations” means the United States Treasury Regulations promulgated under the Code.

“Representatives” has the meaning set forth in Section 7.4(b).

“Rules” has the meaning set forth in Section 13.12.

“Special Member” means Mid-Atlantic Opp Zone Acquisitions, LLC. The Special Member is designated as such herein for the sole purpose of receiving distributions pursuant to Section 5.1.

“Substituted Member” means any Person admitted to the Company as a substituted Member pursuant to the provisions of Article IX.

“Transfer,” “Transferee” and “Transferor” have the respective meanings set forth in Section 9.1.

“Value” means, with respect to any asset or liability of the Company as of any date, the fair market value of such asset or liability as of such date as reasonably determined by the Managing Member.

“Void Transfer” has the meaning set forth in Section 9.1.

“Withdrawing Member” has the meaning set forth in Section 9.2(d).

“Write-Down Amount” means at any time, with respect to any Investment, the amount by which the Managing Member determines that the Book Value of such Investment should be reduced to reflect material, long-term impairment of such Investment.

ARTICLE III CAPITAL CONTRIBUTIONS

Section 3.1 Capital Contributions. As of the date hereof, the Members have made Capital Contributions to the Company in the amounts, and have received the Interest Percentages, set forth on Schedule A hereto. No Member shall at any time be required to make any additional Capital Contributions, except as may be required by law or as otherwise specified in this Agreement. The Special Member shall have no obligation and shall not be required to make any Capital Contributions.

Section 3.2 No Interest Paid on Capital Contribution(s). No Member shall be entitled to interest on or with respect to its Capital Contribution(s).

Section 3.3 Withdrawal and Return of Capital Contributions. Except as provided in this Agreement, no Member shall be entitled to withdraw any part of its Capital Contribution(s) or receive any distributions from the Company.

ARTICLE IV ALLOCATION OF NET INCOME AND NET LOSS

Section 4.1 Allocation of Net Income and Net Loss. Except as provided in Section 4.2, Section 4.6, or elsewhere in this Agreement, Net Income and Net Loss (and items thereof) for any Fiscal Year shall be allocated among the Members in a manner such that the Capital Account of each Member, is, as nearly as possible, equal (proportionately) to the amount of distributions that would be made to such Member during such Fiscal Year pursuant to Section 5.1, if at the end of such Fiscal Year (i) the Company were dissolved and terminated, (ii) its affairs were wound up and each Company asset was sold for cash equal to its Book Value, (iii) all Company liabilities were satisfied (limited with respect to each nonrecourse liability to the Book Value of the assets securing such liability), and (iv) the net assets of the

Company were distributed in accordance with Section 5.1 to the Members immediately after giving effect to such allocation.

Section 4.2 Special Allocations. The following special allocations shall be made in the following order and prior to any other allocations under this Article IV:

(a) If during any Fiscal Year, there is a net decrease in “partnership minimum gain” (within the meaning of Regulation §§ 1.704-2(b)(2) and (d)) for a Fiscal Year, then there shall be allocated to each Member items of income and gain for that year (and, if necessary, subsequent Fiscal Years) equal to that Member’s share of the net decrease in partnership minimum gain, determined in accordance with Regulations §§ 1.704-2(f) and (g). The foregoing is intended to be a “minimum gain chargeback” provision as described in Regulation § 1.704-2(f) and shall be interpreted and applied in all respects in accordance with that Regulation.

(b) If during any Fiscal Year, there is a net decrease in partner nonrecourse debt minimum gain (as determined in accordance with Regulation § 1.704-2(i)(3)), then any Member with a share of that partner nonrecourse debt minimum gain (determined in accordance with Regulation § 1.704-2(i)(5)) as of the beginning of the Fiscal Year shall, subject to the exceptions set forth in Regulation § 1.704-2(i)(4), be allocated items of income and gain for the year (and, if necessary, for subsequent years) equal to that Member’s share of the net decrease in the partner nonrecourse minimum gain. The foregoing is intended to be the “chargeback of partner nonrecourse debt minimum gain” required by Regulation § 1.704-2(i)(4) and shall be interpreted and applied in all respects in accordance with that Regulation.

(c) If during any Fiscal Year, a Member unexpectedly receives an adjustment, allocation or distribution described in Regulation § 1.704-1(b)(2)(ii)(d)(4), (5) or (6), which causes or increases a Member’s Adjusted Capital Account Deficit, there shall be allocated to such Member items of income and gain (consisting of a *pro rata* portion of each item of income, including gross income, and gain for such Fiscal Year) in an amount and manner sufficient to eliminate such deficit as quickly as possible. The foregoing is intended to be a “qualified income offset” provision as described in Regulation § 1.704-1(b)(2)(ii)(d) and shall be interpreted and applied in all respects in accordance with that Regulation.

(d) Notwithstanding any provision to the contrary in this Article IV, losses, deductions, or expenditures subject to Code section 705(a)(2)(B) that are attributable to a particular partner nonrecourse liability shall be allocated to the Member that bears the economic risk of loss for the liability in accordance with the rules of Regulation § 1.704-2(i).

Section 4.3 Loss Allocation Limitation. Notwithstanding any provision of this Article IV, no allocation of Net Loss shall be made to a Member if it would cause the Member to have an Adjusted Capital Account Deficit. Allocations of Net Loss that would be made to a Member but for this Section 4.3 shall instead be made to the other Members pursuant to Section 4.1 to the extent possible and not inconsistent with this Section 4.3.

Section 4.4 Transfers During a Fiscal Year. If an Interest in the Company or portion thereof is Transferred during any Fiscal Year, the items of income, gain, loss, deduction and credit allocable to such Interest for such Fiscal Year shall be apportioned between the Transferor and the Transferee using any convention permitted under Code section 706(d) and/or applicable law and selected by the Managing Member. The Managing Member may take into consideration an agreement between the Transferor and the Transferee as to the desired method of allocation and effective date of such Transfer, provided that it receives written notice of such agreement from the parties.

Section 4.5 Allocations for U.S. Income Tax Purposes. The income, gains, losses, deductions and credits of the Company for federal, state and local income tax purposes shall be allocated in the same manner as the corresponding items included in the computation of Net Income and Net Loss were allocated pursuant to Sections 4.1 and 4.2; provided that solely for federal, state and local income and franchise tax purposes and not for book or Capital Account purposes, income, gain, loss and deduction with respect to property properly carried on the Company's books at a Value other than its tax basis shall be allocated in accordance with the requirements of Code section 704(c) and Regulation § 1.704-3.

Section 4.6 Determination by Managing Member of Certain Matters. Except as otherwise set forth in this Agreement, all matters concerning the computation and maintenance of Capital Accounts, the allocation of Net Income (and items thereof) and Net Loss (and items thereof), the allocation of items of income, gain, loss, deduction and credit for tax purposes, any adjustments to the books and records of the Company, all tax elections, and all matters relating to the liquidation and dissolution of the Company, shall be determined by the Managing Member in its discretion. Such determination shall be final and conclusive on, and communicated to, all Members. Notwithstanding any provision to the contrary in this Agreement, if the Managing Member shall determine, in its discretion, that it is prudent to modify the manner in which the Capital Accounts, or any debits or credit thereto, are computed in order to comply with Code section 704(b) or 704(c), to effectuate the intended economic sharing arrangement of the Members as set forth in Article V, or to enable the Fund to comply with the QOF Rules as in effect from time to time, then the Managing Member may make such modification.

Section 4.7 Withholding.

(a) The Company shall comply with withholding requirements under all applicable laws and shall remit amounts withheld to and file required forms with the applicable jurisdictions. To the extent the Company is required to withhold and/or pay over any amounts to any authority with respect to distributions or allocations to any Member, the amount paid or withheld shall be treated as a distribution to that Member. In the event of any claimed over-withholding, Members shall be limited to an action against the applicable jurisdiction. If the amount withheld was not withheld from actual distributions, the Company may, at its option, (i) require the Member to reimburse the Company for such withholding or (ii) reduce any subsequent distributions by the amount of such withholding. Each Member agrees to furnish any information, certifications, and forms as shall be reasonably requested by the Company, the Managing Member or their agents to assist them in determining the extent of, and in fulfilling, their tax and withholding obligations. Each Member will indemnify the Managing Member and the Company against any losses and liabilities (including interest and penalties) related to any tax and withholding obligations with respect to allocations or distributions made to it by the Company.

(b) In the event that the Company receives a payment or distribution from or in respect of which tax has been paid or withheld in respect of one or more Members, the Company shall be deemed to have received cash in an amount equal to the amount of such withheld tax, and such Member(s) shall be deemed to have received as a distribution (under the relevant clause of Section 5.1) the portion of such amount that is attributable to such Member(s)' Interests as determined by the Managing Member in accordance with the Code and other applicable law.

(c) Each Member shall timely furnish the Managing Member with such information, certifications, or forms as the Managing Member may reasonably request for purposes of reducing or complying with any tax, withholding and reporting obligations, including under the QOF Rules, and other tax matters relevant to the Company. To the extent that a Member does not comply with the foregoing, the Managing Member shall be able to take such action in respect of the Member that it reasonably considers appropriate.

ARTICLE V DISTRIBUTIONS

Section 5.1 Distributions Generally. All distributions pursuant to this Section 5.1 shall be made to the Members in accordance with the following provisions:

(a) Proceeds from the sale or disposition of Investments and proceeds received in respect of Investments net of current expenses (collectively, "Investment Proceeds") shall be subject to distribution by the Managing Member pursuant to Section 5.1(b).

(b) Investment Proceeds, in excess of reserves, shall initially be apportioned among the Members *pro rata* in accordance with their respective Interest Percentages, and then shall be further apportioned among each such Member and the Special Member and distributed as follows:

(i) *Return of Capital*: First, 100% to such Member until it has received cumulative distributions under this Section 5.1(b)(i) equal to 100% of its aggregate Capital Contributions;

(ii) *Preferred Return*: Second, 100% to such Member until it has received cumulative distributions under Section 5.1(b)(i) and this Section 5.1(b)(ii) equal to (x) 100% of its aggregate Capital Contributions *plus* (y) an internal rate of return of 12% *per annum* on its aggregate Capital Contributions; and

(iii) *94/6 Split*: Thereafter, 94% to such Member and 6% to the Special Member.

(c) Prior to commencement of dissolution, distributions will be made in cash. Upon dissolution of the Company, distributions may also include securities or other assets of the Company. The Managing Member may determine to structure the Company's windup as a sale of Interests (rather than a sale of assets) to a third party or as another type of restructuring transaction in which event (i) each Member shall cooperate with the Managing Member in effecting such sale or other transaction and (ii) the Special Member shall be entitled to participate in the proceeds received by the Members in connection with such sale or other transaction as if such proceeds had been distributed to the Members pursuant to this Section 5.1.

Section 5.2 Limitations on Distributions.

(a) Notwithstanding any provision herein to the contrary:

(i) no distribution pursuant to this Agreement shall be made if the Managing Member determines in good faith that such distribution may reasonably be expected to violate the Act or any other applicable law; and

(ii) the Managing Member, by written notice to a Member, may suspend the distribution rights of such Member if the Managing Member in good faith deems it necessary or advisable to do so to comply with anti-money laundering laws, rules, regulations, directives or special measures applicable to the Company or the Managing Member.

(b) In the event of any postponement of any distribution pursuant to this Agreement, all amounts so retained by the Company shall continue to be subject to all the liabilities of the Company.

Section 5.3 Reserves. The Managing Member shall be entitled to cause the Company to establish such reserves as it deems reasonably necessary for any contingent or unforeseen Company liabilities.

ARTICLE VI BOOKS OF ACCOUNT; REPORTS; FISCAL YEAR

Section 6.1 Books and Records. Proper and complete records and books of account shall be kept by the Company in which shall be entered fully and accurately all transactions and other matters relative to the Company's business as are usually entered into records and books of account maintained by Persons engaged in businesses of a like character. Company books and records shall be kept in accordance with U.S. generally accepted accounting principles or such other accounting method selected by the Managing Member. The books and records of the Company shall be audited as of the end of each Fiscal Year by such accountants as shall be selected by the Managing Member. The books and records of the Company are available for inspection by any Member at the offices of the Managing Member during normal business hours on reasonable advance notice to the Managing Member; provided that (i) the Company may withhold confidential information and other information deemed sensitive or proprietary by the Managing Member, and (ii) in no event shall such Member make copies of, or otherwise reproduce (whether in detail or in summary), the books and records of the Company, or any information contained therein, without the express prior written consent of the Managing Member.

Section 6.2 Reports. Within 120 days after the end of each Fiscal Year, the Company shall provide to each Member (a) a Schedule K-1 (and/or any other information reasonably required to complete such Member's U.S. federal income tax returns) and (b) an annual report containing audited financial statements.

ARTICLE VII POWERS, RIGHTS AND DUTIES OF THE MEMBERS

Section 7.1 Limitations. Except as otherwise set forth in this Agreement, no Member shall (i) have any right, authority or power to participate in the management or control or conduct of the Company's business, (ii) transact any business for the Company or (iii) have any right, authority or power to act for or bind the Company, said powers being vested solely and exclusively in the Managing Member.

Section 7.2 Liability. Subject to the provisions of the Act and applicable law, no Member (or former Member) shall be liable for the repayment, satisfaction or discharge of any Company liabilities in excess of the balance of all of its Capital Account; provided that the Managing Member may require a Member who has made a Capital Contribution to return an amount equal to up to 25% of its Capital Contributions, for the purpose of satisfying such Member's *pro rata* share of Company expenses (including indemnification obligations); provided, further, that no Member will be required to return any previously distributed amounts after the third anniversary of the complete liquidation and distribution of assets of the Company. Any such payment made by a Member shall not be treated as a Capital Contribution but shall be treated as a return of distributions.

Section 7.3 Priority. Except as set forth in Section 5.1 above, no Member shall have priority over any other Member as to Company allocations or distributions.

Section 7.4 Confidentiality.

(a) "Confidential Information" means (i) information relating to the Company or any

investment or prospective investment made or proposed to be made by the Company or by any account over which the Managing Member or any of its Affiliates directly or indirectly exercises investment discretion (whether prepared by the Company, its advisors or otherwise and irrespective of the form of communication) provided at any time to a Member or its Representatives by or on behalf of the Company or the Managing Member and (ii) all notes, extracts, analyses, summaries, studies, interpretations or other documents prepared by such Member or its Representatives that contain, reflect or are based upon, in whole or in part, such information; provided that Confidential Information does not include information that is generally available to the public other than as a result of breach of this Agreement by such Member or any of its Representatives or is available to such Member on a non-confidential basis from a source other than the Company, the Managing Member or its Affiliates or advisors, and such source is not known by such Member after due inquiry to be bound by a confidentiality agreement with, or other obligation of secrecy to, any Person with respect to such information.

(b) Subject to the provisions of Sections 7.4(c) and 7.4(d) below, unless the Managing Member otherwise consents in writing, (i) each Member shall keep any Confidential Information provided to it or any of its directors, officers, employees, capital and financing sources, affiliates, agents, representatives or advisors (“Representatives”) or otherwise in its possession confidential and (ii) no Member shall use or disclose (other than for purposes reasonably related to its Interest in the Company or for purposes of filing such Member’s tax returns or for other matters required by law) to any Person any Confidential Information except as permitted herein.

(c) Notwithstanding the foregoing, Confidential Information may be disclosed by a Member to those of its Representatives who are, in the Member’s reasonable view, responsible for matters relating to the Company. Each Member agrees that (i) it shall inform such Representatives of the confidential nature of such information, (ii) it shall direct such Representatives to treat such information confidentially, (iii) it shall be responsible for any breach of the provisions of this Section 7.4 by any such Representative and (iv) it shall take, at its sole expense, all commercially reasonable measures to restrain its Representatives from prohibited or unauthorized disclosure or use of the Confidential Information.

(d) Notwithstanding the foregoing, Confidential Information may be disclosed by a Member if such disclosure is required by law, in the opinion of legal counsel of such Member. Each Member shall (i) to the extent reasonably practicable and permitted by law, provide the Managing Member with prior notice that it intends to make such disclosure, and (ii) to the extent reasonably practicable, provide the Company the opportunity to challenge such disclosure and obtain appropriate injunctive relief. In addition, each Member and its Representatives may disclose their business records (including documents including Confidential Information) to any applicable regulatory authorities without notice to the Managing Member in connection with customary examinations and inquiries with respect to their business not specifically targeted at the Managing Member or the Company.

(e) Within five Business Days after being so requested by the Managing Member, each Member shall promptly redeliver to the Managing Member or destroy all written Confidential Information and will not retain any copies, extracts or other reproductions in whole or in part of such written material, except to the extent required by applicable law or written internal document retention policy; provided that any such Confidential Information so retained may only be used for such compliance purposes. Any such destruction of written material shall be certified in writing to the Managing Member by an authorized officer supervising such destruction. Notwithstanding the return or destruction of the Confidential Information, such Member and its Representatives will continue to be bound by their confidentiality and other obligations hereunder.

(f) Each Member acknowledges that any breach of the provisions of this Section 7.4 by it or its Representatives may cause irreparable harm to the Company and the Managing Member and

that they may not be made whole by money damages. It is understood and agreed therefore that money damages may not be a sufficient remedy for any such breach and that the Company and the Managing Member shall be entitled to seek specific performance and injunctive or other equitable relief as a remedy therefor. Each Member further agrees to waive any requirement for the security or posting of any bond in connection with such remedy. Such remedy shall not be deemed to be the exclusive remedy for breach of the provisions of this Section 7.4 but shall be in addition to all other remedies available at law or in equity to the Company and the Managing Member.

Section 7.5 Removal of Managing Member. AOZCREI GP LLC shall serve as the Managing Member of the Company unless removed as the general partner of the Fund pursuant to Section 7.5 of the Fund Agreement, in which event AOZCREI GP LLC shall be removed as the Managing Member of the Company and a replacement Managing Member shall be selected by the Fund Member.

Section 7.6 Representations and Warranties. Each Member hereby represents and warrants to the Company and the Managing Member that:

(a) its Interest is being acquired for investment purposes only for its own account and not with a view to or in connection with any distribution, reoffer, resale, or other disposition not in compliance with the Securities Act of 1933, as amended, and applicable state securities laws;

(b) it possesses such expertise, knowledge, and sophistication in financial and business matters generally, and in the type of transactions in which the Company proposes to engage in particular, that it is capable of evaluating the merits and economic risks of acquiring and holding its Interest, and it is able to bear all such economic risks now and in the future;

(c) it has had access to all of the information with respect to its Interest that it deems necessary to make a complete evaluation thereof and has had the opportunity to question the Company concerning such Interest;

(d) its decision to acquire its Interest for investment has been based solely upon the evaluation made by it;

(e) it is aware that it must bear the economic risk of its investment in the Company for an indefinite period of time because Interests in the Company have not been registered under the Securities Act of 1933, as amended, or under the securities laws of various states, and, therefore, cannot be sold unless the Interests are subsequently registered under the Securities Act of 1933, as amended, and any applicable state securities laws or an exemption from registration is available;

(f) it is aware that its tax liability with respect to its Interest in the Company may exceed any distributions made to such Member and that the Company is under no obligation to make any such distributions to such Member to pay any related taxes;

(g) it has not relied upon the Managing Member or any agent or counsel thereof for any tax or securities law advice with respect to such Member's Interest in the Company; and

(h) it is (i) an "accredited investor" (as defined in Regulation D promulgated under the United States Securities Act of 1933, as amended), (ii) a "qualified purchaser" (as defined in Section 2(a)(51)(A) of the United States Investment Company Act of 1940, as amended, and the regulations promulgated thereunder) and (iii) a "United States person" within the meaning of Code section 7701(a)(30).

The representations and warranties of each Member contained in this Section 7.6 shall survive the execution and delivery of this Agreement.

ARTICLE VIII POWERS, RIGHTS AND DUTIES OF THE MANAGING MEMBER

Section 8.1 Authority, Power and Duties of the Managing Member. Subject to the limitations provided in this Agreement, the Managing Member shall have exclusive and complete authority and discretion to manage the operations and affairs of the Company and to make all decisions regarding the business of the Company. Any action taken by the Managing Member shall constitute the act of and be binding upon the Company. In dealing with the Managing Member acting on behalf of the Company, no Person shall be required to inquire into the authority of the Managing Member to bind the Company. Persons dealing with the Company are entitled to rely conclusively on the power and authority of the Managing Member as set forth in this Agreement.

Section 8.2 Company Funds. Company funds shall be held in the name of the Company and shall not be commingled with those of any other Person. Company funds shall be used only for the business of the Company.

Section 8.3 Limits on Managing Member's Powers. Notwithstanding any provision to the contrary in this Agreement, the Managing Member shall not, without the written consent, ratification or other written instrument executed by Members holding a majority of the Interest Percentages, cause or permit the Company to:

- (a) make do or perform any act, or cause any act to be made, done or performed, in contravention of any applicable law or regulation or provision of this Agreement;
- (b) knowingly make, do or perform any act, or knowingly cause any act to be made, done or performed, which would make it impossible to carry on the ordinary business of the Company; or
- (c) possess Company property, or assign Company property, for other than a Company purpose.

Section 8.4 Exculpation. To the fullest extent permitted by law, none of the Company, the Managing Member, any of their respective Affiliates and the directors, officers, partners, members, managers, shareholders, employees, agents and legal representatives of any of them (collectively, the "Indemnified Persons") will be liable to any Member or the Company for any act or failure to act arising out of, in connection with or on behalf of the Company or any subsidiary, or this Agreement except to the extent that a court of competent jurisdiction finally determines that such action or failure to act constituted bad faith, fraud, gross negligence or willful misconduct. Each Indemnified Person may consult with counsel and accountants in respect of Company affairs and will be fully protected and justified in any action or inaction that is taken in good faith in accordance with the advice or opinion of such counsel or accountants; provided that such counsel or accountants are selected with reasonable care.

Section 8.5 Indemnification.

- (a) To the fullest extent permitted by law, the Company will indemnify and hold harmless each of the Indemnified Persons from and against any and all claims, losses, liabilities, damages, expenses, costs and injuries of any kind or nature whatsoever to which such Indemnified Person may become subject, including, without limitation, any judgment, award, settlement, reasonable attorneys' fees and other legally permitted costs or expenses (collectively, "Indemnified Losses"), incurred in

connection with the defense of any actual or threatened action, suit, proceeding or claim, which Indemnified Losses are suffered or sustained by reason of any acts, omissions or alleged acts or omissions arising out of or in connection with the Company, or by reason of such Indemnified Person being or having been an Indemnified Person except to the extent that a court of competent jurisdiction finally determines that such Indemnified Loss was the result of the fraud, bad faith, gross negligence or willful misconduct of such Indemnified Person. Any such indemnification shall only be from the assets of the Company.

(b) The Company will advance to any Indemnified Person reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any action or proceeding that arises out of such conduct. In the event that such an advance is made by the Company, it will be subject to repayment to the extent that it is finally judicially determined that the Indemnified Person was not entitled to indemnification.

Section 8.6 Expenses. The Company shall pay all costs and expenses incurred in connection with the formation, organization and operation of the Company, whether incurred by the Company or by the Managing Member (or an Affiliate thereof) on the Company's behalf, with the amount of any such costs and expenses to be allocated among and borne by the Members *pro rata* in accordance with their respective Interest Percentages. The Company shall reimburse the Managing Member for any such expenses advanced by the Managing Member on behalf of the Company. Appropriate reserves may be determined and charged to the Capital Accounts of the Members (in accordance with U.S. generally accepted accounting principles) for (i) contingent liabilities, if any, as of the date any such contingent liabilities become known to the Members and/or (ii) amounts needed to pay the Company's operating expenses, including administrative expenses and fees before any distributions are made to the Members, with any such reserves allocated in accordance with the previous sentence.

Section 8.7 Certain Tax Matters.

(a) It is intended that the Company be treated as a partnership for U.S. federal (and applicable U.S. state and local) income tax purposes. Subject to the cooperation of the Members, the Managing Member shall use commercially reasonable efforts to maintain the Company's qualification as a "qualified opportunity zone business" as defined in Code section 1400Z-2.

(b) To the extent authorized or permitted under applicable law, the Managing Member shall represent the Company and each Member in connection with any audit or other tax proceeding relating to the Company's affairs. The Managing Member shall notify the Members and keep the Members reasonably informed in the event of any material audit or tax proceeding. Each Member agrees to cooperate with the Managing Member and to do or refrain from doing any and all such things reasonably required by the Managing Member to conduct such proceedings. Each Member agrees that it will not treat any Company item on such Member's tax return inconsistently with the treatment of such item on the Company tax return unless previously authorized to do so in writing by the Managing Member, which authorization may be withheld in the discretion of the Managing Member.

(c) For purposes of the Code sections enacted under the Bipartisan Budget Act of 2015 (and any Regulations or administrative guidance promulgated thereunder), the Managing Member is hereby authorized to (i) allocate any audit adjustments or assessments among the Members (or former Members) as it reasonably determines to be appropriate and permitted under such provisions; and (ii) make (or cause to be made) any election available to the Company under such provisions, including to issue statements of adjustment (under section 6226(a) of such provisions) reflecting such allocations to any person who was a Member during the taxable year under audit. If the Managing Member does not cause an election under section 6226(a) to be made with respect to such audit, the Managing Member

agrees to use commercially reasonable efforts to minimize the impact of a company level assessment on the Company and Members generally (including taking into account the status of Members (e.g., as tax-exempt entities), subject to the full cooperation of the Members. To the extent any “imputed underpayment amount” is reduced on account of the status of one or more Members (e.g., as tax-exempt entities) or a Member’s direct payment of tax relating to the adjustments resulting from such audit, then the Managing Member shall use commercially reasonable efforts to ensure that such Members shall not be allocated or otherwise bear the tax expense of such assessment. Any remaining “imputed underpayment amount” allocated to a Member (or former Member) as a result of such audit shall be treated as an amount deemed distributed to, and indemnifiable by, such Member, consistent with a withholding or other Member tax obligation governed by Section 4.7 hereof. The Managing Member shall designate a Person (itself and/or an individual Affiliate) to act as the “partnership representative” for each taxable year of the Company in the manner prescribed by such Regulations. The partnership representative shall have the sole authority to participate in any U.S. federal income tax audit, or litigation stemming from an audit, of such taxable year. Actions taken and decisions made by the partnership representative shall be binding upon the Company and each Member. All expenses incurred by the Managing Member or partnership representative in connection with any tax audit, investigation, settlement or review shall be borne by the Company. The provisions of this Section 8.7(c) shall survive the termination of a Member’s interest in the Company, this Agreement and the Company, and shall remain binding on each Member for the period of time necessary to resolve with the Internal Revenue Service all income tax matters relating to the Company and for Members to satisfy their indemnification obligations, if any.

ARTICLE IX TRANSFERS

Section 9.1 Transfers Generally. No Member may, directly or indirectly (including through any derivative transaction), sell, assign, exchange, transfer, pledge, hypothecate, mortgage, charge or in any manner dispose of, or create, or suffer the creation of, a security interest in or any encumbrance on all or a portion of its Interest (the commission of any such act being referred to as a “Transfer”, any Person who effects a Transfer being referred to as a “Transferor” and any Person to whom a Transfer is effected being referred to as a “Transferee”), except in accordance with the terms and conditions set forth in this Article IX. No Transfer of an Interest shall be effective until such time as all requirements of this Article IX in respect thereof have been satisfied and, if consents, approvals or waivers are required by the Managing Member, all of same shall have been confirmed in writing by the Managing Member. Any Transfer or purported Transfer of an Interest not made in accordance with this Agreement (a “Void Transfer”) shall be null and void and of no force or effect whatsoever. Any amounts otherwise distributable under Article V in respect of an Interest that has been the subject of a Void Transfer may be withheld by the Company until the Void Transfer has been rescinded, whereupon the amount withheld shall be distributed without interest.

Section 9.2 Transfers of Interests of Members.

(a) No Member may Transfer all or any portion of its Interest to any Person without the prior written consent of the Managing Member, which consent may be granted or withheld in the sole discretion of the Managing Member. Notwithstanding the foregoing, the Managing Member shall not unreasonably withhold its consent to any Transfer of the Special Member’s Interest to one or more of Scott Ross, Beth Ross, their children, grandchildren, trusts for the benefit of the foregoing individuals, senior key executives of The Ross Companies or an Affiliate wholly owned and controlled by one or more of the foregoing individuals subject to (i) the Special Member providing the Managing Member with written notice not less than 15 days prior to the proposed Transfer, (ii) the Company receiving reasonable representations from the proposed Transferee that are substantially similar to the

representations made by the Special Member herein, (iii) the Managing Member's receipt of the identity of each direct and indirect beneficial owner of the proposed Transferee, (iv) the proposed Transferee otherwise meeting the suitability requirements of the Company as reasonably determined by the Managing Member and (v) reimbursement by the Special Member or the proposed Transferee of all reasonable costs and expenses incurred by the Company and the Managing Member in connection with such Transfer.

(b) The Transferee of a Member's Interest may be admitted to the Company as a Substituted Member only upon the prior written consent of the Managing Member, which consent may be granted or withheld in the sole discretion of the Managing Member. Unless a Transferee of a Member's Interest is admitted as a Substituted Member pursuant to this Section 9.2(b), it shall have none of the powers of a Member hereunder and shall only have such rights of an assignee under the Act as are consistent with the other terms and provisions of this Agreement.

(c) Upon the Transfer of the entire Interest of a Member and effective upon the admission of its Transferee as a Member, the Transferor shall be deemed to have withdrawn from the Company as a Member.

(d) Upon the dissolution, termination, withdrawal in contravention of Section 10.1, the assignment for the benefit of creditors or the bankruptcy of a Member (the "Withdrawing Member"), the Company shall have the right to treat such Member's successor(s)-in-interest as assignee(s) of such Member's Interest, with none of the powers of a Member hereunder and with only such rights of an assignee under the Act as are consistent with this Agreement. For purposes of this Section 9.2(d), if the Withdrawing Member's Interest is held by more than one Person (for purposes of this Section 9.2(d), the "Assignees"), the Assignees shall appoint one Person with full authority to accept notices and distributions with respect to such Interest on behalf of the Assignees and to bind them with respect to all matters in connection with the Company or this Agreement.

(e) The Company shall reflect each Transfer and admission authorized under this Article IX (including any terms and conditions imposed thereon by the Managing Member) by preparing an amendment to this Agreement, dated as of the date of such Transfer, to reflect such Transfer or admission.

Section 9.3 Consequences of Transfers.

(a) In the event of any Transfer permitted under this Article IX, the Transferor and the Interest that is the subject of such Transfer shall remain subject to all of the terms and provisions of this Agreement, and the Transferee shall hold such Interest subject to all unperformed obligations of the Transferor and shall agree in writing to the foregoing if requested to do so by the Managing Member. Any successor or Transferee hereunder shall be subject to and bound by all the terms and provisions of this Agreement as if a Member originally a party to this Agreement.

(b) Unless a Transferee becomes a Substituted Member, such Transferee shall have no right to obtain or require any information concerning, or any account of, Company transactions, or to inspect the Company's books, or to vote on Company matters. Such a Transfer shall, subject to the last sentence of Section 9.1, entitle the Transferee only to receive the share of distributions, income and losses to which the transferring Member otherwise would be entitled. Each Member agrees that such Member will, upon request of the Managing Member, execute such certificates or other documents and perform such other acts as the Managing Member may deem necessary or advisable after a Transfer of all or part of such Member's Interest (whether or not the Transferee becomes a Substituted Member) to preserve the

limited liability of such Member under the laws of the jurisdictions in which the Company is doing business.

(c) Neither the Transfer of an Interest nor the admission of a Substituted Member shall be cause for dissolution of the Company.

Section 9.4 Transferee to Succeed to Transferor's Capital Account. Any Transferee pursuant to the provisions of this Article IX shall succeed to the Capital Account so Transferred to such Transferee.

Section 9.5 Additional Filings. Upon acceptance of a Transferee for admission as a Substituted Member under Section 9.2, the Managing Member shall cause to be executed, filed and recorded with the appropriate governmental agencies such documents (including amendments to this Agreement, if necessary) as are required to accomplish such admission.

Section 9.6 Drag Along.

(a) If the Fund Member should determine to Transfer, in an arm's-length transaction with an unaffiliated third party or parties, its Interest (a "Drag-Along Transaction"), then the Fund Member will have the right to require the other Members (including the Special Member) to Transfer their respective Interests in connection with such Drag-Along Transaction to the party or parties transacting with the Fund Member on the terms and conditions set forth in this Section 9.6 (a "Drag-Along Right").

(b) If the Fund Member delivers to the other Members, at least ten days prior to entering into definitive documentation in respect of the Drag-Along Transaction, (i) written notice of its intention to exercise its Drag-Along Right and to enter into definitive documentation in respect of such Drag-Along Transaction, (ii) a statement of the aggregate consideration to be paid pursuant to such Drag-Along Transaction, including all relevant terms, and (iii) copies of the definitive agreements or, if such agreements are not yet final, the most recent drafts of such definitive agreements relating to such Drag-Along Transaction, then the other Members, upon receipt of this notice, will be obligated to cooperate with the Fund Member, to enter into definitive documentation along with the Fund Member in respect of such Drag-Along Transaction, and to consummate such Drag-Along Transaction on the terms and conditions on which the Fund Member will Transfer its Interests. Notwithstanding any provision to the contrary in this Section 9.6(b), any notice by the Fund Member of its intention to enter into definitive documentation in respect of such Drag-Along Transaction may be rescinded at any time and at the Fund Member's sole discretion by written notice thereof to the other Members; provided that any such rescinding of any notice given by the Fund Member in respect of a given Drag-Along Transaction shall not preclude the Fund Member from exercising its Drag-Along Right under this Section 9.6 at any other time.

(c) Notwithstanding any provision herein to the contrary, if the general partner of the Fund should propose to structure the Fund's windup as a sale of interests in the Fund or the Fund Member to a third party or as another type of restructuring transaction pursuant to Section 5.1(e) of the Fund Agreement, then the Managing Member may require the Special Member to Transfer its Interest to such party transacting with the Fund Investors, in which event the Special Member shall cooperate with the Managing Member in effecting such Transfer.

(d) In connection with any Drag-Along Transaction or transaction effected pursuant to Section 9.6(c), the Special Member shall be entitled to participate in the proceeds received by the Members (in the case of a Drag-Along Transaction) or indirectly by the Fund Investors in respect of their

interest in the Company (in the case of a sale or other transaction effected pursuant to Section 9.6(c)), in each case as if such proceeds had been distributed to the Members pursuant to Section 5.1.

ARTICLE X
WITHDRAWAL OF MEMBERS; TERMINATION OF THE COMPANY;
LIQUIDATION AND DISTRIBUTION OF ASSETS

Section 10.1 Withdrawal of Members. Except as otherwise provided in this Agreement, no Member shall at any time resign, retire or withdraw from the Company as a Member. If a Member resigns as a Member, retires as a Member or withdraws as a Member in contravention of this Section 10.1, such Member shall indemnify, defend and hold harmless the Company from and against any losses, expenses, judgments, fines, settlements or damages suffered or incurred by the Company arising out of or resulting from such resignation, retirement or withdrawal.

Section 10.2 Dissolution of the Company.

(a) The Company shall be dissolved, wound up and terminated as provided herein upon the first to occur of the following:

- (i) the winding up of the Fund;
- (ii) the withdrawal, removal or bankruptcy of the Managing Member (an “Event of Withdrawal”), if, within 90 days following such event being notified to the Members, a successor has not then been appointed and become the Managing Member by the Members with effect from the Event of Withdrawal;
- (iii) a decree of dissolution of the Court of Chancery of the State of Delaware pursuant to 18-801 of the Act; and
- (iv) the occurrence of any other event that would make it unlawful for the business of the Company to be continued.

Except as expressly provided herein or as otherwise required by Delaware law, the Members shall have no power to dissolve the Company without the consent of the Managing Member.

(b) In the event of the dissolution of the Company, the Managing Member or, if an Event of Withdrawal shall have occurred, a liquidating agent appointed by the Members (the Managing Member or such liquidating agent, the “Liquidator”) shall commence to wind up the affairs of the Company and to liquidate the Company’s assets. The Members shall continue to share all income, losses and distributions of the Company during the period of liquidation in accordance with Articles IV and V.

(c) Subject to Section 10.2(d), the Liquidator (i) shall have full right and unlimited discretion to determine the time, manner and terms of any sale or sales of Company assets pursuant to such liquidation, giving due regard to the activity and condition of the relevant market and general financial and economic conditions, (ii) shall have all of the rights and powers with respect to the assets and liabilities of the Company in connection with the liquidation and termination of the Company that the Managing Member would have with respect to the assets and liabilities of the Company during the term of the Company and (iii) is hereby expressly authorized and empowered to execute any and all documents necessary or desirable to effectuate the liquidation and termination of the Company and the transfer of any assets.

(d) A Liquidator that is not a Member shall be compensated for its services to the Company at normal, customary and competitive rates for its services to the Company as reasonably determined by the Members.

Section 10.3 Distribution in Liquidation.

(a) The Liquidator shall, as soon as practicable following an event giving rise to the dissolution, winding up and termination of the Company, wind up the affairs of the Company and sell and/or distribute the assets of the Company. The assets of the Company shall be applied in the following order of priority:

(i) *first*, to pay the costs and expenses of the dissolution, winding up and termination of the Company;

(ii) *second*, to creditors of the Company, in the order of priority provided by law, such payments to include all fees and reimbursements payable to the Members or their Affiliates, but not those liabilities to the Members in their capacity as Members;

(iii) *third*, to establish reserves reasonably adequate to meet any and all contingent or unforeseen liabilities or obligations of the Company; provided, however, that all or part of the balance of such reserves shall be distributed as hereinafter provided from time to time as the Liquidator may deem appropriate in view of the satisfaction, elimination or reduction of such contingencies and obligations and the reserves deemed prudent by the Liquidator to cover unforeseen liabilities; and

(iv) *fourth*, to the Members as provided in Section 5.1.

(b) If the Liquidator determines that Company assets other than cash are to be distributed then the Value of such assets shall be determined. Any such assets shall be retained or distributed by the Liquidator as follows:

(i) The Liquidator shall retain assets belonging to the Company having a Value (net of associated liabilities) equal to the amount by which the net proceeds of the Company's assets are insufficient to satisfy the requirements of clauses (i), (ii) and (iii) of Section 10.3(a); and

(ii) The remaining assets belonging to the Company shall be distributed to the Members in the manner specified in clause (iv) of Section 10.3(a).

The Liquidator shall distribute to the Members each asset belonging to the Company which is distributed in kind. Any distributions in kind shall be subject to such conditions relating to the disposition and management thereof as the Liquidator deems reasonable and equitable.

Section 10.4 Final Statement of Assets and Liabilities. Within a reasonable time following the completion of the liquidation of the Company's assets, the Liquidator shall supply to each Member an audited statement which shall set forth the assets and liabilities of the Company as of the date of complete liquidation and each Member's portion of distributions pursuant to Section 10.3.

Section 10.5 Termination of the Company. The Company shall terminate when all property owned by the Company shall have been disposed of and the assets of the Company shall have been

distributed as provided in Section 10.3. The Liquidator shall then execute and cause to be filed a Certificate of Cancellation of the Company.

ARTICLE XI NOTICES

Section 11.1 Notices. All notices, demands or requests required or permitted under this Agreement must be in writing, and shall be made by hand delivery, overnight courier service to each Member at its respective address set forth below on Schedule A hereto, but a Member may designate a different address by a notice similarly given to the other Members. Any such notice or communication shall be deemed given: when delivered by hand, if delivered on a Business Day; on the next Business Day after delivery by hand if delivered by hand on a day that is not a Business Day; and on the next Business Day after being deposited for next day delivery with FedEx or a similar overnight courier.

ARTICLE XII AMENDMENT OF AGREEMENT

Section 12.1 Amendments.

(a) The Managing Member may, through use of the power of attorney granted in Section 12.2 and without the consent of any Member, make amendments to this Agreement (i) to satisfy requirements or conditions contained in opinions or rulings of federal or state agencies or in federal or state statutes where compliance is necessary or advisable to the Company, (ii) to ensure that the Company will continue to qualify as a "qualified opportunity zone business" as defined in Code section 1400Z-2, (iii) to effect a change that is necessary or desirable to cure ambiguities in this Agreement or (iv) that do not adversely affect the rights, obligations or liabilities of any Member in any material respect.

(b) Amendments to this Agreement other than those contemplated in Section 12.1(a) may be made only if consented to by the Managing Member with the written consent of each Member.

(c) In connection with any amendment to this Agreement, the Managing Member shall (i) send to each Member a copy of any amendment executed by the Managing Member pursuant to the power of attorney granted in Section 12.2 and (ii) if the Managing Member deems it necessary or appropriate, amend the Certificate to reflect such amendment.

Section 12.2 Power of Attorney.

(a) Each Member hereby irrevocably constitutes and appoints the Managing Member (with a full right of substitution) to be such Member's agent and attorney-in-fact, in such Member's name, place, and stead, to make, execute, acknowledge, file and publish, as the Managing Member may deem necessary or advisable:

(i) any amendments to this Agreement that the Managing Member is authorized to make pursuant to Section 12.1;

(ii) any documents required in connection with the admission of any additional or Substituted Member in accordance with the terms of this Agreement;

(iii) any documents which the Managing Member may deem reasonably necessary or advisable in connection with the continued existence and operation of the Company; and

(iv) any documents which the Managing Member may deem reasonably necessary or advisable in connection with the winding up and liquidation of the Company.

(b) This power of attorney is given to secure a proprietary interest of the Managing Member and/or the obligations of each Member under this Agreement; it is therefore irrevocable and shall survive the insolvency, bankruptcy, dissolution, death or disability of a Member and any assignment of the whole or any part of the Interest held by a Member and shall be binding upon the assignee thereof. This power of attorney may be exercised by such attorney-in-fact and agent for each of the Members (or any of them) by a single signature of the Managing Member acting as attorney-in-fact with or without listing all of the Members executing an instrument.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof. It supersedes any prior agreements or understandings among them with respect to the subject matter hereof, and it may not be modified or amended in any manner other than as set forth herein.

Section 13.2 Effect. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties hereto, the Persons indemnified hereunder and their legal representatives, successors and permitted assigns.

Section 13.3 Survival. The indemnity provisions hereof shall survive the termination of this Agreement and the dissolution of the Company, as shall the obligation to settle accounts hereunder.

Section 13.4 Number and Pronouns. Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in masculine, feminine or neuter shall include the masculine, feminine and neuter.

Section 13.5 Captions. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provision hereof.

Section 13.6 Partial Enforceability. If any provision of this Agreement, or the application of such provision to any Person or circumstance, shall be held invalid, illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision to Persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

Section 13.7 Waiver of Partition. Each Member hereby agrees that the Company's assets are not and will not be suitable for partition. Accordingly, each Member hereby irrevocably waives any and all rights that it might otherwise have to maintain any action for the partition of any of such assets.

Section 13.8 Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the law of the State of Delaware without regard to principles of conflicts of laws.

Section 13.9 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement.

Section 13.10 Waiver of Trial by Jury. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTER-CLAIM, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY MATTER ARISING HEREUNDER.

Section 13.11 Arbitration; Consent to Jurisdiction. Any action or proceeding brought by any party relating in any way to this Agreement shall be settled by arbitration, conducted before one arbitrator, sitting in a location selected by mutual agreement within the city of New York, New York in accordance with the rules for commercial arbitration of the American Arbitration Association then in effect. The arbitrator shall agree to treat as confidential all evidence and other information presented by the parties, and shall agree to the terms of a customary confidentiality agreement. The arbitrator shall have no authority to amend or modify any of the terms of this Agreement. The arbitrator shall have the authority to award whatever a court of competent jurisdiction could order or grant, including the issuance of an injunction. The arbitrator shall determine which party has prevailed in the arbitration based on the award. The prevailing party's costs and expenses including reasonable attorneys' fees, experts' fees and other fees and expenses incurred in connection with the arbitration shall be paid by the non-prevailing party. Judgment may be entered on the arbitrator's award in any court having jurisdiction; however, the parties each consent to the jurisdiction of the state and federal courts in the city of New York, county of New York with respect to any proceeding to enter judgment upon the arbitrators' award, without regard to and irrespective of any claims of *forum non conveniens*. Nothing herein shall preclude any party from seeking provisional remedies in aid of arbitration or seeking preliminary or interim injunctive relief (including the benefits of a *lis pendens*) from a court of appropriate jurisdiction sitting in the county of New York.


Section 13.12 Counsel to the Company. Counsel to the Company may also be counsel to the Managing Member and its Affiliates. The Managing Member may execute on behalf of the Company and the Members any consent to the representation of the Company that counsel may request pursuant to the applicable rules of professional conduct in any jurisdiction (the "Rules"). The Company has initially selected Purrington Moody Weil LLP with respect to U.S. law ("Company Counsel") as legal counsel to the Company. Each Member acknowledges that Company Counsel does not represent any Member in the absence of a clear and explicit agreement to such effect between such Member and Company Counsel (and then only to the extent specifically set forth in that agreement), and that in the absence of any such agreement Company Counsel shall owe no duties directly to a Member. In the event any dispute or controversy arises between any Member and the Company or the Managing Member, or between any Member or the Company, on the one hand, and the Managing Member (or an Affiliate thereof) that Company Counsel represents, on the other hand, each Member agrees that Company Counsel may represent either the Company or the Managing Member (or its Affiliate), or both, in any such dispute or controversy to the extent permitted by the Rules, and each Member hereby consents to such representation. Each Member further acknowledges that, whether or not Company Counsel has in the past represented such Member with respect to other matters, Company Counsel has not represented the interest of any Member in the preparation and negotiation of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed and irrevocably delivered this Agreement as of the date first above written.

MANAGING MEMBER:

AOZCREI GP LLC

By: 
Name: Peter Tzelios
Title: Co-Managing Member

MEMBER:

By: AOZCREI GP LLC, acting as agent and attorney-in-fact

By: 
Name: Peter Tzelios
Title: Co-Managing Member

SPECIAL MEMBER:

MID-ATLANTIC OPP ZONE ACQUISITIONS, LLC

By: 
Name: Scott Ross
Title: Managing Member

Schedule A

Names, Capital Contributions and Interest Percentages of the Members

<u>Name and Address</u>	<u>Capital Contribution</u>	<u>Interest Percentage</u>
AOZCREI Holdings LLC c/o Allagash Opportunity Zone Partners LLC 20130 Lakeview Center Plaza, Suite 400 Ashburn, Virginia 20147	\$[.]	[.]%
Mid-Atlantic Opp Zone Acquisitions, LLC [Address]	\$0	0%
AOZCREI GP LLC c/o Allagash Opportunity Zone Partners LLC 20130 Lakeview Center Plaza, Suite 400 Ashburn, Virginia 20147	\$[.]	[.]%

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "AOZPCREI WOODLANDS LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FIRST DAY OF FEBRUARY, A.D. 2020.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "AOZPCREI WOODLANDS LLC" WAS FORMED ON THE SEVENTH DAY OF NOVEMBER, A.D. 2019.



7692195 8300

SR# 20201370052

You may verify this certificate online at corp.delaware.gov/authver.shtml

A handwritten signature in black ink, appearing to read "JWB", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Authentication: 202439533

Date: 02-21-20

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "AOZPCREI WOODLANDS LLC" AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF FORMATION, FILED THE SEVENTH DAY OF NOVEMBER, A.D. 2019, AT 10:34 O`CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID LIMITED LIABILITY COMPANY, "AOZPCREI WOODLANDS LLC".




Jeffrey W. Bullock, Secretary of State

7692195 8100H
SR# 20198782511

Authentication: 204270828
Date: 12-20-19

You may verify this certificate online at corp.delaware.gov/authver.shtml

CERTIFICATE OF FORMATION
OF
AOZPCREI WOODLANDS LLC

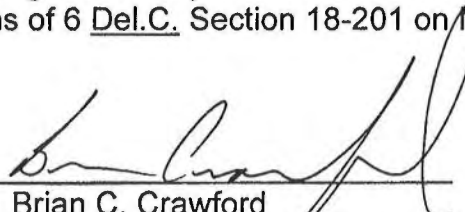
The undersigned, being an authorized person for purposes of executing this Certificate of Formation on behalf of AOZPCREI WOODLANDS LLC, a Delaware Limited Liability Company (the "L.L.C."), desiring to comply with the requirements of 6 Del.C. Section 18-201 and the other provisions of the Delaware Limited Liability Company Act, 6 Del.C. Section 18-101, et seq. (the "Act"), hereby certifies as follows:

1. Name of the L.L.C. - The name of the L.L.C. is: AOZPCREI WOODLANDS LLC.

2. Registered Office and Registered Agent of the L.L.C. - The name of the registered agent for service of process on the L.L.C. in the State of Delaware is Agents and Corporations, Inc. The address of the registered agent of the L.L.C. and the address of the registered office of the L.L.C. in the State of Delaware is 1201 Orange Street, Suite 600, Wilmington, DE 19801.

3. Date of Formation and Effective Date - The date of formation and the effective date of the L.L.C. shall be the date of filing of this Certificate of Formation with the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, the undersigned hereby executes this Certificate of Formation in accordance with the provisions of 6 Del.C. Section 18-201 on November 7, 2019.



Brian C. Crawford
(Authorized Person)

TAB A

LPA

Developer Fee Agreement

DEVELOPMENT FEE AGREEMENT

THIS DEVELOPMENT FEE AGREEMENT (this "*Agreement*") is made and entered into effective as of [], 2020, by and between **AOZPCREI WOODLANDS DEVELOPMENT LLC**, a Delaware limited liability company (the "*Developer*"), and **AOZPCREI WOODLANDS LLC**, a Delaware limited liability company (the "*Partnership*").

W I T N E S S E T H :

WHEREAS, the Partnership has been formed for the purposes, inter alia, of acquiring, financing, owning, constructing, developing, maintaining, improving, operating, leasing and selling or otherwise disposing of certain real property located in Newport News, Virginia together with all improvements, furnishings, equipment and personal property to be located thereon (together, the land and improvements are known as Woodlands at Oyster Point and will be collectively referred to as the "*Apartment Complex*"), which Apartment Complex consists or upon completion will consist of residential buildings totaling 152 apartment units, a community building with a community room, fitness center, and all furnishings, equipment, land, real property and personal property used in connection with the operation thereof, and is intended to be rented and managed in order that it will qualify for the low-income housing tax credit provided in Section 42 of the Internal Revenue Code of 1986, as amended (the "*Code*");

WHEREAS, in order to effectuate the purposes for which it has been formed, the Partnership has engaged the services of the Developer with respect to overseeing the development of the Apartment Complex for the Partnership; and

WHEREAS, the parties desire to enter into this Agreement that amends and restates in total any and all prior agreements and sets forth the obligations of, and the services to be performed by, the Developer and the compensation for such services.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Obligations of the Developer. The Developer shall have the following duties, to the extent they have not already been performed:

(a) to assist, advise and consult on the selection of and provide coordination and supervision of the architect and engineer in connection with the preparation of and any changes to the site plan for the Apartment Complex and the renderings, drawings and specifications for construction of Improvements (the "*Plans and Specifications*");

(b) to be cognizant of and advise the Partnership with respect to any and all rules or regulations, city ordinances, including health and fire safety regulations, or any other requirements of law or governmental authorities applicable to the development and construction of the Improvements and to coordinate the services of professionals in connection therewith;

(c) to assist, coordinate and supervise the obtaining of all necessary building permits and approvals for and in connection with the development and construction of the Apartment Complex;

(d) to consult, advise and assist in preparing a development and construction budget and pro forma cash flow projections and coordinating professionals in connection therewith;

(e) to cooperate and coordinate with the construction contractors appointed by the Partnership;

(f) to otherwise use commercially reasonable efforts to coordinate, supervise and cause the development and construction of the Apartment Complex on a timely basis and within the contemplated budget;

(g) to record the progress on all of the foregoing, and, as requested, submit written progress reports to the Partnership; and

(h) to maintain or cause to be maintained at its sole cost and expense all off-site office and accounting facilities and equipment necessary to adequately perform all functions of Developer specified herein.

The Developer may retain the services of independent consultants to perform such services, provided the Partnership shall have no responsibility to such independent parties.

Section 2. Services Not Contemplated By This Agreement. The Developer is not responsible for in any manner or form and shall not perform any of the following services, it being the understanding between the parties hereto that all such listed activities and services are the exclusive responsibility of the Partnership, the Managing Member and/or consultants or others engaged by the Partnership:

(a) any services with respect to the acquisition of the land or buildings included in the Apartment Complex or development of nonresidential improvements;

(b) services in connection with obtaining an allocation of Credits;

(c) any services in connection with obtaining commitments from and negotiating with any permanent lender to the Apartment Complex;

(d) any services in connection with the syndication of the Partnership or placement of

the equity from investor limited partners;

- (e) any services with respect to the lease-up of the Apartment Complex units (such services already having been contemplated in the Management Agreement);
- (f) any services in connection with the organizational structure of the Apartment Complex and any entity with respect thereto or the organization of the Partnership; and
- (g) any services in connection with obtaining any rental subsidies for the Apartment Complex.

The Developer understands that it will not be paid and at no time will be due any amount under this Agreement if and to the extent the Developer should perform any such services. In connection hereto, the Developer represents, warrants and covenants that, to the best of its knowledge, it has not performed and will not perform any of such services in connection with this Agreement and, in the event the Developer has performed or does perform any such services, it agrees that no compensation at any time payable to the Developer pursuant to this Agreement will be attributable to any such services.

Section 3. Development Fee.

(a) In consideration of the performance by the Developer of the development services described herein, the Partnership shall pay to the Developer a development fee (the **"Development Fee"**) in the amount of \$[]. The Partnership and the Developer acknowledge that specific portions of the Development Fee shall be earned by Developer as certain benchmarks are satisfied as more particularly described in the [Amended and Restated Limited Liability Company Agreement] of the Partnership to be entered into after the date hereof (the **"Partnership Agreement"**), but in any event all of the Development Fee shall be earned upon the receipt by the Partnership of the final certificate of occupancy for the last building in the Apartment Complex (or, if earlier, as of the end of the first year of the credit period (as such term is defined in Section 42(f)(1) of the Code)). All amounts due and payable hereunder shall be paid in accordance with the Partnership Agreement.

(b) Developer shall not be compensated for, and no portion of the Development Fee shall apply to, services in connection with the development of nonresidential improvements, the organization or syndication of the Partnership, the acquisition of land or existing buildings included in the Apartment Complex, obtaining an allocation of Credits or securing financing for the Apartment Complex other than construction financing, it being the understanding between the parties hereto that all such listed activities and services are the exclusive responsibility of the Partnership, the Managing Member and/or consultants or others engaged by the Partnership. In addition, any amount of Development Fee that remains unpaid after Construction Completion of the Apartment Complex shall constitute a loan bearing an interest rate equal to the long-term Applicable Federal Rate for the month in which the Apartment Complex achieves Construction

Completion, from the Developer to the Partnership, and shall be due and payable in full by the fifteenth anniversary of Construction Completion.

Section 4. Termination of Duties and Responsibilities of Developer. The Developer shall have no further duties or obligations hereunder after receipt of a final certificate of occupancy for the last building in the Apartment Complex and completion of all punch list items. The Developer's duties, responsibilities and rights hereunder shall not be terminated by the Partnership except for "cause" **finally determined by a court of competent jurisdiction.** For purposes hereof, "cause" shall mean fraud, dishonesty, reckless disregard for customary practices and intentional misconduct after at least thirty (30) days' prior notice and opportunity to cure.

Section 5. Miscellaneous.

(a) This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any of the parties hereto without the written consent of the other party and the Developer may not assign or pledge its rights or its duties under this Agreement.

(b) The descriptive paragraph headings of this Agreement are inserted for convenience only and are not intended to and shall not be construed to limit, enlarge, or affect the scope or intent of this Agreement nor the meaning of any provision hereof.

(c) This Agreement and the rights and obligations of the parties hereto shall be governed and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to principles of conflicts of laws. The parties agree and consent that venue for purposes of resolving any dispute or controversy relating to this Agreement shall be Newport News, Virginia.

(d) This Agreement embodies the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings related to such subject matter, and it is agreed that there are no terms, understandings, representations or warranties, express or implied, other than those set forth herein.

(e) This Agreement shall not be amended or modified in any respect without the prior written consent of each party hereto.

(f) No party hereto shall file or attempt to file this Agreement of record.

(g) This Agreement and the obligations of the Developer hereunder are solely for the benefit of the Partnership and its Partners and no benefits to third parties are intended.

(h) In the event any provision hereof is deemed to be unenforceable or against public policy, then such provision shall be deemed omitted from this Agreement and to the extent possible such provision shall be replaced with an enforceable provision which corresponds with the spirit of

the omitted provision, and no other provision of this Agreement shall be affected by such omission or unenforceability.

(i) The parties agree that the prevailing party in any action or dispute involving litigation concerning the subject matter hereof, shall be entitled to reasonable attorneys' fees and court costs.

(j) 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.

(k) All capitalized terms herein shall have the same meanings as set forth in the Partnership Agreement, except as otherwise expressly set forth herein.

Section 6. Notice. Any notice required to be given hereunder shall be in writing and mailed by certified mail, postage prepaid, or hand delivered with receipt of service simultaneously to all parties at the addresses set forth in the Partnership Agreement. Each party shall have the right to change its address for the receipt of notices, upon the giving of proper notice to all other parties hereto. Whenever a period of time is to be computed from the date of receipt of an item of certified mail, such period shall be computed from the fifth day following the date of mailing if delivery of the certified mail item is refused by the party to whom it was directed.

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

Section 8. Responsibilities of the Partnership. In order for the Developer to perform duties described herein, the Partnership shall:

- (a) provide full information regarding its requirements for the Apartment Complex;
- (b) designate a representative who shall be fully acquainted with the scope of the work and has authority to render decisions promptly and furnish information expeditiously; and
- (c) if the Partnership becomes aware of any fault or defect in the Apartment Complex or nonconformance with any contract or other documents, it shall give prompt written notice thereof to the Developer.

Section 9. Independent Contractor. The parties hereto do not intend to create a partnership or any similar association for any purpose pursuant to this Agreement. The Developer shall be an independent contractor for all purposes.

(k) **Section 10. Waiver of Jury Trial.** (a) Each of the parties hereto hereby knowingly, voluntarily and intentionally, after opportunity for consultation with independent counsel, waives

its right to trial by jury in any action or proceeding to enforce or defend any rights or obligations (i) under this Agreement, (ii) arising from the financial relationship between the parties existing in connection with this Agreement or (iii) arising from any course of dealing, course of conduct, statement (verbal or written) or action of the parties in connection with such financial relationship. (b) No party hereto will seek to consolidate any such action in which a jury trial has been waived with any other action in which a jury trial has not been or cannot be waived. (c) The provisions of this Section have been fully negotiated by the parties hereto, and these provisions shall be subject to no exceptions. (d) No party hereto has in any way agreed with or represented to any other party that the provisions of this Section will not be fully enforced in all instances. (e) This Section is a material inducement for the Partnership to enter into this Agreement.

[End of text; signatures begin on following page]

DRAFT

IN WITNESS WHEREOF, the undersigned have caused this Assignment to be executed and delivered as of the Effective Date.

DEVELOPER:

AOZPCREI WOODLANDS DEVELOPMENT LLC, a Delaware limited liability company

By: AOZPCREI Development Holdings LLC, a Delaware limited liability company

By: _____

_____, Managing Member

PARTNERSHIP:

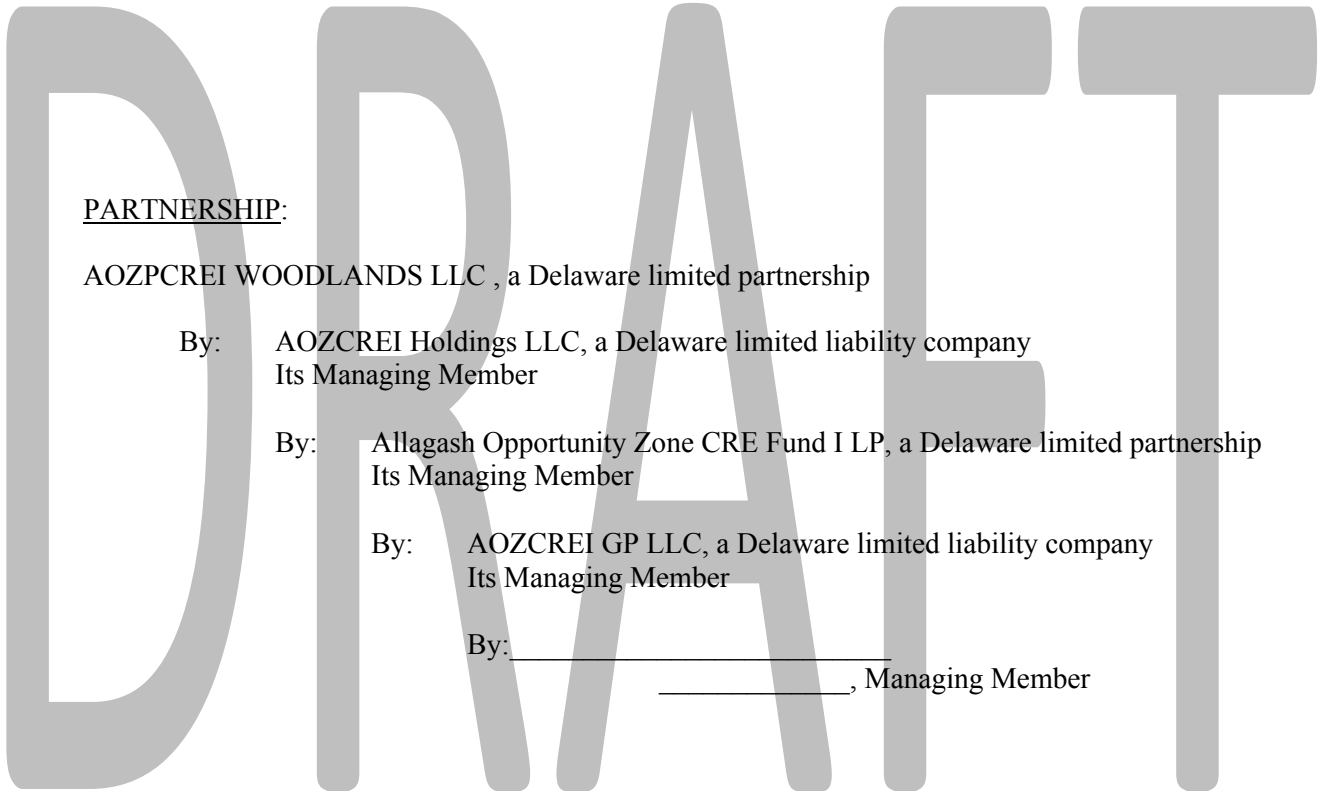
AOZPCREI WOODLANDS LLC, a Delaware limited partnership

By: AOZCREI Holdings LLC, a Delaware limited liability company
Its Managing Member

By: Allagash Opportunity Zone CRE Fund I LP, a Delaware limited partnership
Its Managing Member

By: AOZCREI GP LLC, a Delaware limited liability company
Its Managing Member

By: _____
_____, Managing Member



B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, December 26, 2019

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

AOZPCREI Woodlands LLC

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



STATE CORPORATION COMMISSION
Attest:

Joel H. Beck

Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That AOZPCREI Woodlands LLC, a limited liability company formed under the law of DELAWARE, obtained a certificate of registration to transact business in Virginia from the Commission on December 26, 2019; and

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

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

February 21, 2020

A handwritten signature in black ink that reads "Joel H. Peck".

Joel H. Peck, Clerk of the Commission

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: _____

Name of Applicant (entity): _____

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.



Signature

Tony Barkan

Printed Name

February 17, 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: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

AOZCREI Holding LLC _____ **Controlling GP (CGP) or 'Named' Managing** Y
Principal's Name: _____ **Member of Proposed property?*** Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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3								
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5								
6								
7								
8								
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Allagash Opportunity Zone CRE Funding I LP Controlling GP (CGP) or 'Named' Managing Member of Proposed property? ^N Y or N
 Principal's Name: _____

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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LIHTC as % of Total Units v.01.01.21



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

AOZCREI GP LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 Principal's Name: Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Makaham Associates LLC _____ Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N
 Principal's Name: _____ Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Allagash Partners Holdings, LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N
 Principal's Name: Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Allagash Investment Holdings, LLC **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*** N
 Principal's Name: Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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LIHTC as % of
Total Units
v.01.01.21



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

ABC Realty Advisors, LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* N
 Principal's Name: Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Allagash Partners, LLC **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*** N
 Principal's Name: Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Mark Hall _____ **Controlling GP (CGP) or 'Named' Managing** Y
Principal's Name: _____ **Member of Proposed property?*** Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev. (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Peter Tzelios _____ **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*** Y
 Principal's Name: _____ Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Tony Barkan _____ Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 Principal's Name: _____ Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Mark Justh _____ **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*** N
 Principal's Name: _____ Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Peter Newman
 Principal's Name: _____ Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N
 Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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LIHTC as % of
 Total Units
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List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Robert Demas
 Principal's Name: _____ Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev. (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Tacho Sandoval **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*** N
 Principal's Name: _____ Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Woodlands at Oyster Point
 Name of Applicant: AOZPCREI Woodlands LLC

INSTRUCTIONS:

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

Yale Fergang _____ **Controlling GP (CGP) or 'Named' Managing** N
Principal's Name: _____ **Member of Proposed property?*** Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

TONY BARKAN

Prior to founding Allagash Partners, Mr. Barkan was one of five Founding Principals and Investment Committee Members at Seer Capital Management from 2008–2015. During his tenure at Seer, Mr. Barkan served as Head of Trading, Co-Head of Real Estate Investments, and Head of Commercial Real Estate ("CRE") Investments and Operations. As the firm grew AUM to over \$4 billion, he concentrated his focus almost exclusively on CRE, including being directly responsible for developing and implementing the real estate investment and management strategy now being employed by Allagash in its Opportunity Zone CRE Fund I, the owner of the Woodlands property. At Seer, Mr. Barkan bought, renovated/rehabilitated, and managed a widely dispersed portfolio of 1,000 residential properties in Low- and Moderate-Income communities in the Southeastern US. The Seer residential Buy-To-Rent portfolio dealt with a significant number of complexities that Allagash's investment in and management of the Woodlands property does not, including supervising as many as 40 construction sites at a time, making rental rate decisions about properties in a variety of locations, and renting almost 50% of the units in that portfolio to government subsidized residents where Mr. Barkan, his team, and their service providers had to ensure that the rental experience of the tenants was satisfactory in order to maintain status within the Section 8 program.

Despite not having to deal with as many complexities as were necessitated by the Seer investments, the Allagash strategy almost entirely matches the strategy and process that Mr. Barkan developed at Seer. As Allagash is now doing, Seer sourced properties located exclusively in Low- and Moderate-Income neighborhoods through off-market channels in order to maximize value at purchase. After purchase, both entities budgeted for intensive renovations to underperforming or vacant properties. Seer's renovation budget was even larger than that required of Allagash by the Opportunity Zone Program to qualify the Fund's investors for the Program's tax benefits. As Seer did, Allagash maintains responsibility for every decision and approving every action being performed by an experienced, vertically integrated construction and property management company acting as the boots-on-the-ground enactor of the firm's property plan. Both Seer and Allagash incented that construction/property manager to perform well by providing them with the ability to earn an incentive fee based upon the return on the respective fund's investment in the property.

Mr. Barkan had numerous responsibilities at Seer. Initially, he recognized the value of the federal government's TALF program and, as a result, created and managed Seer's uniquely successful TALF investing franchise. As Head of Trading and a member of the Investment Committee, Mr. Barkan was also involved in every transaction entered into by the Seer. Within Commercial Real Estate, Mr. Barkan ran all aspects of the CRE portfolio - credit, analytics, trading, and risk. In addition to the working-class housing rehabilitation and rental strategy, he also initiated, developed, and ran the second largest CMBS B-Piece investment business globally, driving deals and approving loans backed by over \$20 billion of US CRE properties. In addition, Mr. Barkan sourced, negotiated and purchased significant Mezzanine CRE Loan risk and was one of the most active traders in the mezzanine US CMBS Bond marketplace.

Prior to Seer Capital, Mr. Barkan built and ran profitable fund investment platforms at Sailfish Capital Partners, Harbert Investment Management, and The Clinton Group from 2001–2008. Over that span, Mr. Barkan built and led investment, research, trading, operations, and risk management teams with as many as 20 people and managed portfolios across the full range of fixed income and real estate sectors with peak investor equity over \$1 Billion, a peak long asset portfolio over \$10 Billion, and peak total market exposure of almost \$20 Billion. Notably, Mr. Barkan was an early identifier of the real estate-led economic crisis. By the beginning of 2007, he had migrated his hedge fund portfolio to be entirely short.

From 1997–2001, Mr. Barkan was the Senior Portfolio Manager responsible for Commercial MBS, Residential MBS, and ABS and was a founding member of the Fixed Income Investment Committee at Pareto Partners (originally Forstmann-Leff). He helped Pareto become a top decile Core and Core-Plus Fixed Income Manager by initiating a short MBS sector allocation versus benchmarks in advance of Russia's default and the Long-Term Credit crisis and then reversed that positioning by purchasing cheap deep-credit Mortgage-Backed Securities once the market had bottomed.

From 1988-1997, Mr. Barkan began his career as a sell-side trader at Salomon Brothers, Goldman Sachs, and ED&F Man Group trading a range of real estate debt, commodity products, and currencies.

Mr. Barkan has served Board Treasurer of Here Arts Center. He supports Scholars at Risk and CaringKind: The Heart of Alzheimer's Caregiving. He has worked with Cristo Rey Brooklyn High School to help students with lower income backgrounds develop financial literacy, comfort with personal financial issues, and an understanding of professional opportunities within the financial markets.

Mr. Barkan graduated from Princeton University where he played football (briefly) and was selected to the Honor Committee. Mr. Barkan is a member of the Triple Nine Society.

MARK HALL

Mr. Hall's extensive experience in the multifamily housing industry goes all the way back to 1984. During that time, he has overseen site acquisition, pre-development design, construction, and property management nationwide including having supervised the development of thousands of apartment units with "Affordable Set-Asides". As a founder and Co-CIO at Allagash Opportunity Zone Partners, Mr. Hall brings this extensive experience alongside his expertise funding multifamily properties using affordable housing structures. He has financed, arranged financing for third-party borrowers, and acted as a lender, utilizing for many such projects. He has wide experience in the tax-exempt bonds structures within such financings including: (1) GNMA Securities; (2) FNMA forward commitments; (3) Commercial HUD loans; (4) Letters-of Credit, and (5) Unrated Bonds.

Mr. Hall most recently served as an advisor at Inner Circle, a fully integrated hotel owner/operator with over 4,000 full-service rooms under management across the U.S., as well as a consultant to a Chicago-based SEC registered investment adviser with \$3 billion under management. For Inner Circle, Mr. Hall has consulted on investment, development, and operational activities. He was responsible for arranging acquisition financing for and leading the actual acquisition of the majority of Inner Circle's property portfolio. Subsequent to acquisition of Inner Circle's older, full-service mid-market hotels, Mr. Hall conceptualized the repositioning of these properties by converting upper floors to apartments and upgrading lower floors to a boutique higher-end hotel product. The projects at Inner Circle that were guided by Mr. Hall achieved significant success for investors by maximizing asset value by eliminating the issue of high vacancy rates for such outdated larger hotels. Mr. Hall continues to provide some consulting services for Inner Circle.

From 2010-2017, Mr. Hall was a Managing Director and the Senior Investment Banker for Private Equity Commercial Real Estate transactions for Brean Capital LLC. In addition to banking private equity transactions, he supported the trading floor on any purchases of CMBS or whole loan participations.

From 1996 to 2009, Mr. Hall was a Senior Director in GE Real Estates' Strategic Accounts Group. In this role, he had responsibility for commercial lending and equity investments in US-based opportunity funds and public REITs/Companies including investing in numerous CRE value-add and development projects alongside GE's premier clients and counterparties including Carlyle, Starwood, Apollo, and Colony Capital. He also bought billions of loans and properties for GE in secondary markets. In 2008, Mr. Hall was selected for and successfully completed GE's Crotonville, NY Senior Management Training, a highly acclaimed rigorous training program for GE's Senior Management personnel. Mr. Hall started at GE as a Senior Banker in the Commercial Mortgage-Backed Securities Large Loan Group where in his four years, he generated 90% of the net income for the entire group.

Prior to joining GE, Mr. Hall was Director of Originations and a member of the Board of Directors of Wingate Capital (now CW Capital) from 1991-1997. He headed up national production for Continental Wingate's retail

commercial mortgage group focusing on FHA/GNMA Project Loan transactions. In this role, Mr. Hall oversaw the originations, underwriting, and closing of billions of affordable multi-housing rental properties nationwide under HUD Full Insurance programs. In doing so, Mr. Hall processed the very first 241F done in the country as part of the Emergency Low-Income Housing Preservation Act. He also supervised the firm's process of obtaining their FNMA DUS license.

From 1988-1991, Mr. Hall was Head of Acquisitions and the top producer for the Kidder/Wingate Funds I & II, which managed over \$100 million to acquire equity interests in multifamily rental housing nationwide. During his tenure these funds outperformed all contemporary GNMA/Affordable Housing funds listed on Wall Street.

From 1986-1988, Mr. Hall was head of Acquisitions for the Axelrod Company in Seattle, WA and supervised the acquisition, predevelopment and construction of approximately 1,500 units of multifamily rental housing in the Seattle area.

From 1983-1986, Mr. Hall was head of Real Estate Development for the Hanover Companies, which served as sponsor and developer for multiple multifamily rental properties in St George UT, Park City/Deer Valley UT, Durango CO, Layton UT, and Salt Lake City UT. During his tenure at Hanover, he oversaw site acquisition, pre-development design, construction, and property management.

Mr. Hall is a Section 79 Registered Investment Banking Rep, and a CPA, and has a B.A. and MBA from Brigham Young University.

PETER TZELIOS

Mr. Tzelios has extensive, cross-functional Commercial Real Estate investment and management experience and expertise having directed legal, debt, equity, asset management, and capital markets functions across a variety of projects, including new construction, redevelopment, condo conversion, net lease, and distressed asset work-out, rehabilitation and foreclosure. During his over 30-year career in commercial real estate, Mr. Tzelios has underwritten and managed billions of dollars of commercial real estate of all types, from land to ground-up developments to stabilized properties, including many affordable multifamily rental properties located in working-class communities. As a result of his diverse experience and vast expertise, Mr. Tzelios brings to Allagash his advanced negotiation, risk management, budgeting, capital planning, and property management skills.

Most recently, Mr. Tzelios has been running an investment business which he started in 2009 and which invests in a variety of CRE portfolios, primarily focused on medical office buildings.

In 2014, Mr. Tzelios co-founded and became the Chief Operating Officer of Silverpeak Real Estate Finance LLC ("SPREF"), a privately owned commercial real estate lender focused on providing financing solutions to owners of commercial real estate throughout the United States. He was responsible for real estate, finance, and internal operations as SPREF grew from a new company to one with over \$2 billion of originations. Prior to SPREF, Mr. Tzelios co-founded Full Stack Capital LLC ("FSC") and Wythe Capital LLC where he made a variety of proprietary and client-funded CRE investments including direct purchase and management of real estate assets, acquisition of defaulted notes, acquisition and disposition of REO properties, mortgage finance, and land development. At FSC, he established and operated an out-sourced CMBS originations and underwriting platform with Barclays Bank.

From 2003-2008, Mr. Tzelios was a Managing Director and Deputy General Manager of the U.S. business of Eurohypo AG, a leading international specialist bank focused on real estate and public finance with assets of over Euro \$225B. Mr. Tzelios was instrumental in the establishment of Eurohypo's U.S. platform. He oversaw over \$30 billion of successful commercial real estate financing transactions. Mr. Tzelios sat on Eurohypo's Credit Committee, Investment Committee, and Management Committee and was responsible

for strategic planning and implementation as well as the workout of the bank's troubled asset portfolio. As Deputy General Manager he also oversaw all operational matters including portfolio management, risk management, reporting, treasury/funding, asset liability management, legal, compliance, HR, IT, and BCP. Prior to joining Eurohypo, Mr. Tzelios was a member of GE Capital Real Estate's specialized REIT financing practice. He joined GE in 1997 as a founding member of its Commercial Mortgage-Backed Securities practice. Prior to joining GE, Mr. Tzelios practiced law in the real estate group of Thacher Proffitt & Wood where he represented major portfolio and securitization lenders.

Mr. Tzelios has a BS in Finance from Fordham University and a JD from New York University School of Law. He is a member of the Bar of the State of New York and the State of Connecticut.

E

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

①

CLR200002896

Prepared by:
Alan M. Frieden, Esquire (VSB No. 13269)
Faggert & Frieden, P.C.
222 Central Park Avenue, Suite 1300
Virginia Beach, VA 23462

Consideration: \$9,260,000.00
Assumption Balance: \$ 6,000,000.00

Parcel Nos. 205000204 and 205000112

Title Insurance Company:
Fidelity National Title Insurance Company

Return to:
Commercial Title Group
a division of BridgeTrust Title Group
1320 Old Chain Bridge Road, Suite 210
McLean, VA 22101

THIS DEED OF ASSUMPTION, dated January 29, 2020, effective as of March 6, 2020, is by and between **WELLINGTON APARTMENT ASSOCIATES, LLC**, a Virginia limited liability company ("Grantor"), and **AOZPCREI WOODLANDS LLC**, a Delaware limited liability company ("Grantee"), whose address is 33 Irving Place, 2nd Floor, New York, New York 10003.

WITNESSETH:

That for and in consideration of the sum of Ten and 00/100 Dollars (\$10.00) cash in hand paid, and other good and valuable consideration, including the agreement of Grantee pursuant to that certain **Loan Assumption and Modification Agreement** dated of even date herewith, to assume and discharge the balance of that certain indebtedness evidenced by that certain note dated as of December 28, 2017 made by Grantor payable to the order of Capital One Multifamily Finance, LLC in the original principal amount of **Six Million and 00/100 Dollars (\$6,000,000.00)**, and secured by that certain Multifamily Deed of Trust dated as of December 28, 2017, recorded in the Clerk's Office of the Circuit Court of the City of Newport News, Virginia (the "Clerk's Office") as Instrument No. 170018166, as assigned to Federal Home Loan Mortgage Corporation by that certain Assignment of Security Instrument dated December 28, 2017, recorded in the Clerk's

192-3670

Office as Instrument No. 170018167, the receipt and sufficiency of which is hereby acknowledged, the Grantor does hereby grant, bargain, sell, and convey, in fee simple, with SPECIAL WARRANTY OF TITLE, unto the Grantee, the following described property together with all improvements thereon (the "Property"), to-wit:

SEE EXHIBIT "A" ATTACHED HERETO

AND INCORPORATED HEREIN BY REFERENCE

TOGETHER WITH all of the ways, easements, rights, covenants, benefits, rights-of-way, agreements, privileges, and appurtenances to the same belonging, enjoyed by, or in any way benefiting or appertaining; all rights of Grantor in and to any and all adjoining public and private streets, roadways, and rights of way, and any privately owned water and sewer lines serving the Property; and all the estate, right, title, interest and claim, either at law or in equity, or otherwise however, of Grantor of, in, to or out of the Property.

SUBJECT to the matters of record in the Clerk's Office to the extent the same by their terms affect the Property on this date and have not expired. Grantor covenants that it will warrant specially unto Grantee the Property hereby conveyed, and that Grantor will execute such further assurances of the Property hereby conveyed as may be requisite.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed to these presents and sealed the day and year first above written.

GRANTOR:

WELLINGTON APARTMENT ASSOCIATES, LLC,
a Virginia limited liability company

By: [Signature] (SEAL)
Bernie J. Grablowsky,
Managing Member

By: [Signature] (SEAL)
Vincent R. Olivieri,
Managing Member

STATE OF VIRGINIA,
CITY OF VIRGINIA BEACH, to-wit:

I, Renee D. Williams, a Notary Public in and for said City and State, do hereby certify that Bernie J. Grablowsky, as Managing Member of Wellington Apartment Associates, LLC, a Virginia limited liability company, whose name is signed to the foregoing instrument bearing date as of the 29th day of January, 2020, has acknowledged the same before me in my City and State aforesaid.

Given under my hand and Notarial Seal this 29th day of January, 2020.

Renee D. Williams
Notary Public

My Commission Expires: 10.31.2023
VA Registration No. 215301



STATE OF VIRGINIA,
CITY OF VIRGINIA BEACH,

to-wit:

I, Renee D. Williams, a Notary Public in and for said City and State, do hereby certify that Vincent R. Olivieri, as Managing Member of Wellington Apartment Associates, LLC, a Virginia limited liability company, whose name is signed to the foregoing instrument bearing date as of the 29th day of January, 2020, has acknowledged the same before me in my City and State aforesaid.

Given under my hand and Notarial Seal this 29th day of January, 2020.

Renee D. Williams
Notary Public

My Commission Expires: 10-31-2023
VA Registration No. 215301



GRANTEE:

AOZPCREI WOODLANDS LLC,
a Delaware limited liability company

By: AOZCREI GP LLC,
Its Managing Member

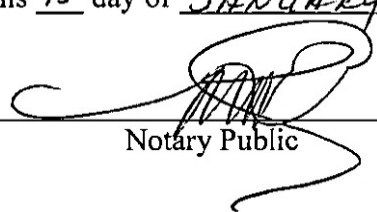
By: _____ (SEAL)
Name: _____
Title: _____

STATE OF NEW YORK,
COUNTY/CITY OF NEW YORK,

to-wit:

I, RUTHELLA FRANCIS, a Notary Public in and for said County/City and State, do hereby certify that PETER TZELIIS, as Managing Member of AOZCREI GP LLC, Managing Member of AOZPCREI WOODLANDS LLC, a Delaware limited liability company, whose name is signed to the foregoing instrument bearing date as of the 15th day of JANUARY, 2020 has acknowledged the same before me in my County/City and State aforesaid.

Given under my hand and Notarial Seal this 15th day of JANUARY, 2020.



Notary Public

My Commission Expires: 01FR6158783
Registration No. 1/8/2023

RUTHELLA FRANCIS
NOTARY PUBLIC-STATE OF NEW YORK
No. 01FR6158783
Qualified in Bronx County 2023
My Commission Expires January 08, 2010-

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THOSE certain lots, pieces or parcels of land with improvements thereon and appurtenances thereunto belonging, situate, lying and being in the City of Newport News, Virginia, and shown on a plat of survey prepared by John G. Royster, Jr., C.P.E., dated December 2, 1986, entitled, "Plat of Lots 114, 115 and 116, Robinson Tract (4.16 ac.) & Parcels 1, 2 & 3 (2.90 ac.), being Lot 81 and ½ of Lot 80, Robinson Tract, Property known as Lenox Square Apartments Located in Newport News, Virginia", which said plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Newport News, Virginia in Deed Book 1132, Page 2124. Said Parcels being more particularly described as follows:

TAX PARCEL #205000112:

Beginning at an iron pin (set), the "Point of Beginning", in the western right-of-way line of Forrest Drive (Variable width Public R/W), said pin being a distance of 313.06' along the aforementioned right-of-way, from the northern line of J. Clyde Morris Boulevard (U.S. Route 17); thence turning and proceeding in a westerly direction, leaving said right-of-way, along a bearing of S 70° 17' 00" W and a distance of 397.42' to an iron pin (set), in the eastern right-of-way line of Woods Road (Variable width Public R/W); thence turning and proceeding in a northerly direction, along said eastern right-of-way line, along a bearing of N 19° 43' 00" W and a distance of 313.06' to an iron pin (set); thence turning, leaving said right-of-way, and proceeding in an easterly direction, along a bearing of N 70° 17' 00" E and a distance of 397.42' to an iron pin (set), in the western right-of-way line of the aforementioned Forrest Drive; thence turning and proceeding in a southerly direction along said right-of-way, along a bearing of S 19° 43' 00" E and a distance of 313.06' to an iron pin (set), the point of beginning. Said Parcel contains 124,416 square feet or 2.856 acres.

TAX PARCEL #205000204:

Beginning at an iron pin (set), the "Point of Beginning", in the eastern right-of-way and on the previous 10' dedication line of Forrest Drive (Variable width Public R/W), said pin being a distance of 370.22' along the aforementioned right-of-way, from the northern line of J. Clyde Morris Boulevard (U.S. Route 17); thence proceeding in a northly direction, with said right-of-way, along a bearing of N 20° 08' 59" W and a distance of 226.18' to an iron pin (set), thence continuing in a northerly direction, with said right-of-way, along a bearing of N 20° 02' 04" W and a distance of 99.83' to an iron pin (set); thence continuing in a northerly direction, with said right-of-way, along a bearing of N 19° 16' 24" W and a distance of 100.70' to an iron pin (set); thence turning and proceeding in an easterly direction, along a bearing of N 70° 15' 46" E and a distance of 422.01' to an iron pipe (found); thence turning and proceeding in a southerly direction, along a bearing of S 20° 36' 53" E and a distance of 427.01' to an iron pipe (found);

thence turning and proceeding in a westerly direction, along a bearing of S 70° 17' 50" W and a distance of 427.22' to an iron pin (set), the point of beginning. Said Parcel contains 181,502 square feet or 4.167 acres.

IT BEING the same property conveyed to Wellington Apartment Associates, LLC, a Virginia limited liability company, by deed from Wellington Associates, LLC, a Delaware limited liability company, dated April 29, 2008 and recorded on April 29, 2008. in the aforesaid Clerk's Office as Instrument No. 080009390.

INSTRUMENT 200002896
RECORDED IN THE CLERK'S OFFICE OF
NEWPORT NEWS CIRCUIT COURT ON
MARCH 10, 2020 AT 03:57 PM
\$3260.00 GRANTOR TAX WAS PAID AS
REQUIRED BY SEC 58.1-802 OF THE VA. CODE
STATE: \$1630.00 LOCAL: \$1630.00
ANGELA F. REASON, CLERK
RECORDED BY: MMV

Values

Current Land	1,320,000
Current Improvements	3,090,000
Current Total Assessment	4,410,000

The Proposed Assessment represents assessment values which will apply to the upcoming fiscal year (July thru June). The tax rate for the upcoming fiscal year is a proposed value and subject to change, pending City Council action.

Proposed Assessment

Assessment Date	Total Tax	Tax Rate	Land	Improvements	Total Assessment
07/01/2020	\$55,510.00	\$1.22	1,320,000	3,230,000	4,550,000

Values History

Tax Year	Land	Improvements	Total Assessment
2021	1,320,000	3,230,000	4,550,000
2020	1,320,000	3,090,000	4,410,000
2019	1,320,000	2,854,000	4,174,000
2018	1,320,000	2,687,000	4,007,000
2017	1,320,000	2,372,000	3,692,000
2016	880,000	2,201,000	3,081,000
2015	880,000	1,976,000	2,856,000
2014	880,000	2,802,000	3,682,000
2013	880,000	3,123,000	4,003,000
2012	660,000	3,102,000	3,762,000
2011	660,000	3,108,000	3,768,000

Click button below to see expanded Values History

Generate Report

PARID: 205000112

812 WOODS RD

Owner

Name AOZPCREI WOODLANDS LLC,

Parcel

Property Location 812 WOODS RD
Parcel ID 205000112
Tax Status Taxable
Neighborhood C07OT092 – ROBINSON TRACT
Land Area (acreage) 2.9
Land Use and Zoning Details [Click here for additional details.](#)
[Click here](#) for City of Newport News Assessor's Web Page

Legal Description

Parcel/Lot: PTS 80 & 81
Block:
Subdivision ROBINSON TRACT
Section:
Lot Dimensions VAR

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.

X Rehabilitation -30% performance increase over exis5ng, 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 Viridian's EarthCraft Multifamily program Gold certification or higher

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

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

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

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

Signed: [Signature]

Date: 2/4/21

Printed Name: Stacey Smith

RESNET Rater

Resnet Provider Agency
Viridian

Signature [Signature]

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

Home Energy Rating Certificate

Projected Report

Rating Date:
Registry ID:
Ekotrope ID: zLOX4EMd

HERS® Index Score:

69

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

Annual Savings

\$488

*Relative to an average U.S. home

Home:
819 Forrest Dr.
Newport News, VA 23606

Builder:

This home meets or exceeds the criteria of the following:

Rating Completed by:

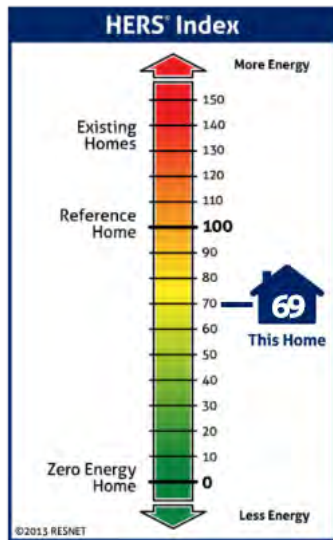
Energy Rater: Matt Waring
RESNET ID: 6729287

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

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



Matt Waring, Certified Energy Rater
Date: 2/4/21 at 12:52 PM



Home Feature Summary:

Home Type: Apartment, end unit
Model: N/A
Community: N/A
Conditioned Floor Area: 531 ft²
Number of Bedrooms: 1
Primary Heating System: Air Source Heat Pump • Electric • 8.2 HSPF
Primary Cooling System: Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating: Water Heater • Electric • 0.95 Energy Factor
House Tightness: 9 ACH50
Ventilation: 60 CFM • 250 Watts
Duct Leakage to Outside: 10 CFM25 / 100 ft²
Above Grade Walls: R-10
Ceiling: Adiabatic, R-7
Window Type: U-Value: 0.3, SHGC: 0.4
Foundation Walls: N/A

Woodlands at Oyster Point
20121 LIHTC Pre-Review Comments

Project Address

819 Forrest Drive
Newport News, VA 23606

Project Summary

Woodlands at Oyster Point is a renovation low-rise multifamily development, comprised of 151 units located in Newport News, VA. AOZPCREI Woodlands, LLC plans to construct the project utilizing 4% LIHTC. As part of their funding application the project is seeking HERS certification. This level of certification requires the project to have a maximum HERS index of 80 or a 30% HERS improvement from pre-renovation conditions. Mark McDaris of Winks-Snowa Architects is the primary architect contact for the project.

Unit-Level Energy Modeling

Unit-level models were generated using Ekotrope v3.2.4 based on the proposed scope and plans provided by the project team dated December 31st, 2020. With the current scope of work, the worst case units in the development are obtaining a projected HERS index of 69, meeting the necessary requirements for HERS 80 certification. The following outlines the scope as it is currently modeled.

Enclosure:

- Uninsulated existing slab
- R-7 Grade III cavity insulation + R-3 continuous insulated sheathing
- R-7 Grade III cavity insulation in adiabatic walls and ceilings
- R-38 Grade II blown cellulose attic insulation
- 0.35 U-Value for opaque doors
- 0.30 U-Value/0.40 SHGC windows & glass doors

Mechanicals:

- SEER 15, HSPF 8.2, 18k air source heat pump, programmable thermostat
- 0.95 EF storage electric water heaters, 40 gallon
- 5 ACH₅₀ for infiltration threshold/blower door test
- 5% duct leakage to the outside, 8% total duct leakage
- All ducts within conditioned space, supply ducts insulated to R-4
- AirCycler G2K mechanical ventilation

Lights & Appliances:

- ES rated kitchen appliances
 - 348 kWh/yr refrigerator
 - 270 kWh/yr dishwasher

Woodlands at Oyster Point
February 3rd, 2021



- Advanced lighting 100% LED
- Energy Star rated washing machine

Please let me know if you have any question or if the above information does not accurately capture your current scope.

Sincerely,

A handwritten signature in black ink that reads "Katy Maher". The signature is written in a cursive, flowing style.

Katy Maher
Project Manager, Viridiant

G

Zoning Certification Letter
(MANDATORY)



March 3, 2021

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

RE: Zoning Certification

Name of Development: Woodlands at Oyster Point
Name of Owner/Applicant: AOZPCREI Woodlands, LLC
Name of Seller/Current Owner: AOZPCREI Woodlands, LLC

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

DEVELOPMENT DESCRIPTION:

Development Address: 819 Forrest Drive, Newport News, Virginia 23606

Legal Description: See attached

Proposed Improvements:

<input type="checkbox"/> New Construction:	_____	# Units	_____	# Buildings	_____	Approx. Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	_____	# Units	_____	# Buildings	_____	Approx. Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Rehabilitation:	151	# Units	20	# Buildings	133,569	Approx. Total Floor Area Sq. Ft.

Current Zoning: R7 allowing a density of 24 units per acre, and the following other applicable conditions:

Other Descriptive Information: N/A

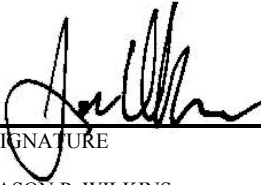
LOCAL CERTIFICATION:

Check one of the following as appropriate:

ASK US HOW.

1 Park West Circle, Suite 108, Midlothian, VA 23114
804-748-9011 Fax 804-748-2590 www.cctownes.com

- 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

JASON P. WILKINS

PRINTED NAME

PRINCIPAL ENGINEER

TITLE OF LOCAL OFFICIAL OR CIVIL ENGINEER

804-748-9011

PHONE

03/03/2021

DATE

ASK US HOW.

1 Park West Circle, Suite 108, Midlothian, VA 23114
804-748-9011 Fax 804-748-2590 www.cctownes.com

LEGAL DESCRIPTION

All those certain lots, pieces or parcels of land with improvements thereon and appurtenances thereunto belonging, situate, lying and being in the City of Newport News, Virginia, and shown on a plat of survey prepared by John G. Royster, Jr., C.P.E., dated December 2, 1986, entitled, "Plat of Lots 114, 115 and 116, Robinson Tract (4.16 ac.) & Parcels 1, 2 & 3 (2.90 ac.), being Lot 81 and ½ of Lot 80, Robinson Tract, Property known as Lenox Square Apartments located in Newport News, Virginia," which said plat is duly recorded in the aforesaid Clerk's Office in Deed Book 1132, page 2124.

Being the same property conveyed to Wellington Associates, LLC, a Delaware Limited Liability Company by Special Warranty Deed from Wellington Apartment, LLC, a Virginia Limited Liability Company dated August 30, 2005, recorded September 1, 2005 in Deed Book 2059, at Page 800 in the Clerk's Office of the Circuit Court of Newport News City, Virginia. Said Parcels being more particularly described as follows:

TAX PARCEL #205000112

Beginning at an iron pin (set), the "Point of Beginning", in the western right-of-way line of Forrest Drive (Variable width Public R/W), said pin being a distance of 313.06' along the aforementioned right-of-way, from the northern line of J. Clyde Morris Boulevard (U.S. Route 17); thence turning and proceeding in a westerly direction, leaving said right-of-way, along a bearing of S 70° 17' 00" W and a distance of 397.42' to an iron pin (set), in the eastern right-of-way line of Woods Road (Variable width Public R/W); thence turning and proceeding in a northerly direction, along said eastern right-of-way line, along a bearing of N 19° 43' 00" W and a distance of 313.06' to an iron pin (set); thence turning, leaving said right-of-way, and proceeding in an easterly direction, along a bearing of N 70° 17' 00" E and a distance of 397.42' to an iron pin (set), in the western right-of-way line of the aforementioned Forrest Drive; thence turning and proceeding in a southerly direction, along said right-of-way, along a bearing of S 19° 43' 00" E and a distance of 313.06' to an iron pin (set), the point of beginning. Said Parcel contains 124,416 square feet or 2.856 acres.

TAX PARCEL #205000204

Beginning at an iron pin (set), the "Point of Beginning", in the eastern right-of-way and on the previous 10' dedication line of Forrest Drive (Variable width Public R/W), said pin being a distance of 370.22' along the aforementioned right-of-way, from the northern line of J. Clyde Morris Boulevard (U.S. Route 17); thence proceeding in a northerly direction, with said right-of-way, along a bearing N 20° 08' 59" W and a distance of 226.18' to an iron pin (set), thence continuing in a northerly direction, with said right-of-way, along a bearing of N 20° 02' 04" W and a distance of 99.83' to an iron pin (set); thence continuing in a northerly direction, with said right-of-way, along a bearing of N 19° 16' 24" W and a distance of 100.70' to an iron pin (set); thence turning and proceeding in an easterly direction, along a bearing of N 70° 15' 46" E and a distance of 422.01' to an iron pipe (found); thence turning and proceeding in a southerly direction, along a bearing of S 20° 36' 53" E and a distance of 427.01' to an iron pipe (found); thence turning and proceeding in a westerly direction, along a bearing of S 70° 17' 50" W and a distance of 427.22' to an iron pin (set), the point of beginning. Said Parcel contains 181,502 square feet or 4,167 acres.

H

Attorney's Opinion
(MANDATORY)



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799 9th Street NW
Suite 500
Washington, DC 20001-4501
202-585-8000

February 23, 2021

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

RE: 2021 Tax Credit Reservation Request

Name of Development: Woodlands at Oyster Point
Name of Owner: AOZPCREI Woodlands LLC

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated February 23, 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 the Hard Costs and Owners Costs sections of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

3. The appropriate type of allocation has been requested in the Reservation Request Information section in the Application form.
4. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.
6. It is more likely than not that the representations made under the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.
7. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code Section 42(d)(2)(B) are not correct.

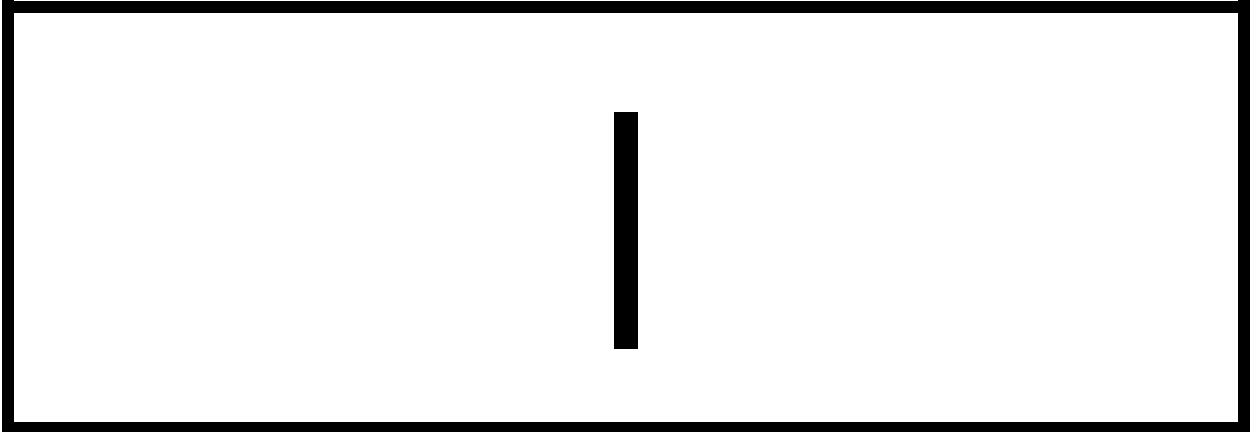
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building in the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

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

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Arnon Peretz", with a horizontal line underneath the name.



Nonprofit Questionnaire

(MANDATORY for points or pool)

This deal does not require
information behind this tab.

J

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



Relocation Policy and Plan For Woodlands at Oyster Point Residents & Managers

A. PURPOSE

This document (the "Plan") presents the Renovation and Relocation Plan for the multifamily apartments Woodlands at Oyster Point (the "Property") by its owner, AOZPCREI Woodlands LLC (the "Owner"). This Plan was prepared to inform current residents of the Property who may be temporarily or permanently relocated as a result of the planned renovation (the "Residents") on the relocation policies and procedures at the Property. Additionally, this Plan acts to guide staff of Ross Management Services (the "Property Manager ") who will be working with all relocating Residents on the Property's relocation policies and procedures.

Owner: AOZPCREI Woodlands LLC
819 Forrest Drive
Newport News, VA 23606

Property: Woodlands at Oyster Point
819 Forrest Drive
Newport News, VA 23606

Property Manager: RMIS III LLC (DBA: Ross Management Services)
7910 Woodmont Ave
Bethesda, MD 28014

B. PROJECT OVERVIEW AND SCOPE

The Owner intends to use Low Income Housing Tax Credits (the "LIHTC" Transaction) in conjunction with a mortgage loan backed by tax-exempt bonds issued by the municipality in which the Property is located (the "Debt Refinancing") to finance the renovation and improvement of all units at the Woodlands at Oyster Point multifamily apartment property as well as the improvement of the community spaces and facilities at the Property.

The Owner plans to renovate the apartments in phases which will likely overlap one another to some degree and require coordination by the general contractor, sub-contractors, and the Property Manager's staff overseeing the renovation and managing the Property. Renovations are planned to commence on or before June 1, 2021 subject to the closing of the LIHTC Transaction and the Debt Refinancing which is scheduled to be completed on or before April 30, 2021. Renovation of all units is expected to be completed by September 30, 2022. These estimated start and completion dates may change depending on when the LIHTC Transaction and Debt Refinancing closings occur as well as the pace of the renovation and improvement process. The Owner plans to renovate 151 residential units as well as to renovate the leasing office and to build a community building adjacent to the pool and to improve the general landscaping of the Property. Eight apartments,



specifically 8 two-bedroom units (the "Accessible Units"), will be reconfigured to comply with Uniform Federal Accessibility Standards ("UFAS").

Following the completion of construction, all 151 residential units at the Property will be LIHTC units and are expected to be occupied by households with incomes equal to or less than 60% of area median gross income (AMGI) or by households with incomes equal to or less than 80% of AMGI such that the average income of households residing at the Property will be equal to or less than 60% of AMGI, as adjusted for family size, in accordance with the LIHTC and USDA programs and with any Virginia state or Newport News local requirements.

As a result of the renovation to be conducted at the Property, all current Residents (including all households, if any, residing in the eight units that are planned to be converted into the Accessible Units) will need to be temporarily relocated to another unit within the Property during the term of their lease in advance of renovations beginning on their current unit of residence. Subsequent to the conclusion of the renovation and improvement of the Property, all current residents of the Property may be permanently relocated to another unit on the Property if they choose to maintain residence at the Property. All current residents, if any, residing in the eight units that are planned to be converted into the Accessible Units will be required to relocate unless they qualify to reside in those Accessible Units. (Qualifications for residence in Accessible Units can be made available by the Property Manager upon request.) Residents that will be temporarily or permanently relocated are entitled to assistance under this Plan, with the exception of those households that moved (or move) pursuant to a Notice to Quit and/or were (are) legally evicted or under an eviction process.

This Plan outlines the supportive services, counseling, and relocation assistance offered to permanently relocated Residents and the estimated timetables for relocation. In accordance with this Plan, all lease-compliant Residents that will be permanently relocated will be offered counseling and relocation assistance and provided such counseling and assistance should they accept such offers. Households which move prematurely (i.e. before the scheduled dates for relocation) may not have an opportunity to receive comprehensive relocation counseling or assistance offered under this Plan. This Plan is intended to meet the federal and state requirements relating to relocation (including, the Virginia Housing Relocation Assistance Guidelines (copy attached in Appendices)) (the "Applicable Requirements").

Residents must meet all applicable certification requirements. All relocation housing will be decent, safe, and sanitary and will comply with all Applicable Requirements.

Currently, the units set forth below are planned to be converted to accessible units and will require permanent relocation to another unit within the Property, unless the current household meets the requirements to reside in an Accessible Unit, as described above. Final determination of which eight units will be converted to accessible units will be made when construction plans are finalized and may change during construction.



Currently Designated UFAS Accessible Units:

Unit 82001	2 Bedroom (conversion to an accessible unit)
Unit 82003	2 Bedroom (conversion to an accessible unit)
Unit 82029	2 Bedroom (conversion to an accessible unit)
Unit 82031	2 Bedroom (conversion to an accessible unit)
Unit 81815	2 Bedroom (conversion to an accessible unit)
Unit 81817	2 Bedroom (conversion to an accessible unit)
Unit 81801	2 Bedroom (conversion to an accessible unit)
Unit 81803	2 Bedroom (conversion to an accessible unit)

All other units to be renovated are listed in the attached Renovation Relocation Schedule Spreadsheet in the Appendices.

C. RELOCATION SCHEDULE

No Resident will be required to relocate until after they have received the proper notices as outlined in this Plan. However, Residents will have the opportunity to relocate on a voluntary basis earlier than the dates provided in such notices. The Owner expects that most relocations will be permanent relocations to a unit on the Property with any temporary or permanent relocations to take place according to the following First Building Relocation Timeline or additional attached timelines in the Appendices, all of which will be subject to change depending on the actual closing date of the LIHTC Transaction and the Debt Refinancing, on the timing of voluntary relocations, if any, and on the actual progress of the renovation process.

First Building Relocation Timeline*

March 1, 2021 thru May 31, 2021	Waverly at Oyster Point Apartments staff to send written notice regarding relocation to tenants that will need to be permanently relocated
June 1, 2021 thru September 30, 2021	Begin the renovation and permanent relocation of Residents to completed renovated units.
October 1, 2021 thru August 31, 2022	Continue renovation of units and relocation of residents per attached “Relocation Schedule”.

**** All other building relocation schedules are detailed in the attached “Renovation Schedule” in the Appendices.***



D. REGULATORY AUTHORITY

Virginia Housing Relocation Assistance Guidelines

The policies and procedures regarding relocation in this Plan will be performed in compliance with Section 55-222 of the Code of Virginia and the Virginia Housing “Relocation Assistance Guidelines” for Low Income Housing Tax Credits (please see the attached copy of these guidelines in the Appendices). This Relocation Plan follows these guidelines specifically regarding (1) relocation payments, (2) relocation assistance, (3) the 120-day notice to vacate period and (4) the full communication of renovation and temporary/permanent relocation plans to all existing tenants that will be temporarily/permanently relocated by the renovation. Pursuant to Virginia Housing guidelines, this Relocation Plan has been submitted to the Virginia Housing, Multi-Family Development Division, to the attention of the Tax Credit Program Administrator.

E. MOVING COST REIMBURSEMENT

Each household's moving cost reimbursement from the Owner is limited to \$100.00 if either of the following applies:

- a. A Resident has minimal possessions and occupies a dormitory style room, or
- b. A Resident move is performed by an agency at no cost to the tenant.

If neither 'a' nor 'b' above applies, and the tenant opts to move his/her belongings, the reimbursement to the Resident may be based on one or a combination of the following:

1. Based on the Federal Highway Administration's Fixed Residential Moving Cost Schedule (see Virginia)
2. Based on Resident's actual reasonable moving and related expenses

The Fixed Residential Moving Cost Schedule includes moving costs and utility connection expenses and is based on the number of rooms of furniture, not the number of bedrooms per unit.

Resident's actual reasonable moving and related expenses are defined as

- i. The lower of two bids or estimates prepared by independent commercial movers; or
- ii. Receipted bills for labor and equipment, if a commercial mover is not employed.

Hourly labor rates should not exceed the rates paid by a commercial mover to employees performing the same activity and, equipment rental fees should be based on the actual rental cost of the equipment not to exceed the cost paid by a commercial mover.

The Owner plans to move each Resident that will be temporarily or permanently relocated to another unit on the Property, in which case the moving cost reimbursement amount to each such Resident will be as set forth above.



F. ADVISORY SERVICES (PERMANENT RELOCATION)

If a Resident cannot return to their original unit, then the Resident is considered to be “Displaced,” and the relocation is considered a “Permanent Relocation.” It is anticipated that all Residents that need to be permanently relocated will be relocated to another unit at the Property. If a Resident is Displaced, then the Owner in conjunction with the Property Manager will provide the Resident with Advisory Services in addition to their Moving Cost Reimbursement.

Advisory Services include:

- Providing information about units available on the Property
- Providing tenants with written information about their displacement and relocation
- Providing appropriate translation and counseling for tenants who are unable to read and understand notices
- Communicating the name and telephone number of a contact person who can answer questions or provide other needed help
- Giving special consideration for the needs of families with school age children
- Extending regular business hours, including evenings and weekends, so that tenants won't have to miss work

G. TEMPORARY RELOCATION

A Resident who is temporarily relocated is not Displaced if the Resident can return to the original unit, the unit occupied by the resident in advance of any renovations being performed on the Property.

A Resident that is temporarily relocated is not eligible for Advisory Services as noted above; however, the Owner in conjunction with the Property Manager:

1. Guarantee that the Resident can return to Resident's same unit
2. Pays the Resident's moving costs to and from the temporary location (two moves) in accordance with the Moving Cost Reimbursement provision above

A temporarily relocated Resident may agree in writing to permanently relocate to the unit which has been designated their temporary unit. If the Resident agrees such permanent relocation to the initially designated temporary unit, the Resident will only be entitled to a Moving Cost Reimbursement for one move. Additionally, a temporarily relocated Resident may agree in writing to permanently relocate to another newly renovated unit on the property, in which case the Resident will be entitled to Moving Cost Reimbursement for the two moves. Such written agreement will be kept by the Owner in conjunction with the Property Manager in the Resident's file.



H. RELOCATION PROCEDURE: Duties and Responsibilities of Residents to Continue Residence Post-Renovation

The Resident must:

- Qualify under the New income guidelines.
- Read the **General Information Notice** (the form of which is attached in the Appendices).
- Provide all required income documentation as described in the **General Information Notice**.
- Read, sign and return to the Owner or their representative at the Property Manager, as directed, a copy of the signed **Notice of Eligibility** (the form of which is attached in the Appendices).
- Move into their temporary residence or new permanent residence, as applicable, upon notice during the specific time period, irrespective of any pending grievance(s) related to relocation or continuing occupancy. However, Resident rights to any grievance(s) will not be waived by such a move, provided filing of any such grievance(s) has been done prior to the move.
- Pack all belongings and prepare furniture and appliances for moving (**everything but furniture must be packed in boxes, taped and the top of the boxes must be flat**).
- Arrange with utility companies to have services transferred to the new dwelling, and to cover all associated arrearage as may be required.
- Notify the US Postal Service, schools, other appropriate government agencies (Social Security, etc.), individuals, and companies of the change in address.
- Be ready to move all belongings on the specified date, and to be home and ready when the movers arrive.

The Regional Manager and Community Manager for the Property manager shall, as necessary,:

- Plan moves and consider resident needs
- Secure safe, sanitary, and descent apartments for all residents.
- Schedule moves/move-ins
- Schedule residents with mover according to schedule established.
- Obtain insurance on all stored belongings.
- Monitor, coordinate, document, and maintain records of all relocation activity for the Property according to applicable regulations.
- Ensure that copies of Notices are signed by leaseholders, returned to the Property Manager, and properly filed.
- Review and approve all requests for reimbursement of relocation expenses or allowable relocation payments, according to this Plan.
- Ensure that all households considered for relocation receive a General Information Notice and a copy of the Relocation Plan at the beginning of the planning process for the renovation project.
- Ensure that all households receive a written **Notice of Eligibility for Relocation Assistance** (a form of which is attached in the Appendices) at least 120 days in advance of the deadline for being relocated, which outlines the assistance to which they are entitled.
- Ensure that a member of the Property Manager's staff with relocation and community and



supportive services responsibilities meets with each household at least 30 days prior to the relocation deadline to discuss the relocation details and the household's needs.

The Property Manager and Maintenance Staff shall:

- Assure that all vacated units are cleaned out and secured immediately.
- Provide moving assistance for the elderly and disabled when requested as reasonable accommodation.
- Ensure other units are turned over quickly to facilitate the relocation.
- Receive a scope of work and become familiar with the scope to better answer residents' questions.
- The Property Manager will assist with on-going inspections of construction underway.
- Upon construction completion, Property Manager, architect, construction manager, Virginia Housing staff, and other necessary personnel will perform an inspection and create a joint punch list.

The Regional Manager shall:

- Certify families that qualify for relocation assistance.
- Continue follow-up counseling through individual needs assessment.
- Initiate eviction proceedings for households that do not comply with the requirements of the Relocation Plan and related notices and instructions received in implementation of the plan.
- Determine eligibility using Verification Forms for the Low-Income Housing Tax Credit programs. Document total income of each household unless verification is on file that is less than three months old. Income from employment, military pay, social services, social security, pension, workers compensation, unemployment, child support, alimony/spousal support, self-employment, and cash contribution.
- Work with all eligible Residents to get their receipts for utility hook-ups. All requests for reimbursement should be submitted within 45 days of the move. Residents should expect their check within 30 days.
- Receive a scope of work and become familiar with the scope to better answer residents' questions.

I. APPEALS AND GRIEVANCES

If a leaseholder or individual disagrees with the determination of the Owner concerning the relocation payment(s) or other relocation assistance for which the Resident is eligible, the Resident may file a written appeal with the Owner according to the Property Manager's Grievance Procedure, a written copy of which will be provided by the Property Manager upon request.

A household or individual may file an appeal within which the leaseholder believes that the Owner has failed to:

- properly determine that the household or individual qualifies or will qualify (upon moving) as a temporarily relocated person who is eligible for relocation assistance; or
- properly determine the amounts of relocation payment(s) as required by this plan.



J. SPECIAL EVICTION POLICY

In addition to the causes for eviction outlined in the current lease and/or Property rules overseen by the Property Manager, a Resident's refusal to accept the reasonable offer of relocation housing made in accordance with this Plan will be determined to have caused a lease violation and may be the subject to an eviction action.

This eviction policy is necessary in order to ensure that Residents will comply with this Plan and thereby enable the renovation of the Property to proceed. This eviction policy will only be enforced for violations pertaining to the relocation effort; all other lease and occupancy violations will be handled under the Property Manager's normal procedures. This policy should only be used as a last resort. Every reasonable effort will be made to avoid eviction during the this Plan's enactment.

K. PROJECTED RENTS AND RENTAL POLICIES AFTER RENOVATION

After the renovation, households residing in each of the 151 renovated LIHTC units will be subject to income verification and limitations, as described above. Rents will be set in accordance with these income restrictions. All tenants will need to be timely re-certified and meet the income and rent restrictions applicable in order to reside in any of the Property's LIHTC units.

L. RECORDKEEPING

Good record keeping is necessary to carry out a sound, thorough and comprehensive relocation program. The Owner in conjunction with the Property Manager shall keep records that comply with Virginia Housing requirements and those necessary to ensure that Residents that are temporarily or permanently relocated receive the services and reimbursements that are needed and required. This Relocation Plan will be located in plain sight in the office for Residents to review. All documentation related to relocation, including formal notices, bill receipts and canceled checks will be included in the applicable Resident's files.

M. LIST OF ATTACHED APPENDICES

1. General Information Notice
2. 120-Day Notice
3. Virginia Housing Guidelines
4. Willingness to Move Early Form
5. Relocation 90-Day Notice
6. Relocation 60-Day Notice
7. Relocation 30-Day Notice (Temporary Relocation)
8. Relocation 30-Day Notice (Permanent Relocation)
9. Renovation Schedule
10. Monthly Relocation Report



Woodlands at Oyster Point

RENOVATION SCHEDULE

Construction	Bldg #	Unit ID	Unit Type	Unit	Accessible Units	120 DAY NOTICE Issued	90 DAY NOTICE Issued	60 DAY NOTICE Issued	30 DAY NOTICE Issued		
Phase	Start Date	End Date	Sq Ft								
Month 6	BLDG #1	11/01/21	11/30/21	81801	920-2B1B	750	UFAS UNIT	07/01/21	08/01/21	09/01/21	10/01/21
		81802	920-2B1B	750							
		81803	920-2B1B	750	UFAS UNIT						
		81804	920-2B1B	750							
		81805	920-2B1B	750							
		81806	920-2B1B	750							
		81807	920-2B1B	750							
		81808	920-2B1B	750							
Month 5	BLDG #2	10/01/21	10/31/21	81809	920-2B1B	750		06/01/21	07/01/21	08/01/21	09/01/21
		81810	920-2B1B	750							
		81811	920-2B1B	750							
		81812	920-2B1B	750							
		81813	920-2B1B	750							
		81814	920-2B1B	750							
		81815	920-2B1B	750	UFAS UNIT						
		81816	920-2B1B	750							
Month 4	BLDG #3	09/01/21	09/30/21	81817	920-2B1B	750	UFAS UNIT	05/01/21	06/01/21	07/01/21	08/01/21
		81818	920-2B1B	750							
		81819	920-2B1B	750							
		81820	920-2B1B	750							
		81821	920-2B1B	750							
		81822	920-2B1B	750							
		81823	920-2B1B	750							
		81824	920-2B1B	750							
Month 1	BLDG #4	06/01/21	06/30/21	82001	920-2B1B	750	UFAS UNIT	02/01/21	03/01/21	04/01/21	05/01/21
		82002	920-2B1B	750							
		82003	920-2B1B	750	UFAS UNIT						
		82004	920-2B1B	750							
Month 2	BLDG #5	07/01/21	07/31/21	82005	920-2B1B	750		03/01/21	04/01/21	05/01/21	06/01/21
		82006	920-2B1B	750							
		82007	920-2B1B	750							
		82008	920-2B1B	750							
		82009	920-2B1B	750							
		82010	920-2B1B	750							
		82011	920-2B1B	750							
		82012	920-2B1B	750							
Month 3	BLDG #6	08/01/21	08/31/21	82013	920-2B1B	750		04/01/21	05/01/21	06/01/21	07/01/21
		82014	920-2B1B	750							
		82015	920-2B1B	750							
		82016	920-2B1B	750							
		82017	920-2B1B	750							
		82018	920-2B1B	750							
		82019	920-2B1B	750							
		82020	920-2B1B	750							
Month 7	BLDG #7	12/01/21	12/31/21	82021	920-2B1B	750		08/01/21	09/01/21	10/01/21	11/01/21
		82022	920-2B1B	750							
		82023	920-2B1B	750							
		82024	920-2B1B	750							
		82025	920-3B1B	850							
		82026	920-2B1B	750							
		82027	920-1B1B	700							
		82028	920-2B1B	750							
Month 8	BLDG #8	01/01/22	01/31/22	82029	920-2B1B	750	UFAS UNIT	09/01/21	10/01/21	11/01/21	12/01/21
		82030	920-2B1B	750							
		82031	920-2B1B	750	UFAS UNIT						
		82032	920-2B1B	750							
		82033	920-2B1B	750							
		82034	920-2B1B	750							
		82035	920-2B1B	750							
		82036	920-2B1B	750							
Month 15	BLDG #9	08/01/22	08/31/22	82037	920-2B1B	750		04/01/22	05/01/22	06/01/22	07/01/22
		82038	920-2B1B	750							
		82039	920-2B1B	750							
		82040	920-2B1B	750							
		81901	920-2B1B	750							

Woodlands at Oyster Point

RENOVATION SCHEDULE

Construction	Bldg #	Unit ID	Unit Type	Unit	Accessible Units	120 DAY NOTICE Issued	90 DAY NOTICE Issued	60 DAY NOTICE Issued	30 DAY NOTICE Issued	
Phase	Start Date	End Date	Sq Ft							
			81902	920-2B1B	750					
			81903	920-2B1B	750					
			81904	920-2B1B	750					
Month 14	BLDG #10	07/01/22	07/31/22	81905	920-2B1B	750	03/01/22	04/01/22	05/01/22	06/01/22
			81906	920-2B1B	750					
			81907	920-2B1B	750					
			81908	920-2B1B	750					
			81909	920-2B1B	750					
			81910	920-2B1B	750					
			81911	920-2B1B	750					
			81912	920-2B1B	750					
Month 13	BLDG #11	06/01/22	06/30/22	81913	920-2B1B	750	02/01/22	03/01/22	04/01/22	05/01/22
			81914	920-2B1B	750					
			81915	920-OFC	750					
			81916	920-2B1B	750					
			81917	920-2B1B	750					
			81918	920-2B1B	750					
			81919	920-2B1B	750					
			81920	920-2B1B	750					
Month 12	BLDG #12	05/01/22	05/31/22	81921	920-3B1B	850	01/01/22	02/01/22	03/01/22	04/01/22
			81922	920-2B1B	750					
			81923	920-1B1B	700					
			81924	920-2B1B	750					
			81925	920-2B1B	750					
			81926	920-2B1B	750					
			81927	920-2B1B	750					
			81928	920-2B1B	750					
Month 11	BLDG #13	04/01/22	04/30/22	81929	920-2B1B	750	12/01/21	01/01/22	02/01/22	03/01/22
			81930	920-2B1B	750					
			81931	920-1B1B	700					
			81932	920-2B1B	750					
			81933	920-2B1B	750					
			81934	920-2B1B	750					
			81935	920-2B1B	750					
			81936	920-2B1B	750					
Month 10	BLDG #14	03/01/22	03/31/22	81937	920-2B1B	750	11/01/21	12/01/21	01/01/22	02/01/22
			81938	920-2B1B	750					
			81939	920-2B1B	750					
			81940	920-2B1B	750					
			81941	920-2B1B	750					
			81942	920-2B1B	750					
			81943	920-2B1B	750					
			81944	920-2B1B	750					
Month 9	BLDG #15	02/01/22	02/28/22	82145	920-2B1B	750	10/01/21	11/01/21	12/01/21	01/01/22
			82146	920-2B1B	750					
			82147	920-2B1B	750					
			82148	920-2B1B	750					
			82149	920-2B1B	750					
Month 9	BLDG #16	02/01/22	02/28/22	82150	920-2B1B	750	10/01/21	11/01/21	12/01/21	01/01/22
			82151	920-2B1B	750					
			82152	920-2B1B	750					
			82153	920-2B1B	750					
			82154	920-2B1B	750					
			82155	920-2B1B	750					
			82156	920-2B1B	750					
Month 19	BLDG #17	12/01/22	12/31/22	82157	920-2B1B	750	08/01/22	09/01/22	10/01/22	11/01/22
			82158	920-2B1B	750					
			82159	920-2B1B	750					
			82160	920-2B1B	750					
			82161	920-2B1B	750					
			82162	920-2B1B	750					
			82163	920-2B1B	750					
			82164	920-2B1B	750					
Month 18	BLDG #18	11/01/22	11/30/22	82165	920-2B1B	750	07/01/22	08/01/22	09/01/22	10/01/22
			82166	920-2B1B	750					

Woodlands at Oyster Point

RENOVATION SCHEDULE

Construction	Bldg #	Unit ID	Unit Type	Unit	Accessible Units	120 DAY NOTICE Issued	90 DAY NOTICE Issued	60 DAY NOTICE Issued	30 DAY NOTICE Issued	
Phase	Start Date	End Date		Sq Ft						
			82167	920-2B1B	750					
			82168	920-2B1B	750					
			82169	920-1B1B	700					
			82170	920-2B1B	750					
			82171	920-2B1B	750					
			82172	920-2B1B	750					
Month 17	BLDG #19	10/01/22	10/31/22	82173	920-2B1B	750	06/01/22	07/01/22	08/01/22	09/01/22
				82174	920-2B1B	750				
				82175	920-2B1B	750				
				82176	920-2B1B	750				
				82177	920-2B1B	750				
				82178	920-2B1B	750				
				82179	920-2B1B	750				
				82180	920-2B1B	750				
Month 16	BLDG #20	09/01/22	09/30/22	82181	920-2B1B	750	05/01/22	06/01/22	07/01/22	08/01/22
				82182	920-2B1B	750				
				82183	920-2B1B	750				
				82184	920-2B1B	750				
				82185	920-2B1B	750				
				82186	920-2B1B	750				
				82167	920-2B1B	750				
				82188	920-2B1B	750				

MEMORANDUM

TO: <Resident Name>
<Address>
Newport News, VA 23606

FROM: Kerry Grygo, Property Manager
RMS III, LLC dba Ross Management Services

DATE: March 1, 2021

VIA: *Via Certified Mail and Hand Delivery*

RE: Woodlands at Oyster Point Apartments - General Information Notice

Dear <Resident Name> and Occupants:

This is a General Information Notice regarding a planned renovation at Woodlands at Oyster Point Apartments scheduled to commence when financing is approved. This approval is anticipated by or before the end of April 2021.

We are pleased to announce that the Owner has applied for federal and state financial assistance that will allow Woodlands at Oyster Point Apartments to complete a property renovation program, while maintaining the community as affordable housing. RMS III, LLC (dba "ROSS Management Services") will remain as the property manager at the community during the renovation. We understand that changes such as a property renovation can create concern on the residents' part, but please be assured that ROSS Management Services will be working alongside of the Owner to ensure the renovation is successful.

Beginning as early as June 2021, Woodlands at Oyster Point Apartments will undergo an extensive renovation process which will include building improvements, apartment interiors, community room and leasing office. The scope of the renovations will require the contractor to have full access to apartments under construction; therefore, it will be necessary for those apartments undergoing renovations to be vacant.

We understand the potential impact this may have on our residents and therefore urge you to contact the Property Manager with any questions you may have about the renovations, the impact on you and your home or any other matters.

TENANT CERTIFICATION PROCESS

One of the stipulations of the financing the Owner is considering is that Woodlands at Oyster Point Apartments comply with affordable housing requirements set by federal and state Agencies. Existing residents and new applicants will be required to qualify through a tenant certification process. Please review **Exhibit A** (attached to this Notice) for qualification information. Residents will receive a notice at the proper time to complete the certification process. If you are interested in determining if you meet the affordable housing certification criteria, please schedule an appointment with our Property Manager, Kerry Grygo at 757-930-5036, or at kgrygo@rossmgtservices.com.

RENOVATION SCHEDULE:

The following is the preliminary renovation schedule by building based on financing approval in March 2021. Due to the extensive renovation in each apartment, buildings will need to be vacated by address. **A written notice will be provided at least ninety (90) days prior to the date you are required to move.**

Please see attached schedule.

NOTE: The schedule is subject to change based on financing requirements or the renovation progress or at the Owner's discretion.

RESIDENT ASSISTANCE:

The Owner will provide limited financial assistance to eligible residents under the federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). The following are some of the URA protections for existing residents:

- If you do qualify for the affordable housing program, you may be eligible for assistance with your temporary relocation during renovations (Temporary Displacement for Qualified Residents). This assistance is predicated on having you:
 - 1) provide certification information,
 - 2) meet the affordable housing certification criteria, and
 - 3) execute a lease to remain at Woodlands at Oyster Point Apartments.

If you satisfy these requirements and qualify for the assistance, you may be eligible for on-site relocation and Owner assistance with moving expenses.

- If you do not qualify for the affordable housing program, you may be eligible for assistance with your move from Woodlands at Oyster Point Apartments. (Permanent Displacement for non-Qualified Residents). This assistance is predicated on having you:
 - 1) provide certification information and
 - 2) failure to meet the affordable housing certification criteria.

If you choose to move, you will not be provided relocation assistance.

Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction. If you choose to move or if you are evicted, you may lose eligibility to receive relocation assistance.

(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.)

NEXT STEPS

Residents will receive written notice from Management to begin the certification process. Residents will also receive at least 90 days advance written notice of the date you will be required to move.

The property renovation will be both exciting and challenging, with the intent of providing a new and renovated environment for you to make your home. With your cooperation, we can attempt to minimize inconveniences and promptly move toward project completion, resulting in a newly renovated apartment home.

Please remember:

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

If you have any questions, please contact me at 757-930-5036, or at kgrygo@rossmgtservices.com.

ATTACHMENTS:

Exhibit A: General Information Notice, Qualification Criteria

Exhibit A:

GENERAL INFORMATION NOTICE
QUALIFICATION CRITERIA

March 2021

Minimum Income*	
1 Bedroom	\$18,720
2 Bedroom	\$22,880
3 Bedroom	\$27,040

Income Guidelines	
<u>Household Size</u>	<u>Maximum Income</u>
1 person	\$34,680
2 person	\$39,600
3 person	\$44,580
4 person	\$49,500
5 person	\$53,460
6 person	\$57,420
7 person	\$61,380

*applicants with a Section 8 voucher are not required to meet the minimum income requirements

Application Process

A Social Security Card, State-issued Driver's License or photo ID are required with the application along with additional documentation as required by Section 42 of the IRS Code.

If you disagree with the Owner's decision as to the relocation assistance for which you are eligible, you may appeal that decision.

What If I Don't Receive The Required Assistance. Can I Appeal?

If you disagree with the Owner's decision as to your right to relocation assistance or the amount of a payment, or the adequacy of the housing to which you have been referred, you may appeal the decision to Virginia Housing.

The Owner will inform you of its appeal procedures. At a minimum, you will have 60 days to file your appeal with the Owner after you receive written notification of the Owner's determination on your claim. Your appeal must be in writing. However, if you need help, the Owner will assist you in preparing your appeal.

If you are a low- or moderate-income person and are dissatisfied with the Owner's determination on your appeal, you may have an additional right to request administrative review of that decision by HUD or Virginia Housing.

You can expect a fair decision on any appeal. However, if you are not satisfied with the final administrative decision on your appeal, you may seek review of the matter by the courts.

If you have further questions after reading this booklet, please schedule an appointment with our Property Manager, Kerry Grygo at 757-930-5036 or at kgrygo@rossmgtservices.com.



RMS III, LLC dba ROSS MANAGEMENT SERVICES
Woodlands at Oyster Point

I received the Notice of Intent to Acquire, General Information Notices, and 120-Day Notice letter concerning the renovation of Woodlands at Oyster Point Apartments (to be renamed Waverly At Oyster Point) and the [temporary] [permanent] relocation of my household. I have reviewed the Relocation Plan and received a copy of the Virginia Housing "Relocation Assistance Guidelines." I attended a meeting on _____, 2021 with the Property Manager.

I understand due to the upcoming renovations of the Woodlands at Oyster Point Apartments (to be renamed Waverly At Oyster Point), I will be required to [temporarily] [permanently] move. By signing below, I agree to pack and be ready to move by the _____, 20____.

Resident Name: _____

Current Address: _____

My [temporarily] [permanently] address will be: _____
(this is the anticipated address as of _____, 20__ and should it change you will be notified in writing by the Property Manager.

Resident Signature

Date

Property Manager Signature

Date



COVID-SPECIFIC RESPONSE GUIDELINES DURING RENOVATION

Valid during Federal Disaster Declaration for COVID-19

Below are guidelines for COVID-19 during rehabilitation of occupied buildings. The project's plan is to be submitted with the Carryforward Agreement and treated as an addendum to the Relocation Plan.

1. AWARENESS

- a. Signage: Site will have signs detailing the entrance required procedures: pre-screening questions, PPE and Social distancing requirements. Screening questions are asked prior to entry or appointments being set.
- b. Site orientation:
 - All entrances are identified with signs,
 - Site plan is posted on the office door.

2. PREVENTION

- a. Appointments are encouraged/Residents are encouraged to utilize on-line services for service request, rent payments and virtual tours.
 - Site Team utilizes "return safe" app before arriving each day.
 - HR monitors the use of the app for each property.
 - Lunches are staggered, ride sharing is discouraged
 - Screening questions are required: as recommended by the CDC website which will be checked weekly for updates.

Note: Employees who are exposed/contract COVID-19 will be encouraged to follow the local Health departments recommendations on self-isolation and returning to work. Medical documentation will be required for returning to work.

- Washing stations
 - Delivery drivers also have PPE, log of arrivals, screening questions are asked.
- b. Visitors must be pre-arranged & approved
 - c. Sub must provide a personal list to site Manager 8 hours prior to work day
 - d. PPE enforcement
 - e. Distancing protocols are enforced
 - f. Enhanced site cleaning will be preformed daily, deep cleaning is completed weekly for all common areas.

3. ENTERING OCCUPIED UNITS

- a. PPE will be worn anytime entering an occupied unit: MASK (approved two layer face covering), gloves, and Social distancing (at least 6-feet) will be maintained at all times while in the unit.
- b. Screening questions are asked of the resident prior to entry. Questions asked will be guided by the most current CDC recommendations and reviewed/updated weekly.
- c. All reasonable attempts will be made to complete the work when the resident is not in the home. If this is not possible Social distancing guidelines will be strictly adhered too.

- d. Surface areas where work is to be performed will be sanitized prior too, and after work is completed.
- e. Summary of the work completed will be available online in lieu of leaving a paper service ticket.
- f. Door and locks will be wiped down before and after service is completed.
- g. All required entry activity into occupied units is maintained in the residents electronic file and available upon request.

4. EMERGENCY SITUATIONS

In an emergency situation in which someone is sick, and/or has a suspected or confirmed case of Covid-19, the additional steps will be taken:

- a. Employee(s) will don additional PPE equipment to include: masks, Tyvek suits, eye protection, gloves and boot-covers
- b. Tape the Tyvek suits over the gloves
- c. Sanitize the entire area the work is to be completed: before and after the service is performed.
- d. Go to a secure location/ away from team members and residents.
- e. Remove all protective coverings immediately when finished in the unit. All items except eye protection go in a black plastic trash bag. Throw away once bag is tied and taped
- f. Tech(s) must avoid touching themselves or anything else, thoroughly wash hands, face, remove uniform, placing in black plastic trash bag, and immediately wash and dry by itself. Thoroughly disinfect eye protection
- g. Note: ALL technicians will keep extra uniforms onsite in case there is a need to remove theirs for cleaning

5. ONGOING PROTOCOL TO BE FOLLOWED BY ALL EMPLOYEES

- a. Maintain Social distancing, do not shake hands, make physical contact with residents or team members.
- b. Wipe down and clean surfaces that you touch frequently (KeyTrak machines, appliances, machinery, etc.) using a disinfectant spray or wipe at least 4 times per day
- c. Wear rubber gloves always when entering apartment homes, and remove them carefully/dispose properly as follows:
 - Pinch and hold the outside of the glove near the wrist area
 - Peel downwards, away from the wrist, turning the glove inside out
 - Pull the glove away until it is removed from the hand and hold the inside-out glove with the gloved hand
 - Pull them off from the inside corner so that you do not touch the outside of the glove that has many germs, place in plastic bag, tied and disposed of in a waste container.

Date

Via Private Process Server and U.S. Mail

Name

Address

Newport News, VA 23606

Re: 90-Day Notice of Lease Termination
For the Premises Located at:

_____, Newport News, VA 23606(the "Premises")

Dear **RESIDENT** and Occupants:

Management desires to terminate your tenancy effective _____.

Pursuant to your lease agreement, you are hereby given ninety (90) days to vacate the Premises or suit will be filed for possession of your apartment.

Please note that this 90-Day notice is issued in accordance with the guidelines of the Uniform Relocation Assistance and Real Property Acquisition Policies. The Owner has applied for Federal and State financial assistance that will allow Woodlands At Oyster Point to complete a property renovation program while creating affordable housing that will begin as early as July 2021 when financing is approved.

NEXT STEPS:

- **PRIOR TO May 1, 2021**, schedule to meet with me, Kerry Grygo, at 757-930-5036, or at kgrygo@rossmgtservices.com to determine if you qualify under the affordable housing certification requirements and to determine if you qualify for relocation assistance.
- If you do qualify for the affordable housing program, you may be eligible for Permanent or Temporary Displacement for Qualified Residents. This would entail that you provide certification information, meet the affordable housing certification criteria and execute a lease to remain for an alternate apartment at Woodlands At Oyster Point Apartments. As a result, you may be eligible for on-site relocation and Owner paid moving expenses (**REFERENCE EXHIBIT 1**).
- If you do not qualify for the affordable housing program, you may be eligible for Permanent Displacement for non-Qualified Residents. This would entail that you have provided certification information, do not meet the affordable housing certification criteria and will be permanently displaced from Woodlands At Oyster Point Apartments. As a result, you may be eligible for Relocation

Advisory Services, Moving Expenses and Replacement Housing Payment
(REFERENCE EXHIBIT 2).

NOTE: Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction. If you choose to move or if you are evicted, you will not be eligible to receive relocation assistance. It is important for you to contact us before making any moving plans.

Should you fail to vacate the Premises by midnight on June 30, 2021, a suit may be filed for possession of your apartment in the District Court for the City of Newport News located in Newport News, VA.

You are also notified that the rent for the Premises is due, in accordance with your lease terms of this Notice. If you fail to vacate, any rent paid and accepted by the Landlord after the date which you must vacate, shall not constitute rent, but shall constitute payments for your wrongful use and occupancy of the Premises during the period you hold over, and shall not constitute a waiver of any rights of the landlord.

If you have any questions, please contact me at 757-930-5036, or at kgrygo@rossmgtservices.com.

Sincerely,

Kerry Grygo
Property Manager

Exhibit 1

GUIDEFORM NOTICE OF NONDISPLACEMENT TO RESIDENTIAL TENANT

This correspondence is to notify you of proposed plans to rehabilitate the property you currently occupy at Woodlands At Oyster Point for a project which could receive funding assistance from State and Federal programs. The Owner has applied for financing with an anticipated approval in March 2021 and rehabilitation will begin shortly after approval.

- **This is a notice of non-displacement.** You will be required to move permanently to another apartment home at Woodlands of Oyster Point 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 another suitable, decent and sanitary apartment at Woodlands At Oyster Point 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 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, you are urged 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. Failure to do so may be cause for eviction and loss of relocation assistance.

If you have any questions, please contact our Property Manager, Kerry Grygo at 757-930-5036, or at kgrygo@rossmgtsevices.com.

Exhibit 2

GUIDEFORM NOTICE OF ELIGIBILITY FOR URA RELOCATION ASSISTANCE RESIDENTIAL TENANT

This correspondence is to notify you of proposed plans to rehabilitate the property you currently occupy at Woodlands At Oyster Point Apartments for a project which could receive funding assistance from State and Federal programs. The Owner has applied for financing with an anticipated approval in March 2021 and rehabilitation will begin shortly after approval.

It has been determined that you will be displaced by the project. Since you are being displaced in connection with this federally funded project, you will be eligible for relocation assistance and payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

- **This is your Notice of Eligibility for relocation assistance**
- **The effective date of your eligibility is _____.** (*Insert date of Initiation of Negotiations, see 49 CFR 24.2(a)(15) or applicable HUD program regulations*)

(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.)

Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction and loss of relocation assistance.

The relocation assistance to which you are entitled includes:

Relocation Advisory Services. Including counseling and other assistance to help you find another home and prepare to move.

Payment for Moving Expenses. You may choose: (1) a payment for your actual reasonable moving and related expenses, or (2) a fixed moving payment in the amount of \$_____ based on the URA Fixed Residential Moving Cost Schedule, or (3) a combination of both.

Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement dwelling, (2) the monthly rent and cost of utility services for your present home, and (3) for low-income persons, 30 percent of your average monthly gross household income. This payment is calculated on the difference in the old and new housing costs for a one-month period and multiplied by 42.

If you have any questions about this letter and your eligibility for relocation assistance and payments, please contact our Property Manager, Kerry Grygo at 757-930-5036, or at kgrygo@rossmgtsservices.com before you make any moving plans. She will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.



I hereby certify that this Notice was served as follows:

_____ PERSONAL SERVICE

Being unable to make personal services, a copy was delivered in the following manner:

_____ Delivered to a family member age 16 or older at usual place of abode of party named above after giving information of its purport. List name, age of recipient, and relation of recipient to party named above.

_____ Posted on front door.

DATE:

Person Making Service:

RMS III, LLC dba ROSS MANAGEMENT SERVICES
Woodlands at Oyster Point

_____, 20____

Resident of Woodlands at Oyster Point Apartments (to be renamed as Waverly at Oyster Point)

Re: 60-Day Notice to Move; By required move date
Permanent Relocation

Dear name of resident,

On _____, 20____ we sent you a Notice of Intent to Acquire, General Information Notice and 120-Day Notice for the acquisition and renovation of Apartments by RMS III, LLC dba ROSS Management Services. Virginia Housing has approved the project and the funding for it.

We have determined that you will need to relocate to another unit at Woodlands at Oyster Point. The General Information Notice was followed by a 90-Day Notice of Lease Termination, sent to you on (date 90 day notice sent) which notified you that you must move from your current apartment by _____.

If it has been determined that you do qualify for the affordable housing program, you may be eligible for Permanent or Temporary Displacement for Qualified Residents. This would entail that you provide certification information, meet the affordable housing certification criteria and execute a lease to remain for an alternate apartment at Woodlands At Oyster Point Apartments. As a result, you may be eligible for on-site relocation and Owner paid moving expenses.

If it has been determined that you do not qualify for the affordable housing program, you may be eligible for Permanent Displacement for non-Qualified Residents. This would entail that you have provided certification information, do not meet the affordable housing certification criteria and will be permanently displaced from Woodlands At Oyster Point Apartments. As a result, you may be eligible for Relocation Advisory Services, Moving Expenses and Replacement Housing Payment.

If you disagree with the estimated amount of relocation assistance or the comparability of the representative replacement dwelling you may file an administrative appeal to Virginia Housing. We will provide contact information for the appeal to Virginia Housing. For low-income persons and those unable to prepare a written appeal, or who require assistance in preparing an appeal, we shall provide such assistance and/or refer you to an appropriate third party who will provide such assistance at no cost to you.



In order to help you protect your rights and benefits in the relocation process, we will reasonably accommodate persons with disabilities and provide language assistance for persons with limited English proficiency. Please tell our representative if you need auxiliary aides, written translation, oral interpretation, or other assistance in order to fully participate in the relocation process.

If you have any questions about this letter or your eligibility for relocation assistance and payments, please contact the Property Manager, Kerry Grygo at kgrygo@rossmgtservices.com or 757-930-5036, before you make any moving plans. She will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which the law may entitle you.

NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance under the Uniform Relocation Action, 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.

Sincerely,

Kerry Grygo

Property Manager

Tenant Affidavit: I acknowledge and understand the contents of this letter.

Signature of Resident

Current Address

Date Signed



RMS III, LLC dba ROSS MANAGEMENT SERVICES
Woodlands at Oyster Point

_____, 20____

Resident of Woodlands at Oyster Point Apartments (to be renamed as Waverly at Oyster Point)

Re: 30-Day Notice to Move; By required move date
Temporary Relocation

Dear name of tenant,

On _____, 20____ we sent you a Notice of Intent to Acquire, General Information Notice and 120-Day Notice for the acquisition and renovation of Apartments by RMS III, LLC dba ROSS Management Services. Virginia Housing has approved the project and the funding for it.

We have determined that you will need to temporarily relocate to another unit at Woodlands at Oyster Point. The General Information Notice was followed by a 90-Day Notice of Lease Termination, sent to you on (date 90 day notice sent) which notified you that you must move from your current apartment by _____. You were also sent a 60 day notice of permanent relocation on (date 60 day notice sent). You must temporarily relocate from your current apartment by _____.

We have identified the following comparable unit for you at Woodlands at Oyster Point: _____. You will be able to move back to your original apartment after the renovation is completed. Please contact us immediately if you believe this unit does not compare reasonably to your current home. We can explain our basis for selecting this dwelling as most representative of your current home and discuss your concerns.

Your move-in inspection is schedule to occur: _____

Please come by the office to get the key to your temporary apartment on or after _____.

If you disagree with your designation as a displaced person, the estimated amount of relocation assistance, or the comparability of the representative replacement dwelling you may file an administrative appeal to Virginia Housing. We will provide contact information for the appeal to Virginia Housing. For low-income persons and those unable to prepare a written appeal, or who require assistance in preparing an appeal, we shall provide such assistance and/or refer you to an appropriate third party who will provide such assistance at no cost to you.

In order to help you protect your rights and benefits in the relocation process, we will reasonably accommodate persons with disabilities and provide language assistance for persons with limited English proficiency. Please tell our representative if you need auxiliary aides, written translation, oral interpretation, or other assistance in order to fully participate in the relocation process.



If you have any questions about this letter or your eligibility for relocation assistance and payments, please contact the Property Manager, Kerry Grygo at kgrygo@rossmgtservices.com or 757-930-5036, before you make any moving plans. She will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which the law may entitle you.

NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance under the Uniform Relocation Action, 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.

Sincerely,

Kerry Grygo

Property Manager

Tenant Affidavit: I acknowledge and understand the contents of this letter.

Signature of Resident

Current Address

Date Signed



RMS III, LLC dba ROSS MANAGEMENT SERVICES
Woodlands at Oyster Point

_____, 20__

Resident of Woodlands at Oyster Point Apartments (to be renamed as Waverly at Oyster Point)

Re: 30-Day Notice to Move; By required move date
Permanent Relocation

Dear name of tenant,

On _____, 20__ we sent you a Notice of Intent to Acquire, General Information Notice and 120-Day Notice for the acquisition and renovation of Apartments by RMS III, LLC dba ROSS Management Services. Virginia Housing has approved the project and the funding for it.

We have determined that you will need to relocate to another unit at Woodlands at Oyster Point. The General Information Notice was followed by a 90-Day Notice of Lease Termination, sent to you on (date 90 day notice sent) which notified you that you must move from your current apartment by _____. You were also sent a 60 day notice of permanent relocation on (date 60 day notice sent). You must move from your current unit by _____.

We have identified the following comparable unit for you at Woodlands at Oyster Point: _____. Please contact us immediately if you believe this unit does not compare reasonably to your current home. We can explain our basis for selecting this dwelling as most representative of your current home and discuss your concerns.

Your move-in inspection is schedule to occur: _____

Please come by the office to get the key to your new unit on or after _____.

If you disagree with your designation as a displaced person, the estimated amount of relocation assistance, or the comparability of the representative replacement dwelling you may file an administrative appeal to Virginia Housing. We will provide contact information for the appeal to Virginia Housing. For low-income persons and those unable to prepare a written appeal, or who require assistance in preparing an appeal, we shall provide such assistance and/or refer you to an appropriate third party who will provide such assistance at no cost to you.

In order to help you protect your rights and benefits in the relocation process, we will reasonably accommodate persons with disabilities and provide language assistance for persons with limited English proficiency. Please tell our representative if you need auxiliary aides, written translation, oral interpretation, or other assistance in order to fully participate in the relocation process.



If you have any questions about this letter or your eligibility for relocation assistance and payments, please contact the Property Manager, Kerry Grygo at kgrygo@rossmgtservices.com or 757-930-5036, before you make any moving plans. She will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which the law may entitle you.

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Sincerely,

Kerry Grygo

Property Manager

Tenant Affidavit: I acknowledge and understand the contents of this letter.

Signature of Resident

Current Address

Date Signed



K

Documentation of
Development Location

This deal does not require
information behind this tab.

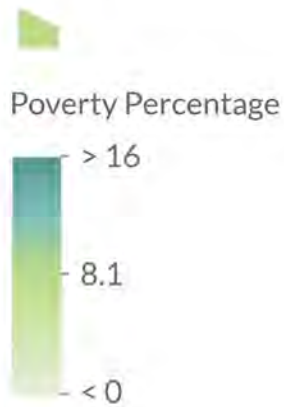
K.1

Revitalization Area
Certification

Legend

Existing Tax Credit Locations

Percent Poverty and Additional Information



Census Tract Information

The address entered is situated in Census Tract **321.28** in **Newport News city**.

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

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

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

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

The tract's poverty is **18.90%**

This location falls within **Tidewater MSA** geographic pool. It is also subject to current square

Additional information regarding this site:

Is it located within the New Construction pool? **No**

Is it located within a non-metropolitan Difficult to Develop Area (DDA)? **No**

It is located in Congressional District: **03**

It is located in Planning District: **23**

It is located in State Senate District: **2**

It is located in State House District: **94**

Revitalization Reference

Is it located within a Qualified Census Tract (QCT)? **No**

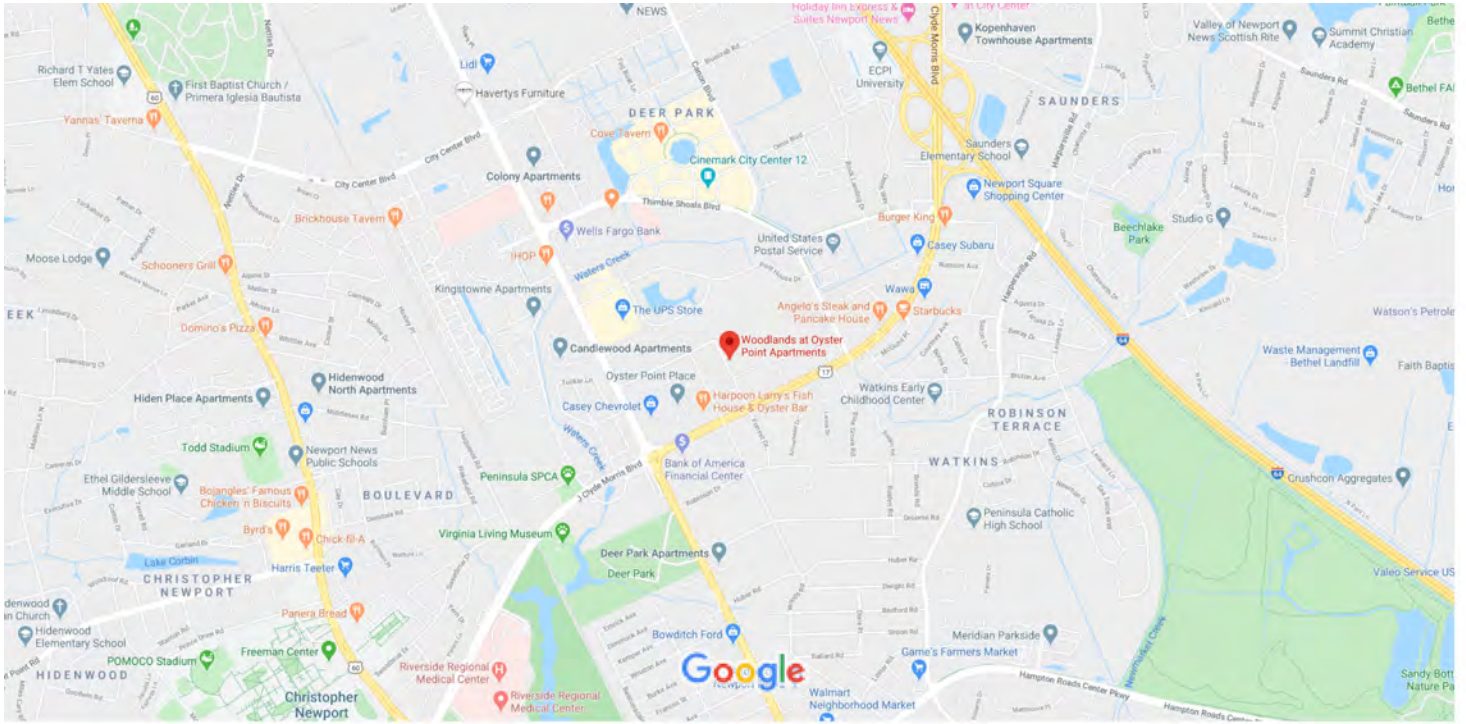
Is it located within a tract where 70% or more of families have incomes which are 80% or l

Zoom to

K.2

Location Map

Woodlands at Oyster Point Apartments



Map data ©2020 1000 ft



Woodlands at Oyster Point Apartments

2.0 ★★ (6)

Apartment complex



Directions



Save



Nearby



Send to your phone



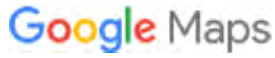
Share



819 Forrest Dr #15, Newport News, VA 23606



23616R Newport News, Virginia



Woodlands at Oyster Point Apartments



Imagery ©2020 Commonwealth of Virginia, Maxar Technologies, U.S. Geological Survey, USDA Farm Service Agency, Map data ©2020

200 ft



Woodlands at Oyster Point Apartments

2.0 ★ ★ (6)

Apartment complex



Directions



Save



Nearby



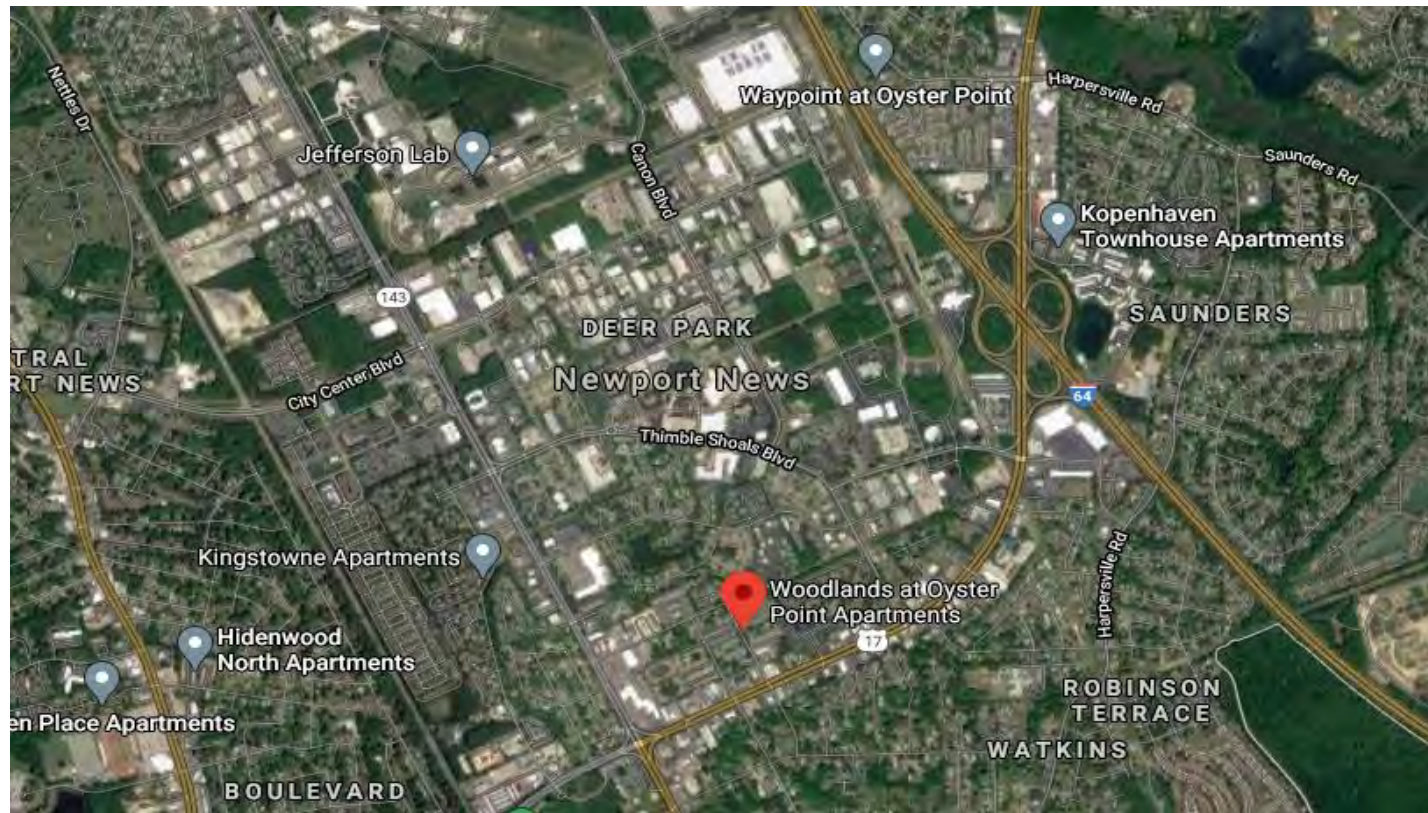
Send to your phone

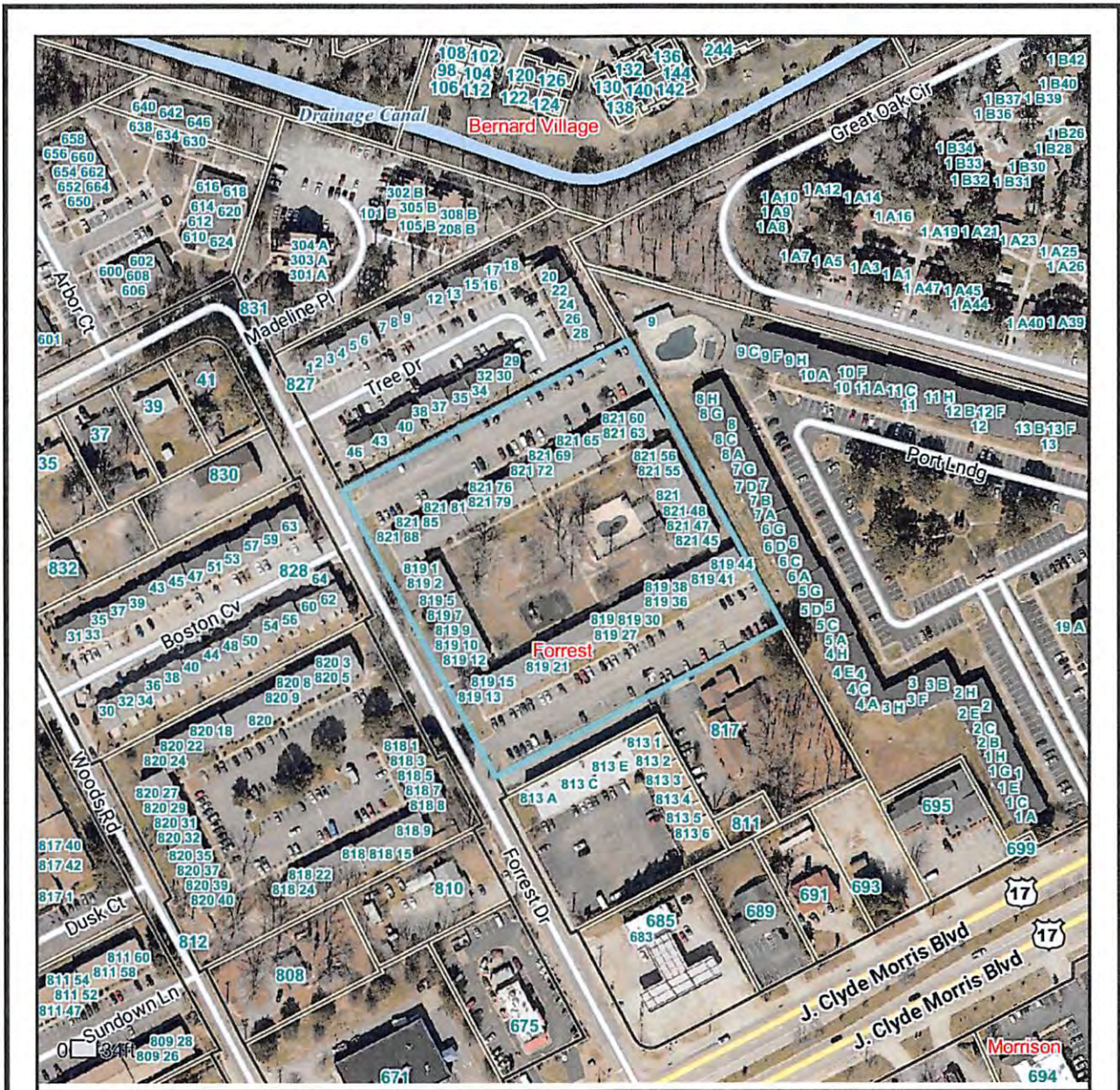


Share



819 Forrest Dr #15, Newport News, VA 23606






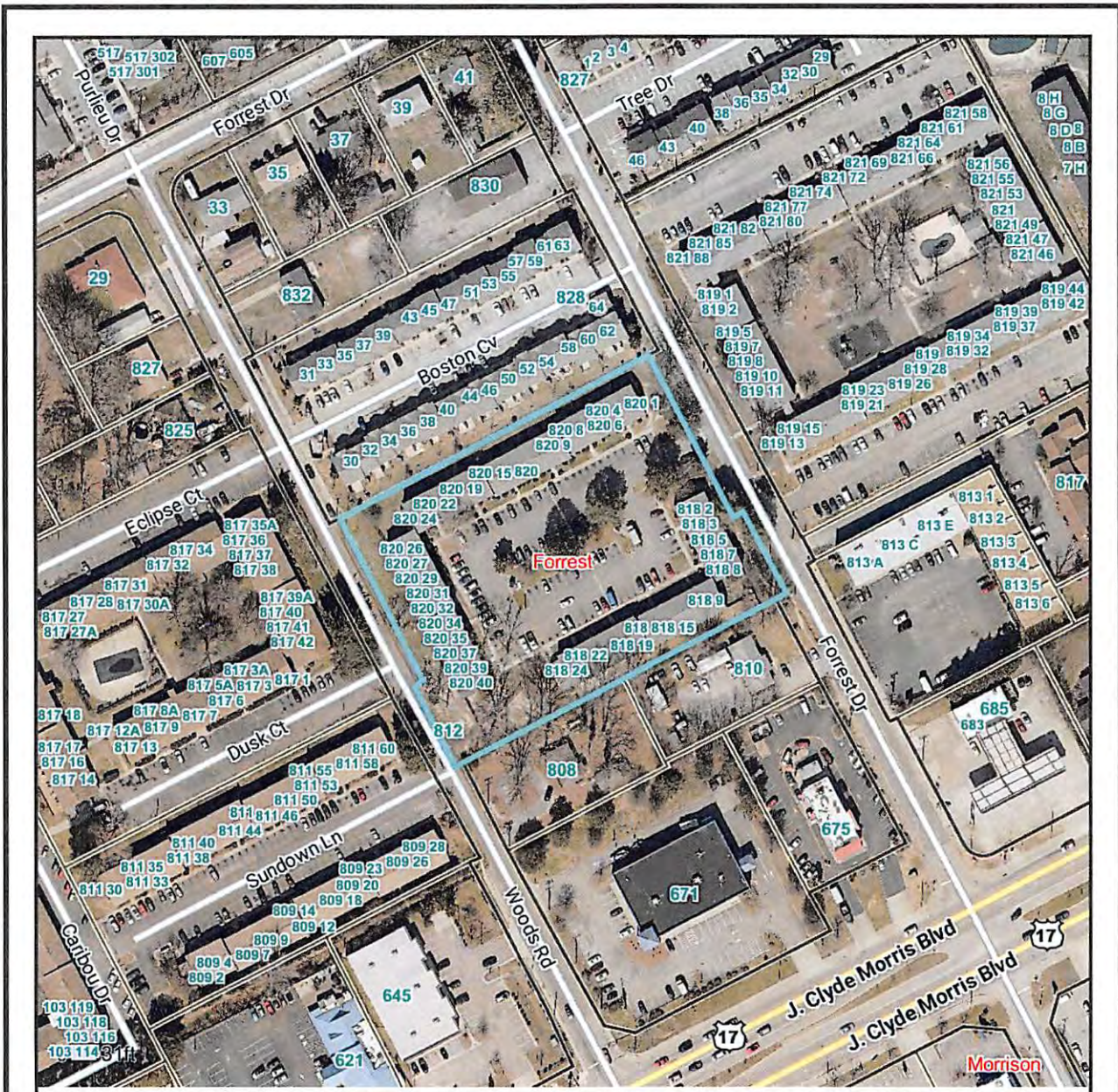
Legend

Regional Major Roads	Fire Stations	Interstates	Railroads
Libraries	Museums	Primary Roads	Streams
Interstates	Right of Way	Vehicular Trails	Water Bodies
Primary Roads	Parcels	Ramps/Service Roads	Airport Runways
Other	Road Centerlines	Other	Parks
Schools	(cont)	Residential Roads	Aerial Photo (2016)
Hospitals			
Police Stations			

City of Newport News




Any determination of topography or contours, or any depiction of physical improvements, property lines or boundaries is for general information only and shall not be used for the design, modification, or construction of improvements to real property or for flood plain determination.



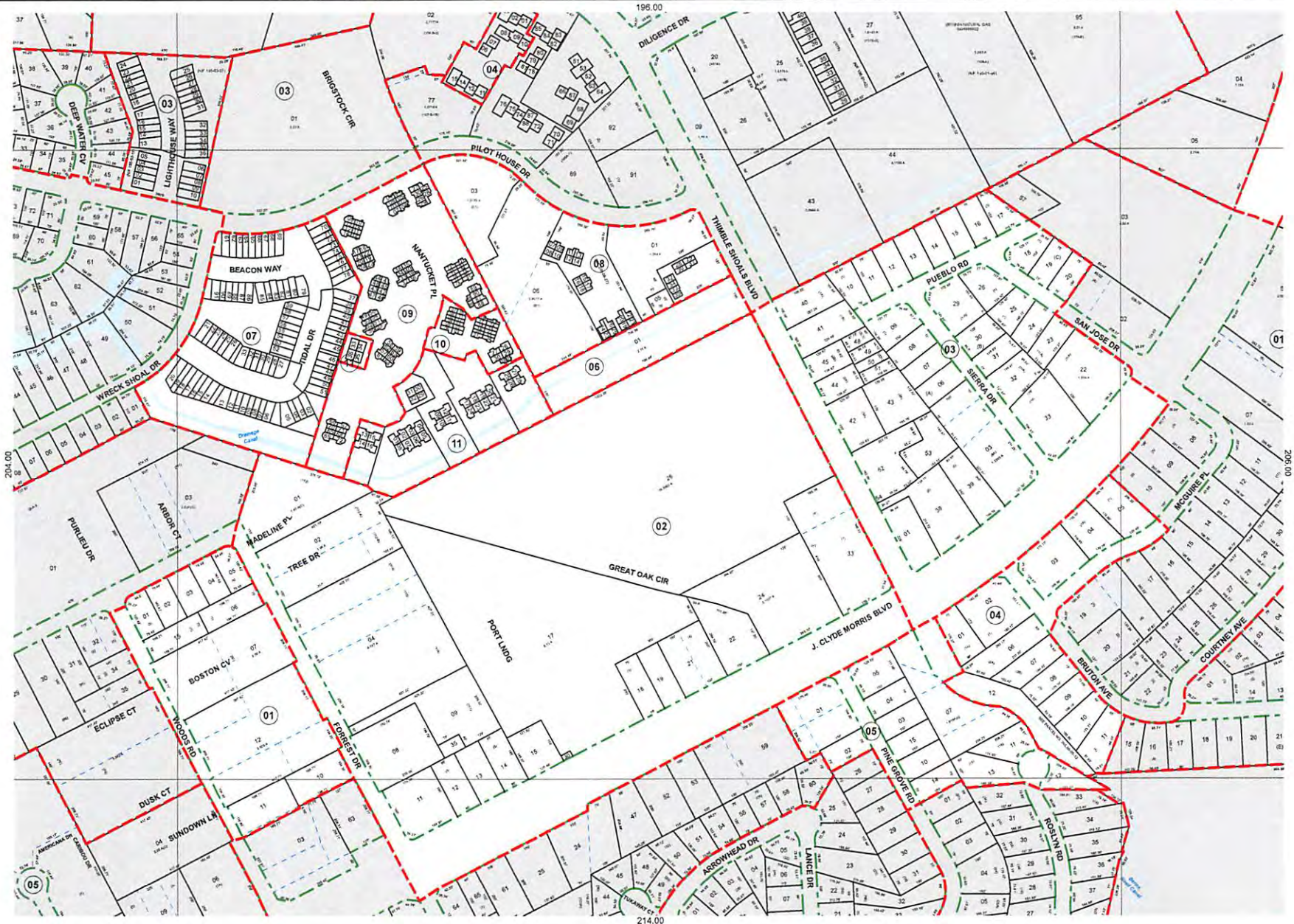
Legend

Regional Major Roads	Fire Stations	Interstates	Railroads
Interstates	Libraries	Primary Roads	Streams
Primary Roads	Museums	Vehicular Trails	Water Bodies
Other	Right of Way	Ramps/Service Roads	Airport Runways
Schools	Parcels	Other	Parks
Hospitals	Road Centerlines	Residential Roads	Aerial Photo (2016)
Police Stations	(cont)		

City of Newport News

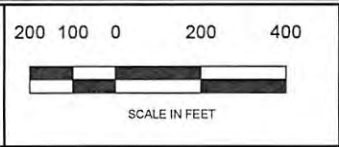


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Prepared by
**INFORMATION TECHNOLOGY
 GIS DIVISION**

Legend	
	Tax Block
	Right of Way
	Property
	Lot
	Traverse
	Railroad
	Tax Block Number
	Property Number
	Denotes Common Owner
	Block Number
	Subdivision Lot Number
	Adjacent Tax Maps



**REAL ESTATE ASSESSMENT MAP
 of the
 CITY OF NEWPORT NEWS, VIRGINIA**

Any determination of topography or contours, or any depiction of physical improvements, property lines or boundaries is for general information only and shall not be used for the design, modification, or construction of improvements to real property or for flood plain determination.

MAP NUMBER
205.00
 Mar 04, 2019

K.3

Surveyor's Certification of
Proximity to Public
Transportation



Surveyor's Certification of Proximity to Transportation

DATE: December 14, 2020

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

RE: 2020 Tax Credit Reservation Request

Name of Development: Woodlands at Oyster Point
Name of Owner: AOZPCREI Woodlands LLC

Gentlemen:

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

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

- 2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop.



Townes Site Engineering

Firm Name

By: MAYNARD J. TINSMAN III

Its: Survey Project Manager

Title

ASK US HOW.

1 Park West Circle, Suite 108, Midlothian, VA 23114
804-748-9011 Fax 804-748-2590 www.cctownes.com



L

PHA/Section 8 Notification
Letter



February 23, 2021

Dear Customer,

The following is the proof-of-delivery for tracking number: 772932421497

Delivery Information:

Status:	Delivered	Delivered To:	Receptionist/Front Desk
Signed for by:	Y.GREGORY	Delivery Location:	
Service type:	FedEx Express Saver		
Special Handling:	Deliver Weekday; Direct Signature Required		NEWPORT NEWS, VA,
		Delivery date:	Feb 23, 2021 13:56

Shipping Information:

Tracking number:	772932421497	Ship Date:	Feb 17, 2021
		Weight:	
Recipient:		Shipper:	
NEWPORT NEWS, VA, US,		New York, NY, US,	

Signature image is available. In order to view image and detailed information, the shipper or payor account number of the shipment must be provided.

Thank you for choosing FedEx



PHA or Section 8 Notification Letter

Development Name: Woodlands at Oyster Point
Tracking #: _____

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

General Instructions

1. Because of conflicting program requirements regarding waiting list procedures, this letter is not applicable to those developments that have 100% project-based Section 8 or project-based vouchers.
2. This PHA or Section 8 Notification letter must be included with the application.
3. 'Development Address' should correspond to the application.
4. 'Proposed Improvements' should correspond with the Application.
5. 'Proposed Rents' should correspond with the Application.
6. 'Other Descriptive Information' should correspond with information in the application.

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

PHA or Section 8 Notification Letter

DATE: February 10, 2021

TO: Newport News Redevelopment and Housing
227 27th St., P.O. Box 797
Newport News, VA 23607

RE: PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Woodlands at Oyster Point

Name of Owner: AOZCREI Woodlands LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on August, 2021 (date), August, 2021

The following is a brief description of the proposed development:

Development Address:
819 Forest Dr., Newport News, VA 23606

Proposed Improvements:

<input type="checkbox"/> New Constr.:	_____	# units	_____	# Bldgs
<input type="checkbox"/> Adaptive Reuse:	_____	# units	_____	# Bldgs
<input checked="" type="checkbox"/> Rehabilitation:	151	# units	20	# Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ _____	/ month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ 872.00	/ month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ 1041.00	/ month
<input checked="" type="checkbox"/> 3 Bedroom Units:	\$ 1198.00	/ month
<input type="checkbox"/> 4 Bedroom Units:	\$ _____	/ month

Other Descriptive Information:

PHA or Section 8 Notification Letter

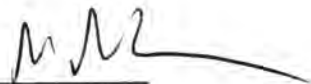
We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at
(641) 946-0972.

CLL-946-0482

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

Sincerely yours,

AOZPCREI Woodlands LLC by: 

Name

Peter, Tzelios, Authorized Signatory

Title

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

Seen and Acknowledged By: _____

Printed Name: _____

Title: _____

Phone: _____

Date: _____

M

Locality CEO Response
Letter



City of Newport News

Virginia 23607

2400 Washington Avenue

(757) 926-8411

Fax (757) 926-3503

Office Of The City Manager

February 17, 2021

Virginia Department of Housing and Community Development
600 East Main Street, Suite 300
Richmond, VA 23219
Attention: Kyle Flanders

RE: Formal Letter of Support for the Woodlands at Oyster Point Apartments Project

Dear Mr. Flanders:

I am writing in regard to the planned financing and rehabilitation of multifamily residential rental housing facilities known as Woodlands at Oyster Point Apartments (the "Project") located in the City of Newport News, Virginia (the "City") through the proposed issuance by the Newport News Redevelopment and Housing Authority (the "Authority") of its revenue bonds in the amount of up to \$18,000,000 (the "Bonds") to assist AOZPCREI Woodlands LLC, a Delaware limited liability company (the "Borrower"), in financing or refinancing certain costs of the acquisition, construction, renovation, rehabilitation and equipping of the Project. Based on the materials submitted to the Authority by the Borrower with respect to the Project (the "Borrower's Submissions"), we understand that the Project will consist of approximately 10 buildings containing approximately 152 rental units representing approximately 114,000 net rentable square feet and will be located at 819 Forrest Drive in the City. On November 17, 2020, the Board of Commissioners of the Authority approved an inducement resolution to issue the Bonds. The City Council of the City resolved to authorize the Authority to issue the Bonds at their meeting on January 12, 2021.

Based on the Borrower's Submissions and in reliance on the same and related submissions made by the Authority to the City, we believe the rehabilitation of the Project will provide modern accommodations to the City's low and moderate income population and should help the City fulfill its housing needs and priorities. Among the required attachments to the Authority's Application for allocation of private activity bonds for the Project (the "Application"), submitted at the request of the Borrower, is a letter from the chief appointed official of the locality in which the project is located, endorsing the project

Kyle Flanders
February 17, 2021
Page 2

and stating that the project is in conformity with any Consolidated Plan covering the locality. Accordingly, in my capacity as chief appointed official of the City, I communicate the City's endorsement of the allocation of private activity bonds for the Project as described in the Application and confirm that the Project is in conformity with any Consolidated Plan covering the City.

If you need any additional information, please feel free to contact Sandra Powell at the Authority, at (757) 928-2645.

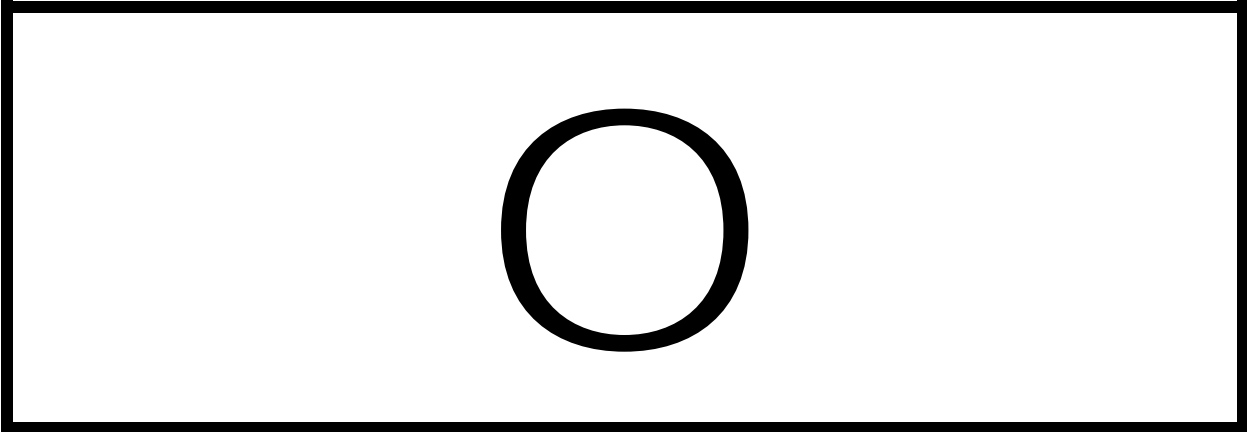
Sincerely,


Cynthia D. Rohlf
City Manager

N

Homeownership Plan

This deal does not require
information behind this tab.



O

Plan of Development
Certification Letter

Proposed Improvements:

	# Units	# Buildings	Approx. Total Floor Area
<input type="checkbox"/> New Construction:			
<input type="checkbox"/> Adaptive Reuse:			
<input checked="" type="checkbox"/> Rehabilitation:	151	20	133,569

Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following as appropriate:

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

The above plan of development approval is in effect until: The development is redeveloped/Zoning Changes

[Signature]
Signed
Nyoka C. Hall
Printed Name
Housing Administrator
Title
157-926-9089
Phone
02/22/21
Date

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

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THOSE certain lots, pieces or parcels of land with improvements thereon and appurtenances thereunto belonging, situate, lying and being in the City of Newport News, Virginia, and shown on a plat of survey prepared by John G. Royster, Jr., C.P.E., dated December 2, 1986, entitled, "Plat of Lots 114, 115 and 116, Robinson Tract (4.16 ac.) & Parcels 1, 2 & 3 (2.90 ac.), being Lot 81 and ½ of Lot 80, Robinson Tract, Property known as Lenox Square Apartments Located in Newport News, Virginia", which said plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Newport News, Virginia in Deed Book 1132, Page 2124. Said Parcels being more particularly described as follows:

TAX PARCEL #205000112:

Beginning at an iron pin (set), the "Point of Beginning", in the western right-of-way line of Forrest Drive (Variable width Public R/W), said pin being a distance of 313.06' along the aforementioned right-of-way, from the northern line of J. Clyde Morris Boulevard (U.S. Route 17); thence turning and proceeding in a westerly direction, leaving said right-of-way, along a bearing of S 70° 17' 00" W and a distance of 397.42' to an iron pin (set), in the eastern right-of-way line of Woods Road (Variable width Public R/W); thence turning and proceeding in a northerly direction, along said eastern right-of-way line, along a bearing of N 19° 43' 00" W and a distance of 313.06' to an iron pin (set); thence turning, leaving said right-of-way, and proceeding in an easterly direction, along a bearing of N 70° 17' 00" E and a distance of 397.42' to an iron pin (set), in the western right-of-way line of the aforementioned Forrest Drive; thence turning and proceeding in a southerly direction along said right-of-way, along a bearing of S 19° 43' 00" E and a distance of 313.06' to an iron pin (set), the point of beginning. Said Parcel contains 124,416 square feet or 2.856 acres.

TAX PARCEL #205000204:

Beginning at an iron pin (set), the "Point of Beginning", in the eastern right-of-way and on the previous 10' dedication line of Forrest Drive (Variable width Public R/W), said pin being a distance of 370.22' along the aforementioned right-of-way, from the northern line of J. Clyde Morris Boulevard (U.S. Route 17); thence proceeding in a northly direction, with said right-of-way, along a bearing of N 20° 08' 59" W and a distance of 226.18' to an iron pin (set), thence continuing in a northerly direction, with said right-of-way, along a bearing of N 20° 02' 04" W and a distance of 99.83' to an iron pin (set); thence continuing in a northerly direction, with said right-of-way, along a bearing of N 19° 16' 24" W and a distance of 100.70' to an iron pin (set); thence turning and proceeding in an easterly direction, along a bearing of N 70° 15' 46" E and a distance of 422.01' to an iron pipe (found); thence turning and proceeding in a southerly direction, along a bearing of S 20° 36' 53" E and a distance of 427.01' to an iron pipe (found);

thence turning and proceeding in a westerly direction, along a bearing of S 70° 17' 50" W and a distance of 427.22' to an iron pin (set), the point of beginning. Said Parcel contains 181,502 square feet or 4.167 acres.

IT BEING the same property conveyed to Wellington Apartment Associates, LLC, a Virginia limited liability company, by deed from Wellington Associates, LLC, a Delaware limited liability company, dated April 29, 2008 and recorded on April 29, 2008. in the aforesaid Clerk's Office as Instrument No. 080009390.

INSTRUMENT 200002896
RECORDED IN THE CLERK'S OFFICE OF
NEWPORT NEWS CIRCUIT COURT ON
MARCH 10, 2020 AT 03:57 PM
\$3260.00 GRANTOR TAX WAS PAID AS
REQUIRED BY SEC 58.1-802 OF THE VA. CODE
STATE: \$1630.00 LOCAL: \$1630.00
ANGELA F. REASON, CLERK
RECORDED BY: MMV

P

Copies of 8609s to
Certify Developer
Experience and
Partnership agreements

This deal does not require
information behind this tab.

Q

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

This deal does not require
information behind this tab.

R

Documentation of
Operating Budget
and Utility Allowance

Additional incentive:

If a property is located in an Enterprise Zone and if eligible rehabilitation costs are at least \$100,000, you should apply for a Real Property Investment Enterprise Zone Grant by April 1st following the completion of the rehabilitation.

Application forms are available from the Department of Development and the Department of Codes Compliance and should be submitted to:

FLORENCE G. KINGSTON
DIRECTOR OF DEVELOPMENT
2400 Washington Avenue, 3rd Floor
Newport News, VA 23607

For more information about this and other programs that benefit Newport News businesses, contact:

City of Newport News
Department of Development
(757) 926-8428



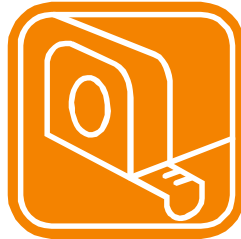
REAL ESTATE TAX ABATEMENT FOR REHABILITATED COMMERCIAL STRUCTURES



City of Newport News
Department of Development
2400 Washington Avenue, 3rd Floor
Newport News, VA 23607
(757) 926-8428

Building new commercial buildings has become increasingly expensive in recent years. Modernizing an older building may provide a lower cost alternative to new construction.

Many older buildings are in areas of the city that are well served by public infrastructure and public transportation. Many of these buildings are also located in state-designated Enterprise Zones.



The Newport News City Council has enacted an ordinance to encourage commercial rehabilitation in the city by providing a five-year partial abatement of real estate taxes. This ordinance provides for a reduction of the post-rehabilitation assessment of a qualifying property by fifty percent (50%) of the eligible rehabilitation costs.

This reduction assessment, which results in the abatement of real estate property taxes, continues for five years after the rehabilitation is completed. Or, if it is more beneficial to the property owner, for five years after the January 1st following the completion of the rehabilitation.



City of Newport News—Names to Know:
Cynthia D. Rohlf, City Manager
Charles Vester, City Assessor
Harold L. Roach, Director of Codes Compliance
Florence G. Kingston, Director of Development



To qualify for the Commercial Rehabilitation Real Estate Property Tax Abatement, you must meet every condition below:

1. The building must be 20 years old (15 if within an Enterprise Zone) or older and used for non-residential purposes.
2. The eligible rehabilitation costs incurred by the applicant must be equal to at least twenty percent (20%) of the assessed value of the building immediately prior to beginning the rehabilitation.



3. The rehabilitation may expand the building square footage by no more than fifty percent (50%).
4. All required building and other permits must be acquired.

5. The rehabilitation may not be a rebuilding after a fire, natural disaster or other act of God.
6. An application must be submitted to and approved by the Director of Development.

What are eligible rehabilitation costs?

Eligible rehabilitation costs are the same as qualified zone improvements for the State Enterprise Zone Real Property Investment Grant. Eligible rehabilitation



costs include: exterior and interior construction, interior demolition, sitework and paving, landscaping, cleaning and clean up, and exterior repair.



February 2, 2021

Anthony Barkan
 AOZPCREI Woodlands, LLC
 33 Irving Place, 2nd Floor
 New York, New York 10003
 tbarkan@allagashoz.com

RE: Preliminary Utility Allowance for Woodlands at Oyster Point

Dear Mr. Barkan,

Please see the following Preliminary Utility Allowance (UA) for Woodlands at Oyster Point located in Newport News, Virginia. Projections were generated with the applicable rates, fees, and taxes of following providers:

Electricity:	Dominion Energy	Gas:	N/A
Water:	N/A	Trash:	N/A
Sewer:	N/A		

The utility rates used to produce this UA are no older than the rates in place 60 days prior to the date of this letter. Below is a table depicting the highest monthly UA by each bedroom type. Should you have any questions do not hesitate to contact me.

PRELIMINARY UA*			ALLOWANCES BY BEDROOM SIZE				
Utilities	Utility Type	Paid by	Studio	1-bdr	2-bdr	3-bdr	4-bdr
Heating	Electric	Tenant	N/A	\$ 17	\$ 19	\$ 21	N/A
Air Conditioning	Electric	Tenant	N/A	\$ 7	\$ 10	\$ 13	N/A
Cooking	Electric	Tenant	N/A	\$ 4	\$ 6	\$ 8	N/A
Other Electric	Electric	Tenant	N/A	\$ 17	\$ 24	\$ 30	N/A
Hot Water	Electric	Tenant	N/A	\$ 11	\$ 14	\$ 17	N/A
Water	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Sewer	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Trash	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Total UA for costs paid by tenant			N/A	\$ 57	\$ 73	\$ 89	N/A

**Allowances only for Renovation units at Woodlands at Oyster Point as an ENERGY STAR project with Larger Apartment Bldgs. (5+ units) and Electric Heat Pump space heating. Due to rounding, the amounts for the UA components may not add up to the Total UA amount.*

Sincerely,

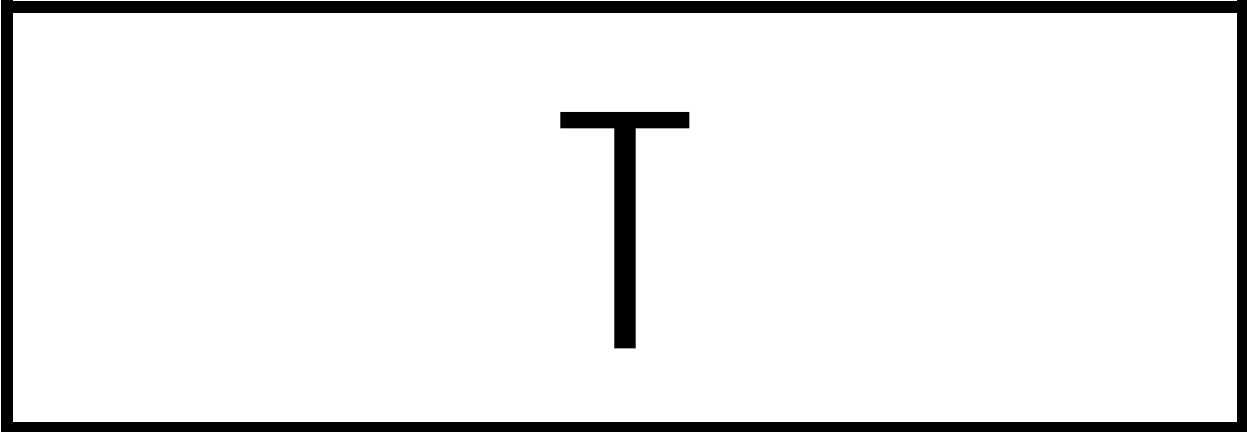
Rob McRaney

Rob McRaney
 Business Relations Manager

S

Supportive Housing
Certification

This deal does not require
information behind this tab.



T

Funding Documentation



FALLBROOK CREDIT FINANCE

TERM SHEET

2/23/2021

Tony Barkan
Co-Managing Member
AOZCREI GP LLC
as Managing Member of:
AOZPCREI Woodlands LLC
819 Forrest Drive
Newport News, VA 23606

Re: Acquisition by Fallbrook LIHTC Fund I, LLC of a 99.59% interest in AOZPCREI Woodlands LLC

Dear Mr. Barkan:

Fallbrook Credit Finance, LLC (“Fallbrook”) has reviewed preliminary information regarding the affordable housing project known as “Woodlands at Oyster Point”, located at 819 Forrest Drive, Newport News, VA 23606, (the “Project”) and has an interest in investing in the Project through its investment fund. Upon completion, the Project will deliver 151 units of affordable housing to qualified tenants. The Project will be financed through the award of tax-exempt volume cap bonds from the Newport News Redevelopment and Housing Authority and federal low-income housing tax credits (“LIHTC”) from Virginia Housing. This letter is intended to be a summary of the salient terms of the transaction and is not intended to constitute a complete statement of terms or a legally binding or enforceable agreement. Final terms will be dictated within the executed partnership documents. A condition to funding is based on Fallbrook’s approval of the partnership agreements and satisfactory due diligence for the Project. The business terms that will be recommended to the investment committee are set forth in this term sheet below.

Please evidence your acceptance of the foregoing by signing and returning to me the Term Sheet on or before March 15, 2021 on which date this proposal, if not previously so accepted and returned, will expire. If you have any questions regarding this letter agreement, do not hesitate to call me at 818-657-6100.

Sincerely,

Fallbrook Credit Finance, LLC

By: _____
Name: Brandt Blanken
Its: President

Term Sheet

As further detailed in Section 2.2 below, an affiliate investment fund of Fallbrook Credit Finance, LLC would make Capital Contributions to AOZPCREI Woodlands LLC (the “Partnership”) in the aggregate amount of approximately \$6,505,206 or the equivalent of \$0.88 per each \$1.00 of federal low-income housing tax credit (the “Tax Credits”) allocated to Fallbrook. The Tax Credits are projected to be approximately \$7,392,280 (the final projected Tax Credit amount shall be determined in connection with the underwriting for closing).

1. Project Assumptions

The Partnership has received an allocation or commitment for tax-exempt volume cap bonds in an aggregate amount of \$18,000,000 from the Newport News Redevelopment and Housing Authority (“NNRHA”). The NNRHA will be the issuer of the tax-exempt bonds.

1.1. Development Structure

- The Property. Woodlands at Oyster Point at 819 Forrest Drive, Newport News, VA 23606.
- The Partnership. AOZPCREI Woodlands LLC. The Partnership has been formed to acquire, construct, own, and operate the Property.
- Investor, Special Limited Partner, and Continuing Limited Partner. An affiliate investment fund of Fallbrook Credit Finance, LLC (“Fallbrook”, “Limited Partner” or “LP”), or an entity affiliated with Fallbrook, will purchase a 99.59% Limited Partner interest in the Partnership upon satisfactory completion of the conditions contained in this Term Sheet (“Admission”). An entity affiliated with the LP will be a special limited partner in the Partnership with certain restricted management rights and a small interest in sale proceeds (the “Special Limited Partner” or “SLP”). The SLP will own a 0.01% Limited Partner interest in the Partnership. Allagash Opportunity Zone CRE Fund I, a current member in the Partnership (the “Continuing Limited Partner” or “CLP”), shall remain a member of the Partnership. The CLP will own a 0.20% Limited Partner interest in the Partnership.
- General Partner. AOZPCREI GP LLC (the “GP”) will have control rights of the Property, subject to the restricted management rights of the SLP, and will own a 0.20% Limited Partner interest in the Partnership.
- Developer. The Property will be developed by AOZPCREI Woodlands Development LLC (the “Developer”).
- Guarantor. The obligations of the Developer and General Partner must be guaranteed by CLP (the “Guarantor”) subject to review by LP and SLP. The Guarantor must maintain sufficient net worth and liquidity to meet its obligations. LP and SLP will have the right to accept or reject the Guarantor in their sole discretion based on a detailed review of the Guarantor’s financial statements and other items received during LP’s and SLP’s due diligence.
- General Contractor. The general contractor will be an affiliate of ROSS Companies or another entity selected by GP and reasonably acceptable to LP (the “General Contractor”). Construction must be secured by a letter of credit equal to 15% of the construction contract or a Payment and Performance Bond from an insurance company acceptable to the LP, at its sole discretion.
- Management Agent. The Property will be managed by a management agent (the “Management Agent”). The Management Agent shall be an affiliate of the ROSS Companies, pending review and acceptance by LP, or another agent selected by GP and reasonably acceptable to LP. The Management Agent will have demonstrated experience managing Section 42 properties and will receive a competitive management fee, which shall not exceed the lesser of (i) 6% of effective gross revenue or (ii) the maximum amount permitted by any lender or VHDA. If related to General

Partner, the Management Agent will enter into an agreement to defer and accrue its fee (provided that property will not be deferred), if necessary, to prevent (i) a default under the mortgage loan documents and (ii) to avoid an operating deficit. Breach of this agreement will be grounds for removal of the Management Agent. Fallbrook is aware of the nature of the relationship between Ross Companies and the GP and agrees and acknowledges that the GP and Ross Companies are not related entities.

1.2. Property Design and Development Schedule

The Property will be developed with a total of one hundred fifty one (151) units.

Property Design					
Tenant Type	Units	SF	Beds/Bath	Rent AMI	Subsidy
Family	4	577	1BD/1BA	60%	N/A
Family	145	806	2BD/1BA	60%	N/A
Family	2	994	3BD/1BA	60%	N/A
Total	151				

Development Schedule:	
Metric	Date Achieved
Closing	May 1, 2021
Construction Start	June 1, 2021
Construction Completion	February 1, 2023
Placed in Service	January 1, 2022 - March 1, 2023
Initial Lease-Up is Expected to Begin	January 1, 2022 - January 1, 2023
Stabilization Date	June 1, 2023
Receipt of Form 8609's	December 31, 2023

1.3. Financing

In no event, will the hard debt be underwritten to a debt service coverage ratio of less than 1.15x.

Type	Lender	Amount	Projected Rate Cap	Fixed Rate	Term	Amort.	Hard Payments
Construction	Fallbrook Loan Fund	\$20,244,569	4.15%	Yes	24 Months	IO	Yes
Permanent	Fallbrook Loan Fund	\$22,296,510	4.15%	Yes	15 Years	40 Years*	Yes

* Initial 2-year Interest Only Period for the Permanent Loan

1.4. Reserves

All required reserves are expected to be funded prior to or by the Stabilization Installment.

- Replacement Reserve. Property operating expenses will include funding of a Replacement Reserve

in the amount of at least \$300 per unit per year. The Replacement Reserve, and any interest earned on the Replacement Reserve, shall be maintained by the Partnership in the replacement reserve accounts, shall be utilized to make capital improvements and repairs to the Project and shall require the signature of the General Partner for withdrawals. The Replacement Reserve shall at all times meet the requirements of the Permanent Lender. If Replacement Reserves are required under the Permanent Loan, then separate, duplicate reserves will not be required hereunder.

- Operating Reserve. An Operating Reserve will be held in an account maintained by the Partnership and held at Fallbrook Loan Fund, LLC's financial institution in an interest bearing account. The required operating reserve amount equals six (6) months of operating expenses, reserve payments, and required debt service (subject to LP consent). The Operating Deficit Guarantee will be applied prior to any draws from the Operating Reserve. The Operating Reserve shall be funded at Stabilization with the 3rd LIHTC installment. The Operating Reserve will be released to the Borrower at the end of the Compliance Period. If an Operating Reserves is required under the Permanent Loan, then separate, duplicate reserves will not be required hereunder.

1.5. Other

- We have assumed a hard cost contingency of 5%.
- Project will undergo a cost segregation study to break out short life assets. Assumption that 12% of assets will have a depreciable life of 5 years and 7% of assets will have a depreciable life of 15 years.
- Any interest income earned by the Partnership on the Capital Contributions of LP and any other Partnership reserve or escrow accounts (whether such amount is held by the Partnership or held by a lender) will be specially allocated to the CLP.
- No interest will accrue on any outstanding Deferred Developer Fee balance.

2. Tax Credits and Capital Contributions

2.1. Tax Credit Assumptions

- The Partnership is expected to receive a tax credit allocation of federal LIHTC for the Property in the projected amounts displayed in the table below.
- If the LIHTC credit rate is not locked, LP's investment will be sized based on the credit rate in effect at the time of closing. This Term Sheet assumes 4.00% for the "4%" LIHTC credit rate.
- Tax Credits are expected to be generated as follows (final projected Tax Credits to be determined prior to closing):

Credit	2022	2023-2031	2032
LIHTC	554,405	739,280	184,875

2.2. Capital Contributions

Based upon the assumptions that you submitted and subject to the satisfactory completion of LP's due diligence, LP will make Capital Contributions to the Partnership in the aggregate amounts and at the times shown below:

	Payment Conditions	Amount	%
1	Later of Admission or Construction Start	\$1,343,052	20%
2	Later of 100% Construction Completion or February 1, 2023	\$1,678,815	25%
3	Later of Conversion to Permanent Financing or June 1, 2023	\$3,357,630	50%
4	Later of 8609's or Filing of first tax credit year tax return.	\$335,763	5%
	Total:	\$6,715,259	100%

Installments are due only after the prior installment's conditions have been met. Installments may be adjusted in accordance with Capital Adjusters as set forth in Section 2.3 below.

2.3. Capital Adjusters

The installments of equity shall be subject to standard tax credit timing and basis adjuster calculations subject to the availability of funds.

Downward Timing. For each \$1.00 of LIHTC delivered to LP in 2022 and 2023 less than the closing projections, the Capital Contributions related to such LIHTCs will be reduced by \$0.55 ("Timing Reduction"). For each \$1.00 of LIHTC delivered to LP in 2022 greater than the closing projections, the Capital Contributions related to such LIHTCs will be increased by \$0.275 ("Timing Increase").

Downward Basis. If the actual amount of annual tax credits certified by the Project accountant to be allocable to LP is less than the amount set forth above, then the amount of the Capital Contributions to be provided by LP will be decreased by \$0.88 for each \$1.00 that the LP credit share is reduced. If LP has made Capital Contributions such that, after the calculation of a downward basis, LP has made Capital Contributions in an amount greater than required, the Partnership shall repay LP such excess amount. Such repayment shall be due within 30 days after written notification from the LP and any amount not paid within such thirty day period will accrue interest at a rate of 10% from the date due, plus any penalties payable by LP or its partners.

Upward Basis. If the actual amount of annual tax credits certified by the Project accountant to be allocable to LP is more than the amount set forth above, then the amount of the Capital Contributions to be provided by LP will be increased by \$0.88 for each \$1.00 that the LP credit share is increased. If LP has made Capital Contributions such that, after the calculation of an upward basis, LP has made Capital Contributions in an amount greater than required, the Partnership shall repay LP such excess amount. Such repayment shall be due within 30 days after written notification from the LP and any amount not paid within such thirty day period will accrue interest at a rate of 10% from the date due, plus any penalties payable by LP or its partners. The Upward Basis will be limited to 10% of the Capital Contributions projected at the closing of the tax credit partnership, unless otherwise agreed to by LP. If not previously paid, the increased Capital Contributions shall be paid as part of the final installment, or if the final installment has already been paid, then the LP shall pay the increased Capital Contribution within 30 days after the certification of the tax credit amount.

2.4. Development Fee

The Developer is projected to earn in aggregate a total development fee of \$2,235,314. The actual amount of the total developer fee may increase based on the final Cost Certification and in accordance with VHDA requirements, and otherwise subject to the reasonable approval of LP. We expect a portion of the development fee will be outstanding after payment of all installments of equity (“Deferred Development Fee”). Payment of any Deferred Development Fee will be subject to available cash flow or sale/refinance proceeds and will bear no interest rate, based on its review of tax implications associated with the fee. The Partnership shall be obligated to pay any amount of outstanding Deferred Development Fee prior to the end of the thirteenth anniversary of the date the Property are placed in service.

Developer fee payouts shall be projected as follows:

Event	Projected Date	% Total Fee	Amount
Closing	May 1, 2021	21%	\$469,415
Renovation Period	June 1 2021 - February 1, 2023	21%	\$22,353/month
100% Placed in Service	March 1, 2023	5%	\$111,765 + Unpaid Renovation Period Payments
Stabilization	June 1, 2023	6%	\$134,118
8609's	December 31, 2023	5%	\$111,765
Deferred	by December 31, 2026	42%	\$938,838 + Timing Increase or - Timing Decrease

3. Specific Rights and Obligations of GP, CLP, Developer, and Guarantor

The General Partner, the CLP, the Developer, and the Guarantor shall, on behalf of and in the name of the Partnership and in addition to any obligations placed upon them elsewhere in the LLC agreement of the Partnership, have but not be limited to the following specific obligations.

3.1. Completion Guaranty

The Partnership will enter into a Development Agreement with the Developer, whereby the Developer is responsible for achieving the completion of the construction of the Project and absolutely and unconditionally guaranteeing to the Partnership and the Limited Partner that the Property will be constructed in a good and workmanlike manner free and clear of all mechanics’ and similar liens, in accordance with the plans and specifications and in accordance with the terms, conditions and provisions of the permanent loan and construction loan, and equipping the Property with all necessary and appropriate fixtures, equipment and personal property on or before the construction completion date. The obligations of the Developer under the Development Agreement include, without limitation, providing all funds required of the Partnership to so complete construction of the Property (to the extent not then available under the permanent loan, construction loan, or Capital Contributions), including, without limitation, cash equity, unanticipated or additional development or construction costs, on and off-site escrows, taxes, insurance premiums, interest, funding of operating deficits prior to stabilization, reserves, escrows, legal expenses and accounting expenses.

“Development Agreement” means the development agreement entered into or to be entered into by the Partnership and the Developer pursuant to which the Developer shall assume primary responsibility for

overseeing the development of the Property and bearing certain cost overruns to the extent not covered by the deferral of Development Fee.

“Guarantee Agreement” means the Guarantee Agreement between the Partnership and the Guarantor.

“Financial Forecasts” means the Financial Forecasts provided with Partnership documents.

3.2. Operating Deficit Guaranty

The General Partner and Guarantor will be jointly and severally obligated to provide the funds to the Partnership during the Operating Deficit Guaranty Period and through the end of the 5th anniversary year of the Stabilized Operations Date required by the Partnership to permit the Partnership to meet all reasonable operating and fixed costs attributable to such period related to owning and operating the Partnership and Property; provided that the obligation to provide funds from the Stabilized Operations Date is until the 5th anniversary thereof shall be limited to 14 months foreclosable debt service, operating expenses and replacement reserves, currently calculated to be \$2,333,340. Such operating deficits would be reduced first by deferring payment of fees and expenses due to any entity affiliated with the General Partner or Guarantors, including the Management Fee to the extent due to an entity related to the GP. Such costs shall include all operating and fixed costs accrued or accruable during such period, including, without limitation, taxes, assessments, insurance premiums, maintenance expenses, funds for replacement reserves and required escrow and other reserves and debt service payments. Such costs will also include a ratable portion of the annual amount of seasonal and/or periodic expenses, including but not limited to utilities, maintenance expenses and real estate taxes, which might reasonably be expected to be incurred on an unequal basis during a full annual period of operation. Please see below for proposed relevant definitions to be included in the final Partnership Agreement. Any undefined terms shall be further defined in the final Partnership Agreement.

“Operating Deficit Guaranty Period” means the period beginning with Stabilized Operations and ending on the fifth (5th) anniversary of the Stabilized Operations Date, provided, however, that the Operating Deficit Guaranty Period shall not expire until all of the following conditions are satisfied: (i) the Project has operated at or above a Debt Coverage Ratio of at least 1:15:1:00 for the preceding twelve (12)-month period based upon financial information certified by the General Partner and reasonably acceptable to the Special Limited Partner, and (ii) the Operating Reserve has been restored to its original Operating Reserve Amount.

“Stabilized Operations” means the date following Construction Completion upon which: (i) the Project has achieved Qualified Occupancy, (ii) the Project has maintained physical occupancy of 90% for a minimum of 90 consecutive days, (iii) all conditions in the Permanent Loan definition have been satisfied and the closing and funding of the Permanent Loan has occurred or will occur concurrently with the funding of the applicable Capital Contribution installment.

“Permanent Loan” means the permanent loan that will encumber the Project which will be on terms acceptable to the Special Limited Partner and be subject to the terms herein. The General Partner shall calculate the actual amount of the Permanent Loan and provide the Special Limited Partner the opportunity to review and reasonably consent to such amount at least thirty (30) days prior to Permanent Loan conversion. Unless otherwise agreed to by the Special Limited Partner, at the time of conversion, the Project shall satisfy the Debt Coverage Ratio Requirement over a consecutive ninety (90)-day period using: (i) the annualized aggregate substantiated Cash Receipts of the Project at the time (excluding tenant based rental subsidies in excess of current asking rents and adjusted for the vacancy rate assumed in the Financial Projections if such rate is greater than the actual vacancy rate) and (ii) annualized aggregate Operating Expenses (excluding any payment of principal and interest on any Partnership indebtedness) which shall reflect the Specified Expense Line Items and, for all other Operating Expenses, the greater of the Special Limited Partner’s projected expenses included in the Financial Projections and the actual substantiated expenses of the Project at the time. Further, if, at the time of the calculation of the Debt Coverage Ratio in the immediately preceding sentence, the Debt Coverage Ratio is less than the Debt Coverage Ratio

Requirement, the General Partner shall be permitted to reduce the Permanent Loan to a sufficient amount to account for the decrease in the Debt Coverage Ratio. Pursuant to the Financial Projections attached hereto, the maximum principal amount of the amortizing Permanent Loan is \$21,427,694.

“Debt Coverage Ratio Requirement” means a Debt Coverage Ratio of at least 1.15:1.00 at Stabilized Operations and 1.10:1.00 throughout the Compliance Period.

“Cash Receipts” means with respect to a Fiscal Year or other applicable period, all cash receipts of the Partnership from whatever source derived from normal operations, including, without limitation, rental revenues (except pre-paid rent, which shall be added only on an accrual basis during such period), government subsidy payments on an accrual basis from normal operations, proceeds from business or rental interruption insurance, laundry income, parking revenue, and other incidental revenues, but specifically excluding interest on Partnership reserves, proceeds from insurance (other than business or rental interruption insurance), loans, proceeds of a Capital Transaction or Capital Contributions. In addition, any amount released without restriction from any escrow or reserve account in a Fiscal Year (including, without limitation, the Operating Reserve and the Replacement Reserve) shall be considered a Cash Receipt of the Partnership for such Fiscal Year. Notwithstanding the foregoing, at the election of the General Partner, Cash Receipts received near the end of a Fiscal Year and intended for use in meeting the Partnership’s obligations (including the cost of acquiring assets or paying debts or expenses) in the subsequent Fiscal Year shall not be deemed to be received until such following Fiscal Year.

3.3. Repurchase Obligation

In the event that (i) the Project does not generate any Tax Credits during the year forecasted for any reason whatsoever (other than a deferral of the first year of the credit period, if applicable), (ii) construction completion and placement in service of all buildings are not achieved on or before the forecasted period and would cause the Project to fail to qualify for Tax Credits or the Project is not eligible for at least 70% of the projected Tax Credits, (iii) the Partnership fails to timely comply with any requirements of §42 of the IRS code, (iv) the Project does not achieve qualified occupancy by April 30, 2024, (v) the Partnership fails to meet the 50% Test; (vi) foreclosure proceedings have been commenced under the construction loan or permanent loan and not dismissed within sixty (60) days, (vii) the General Partner or any Guarantor fails to provide or cause to be provided any funds required to be provided by the General Partner or Guarantor under the Guaranty Agreement, (viii) submission of documentation for the Form 8609 for each building in the Property does not occur by the end of the first tax year, (ix) the conversion of the construction loan to the permanent loan does not occur by the time required by the permanent lender’s commitment or loan documents then, in any such event, upon the written request of the Limited Partner, the General Partner shall purchase the Limited Partner’s interest in the Partnership for an amount equal to the sum of all Capital Contributions actually made to the Partnership by the Limited Partner, with interest at eight percent (8%) per annum, calculated from the date of such Capital Contributions, plus all expenses incurred (including, but not limited to, attorney and accounting fees) by the Limited Partner in connection with entering into the Partnership and exiting the Partnership, less any Tax Credits previously allocated to the LP and not subject to recapture.

3.4. Compliance Obligation

The General Partner and Guarantor shall take any and all actions required to ensure that the Project will continue to qualify for low-income housing tax credits with respect to each building in the Project during the period of fifteen (15) taxable years beginning with the first taxable year of the credit period (the "Compliance Period"), as more particularly defined in IRS code section 42.

3.5. Tax Credit Adjusters

The General Partner and Guarantor shall be obligated to fund the adjustments to the Capital Contributions resulting from a reduction or a delay in the tax credit amount as noted above.

3.6. Management Rights

The consent of LP will be required to: (a) sell or refinance the Property, (b) withdraw, admit, or substitute a General Partner, or (c) sell, assign, encumber, or pledge the general partner interests (except as may be required by the financing for the Project contemplated herein. In addition, (a) in the event a General Partner files for bankruptcy, (b) if the Partnership or the General Partner are in material default under their commitments and obligations past any applicable notice and cure periods, or (c) in certain other circumstances as specified in the Partnership Agreement, LP after reasonable notice and cure period will have the right to remove a General Partner and substitute the Special Limited Partner or another affiliate of LP as a successor general partner with the powers of general partner.

3.7. General Partner Standard Obligations, Representations, and Warranties

The General Partner, or the CLP as appropriate, will be responsible for all customary General Partner obligations and indemnifications and for the accuracy of all customary representations and warranties to the Partnership and LP. We have assumed that there are no existing environmental issues affecting the site or project.

3.8. General Partner's Option to Purchase Property or LP and SLP Interests

- a. Each of the Investor Limited Partner and the Special Limited Partner hereby grants to the CLP or its designated Affiliate the option, commencing on the day following the close of the Compliance Period and ending one year thereafter (the "Option Period"), to purchase their respective interest in the Partnership (each, a "Partnership Interest") for a purchase price (the "Purchase Price") equal to the greater of:
 - a. The Fair Market Value of the Partnership Interest (taking into account all factors including without limitation the rights to distributions and the calculations thereof as may be limited pursuant to the provisions of Section 4 below), and
 - b. The sum of (a) any amounts owed to the applicable Limited Partner to repay any loan made by the Investor Limited Partner or Special Limited Partner to the Partnership, and (b) the Credit Deficiency amount.
- b. The foregoing option to acquire any Partnership Interest shall lapse if notice of exercise is not given during the Option Period or closing does not occur within 120 days following the close of the Option Period. The CLP shall be required to concurrently acquire the Partnership Interests of the Investor Limited Partner and the Special Limited Partner.

"Fair Market Value" means the fair market value as determined by an M.A.I. appraiser mutually acceptable to the General Partner and the Investor Limited Partner or, if there is no such agreement, (i) the Investor Limited Partner shall select an M.A.I. appraiser and the General Partner shall select a second M.A.I. appraiser; (ii) the two M.A.I. appraisers shall select a third M.A.I. appraiser; (iii) the third M.A.I. appraiser shall determine the fair market value, which appraisal may take into consideration any continued restrictive use agreement affecting the Project required by VHDA and other encumbrances affecting the use of the Project. The costs of determining the Fair Market Value shall be paid for by the Partnership.

4. Allocation and Distributions

The tax credits, depreciation, and operating profits and losses of the Partnership shall be allocated 99.59% to LP, 0.01% to the SLP, 0.2% to the CLP, and 0.2% to the General Partner. With respect to taxable income, the Partnership will utilize a cost segregation study to accelerate the depreciation at on the property. We have

assumed a 30-year depreciation schedule for building improvements, 15 years for land improvements, and 5 years for personal property.

Cash Flow from operations shall, prior to the making of any distributions pursuant to Distributions set forth below, be paid out in the following order and priority:

- (1) First, to the Limited Partner the payment of any accrued asset management fee;
- (2) Second, to the Limited Partner, the annual asset management fee in the amount of \$7,500 which shall increase by 3% annually;
- (3) Third, to the Limited Partner to the extent of any amount to which the Limited Partner is entitled to receive from cash flow as payment to satisfy any unpaid Tax Credit Adjusters;
- (4) Fourth, to the replenishment to the Operating Reserve Account, and then to the Replacement Reserve, to the extent any amount is still due from prior years but not yet contributed;
- (5) Fifth, principal on the Deferred Developer Fee, if any;
- (6) Sixth, to the General Partner or its assignee, the annual partnership management fee of \$5,000 which shall increase by 3% annually;
- (7) Seventh, the balance, if any, to the Limited Partner to repay any amounts treated as loans to the Partnership by the Limited Partner;
- (8) Eighth, the balance, if any, to the CLP to repay any amounts treated as loans to the Partnership by the CLP; and
- (9) Ninth, the balance, if any, to the General Partner to repay any amounts treated as loans to the Partnership by the General Partner; and
- (10) Tenth, to pay any deferred Management Fee;
- (11) Eleventh, to the General Partner or its assignee, 90% of the remaining available cashflow from operations as an incentive management fee (the "Incentive Management Fee")
- (12) Twelfth, the balance, if any, shall be distributed 0.18% to the General Partner, 89.82% to the CLP and 10.00% to the Limited Partner.

Net cash of a sale or refinancing shall be distributed as follows:

- (1) First, to the Limited Partner to the extent of any amount to which the Limited Partner is entitled to receive to satisfy any unpaid Tax Credit adjusters;
- (2) Second, to the Limited Partner an amount equal to the amount obtained by dividing (a) the amount of any federal, state or local income tax liability which would be imposed upon the Limited Partner as a result of the sale or refinancing, assuming that the Limited Partner is subject to the highest marginal federal, state and local income tax rates, by (b) the tax factor (the "Exit Taxes");
- (3) Third, to the Limited Partner for the payment of current and accrued asset management fees, if outstanding;

- (4) Fourth, to the payment of any debts and liabilities (including any unpaid fees) owed to the partners or affiliates by the Partnership for Partnership obligations; provided, however, that the foregoing debts and liabilities owed to partners and their affiliates shall be paid or repaid, as applicable, in the following order of priority, if and to the extent applicable: (i) unpaid loans to the Limited Partner, (ii) unpaid loans to the CLP, (iii) unpaid loans to the General Partner, (iv) unpaid Developer Fee and pursuant to the Development Agreement; and (v) amounts treated as partnership loans;
- (5) Fifth, to fund reserves for contingent or unforeseen liabilities or obligations of the Partnership to the extent deemed reasonable by the General Partner;
- (6) Sixth, to the Limited Partner, an amount equal to its positive capital account immediately prior to the applicable sales and refinancing transaction; and
- (7) Seventh, the balance of net cash from a sale or refinancing, if any, shall be distributed 0.18% to the General Partner, 89.82% to the General Partner and 10.00% to the Limited Partner.

5. Reporting

The Partnership shall furnish LP with quarterly unaudited financial statements. Annual audited financial statements and tax returns for the Partnership shall be prepared by an independent firm of certified public accountants, reasonably approved by LP, familiar with reporting requirements applicable to a LIHTC property under a timetable to be specified in the Partnership Agreement. Such audit is projected to be done by CohnReznick LLP.

6. Due Diligence and Closing Process

Upon receipt of an executed copy of this Term Sheet, the parties will agree upon a mutually acceptable due diligence period and closing schedule which is currently estimated to be May 3, 2021.

LP's decision to invest in the Partnership, the final terms of such investment, and the Admission of LP to the Partnership are subject to the satisfactory completion of LP's due diligence process, including without limitation, review and approval of the following due diligence items:

- a) Engineering. All related due diligence, including all plans and specifications, the construction budget, and related construction documents.
- b) Environmental. Phase I environmental report (ASTM 1527-05 Standards), the phase II environmental report (if applicable), and completion of any work recommended therein. LP requires that all third-party reports provide reliance letters which are not limited in time or amount.
- c) Market Study. LP's market study which will evaluate the Property suitability and marketability as a LIHTC property, including review of rents, expenses.
- d) Financial and Capacity Review. A satisfactory review by LP's chief credit officer of 1) the audited financial statements (or unaudited financial statements for individuals, if applicable) of the General Partner, Partnership, Developer, Co-Developer, Guarantor, General Contractor, and affiliates, and 2) the statement of real estate owned by the General Partner, Developer, Guarantor, and affiliates.
- e) Background and Credit Review. Backgrounds and credit worthiness of the General Partner, Developer, Co-Developer, Guarantor, Property Management Agent, and General Contractor.
- f) Insurance. Receipt of a satisfactory insurance policy insuring against fire and other casualty in an amount equal to the full replacement cost of the Property. A combined single limit property damage and

commercial general liability insurance policy in the amount of not less than \$1 million per occurrence/\$2 million aggregate with an umbrella policy of no less than \$3 million. The primary limits must be on a “per location” basis and the LP, Special Limited Partner, and Partnership are to be additional insured by endorsement.

- g) Accountants. The Partnership accountants require consent by LP in its sole and absolute discretion.
- h) A financial projection by the Accountants, the LP, or the LP’s designee which demonstrates that the buildup of debt does not cause a bona fide debt issue.
- i) Receipt of satisfactory commitments and form loan documents for construction and permanent financing.
- j) Site inspection by LP.
- k) ALTA Owner's Policy of Title Insurance.
- l) Acceptable partnership documents and tax opinions.
- m) Satisfactory negotiation and execution of all legal documentation required to consummate the transactions contemplated by this Term Sheet.
- n) Approval of the terms of the investment by LP’s committee in its sole and absolute discretion and satisfaction of such other conditions as it may require.

7. Materials Requirement

To the extent feasible and available and subject to the last sentence of this Section 7, the Partnership shall use Sherwin-Williams products in connection with the construction of the Project. Such Sherwin-Williams products shall include, without limitation, paints, stains, caulks, blinds, floor coverings and sealants. Furthermore, the Guarantor agrees to promote the use of Sherwin-Williams products in other properties owned or maintained by the Guarantor and, if applicable, to the tenants of the Project prior to and during the course of the construction of the Project. Sherwin-Williams products shall be competitively priced and both parties agree to act in good faith.

8. Costs, Expenses, and Legal Counsel

In addition to any expenses that are specifically stated to be the responsibility of the General Partner, the Partnership shall pay LP a closing fee in the amount of \$147,846 or 2.00% of the Tax Credits (the “Closing Fee”) for the Property. The Closing Fee does not include any legal fees and shall be payable upon Admission of LP from the first equity installment of LP to the Partnership. The Partnership shall pay the LP a Due Diligence Deposit in the amount of \$25,000 (the “Due Diligence Deposit”), payable upon execution of this Term Sheet.

9. Changes

Any material change to the information provided to us, or any material change to our assumptions after our due diligence review, could affect our financial projections and thus the amount and terms of the Capital Contributions. Fallbrook has predicated the proposed terms contained in this Term Sheet on the financial projections it has prepared, which are based upon the financial and other information furnished by the Developer or its agents, as well as certain assumptions of the federal income tax consequences of this transaction. Many regulations remain to be issued under various tax acts and many tax provisions contain ambiguities. The issuance of regulations or other formal resolution of such ambiguities by the IRS, or any other changes in these tax assumptions, could affect the financial projections and thus, the amount and terms of the Capital Contributions.

10. Intentionally Deleted

11. Acceptance and Term

The above are the general terms and conditions of the proposed transaction which are subject to Fallbrook's due diligence. This Term Sheet reflects the understanding and agreements of the parties in principle, but it is expressly understood that this Term Sheet is not intended to constitute a complete statement of terms or a legally binding or enforceable agreement. The consummation of this transaction is subject to satisfactory completion of the due diligence process, approval by Fallbrook's committee in its sole and absolute discretion, and execution of all legal documentation to be drafted by Fallbrook's counsel and negotiated by the parties to the satisfaction of all of the parties in their sole discretion. As a result, this Term Sheet does not represent a firm commitment by Fallbrook to invest in the Property and does not create a legally binding obligation on Fallbrook (or any of its affiliates) to become a limited partner of the Partnership or on the Partnership or the GP to accept Fallbrook as a partner of the Partnership. Neither party's obligations described in this Term Sheet shall become binding upon the other until Fallbrook and the ultimate investor have approved the investment in the Project, in their sole and absolute discretion, and all of the necessary parties have executed final Partnership documents and have been admitted to the Partnership upon terms and conditions described in the final Partnership documents approved by the parties and the investor. Developer, General Partner and their affiliates forever waive and hereby release Fallbrook and its affiliates from any and all claims arising from the failure to consummate the transactions contemplated by this Term Sheet, including, without limitation, any claims for detrimental reliance, breach of contract, promissory estoppel and/or specific performance.

This Term Sheet will expire if not signed and returned to Fallbrook, along with the Due Diligence Deposit, by March 15, 2021. Again, thank you for your time and consideration. We look forward to working with you in the future.

Sincerely,

Fallbrook Credit Finance, LLC

By: _____
Name: Brandt Blanken
Its: President

Accepted as of _____, 2021

AOZPCREI WOODLANDS LLC
By: AOZCREI GP LLC,
its managing member

By: _____
Name: Tony Barkan
Title: Co-Managing Member



FALLBROOK LOAN FUND

LIHTC CONSTRUCTION TO PERMANENT BOND PRIVATE PLACEMENT PROGRAM

November 3, 2020

Tony Barkan
Co-Managing Member of AOZCREI GP LLC as Managing Member
AOZPCREI Woodlands LLC
819 Forest Drive
Newport News, VA 23606

Re: Bond Financing Term Sheet for Woodlands at Oyster Point

Dear Mr. Barkan:

On behalf of Fallbrook Loan Fund, LLC (“Fallbrook”), we appreciate the opportunity to provide this term sheet (“Term Sheet”) for the provision of construction and permanent financing for Woodlands at Oyster Point Apartments a 152-unit multifamily property located at 819 Forrest Drive, Newport News, Virginia 23606 (the “Property”). This Term Sheet summarizes the terms and conditions pursuant to which Fallbrook proposes to finance the Property by providing construction period and permanent bond capital to AOZPCREI Woodlands LLC (“Sponsor”).

Under our Direct Bond Purchase Program, Fallbrook, or a designated capital partner, would purchase an estimated \$18,000,000 of tax-exempt bonds (the “Bonds”), as further described in Section 5 below. The basic business terms and conditions of the Bonds are set forth herein. It is understood that Fallbrook structured this Term Sheet using key assumptions provided by the Sponsor which are subject to revision following Fallbrook’s underwriting and due diligence.

1. **Borrower:** Sponsor.
2. **Lender:** Fallbrook Loan Fund, LLC, or its affiliate.
3. **Project:** Woodlands at Oyster Point
819 Forrest Drive
Newport News, VA 23606
4. **Bond Assumptions:**
 - a. Stabilized NOI: \$1,238,695
 - b. Stabilized Cap Rate: 5.00%
 - c. Stabilized Asset Value: \$24,773,900
 - d. Total Tax Credit Equity: \$5,393,211
 - e. Tax-Exempt Bond Allocation: \$18,000,000

5. **Construction Bond:**

a. **Amount:**

- i. Tax-Exempt Construction Bond Amount \$18,000,000
- ii. Taxable Construction Bond: \$2,244,569

The combined amounts of (i) the Tax-exempt Construction Bond and (ii) the Taxable Construction Bond will not exceed the aggregate amount of (a) 85% of the as completed rent-restricted appraised value plus (b) 90% of the amount of Low Income Housing Tax Credits (“LIHTC”) deferred equity in the Project.

b. **Term:** 24 months with option to extend for an additional six (6) months.

c. **Extension Fee:** 0.50%

d. **Amortization:** No. Interest Only.

e. **Interest Rates:**

- i. Tax-Exempt Construction Bond Rate: Fixed rate estimated to be 4.15% as of 10/12/20
- ii. Taxable Construction Bond Rate: Fixed rate estimated to be at 5.25% as of 10/12/20

The interest rate for the Tax-Exempt Construction Bond will be calculated by adding (i) the 10-year Treasury Index plus (ii) a credit spread equal to 3.00%.

The interest rate for the Taxable Construction Bond will be calculated by adding (i) the 10-year Treasury Index plus (ii) a credit spread equal to 4.00%.

The tax-exempt portion of the construction bond will have an interest rate floor of 4.15%. The taxable portion of the construction bond will have an interest rate floor of 5.25%.

f. **Construction Monitoring Fee:** \$1,500 monthly for the term of the construction bond, to be paid in full at closing to Fallbrook. Such amount is currently estimated to be \$21,000. If the Project is completed early, any excess shall be credited back to Borrower. Construction Monitoring Fee is in addition to, and not inclusive of, any construction monitoring fee charged by a Project limited partner or a 3rd party for construction inspections and draw review.

g. **Construction Bond Origination Fee:** 1.50% of the Construction Bond Amount; paid at Construction Bond closing.

6. **Permanent Bond:**

a. **Amount:**

- i. Tax-Exempt Permanent Bond: \$18,000,000
- ii. Taxable Permanent Bond: \$4,296,510

The combined amounts of (i) the Tax-exempt Permanent Bond and (ii) the Taxable Permanent Bond will be the lesser of (a) 90.00% of the as completed rent-restricted appraised value or (b) the amount necessary for the Project to provide a 1.15 to 1.00 debt service coverage ratio inclusive of any other hard debt service.

b. **Term:** 15 years.

c. **Amortization:** Interest only for 2 years and then a 40 year amortization schedule beginning 2 years after Conversion (defined below)

d. **Interest Rates:**

- i. Tax-Exempt Permanent Bond Rate: Fixed rate estimated to be 4.15% as of 10/12/20
- ii. Taxable Permanent Bond Rate: Fixed rate estimated to be 5.25% as of 10/12/20

The interest rate for the Tax-Exempt Permanent Bond will be calculated by adding (i) the 10-year Treasury Index plus (ii) a credit spread equal to 4.00%.

The interest rate for the Taxable Permanent Bond will be calculated by adding (i) the 10-year Treasury Index plus (ii) a credit spread equal to 4.00%.

The tax-exempt portion of the permanent bond will have an interest rate floor of 4.15%. The taxable portion of the permanent bond will have an interest rate floor of 5.25%.

e. **Permanent Bond Origination Fee:** 1.25% of the Permanent Bond Amount, paid at Conversion.

f. **Prepayment:** Optional prepayment of the Bonds shall not be permitted prior to the 10th anniversary of Stabilization (defined below).

From the 10th anniversary to the 15th anniversary of Stabilization, the Bonds may be prepaid at a price equal to a percent of the outstanding balance as outlined below:

- i. From the 10th anniversary to the 12th anniversary: 103%
- ii. From the 12th anniversary to the 14th anniversary: 102%
- iii. From the 14th anniversary to the 15th anniversary: 101%

- iv. Thereafter, the Bonds may be prepaid at par upon 30 days' notice to the Lender.
- g. **Conversion Condition:** 1.15 DSCR; 90.00% economic occupancy for three consecutive months; 100% of the LIHTC units qualified; and payment of any equity contribution required to fund Project reserves and pay off Construction Bond.
7. **Operating Reserves:** Upon Stabilization, the Borrower will fund an Operating Reserve of approximately \$1,051,295 (to be calculated as 6 months of expenses, replacement reserves, and debt service) which the Borrower shall deposit into an escrow account held by the Trustee (the "Operating Reserve") to be used for debt service payments and/or operating deficits during the term of the Bonds. The Operating Reserve shall be released to the Borrower upon maturity or repayment of the Bonds. The Operating reserve shall be held in an interest-bearing account for the benefit of the Borrower. The final sizing of the Operating Reserve is subject to review through Fallbrook's underwriting process. The Operating Reserve will be held at Fallbrook's financial institution and will be considered part of the collateral for the Bond. If the Operating Reserve falls under 75% of the original amount at any time during the term of the Bond, the partnership will be required to replenish the Operating Reserve to equal 75% of the original amount. The Operating Deficit Guarantee will be applied first prior to any draws from the Operating Reserve.
8. **Replacement Reserves:** A replacement reserve of \$300 per unit per year will be established and funded from Project operations on a monthly basis. Such annual Replacement Reserve contribution will be increased by 3% per annum and shall be held by Lender. Subject to Fallbrook's and the tax credit investor's approval, Borrower shall be entitled to use the Replacement Reserves for repairs and replacements made to the Property.
9. **Application Fee:** \$5,000, to be funded upon execution of this Term Sheet.
10. **Breakup Fee:** 0.50% of the Construction Bond Amount. Breakup Fee is owed if Sponsor or Borrower utilizes a lender other than Fallbrook, or an affiliate of Fallbrook, for the provision of Project debt financing prior to the Exclusivity Termination Date (defined below). No Breakup Fee will be owed (i) if Fallbrook's loan committee does not provide formal credit approval and a written commitment to the Sponsor for the Construction Loan and the Permanent Loan that is consistent with the terms and conditions of this terms sheet (a "Commitment"), on or before the Exclusivity Termination Date or (ii) if a Commitment is issued prior to the Exclusivity Termination Date, if the Bond Issuance and LIHTC transactions do not close prior to March 31, 2021. Sponsor and Guarantor shall be jointly and severally obligated for payment of the Breakup Fee. The "Exclusivity Termination Date" shall be the date that is the earlier to occur of (i) 60 days from the date on which Fallbrook receives from Sponsor all Project and Guarantor information necessary to prepare its credit committee package with a schedule of the required information appended to this Term Sheet as Schedule A, (ii) the date on which the Lender determines that it will not make the Construction Loan or the Permanent Loan on terms that are consistent with terms hereof (upon which event Lender shall promptly notify Sponsor and (iii) the date upon which Lender defaults under the terms hereof.
11. **Liquidity and Net Worth Requirements:** Guarantor and Sponsor collectively will be required to demonstrate at closing (A) a minimum liquidity equal to the greater of (i) \$1,000,000 or (ii) 5.00% of the total development budget, and (B) a net worth equal to the greater of (i) \$5,000,000 or (ii) 25.00% of the

total development budget. Liquidity and net worth calculations will not include anticipated fees, including developer fees, any restricted assets, or reserves attributable to Project or other developments.

12. **Guarantors; Guarantees:** Guarantors shall be Allagash Opportunity Zone CRE Fund I, LP a Delaware limited partnership (“Guarantors”). Prior to Stabilization, the Bonds will be full recourse to the Borrower and Guarantors, and Completion and Debt Service Guarantees are required from the Borrower and Guarantors.

13. **Collateral:**

- a. First Real Estate Mortgage on the real property for the Project;
- b. Assignment of the development agreement;
- c. Assignment of rents and leases for the Project;
- d. First priority assignment of LIHTC Capital Contributions;
- e. First priority assignment of State Incentive Proceeds, if applicable;
- f. First priority assignment of State Tax Credit purchase agreement, if applicable;
- g. First priority assignment of managing member interest in Borrower, including rights to distributions, credits and all other ownership interests;
- h. A power of attorney (or similar rights) from the Borrower, allowing, but not requiring, after an event of default during the continuance thereof, Lender to take action on Borrower’s behalf to complete rehabilitation of the Project in a manner consistent with all LIHTC regulations (if any), and make all required filings necessary to obtain the State Tax Credits (if any) and Federal Tax Credits;
- i. Account Pledge and Control Agreement (Interest Reserve);
- j. Assignment and Subordination Management Agreement;
- k. Assignment of Developer Fee and Subordination Agreement;
- l. Guaranty;
- m. Environmental and ADA Indemnification Agreement;
- n. Operating Reserve Security Agreement;
- o. Replacement Reserve Security Agreement;
- p. Inter-creditor Agreement (or similar);
- q. Insurance for Liability and Builders Risk; and
- r. Such other collateral as may be required by Lender.

14. **Due Diligence Deposit:** Upon execution of this Term Sheet, Borrower shall pay Lender a \$25,000 deposit (the “Due Diligence Deposit”). The Application Fee and the Due Diligence Deposit will be applied towards Lender’s third party out-of-pocket underwriting costs, costs to engage legal counsel and third party reports and/or reliance letters including, but not limited to, market study, appraisal, environmental report, plan and cost review, and background and credit reviews (“Due Diligence Costs”). In the event that Due Diligence Costs are anticipated to exceed \$25,000, Lender shall provide Borrower with written notice thereof accompanied by a budget for same. Upon approval by Borrower, Borrower shall pay Lender the balance of such excess amount prior to Lender incurring such cost.

15. **Bond Agreements:** Borrower’s bonds shall be governed by bond documents which will contain terms and conditions that will be satisfactory to both Borrower and Lender. All bond documents will be prepared by Lender’s legal counsel.

16. **Closing:** The Closing shall be deemed to have taken place when the Bonds are issued and purchased by the Lender. The Closing shall occur no later than February 21, 2021 (the “Target Closing Date”).
17. **Developer Fee:** Lender has to approve Developer Fee payout schedule. No more than 75% of the cash Developer Fee will be paid during construction and no more than 25% of the cash Developer Fee will be paid at closing.
18. **Due Diligence:** Lender will require as part its due diligence, and as a condition to purchasing the Bonds, the following, but not limited to:
 - a. Appraisal including a Market and Feasibility Study;
 - b. Tax Credit projection from a CPA acceptable to Lender;
 - c. Borrower, Managing Member, Sponsor and Guarantor Financial Statements and Tax Returns for the past three years or from inception, whichever period is shorter;
 - d. Phase I and, if necessary, Phase II environmental reports including asbestos and lead paint remediation plan;
 - e. Term Sheet from Federal Tax Credit Investor;
 - f. Financial statements of Federal Tax Credit Investor, if requested by Lender;
 - g. Tax credit purchase agreement from state tax credit purchaser or term sheet from State Tax Credit Investor, if applicable;
 - h. Financial statements of state tax credit purchaser, if requested by Lender;
 - i. Organizational documents and operating agreements of Borrower, Managing Member, Guarantors and Master Tenant, in form and substance acceptable to Lender;
 - j. Copy of Developer’s Agreement;
 - k. Owner’s Title Insurance Commitment for fee owner of Project (or leasehold commitment if Borrower is master tenant), plus, if a second position Mortgage (or Deed of Trust) is required by Lender, a Lender’s Title Insurance Commitment;
 - l. An ALTA survey of the Project;
 - m. Borrower has entered into either a Stipulated Sum or a Guaranteed Maximum Price contract with a General Contractor approved by Lender;
 - n. General Contractor has provided a Payment & Performance Bond with a penal sum (bond amount) equal to the stipulated sum or guaranteed maximum price of the construction contract. Such Payment & Performance Bonds shall be from a surety and in a form acceptable to Lender. Lender shall be named as an additional beneficiary under the Payment & Performance Bonds;
 - o. The Borrower and all related entities obtaining all necessary approvals and making all necessary filings to obtain the Tax Credits;
 - p. The receipt of insurance coverage for the Project acceptable to Lender;
 - q. The Borrower receiving all necessary permits and approvals required with respect to the Project;
 - r. Development of mutually agreed upon controls with respect to advances and disbursements of Proceeds;
 - s. Any general information concerning the Borrower, the Sponsor, the Project, and financing that has not already been provided to Lender, such as the following:
 - i. Developer resume/biography;
 - ii. Previous Tax Credit Development Experience;

- iii. Project Overview;
 - iv. Discussion and details of ownership structure for Project;
 - v. Project timeline;
 - vi. Overall sources and uses for entire Project;
 - vii. Detailed breakdown of Tax Credits calculations;
 - viii. Identification and background/resume of General Contractor;
 - ix. Identification and background/resume of architect;
- t. Agreements with the city where the Project is located (e.g., development agreements, etc.);
 - u. Evidence that Borrower (or any affiliate connected with the Project) is not in default on any other document relating to the financing, development, or construction of the Project;
 - v. 42(m) letter issued by the allocating agency with respect to the Project; and
 - w. Other items as reasonably requested consistent with the purposes hereof during further review.

19. **General Conditions to Closing:** If the Borrower accepts the terms of this Term Sheet and Lender formally credit underwrites and approves this bond, the closing and funding of the bond would be subject to, but not limited to the following conditions and requirements:

- a. The execution of all bond and security documents prepared by Lender in such form and containing such terms, conditions and provisions that Lender or its legal counsel deems reasonably necessary.
- b. Evidence of the Borrower's organization, good standing, capacity, and authority to borrow and to execute the bond documents, and to operate its business in the jurisdictions where it does so. These documents to include but are not limited to, the Borrower's articles of organization, operating agreement and borrowing resolution.
- c. Draw monitoring and inspections will be required with each draw request and this expense will be paid for by the borrower.
- d. For conversion of the Project to occur, a minimum economic occupancy of 90.00% and a DSCR of 1.15 for three (3) consecutive months must be achieved ("Stabilization") prior to Lender agreeing to close/fund the Permanent Bond and payoff the construction bond ("Conversion"). This would also require the approval of the Tax Credit Investor.
- e. Clean Financial/credit and background checks on the Sponsors/Owners.
- f. Reserve Accounts required for this Project/Bond will be required to be opened and maintained at Lender, including all escrows for tax, insurance and lease up.
- g. Borrower shall reimburse Lender and its participants for all reasonable out-of-pocket legal and documentation expenses incurred in connection with the transaction regardless of a Closing.
- h. The Permanent Loan documents shall permit assumption of the Permanent Loan upon sale or transfer of the Property by the Borrower, subject to Lender's formal investment underwriting and approval of a potential buyer.
- i. Borrower will be required to provide quarterly unaudited financials and annual audited financials from the property and annual financials from the Guarantors.
- j. All principal and interest payments are required to be made on the first of every month based on a 30/360 calendar.
- k. All construction draws will be paid on the 1st of every month. Draws are to be submitted for review 15 business days prior to the end of the month. Controlling person has 15 days

to approve and request payment from the bond holder. All draws require a monthly construction inspection and a title date down.

20. **Exclusivity:** Sponsor acknowledges that Lender will expend considerable time, expense and travel in the due diligence of the Project and providing the Bond financing. Sponsor agrees that upon execution of this Term Sheet and payment of the Application Fee, Lender shall be the exclusive construction and permanent lender for the Project prior to the Exclusivity Termination Date.
21. **Assignment, Sale or Securitization:** Lender may assign all its rights under this Letter to an affiliate of Lender at any time prior to the Closing of the Construction Bond. Lender may elect to sell, assign or participate all or part of its interests in either the Construction Bond or the Permanent Bond, provided that such transaction does not and will not negatively impact the Borrower. The Borrower agrees to cooperate with Lender in this matter and take all actions reasonably requested by Lender and the new participant, so long as such requests are not inconsistent with the terms and conditions of the loan documents and provided further that Borrower does not and will not incur any out-of-pocket costs, any additional liability or any additional obligations, burdens or responsibilities from any such transfer or securitization.
22. **Miscellaneous:** This Term Sheet outlines the basic structure and terms of the investment facilities requested by Borrower. The terms contained herein are subject to formal investment underwriting and approval, in Lender's sole discretion. If Sponsor finds the terms contained herein acceptable, please return a signed and accepted copy to Lender along with the \$25,000 Due Diligence Deposit and \$5,000 Application Fee. The terms of this Term Sheet will expire if not signed by November 15, 2020.

[Signature Page Follows]

Sincerely,

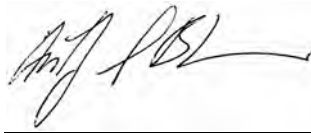
FALLBROOK LOAN FUND, LLC

By: 
Name: Brandt Blanken
Title: President

Accepted this ___ day of _____ 2020

SPONSOR:


AOZPCREI WOODLANDS LLC

By: 
Name: Tony Barkan
Its: Co-Managing Member of AOZCREI GP LLC as Managing Member

GUARANTOR:

ALLAGASH OPPORTUNITY ZONE CRE FUND I LP

By: AOZPCREI GP LLC

By: 
Name: Tony Barkan
Its: Co-Managing Member of AOZCREI GP LLC as General Partner

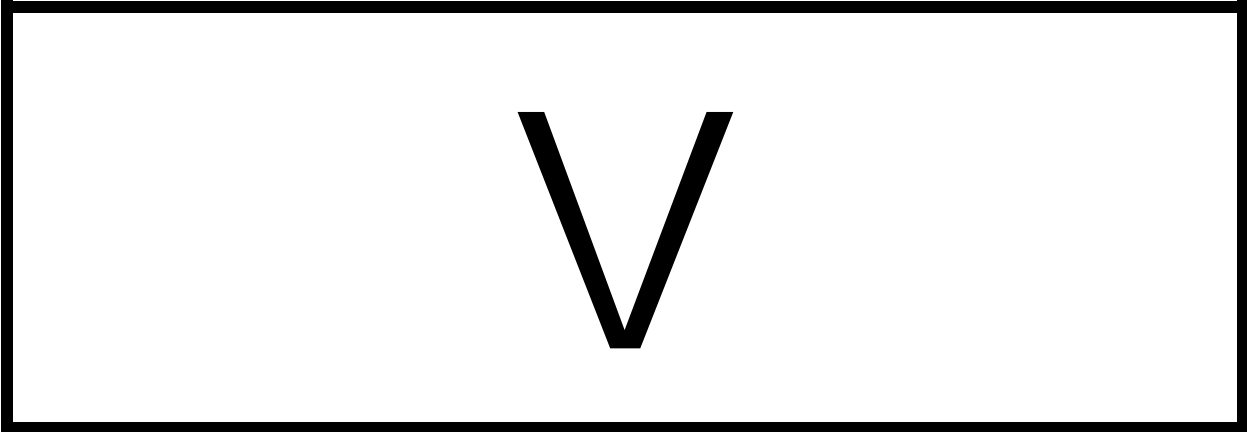
Schedule A

DOC #	TIER	DOCUMENT
0		ORIGINATOR EXECUTIVE SUMMARY and TERM SHEET
	I	Property Profile
	I	Term Sheet Final/Executed -Originator Term Sheet (DEBT)
	I	Letter of Intent - Final (EQUITY)
See UW Folder	I	Underwriting Summary
See UW Folder	I	Executive Summary
		Other:
1		Partnership Documents ()
1.01	I	Organizational Chart
1.02	II	Filed Articles/Certificate of Formation
1.03	II	Initial Partnership Agreement
1.04	Draft: II Final: III	Amended and Restated Agreement (LPA or Operating Agreement) and Schedules and Exhibits including: Exhibit: Guaranty Exhibit: Development Agreement
1.04a	III	FINAL Development Agreement (Exhibit to LPA or Operating Agreement)
1.05	II	IRS Form W-9 / EIN Letter
1.06	II	IRS Determination Letter (Received when non-profit entity will be taxed as for profit entity)
1.07	I	UCC/Tax Lien Search (Required for Entity in existence for greater than 6 Months)
		Other:
2		General Partner ()
2.01	II	Filed Articles/Certificate of Formation
2.02	II	Partnership Agreement/Operating Agreement/Bylaws
2.03	II	IRS Form W-9 / EIN Letter
2.04	II	IRS Determination Letter (Received when non-profit entity will be taxed as for profit entity)
2.05	II	Last 3 audited financial statements, plus an additional unaudited statement if the most recent audited statement is more than 6 months old. Most recent statement should include: - Profit & Loss Statement - Assets and Liabilities
2.06	II	Evidence of liquidity (bank/brokerage statements)
2.07	II	Federal Tax Returns (past 3 years)
2.08	II	Schedule of Real Estate Owned (indicating which properties are LIHTC, please include occupancy and debt service coverage ratio)
2.09	II	Schedule of Contingent Liabilities
2.10	I	Credit/Clarity Report including Background Search
See KYC Folder	II	Signor Identification
		Other:

U

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

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V

Nonprofit or LHA Purchase
Option or Right of First
Refusal

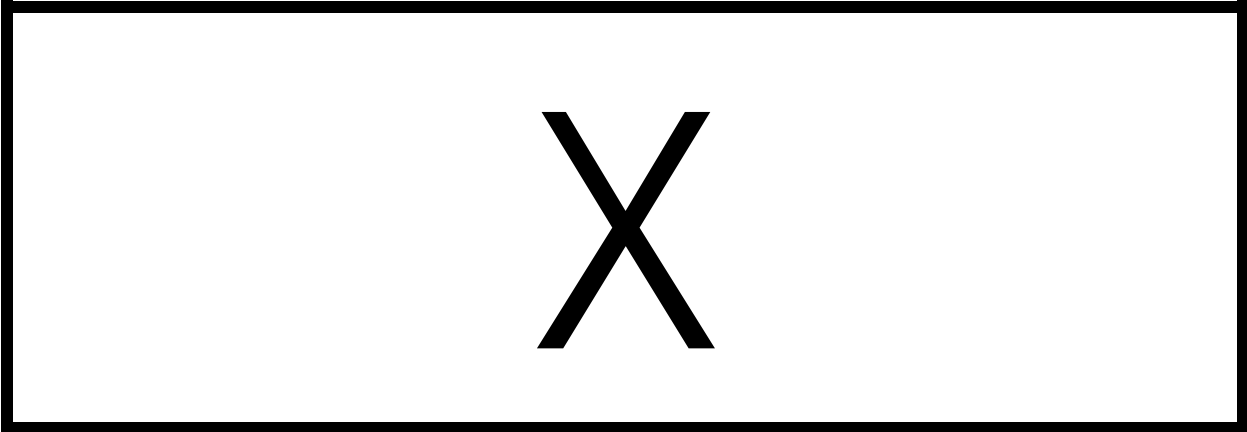
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information behind this tab.



W

Internet Safety Plan and
Resident Information
Form

This deal does not require
information behind this tab.



X

Marketing Plan

For units meeting accessibility requirements of HUD section

504

Woodlands at Oyster Point

Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act

This Marketing Plan (the "Marketing Plan") for Units Which Conform to Section 504 of the Rehabilitation Act ("Section 504 Units") has been designed to convey to current and potential residents with disabilities that Woodlands at Oyster Point Apartments ("Woodlands") will be a new rental housing experience, with a commitment to excellent management and resident service, as well as an expectation of resident responsibility. Therefore, the majority of this plan will address ways in which property management, with the full support of the Woodlands' owner (the "Owner"), will endeavor to secure qualified tenants, ensure quality tenancy, and provide effective management and maintenance of the property.

The Management Agent will be responsible for the management of Woodlands.

RMS III, LLC dba ROSS Management Services ("ROSS" or the "Management Agent"), will be responsible for all the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, ROSS will be responsible for the development and management of community and resident services program.

1. Affirmative Marketing

ROSS, with the full support of the Owner, is pledged to the letter and the spirit of the U.S. policy of the achievement of equal housing opportunity throughout the Nation and will actively promote fair housing in the development and marketing of this project. ROSS, its Officers, Directors and employees will not discriminate on the basis of race, creed, color, sex, religion, familial status, elderliness, disability or sexual orientation in its programs or housing. They will also comply with all provisions of the Fair Housing Act (42 U.S.C. 3600, et. Seq.).

Any employee who has discriminated in the acceptance of a resident will be subject to immediate dismissal. All persons who contact the office will be treated impartially and equally with the only qualification necessary for application acceptance being income and credit, and conformity with the requirements of the Section 8 Program and Tax Credit programs. All interested parties will be provided a copy of the apartment brochure/flyer. Any resident who has questions not answered by the housing staff will be referred to the Associate Director or the Executive Director of ROSS Management Services.

Leasing Preference for Target Population Identified in MOU between the Authority and the Commonwealth

Unless prohibited by and applicable federal subsidy program, a "first preference" will be given for persons in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth. The Management Agent will obtain tenant referrals from the Virginia Department of Medical Assistance Services (DMAS) or Virginia Department of Behavioral Health and Developmental Services (DBHDS) or any other agency approved by the Authority. Additionally, the Management Agent will Retain Tenant verification letter, Acknowledgment and Settlement Agreement Target Population Status for each tenant residing in Section 504 Units. These Target Population Section 504 Units will be confirmed by Virginia Housing on a regular basis.

2. Marketing and Outreach

Locating people with disabilities to occupy the units which conform to the requirements of Section 504 of the Rehabilitation Act will be accomplished as follows:

A. Networking

The Management Agent will contact local centers for independent living, disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

- DARS Area Center for Independent Living (757) 827-0275
- Virginia Board for People with Disabilities (804) 786-0016
- Virginia Department for Aging and Rehabilitative Services (757) 865-4863
- Social Serve (704) 334-8722
- Newport News Redevelopment & Housing Authority (757) 928-2620

B. Internet Search

Woodlands at Oyster Point Apartments will also be listed on the following websites:

- www.virginiahousingsearch.com
- www.hud.gov
- www.craigslist.org
- accessva.org
- dbhds.virginia.gov

C. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as it attracts friends who will want to reside together, thus binding the community. Residents will be offered incentives, to be determined, for referring qualified applicants who rent at the property. Flyers will be distributed to residents along with the resident newsletter announcing the tenant referral program.

D. Marketing Materials

Additional marketing materials will support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

- **Flyers** - A flyer campaign can be used effectively to market the community. Each flyer will incorporate graphics as well as a small amount of copy and will be designed to generate traffic.
- **Resident Referral Flyer** - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. (\$50 - \$100 per referral, paid upon move in). In addition to being distributed to all residents, the referral flyer should be left in the Management office and should be included in the move in packet. (People are most inclined to refer their friends in the first few weeks of their tenancy.) The flyers will be changed to reflect the season or any type of special referral program.

3. Public and Community Relations

Equal Housing Opportunity promotions - all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office. ROSS encourages and supports an affirmative marketing program in which there are no barriers to obtaining housing because of race, color, religion, national origin, sex, elderliness, marital status, personal appearance, sexual orientation, familial status, physical or mental disability, political affiliation, source of income, or place of residence or business.

Additionally, a public relations program will be instituted to create a strong relationship between management and local disability organizations, neighborhood civic organizations, city officials, and other sources of potential qualified residents still to be identified.

4. Tenant Selection and Orientation

The first contact with the management operations is an important one in attracting qualified residents; therefore, the management/leasing offices should convey a sense of professionalism, efficiency, and cleanliness. The management/leasing office is designed to provide a professional leasing atmosphere, with space set aside specifically for applicant interviews and application assistance. The leasing interviews will be used to emphasize the respect afforded to the applicant and the responsibilities which the applicant will be expected to assume.

Management staff will check previous landlord and personal references, perform criminal/sex offender and credit background checks, and verify income for each application taken. Tenant Selection will include minimum income limits assigned by the Owner/HUD. New residents will be given an orientation to the property including a review of the rules and regulations, information on the area, proper use of appliances, move-out procedures, maintenance procedures, rent payment procedures, energy conservation, grievance procedures, and a review of the Lease documents.

Times of Operation

The Management Office will be open Monday through Friday from 9:00 to 6:00 P.M. Applicants will be processed at the Management Office during office hours, in accordance with approved criteria. During the move-in process and orientation to property, applicants will meet with designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

A. Tenant Selection Criteria

Tenant Selection will include maximum income limits under the Low-Income Tax Credit. Selection criteria will also include student status guidelines pursuant to the Low-Income Housing Tax Credit program.

Management will commit that no annual minimum income requirement that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by tenants receiving rental assistance.

B. Application Processing

Application processing will be done at the Management Office by the leasing staff who are well versed in Fair Credit Law. As stated before, the processing will include consideration of prior landlord references, personal references, criminal/sex offender and credit reporting, and income verification. The leasing staff will make further review for inaccuracies in the application. The annual income and family composition are the key factors for determining eligibility. However, the Compliance Department will also use the following criteria in selecting applicants for occupancy:

- Applicants must be individuals, not agencies or groups.
- Applicants must meet the current eligibility income limits for tax credits and any other program requirements.

- The Management Agent will process the Rental Applications through a credit bureau to determine the credit worthiness of each applicant. If the score is below the threshold, and it has been determined that applicant has no bad credit and no negative rental history and no criminal history then the application can be conditionally approved after contacting the prior landlord. In these cases, the application must be reviewed by the Compliance Department before final approval.

Note- If the applicant's denial is based upon a credit report, the applicant will be advised of the source of the credit report in accordance with the Federal Fair Reporting Act. Guidelines published by the Federal Trade Commission suggest that apartment managers fall under the provisions of the Act and are obligated to advise the person refused an apartment for credit reasons, the name and address of the credit reporting firm in writing. The credit report will not be shown to the applicant, nor will specific information be revealed.

- Applicants must provide complete and accurate verification of all income of all family members. The household's annual income may not exceed the applicable limit, and the household must meet the subsidy or assisted Income Limits as established for the area in which Woodlands at Oyster Point Apartments is located. The annual income is compared to the area's Income Limits to determine eligibility.
- Family composition must be compatible for units available on the property.
- Applicants must receive satisfactory referrals from all previous Landlords.
- Applicants must provide verification of full-time student status for all individuals listed on the application as full-time student for tax credit units.
- Applicants must not receive a poor credit rating from the Credit Bureau and other credit reporting agencies and must demonstrate an ability to pay rent on time.
- Applicants must provide HUD approved form of proof of identification documentation for all household members.
- Applicants must complete the Application for Lease and all verification forms truthfully.
- Applicants must provide all information required by current Federal regulations and policies.
- Applicants must meet current Federal program eligibility requirements for low income housing tax credits or any other programs.
- Preference will be given to those households whose family members are handicapped or disabled for housing in the units specifically designated for the handicapped or disabled.
- Applicants who meet the above criteria will be placed on a waiting list based on the date and time of their application. If an applicant turns down a unit for any reason, the applicant will be moved to the bottom of the waiting list. If the applicant turns down a unit for any reason a second time, the applicant will be removed from the waiting list.

Held Vacant for 60 Days

Section 504 Units must be held vacant for 60 days during which marketing efforts must be documented. However, if marketing to the Target Population is deemed to be conducted satisfactorily on an ongoing basis throughout the year and management can provide sufficient documentation to Virginia Housing's Compliance Officer, management may request the ability to lease 60-point Units and 30-point Units, to a household not in the Target Population without the unit remaining vacant for the 60-day timeframe. "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.

Each time a vacancy occurs in a 60-point Unit or a 30-point Unit, if a qualified household including a person in the Target Population is not located in the 60-day timeframe, the owner or manager may submit the evidence of marketing to VHDA's Compliance Officer and request approval to rent the unit to an income-qualified household not a 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 in the development if a household in the Target Population applies for the unit. The move will be paid for by the owner.

If no vacant unit of comparable size is available at that time, the Target Population prospective tenant should be placed on the development's waiting list and placed in the 60-point Unit or 30-point Unit, when the first available vacant comparably sized unit becomes available to move the non-Targeted Population tenant. *NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.*

C. Applicant Screening Criteria

Screening is performed by the Management Agent in a manner that is reasonable, consistent, and complies with fair housing laws. Screening is used to help ensure that households admitted to a property will abide by the terms of the lease, pay rent on time, take care of the property and unit, and allow all residents to peacefully enjoy their homes. Anyone who wishes to live on the property must be screened prior to moving in. This includes, but is not limited to, live-in aides; security/police officers or additional household members wishing to move-in after the initial move-in. Certain exceptions apply to children/minors. The current screening guidelines in place at the time the new household member applies will be used to determine eligibility for admission.

HUD has established standards that prohibit admission of:

- Any household in which any member was evicted in the last three years from federally assisted housing for drug-related criminal activity
- A household in which any member is currently engaged in illegal use of drugs or for which the owner/agent has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents
- Any household member who is subject to any state lifetime sex offender registration requirement (household member may be removed)
- Any household member if there is reasonable cause to believe that member's behavior, from abuse or pattern of abuse of alcohol, may interfere with the health, safety, and right to peaceful enjoyment by other residents. The screening standards must be based on behavior, not the condition of alcoholism or alcohol abuse

In addition to HUD requirements, the Management Agent has established a policy to reject all applications where the applicant or any household member has engaged in criminal activity as described in this document. The Management Agent will reject applications if any household member's criminal history includes one or more of the following:

- Record of any conviction or adjudication, other than acquittal, of the following felonies by any household member:
 - Murder, Arson, Felony Assault, Kidnapping, Burglary, Treason, Crimes involving harm to children, Sexual offenses, Crimes involving explosives, Crimes involving terrorism, Crimes involving the manufacture, distribution or illegal use of illegal or controlled substances, Fraud, Record of any conviction or adjudication, other than acquittal, of all but the felonies listed above within 10 years of conviction or parole, whichever is later, Record of three or more felony convictions or adjudications, other than acquittal, Record of any conviction or adjudication, other than acquittal, which involved a misdemeanor offense within 5 years of conviction or parole; whichever is later, Record of any act that interferes or may interfere with the peaceful and quiet enjoyment of the premises with 5 years of conviction or parole; whichever is later, Record of any conviction or adjudication, other than acquittal, which involved harm to a child, Record of any conviction or adjudication, other than acquittal, which involved harm to an animal, Record of any conviction or adjudication, other than acquittal, for any act covered under the Violence Against Women Act, Sex Offender Registration: Applicant is or ever has been subject to registration under a state sex offender registration program

NOTE: If criminal screening indicates an unresolved criminal charge or an unresolved charge of an act covered under the Violence Against Women Act, the application will be suspended until the charge is resolved. At that time, the owner/agents current screening criteria will be applied.

- If a resident or applicant has requested VAWA protections and such protections have been justified based on owner/agent investigation, the abuser/perpetrator will not be approved to live on the property.
- If the owner/agent is unable to complete required criminal or sexual offender screening, the application will be rejected.
- If criminal screening indicates that the applicant has an unacceptable criminal history, the owner/agent will reject the applicant in accordance with HUD guidance and the owner/agent's standards for applicant rejection.
- If the owner/agent determines that a sex offender is part of the household, the owner/agent will allow the household to remove the sex offender from the application. Removal must be documented using a signed, notarized copy of the owner's form. The household will have 10 business days to provide verification that the household member has alternative housing or that the household member has applied for alternative housing. Failure to provide such documentation will result in rejection of the application for all household members.

NOTE: In this case, the Management Agent reserves the right to monitor household composition after move-in. If the owner/agent discovers that a sex offender has moved in to the unit, assistance will be terminated and the household will be evicted in accordance with HUD requirements. Any assistance paid-in-error must be returned to HUD.

Criminal Screening Discoveries

If the criminal background investigation results indicate that the applicant does not meet the criminal screening criteria, the Management Agent, with the full support of the the Owner, will reject the applicant in accordance with HUD guidance and the Management Agent's standards for applicant rejection.

Before rejecting the household, the Management Agent will compare the information provided by the applicant with the criminal history report. If the information conflicts, the owner/agent will:

- Notify the household of the proposed action based on the information;
- Provide the content of the criminal record and information about how to obtain a copy of the information;
- Provide the applicant with an opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency;
- Allow the household the opportunity to remove the household member.

In this situation, applicants will have ten (10) business days to resolve the discrepancy. If the applicant fails to contact the Management Agent or indicates that he/she cannot provide documentation to refute the criminal discovery, the Management Agent will reject the application and remove the household from the waiting list. If, after move-in, the Management Agent discovers that there was criminal history that would have resulted in rejection, the Management Agent will contact the resident to ascertain the accuracy of the criminal report. If the resident would have been rejected had the information been know at the time of the eligibility determination, the Management Agent will take appropriate action including notifying HUD's Office of the Inspector General of potential fraud and pursuing termination of tenancy and eviction.

Y

Inducement Resolution
for Tax Exempt Bonds

November 17, 2020

City Council
City of Newport News
Newport News, Virginia

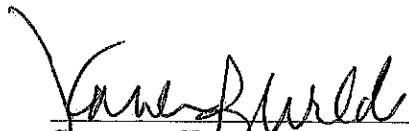
**Newport News Redevelopment and Housing Authority
Proposed Financing for Woodlands at Oyster Point Apartments**

AOZPCREI Woodlands LLC, a Virginia limited liability company (the "Borrower"), has requested that the Newport News Redevelopment and Housing Authority (the "Authority"), issue up to \$18,000,000 of its revenue bonds (the "Bonds") to assist the Borrower or a related entity in financing or refinancing a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of 10 buildings containing approximately 152 units representing approximately 114,000 net rentable square feet known as Woodlands at Oyster Point Apartments (the "Project") located at 819 Forrest Drive in the City of Newport News, Virginia and (b) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance").

The property is located in an Opportunity Zone. The planned capital improvements will be made in part with Opportunity Zone funding.

As set forth in the resolution of the Authority attached hereto (the "Resolution"), the Authority has agreed to issue the Bonds as requested. The Authority has conducted a public hearing (the "Public Hearing") on the proposed financing of the Plan of Finance and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code") and Section 36-19(9) of the Virginia Code.

Attached hereto are: (1) a certificate evidencing the conduct of the Public Hearing, including (a) a copy of the Resolution, (b) a summary of the comments expressed at the Public Hearing and (c) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities; and (2) the form of resolution suggested by counsel to evidence your approval.


Secretary-Treasurer, Newport News
Redevelopment and Housing Authority

CERTIFICATE

The undersigned Secretary-Treasurer of the Newport News Redevelopment and Housing Authority (the "Authority") certifies as follows:

1. A telephonic meeting of the Authority was duly called and held at 8:30 a.m. on November 17, 2020 before the Authority pursuant to proper notice given to each Commissioner of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which and the electronic means through which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

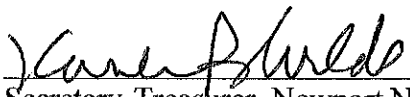
2. The Chairman announced the commencement of a public hearing on the application of AOZPCREI Woodlands LLC and a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the City of Newport News, Virginia (the "Notice"), with the second publication appearing not less than six days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the records of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution ("Resolution") adopted at such meeting of the Authority by a majority of the Commissioners present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to the matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

5. Attached as Exhibit D is the applicant's Fiscal Impact Statement.

WITNESS my hand and the seal of the Authority, this 17th day of November, 2020.



Secretary-Treasurer, Newport News
Redevelopment and Housing Authority

[SEAL]

Exhibits:

A – Copy of Certified Notice

B – Summary of Statements

C – Resolution

D – Fiscal Impact Statement

EXHIBIT A

NOTICE OF PUBLIC HEARING

[See Attached]

Sold To:
McGuireWoods LLP - CU80063108
800 E Canal St
Richmond, VA 23219-3956

Bill To:
McGuireWoods LLP - CU80063108
800 E Canal St
Richmond, VA 23219-3956

Affidavit of Publication

State of Illinois
County of Cook

Order Number: 6805940
Purchase Order: November 17, 2020 8:30am

This day, Charlie Welenc appeared before me and, after being duly sworn, made oath that:

- 1) He/she is affidavit clerk of The Virginian Pilot, a newspaper published by Virginian-Pilot Media Companies, LLC in the city of Norfolk, Portsmouth, Chesapeake, Suffolk and Virginia Beach and the Commonwealth of Virginia and in the state of North Carolina.
- 2) That the advertisement hereto annexed has been published in said newspaper on the dates stated below
- 3) The advertisement has been produced on the websites classifieds.pilotonline.com and <https://www.publicnoticevirginia.com>

Published on: **Nov 03, 2020.**



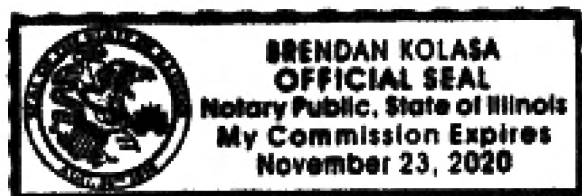
Charlie Welenc

Subscribed and sworn to before me in my city and state on the day and year aforesaid this 10 day of November, 2020

My commission expires November 23, 2020



Notary Signature



Notary Stamp



**NOTICE OF PUBLIC HEARING
BEFORE THE
NEWPORT NEWS REDEVELOPMENT
AND HOUSING AUTHORITY
ON PROPOSED PRIVATE ACTIVITY
BOND FINANCING FOR
AOZPCREI WOODLANDS LLC**

Notice is hereby given that the Newport News Redevelopment and Housing Authority (the "Authority"), the address for which is 227 27th Street, Newport News, Virginia 23607, will hold a public hearing on the request of AOZPCREI Woodlands LLC, a Virginia limited liability company (the "Borrower"), whose address is 819 Forrest Drive, Newport News, Virginia 23606, for the issuance by the Authority of up to \$18,000,000 of its revenue bonds to finance or refinance a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of 10 buildings containing approximately 152 units representing approximately 114,000 net rentable square feet to be known as Woodlands at Oyster Point Apartments (the "Project"), located at 819 Forrest Drive in the City of Newport News, Virginia. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project will be owned by the Borrower or an entity affiliated with and controlled by or under common ownership with the Borrower. The proposed private activity bonds will not pledge the credit or the taxing power of the Authority or the City of Newport News, Virginia but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing, which may be continued or adjourned, will be held at 8:30 a.m. on November 17, 2020, before the Authority. Due to the ongoing COVID-19 Pandemic, in accordance with applicable federal and Virginia law, the public hearing will be conducted by electronic means. Members of the public may witness and participate in the public hearing by using the dial-in telephone number and conference code set forth below.

DIAL-IN NUMBER: 1-866-292-2994
CONFERENCE CODE: 9562118259

Alternatively, members of the public may witness and participate in the public hearing by using virtual meeting access instructions that will be posted online at www.nnrha.com on or before November 10, 2020.

The public hearing will provide an opportunity for interested persons to be heard and communications and writings to be received and considered. Interested persons wishing to express their views on the issuance of the proposed private activity bonds may also submit written comments before 8:00 a.m. on November 17, 2020, to the Authority's Executive Assistant Teresa G. Bennett, P.O. Box 797, Newport News, Virginia 23607 or tbennett@nnrha.org. The hearing shall provide the fullest opportunity for the expression of opinion, for argument on the merits, and for the introduction of documentary evidence pertinent to the issuance of the proposed private activity bonds.

NEWPORT NEWS REDEVELOPMENT
AND HOUSING AUTHORITY

11/3, 11/10/2020 6805940

Sold To:
McGuireWoods LLP - CU80063108
800 E Canal St
Richmond, VA 23219-3956

Bill To:
McGuireWoods LLP - CU80063108
800 E Canal St
Richmond, VA 23219-3956

Affidavit of Publication

State of Illinois
County of Cook

Order Number: 6811211
Purchase Order: November 17, 2020 8:30am

This day, Charlie Welenc appeared before me and, after being duly sworn, made oath that:

- 1) He/she is affidavit clerk of The Virginian Pilot, a newspaper published by Virginian-Pilot Media Companies, LLC in the city of Norfolk, Portsmouth, Chesapeake, Suffolk and Virginia Beach and the Commonwealth of Virginia and in the state of North Carolina.
- 2) That the advertisement hereto annexed has been published in said newspaper on the dates stated below
- 3) The advertisement has been produced on the websites classifieds.pilotonline.com and <https://www.publicnoticevirginia.com>

Published on: **Nov 10, 2020.**



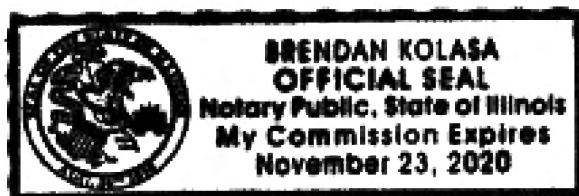
Charlie Welenc

Subscribed and sworn to before me in my city and state on the day and year aforesaid this 10 day of November, 2020

My commission expires November 23, 2020



Notary Signature



Notary Stamp



**NOTICE OF PUBLIC HEARING
BEFORE THE
NEWPORT NEWS REDEVELOPMENT
AND HOUSING AUTHORITY
ON PROPOSED PRIVATE ACTIVITY
BOND FINANCING FOR
AOZPCREI WOODLANDS LLC**

Notice is hereby given that the Newport News Redevelopment and Housing Authority (the "Authority"), the address for which is 227 27th Street, Newport News, Virginia 23607, will hold a public hearing on the request of AOZPCREI Woodlands LLC, a Virginia limited liability company (the "Borrower"), whose address is 819 Forrest Drive, Newport News, Virginia 23606, for the issuance by the Authority of up to \$18,000,000 of its revenue bonds to finance or refinance a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of 10 buildings containing approximately 152 units representing approximately 114,000 net rentable square feet to be known as Woodlands at Oyster Point Apartments (the "Project"), located at 819 Forrest Drive in the City of Newport News, Virginia. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project will be owned by the Borrower or an entity affiliated with and controlled by or under common ownership with the Borrower. The proposed private activity bonds will not pledge the credit or the taxing power of the Authority or the City of Newport News, Virginia but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing, which may be continued or adjourned, will be held at 8:30 a.m. on November 17, 2020, before the Authority. Due to the ongoing COVID-19 Pandemic, in accordance with applicable federal and Virginia law, the public hearing will be conducted by electronic means. Members of the public may witness and participate in the public hearing by using the dial-in telephone number and conference code set forth below.

DIAL-IN NUMBER: 1-866-292-2994

CONFERENCE CODE: 9562118259

Alternatively, members of the public may witness and participate in the public hearing by using virtual meeting access instructions that will be posted online at www.nnrha.com on or before November 10, 2020.

The public hearing will provide an opportunity for interested persons to be heard and communications and writings to be received and considered. Interested persons wishing to express their views on the issuance of the proposed private activity bonds may also submit written comments before 8:00 a.m. on November 17, 2020, to the Authority's Executive Assistant Teresa G. Bennett, P.O. Box 797, Newport News, Virginia 23607 or tbennett@nnrha.org. The hearing shall provide the fullest opportunity for the expression of opinion, for argument on the merits, and for the introduction of documentary evidence pertinent to the issuance of the proposed private activity bonds.

NEWPORT NEWS REDEVELOPMENT
AND HOUSING AUTHORITY

11/10/2020 6811211

Sold To:
Mcguire Woods LLP (James Ctr Richmond VA) - CU00077710
Gateway Plaza 800 East Canal Street
Richmond, VA 23219-3916

Bill To:
Mcguire Woods LLP (James Ctr Richmond VA) - CU00077710
Gateway Plaza 800 East Canal Street
Richmond, VA 23219-3916

Affidavit of Publication

State of Illinois
County of Cook

Order Number: 6811880
Purchase Order:

This day, Charlie Welenc appeared before me and, after being duly sworn, made oath that:

- 1) He/she is affidavit clerk of Daily Press, a newspaper published by Daily Press, LLC in the city of Newport News and the state of Virginia
- 2) That the advertisement hereto annexed has been published in said newspaper on the dates stated below
- 3) The advertisement has been produced on the websites classifieds.pilotonline.com and <https://www.publicnoticevirginia.com>

Published on: **Nov 11, 2020.**



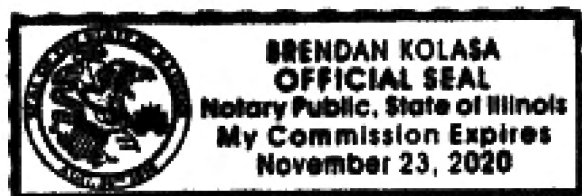
Charlie Welenc

Subscribed and sworn to before me in my city and state on the day and year aforesaid this 11 day of November, 2020

My commission expires November 23, 2020



Notary Signature



Notary Stamp



**NOTICE OF PUBLIC HEARING
BEFORE THE
NEWPORT NEWS
REDEVELOPMENT AND
HOUSING AUTHORITY
ON PROPOSED PRIVATE
ACTIVITY BOND FINANCING FOR
AOZPCREI WOODLANDS LLC**

Notice is hereby given that the Newport News Redevelopment and Housing Authority (the "Authority"), the address for which is 227 27th Street, Newport News, Virginia 23607, will hold a public hearing on the request of AOZPCREI Woodlands LLC, a Virginia limited liability company (the "Borrower"), whose address is 819 Forrest Drive, Newport News, Virginia 23606, for the issuance by the Authority of up to \$18,000,000 of its revenue bonds to finance or refinance a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of 10 buildings containing approximately 152 units representing approximately 114,000 net rentable square feet to be known as Woodlands at Oyster Point Apartments (the "Project"), located at 819 Forrest Drive in the City of Newport News, Virginia. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project will be owned by the Borrower or an entity affiliated with and controlled by or under common ownership with the Borrower.

The proposed private activity bonds will not pledge the credit or the taxing power of the Authority or the City of Newport News, Virginia but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing, which may be continued or adjourned, will be held at 8:30 a.m. on November 17, 2020, before the Authority. Due to the ongoing COVID-19 Pandemic, in accordance with applicable federal and Virginia law, the public hearing will be conducted by electronic means. Members of the public may witness and participate in the public hearing by using the dial-in telephone number and conference code set forth below.

DIAL-IN NUMBER: 1-866-292-2994

CONFERENCE CODE: 9562118259

Alternatively, members of the public may witness and participate in the public hearing by using virtual meeting access instructions that will be posted online at www.nnrha.com on or before November 10, 2020.

The public hearing will provide an opportunity for interested persons to be heard and communications and writings to be received and considered. Interested persons wishing to express their views on the issuance of the proposed private activity bonds may also submit written comments before 8:00 a.m. on November 17, 2020, to the Authority's Executive Assistant Teresa G. Bennett, P.O. Box 797, Newport News, Virginia 23607 or tbennett@nnrha.org. The hearing shall provide the fullest opportunity for the expression of opinion, for argument on the merits, and for the introduction of documentary evidence pertinent to the issuance of the proposed private activity bonds.

NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY
11/11/20 6811880

EXHIBIT B

SUMMARY OF STATEMENTS

Representatives of AOZPCREI Woodlands LLC and McGuireWoods LLP, bond counsel, appeared before the Authority to explain the proposed plan of financing. No one appeared in opposition to the proposed bond issue.

EXHIBIT C

RESOLUTION

[See Attached]

INDUCEMENT RESOLUTION APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 152-UNIT WOODLANDS AT OYSTER POINT APARTMENTS LOCATED IN THE CITY OF NEWPORT NEWS, VIRGINIA

WHEREAS, the Newport News 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, AOZPCREI Woodlands LLC (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 \$18,000,000 (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 consisting of 10 buildings containing approximately 152 units representing approximately 114,000 net rentable square feet known as Woodlands at Oyster Point Apartments (the "Project") located at 819 Forrest Drive in the City of Newport News, 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 17, 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 laws of the Commonwealth of Virginia, including 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

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 NEWPORT NEWS 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 \$18,000,000 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 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.

9. 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.

10. 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.

11. 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.

12. 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 \$18,000,000 for the purpose of undertaking the Plan of Finance as required by Section 147(f) of the Code.

13. Each of the Chair, Vice Chair, or Secretary-Treasurer 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.

14. Each of the Chair, Vice Chair, or Secretary-Treasurer 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.

15. 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.

16. 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.

17. 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.

18. 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 during the current declared state of emergency by the Governor of the Commonwealth of Virginia arising from COVID-19.

19. This resolution shall take effect immediately upon its adoption.

Adopted: November 17, 2020

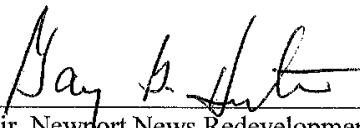
CERTIFICATE OF VOTES

Record of the roll-call vote by the Newport News 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 152-UNIT WOODLANDS AT OYSTER POINT APARTMENTS LOCATED IN THE CITY OF NEWPORT NEWS, VIRGINIA"** taken at a meeting of the Authority held on November 17, 2020:

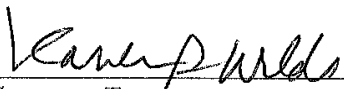
	AYE	NAY	ABSTAIN	ABSENT
Gary B. Hunter, Chairman	✓			
Kenneth D. Penrose, Jr., Vice Chairman	✓			
William Black	✓			
Josephine Clark	✓			
Sandra Davoy	✓			
George B. Knight				✓
Lisa Wallace-Davis	✓			

Dated: November 17, 2020

(SEAL)



 Chair, Newport News Redevelopment and Housing Authority

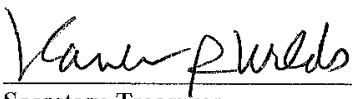
ATTEST: 

 Secretary-Treasurer

The undersigned Secretary-Treasurer of the Newport News 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 17, 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 17th day of November, 2020.

NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY

By: 

 Secretary-Treasurer

EXHIBIT D

FISCAL IMPACT STATEMENT

[See Attached]

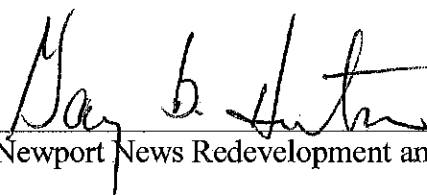
FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING

Date: November 17, 2020

Applicant: AOZPCREI Woodlands LLC

Facility: Multifamily Housing Facility in the City of Newport News, Virginia, known as
Woodlands at Oyster Point Apartments

1.	Maximum amount of financing sought.	\$18,000,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality.	\$24,773,906
3.	Estimated real property tax per year using present tax rates.	\$90,378
4.	Estimated personal property tax per year using present tax rates.	\$775
5.	Estimated merchants' capital tax per year using present tax rates.	\$0
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.	\$100,000
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$25,000
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$300,000
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality.	\$50,000
7.	Estimated number of regular employees on year round basis.	4
8.	Average annual salary per employee.	\$54,000



Chair, Newport News Redevelopment and Housing Authority

RESOLUTION NO. 13380-21

A RESOLUTION OF THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, APPROVING THE ISSUANCE BY THE NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 152-UNIT WOODLANDS AT OYSTER POINT APARTMENTS LOCATED IN THE CITY OF NEWPORT NEWS, VIRGINIA.

WHEREAS, the Newport News Redevelopment and Housing Authority (the "Authority") is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority (a) has considered the application of AOZPCREI Woodlands LLC, a Delaware limited liability company (the "Borrower"), requesting that the Authority issue its revenue bonds (the "Bonds") in a maximum stated principal amount of \$18,000,000 to assist the Borrower or a party related to the Borrower in financing or refinancing a portion of (i) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of 10 buildings containing approximately 152 units representing approximately 114,000 net rentable square feet known as Woodlands at Oyster Point Apartments (the "Project") located at 819 Forrest Drive in the City of Newport News, Virginia, and (ii) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") and (b) has held a public hearing in connection therewith on November 17, 2020 (the "Public Hearing"); 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, Section 147(f) of the Code provides that (1) the applicable elected representatives of the governmental unit issuing the private activity bonds and each governmental unit having jurisdiction over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of such bonds, and (2) if a governmental unit has no applicable elected representatives, the bond issuance must be approved by the next higher governmental unit with such a representative and from which the authority of the governmental unit without such a representative is derived; and

WHEREAS, the Authority was activated by and derives its authority from the City of Newport News, Virginia (the "City") and the Project is located in the City; and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the City Council of the City (the "Council") constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution authorizing the issuance of the Bonds, a certificate of the Public Hearing, a summary of the statements expressed at the Public Hearing and the fiscal impact statement concerning the Plan of Finance have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA:

1. The Council approves the issuance of the Bonds by the Authority, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$18,000,000 for the benefit of the Borrower or a party related to the Borrower, as required by Section 147(f) of the Code, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code"), and Section 36-19(9) of the Virginia Code to permit the Authority to assist in the financing of the Plan of Finance.

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Plan of Finance or the Borrower.

3. The Bonds shall provide that neither the Commonwealth of Virginia, the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that neither the faith and credit nor the taxing power of the Commonwealth of Virginia, the City or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. In adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, and hereby disclaim all liability for, any damages to the City or any person, direct or consequential, resulting from the Authority's failure to issue the Bonds for any reason.

5. This resolution shall be in effect on and after the date of its adoption, January 12, 2021.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON JANUARY 12, 2021

Mabel Washington Jenkins, MMC
City Clerk

McKinley L. Price, DDS
Mayor

A true copy, teste:

City Clerk

CERTIFICATE

Record of the roll-call vote by the City Council of the City of Newport News, Virginia, upon reading a resolution titled "**RESOLUTION APPROVING THE ISSUANCE BY THE NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 152-UNIT WOODLANDS AT OYSTER POINT APARTMENTS LOCATED IN THE CITY OF NEWPORT NEWS, VIRGINIA,**" taken at a meeting of the City Council held on January 12, 2021:

	AYE	NAY	ABSTAIN	ABSENT
McKinley L. Price, DDS, Mayor	X			
Saundra N. Cherry, Vice Mayor	X			
Marcellus L. Harris III	X			
David H. Jenkins	X			
Sharon P. Scott	X			
Tina L. Vick	X			
Dr. Patricia P. Woodbury	X			

Dated: January 12

[SEAL]



Mabel Washington Jenkins
Clerk, City of Newport News, Virginia

The undersigned Clerk of the City Council of the City of Newport News, Virginia, hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the City Council at its meeting duly called and held on January 12, 2021, 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 City of Newport News, Virginia this 13th day of January, 2021.

[SEAL]



Mabel Washington Jenkins
Clerk, City of Newport News, Virginia