
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
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
Pamela Freeth	pamela.freeth@virginiahousing.com	(804) 343-5563
Aniyah Moaney	aniyah.moaney@virginiahousing.com	(804) 343-5518

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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.

- \$1,000 Application Fee **(MANDATORY)**
- Electronic Copy of the Microsoft Excel Based Application **(MANDATORY)**
- Scanned Copy of the Signed Tax Credit Application with Attachments (excluding market study and plans & specifications) **(MANDATORY)**
- Electronic Copy of the Market Study **(MANDATORY - Application will be disqualified if study is not submitted with application)**
- Electronic Copy of the Plans and Unit by Unit writeup **(MANDATORY)**
- Electronic Copy of the Specifications **(MANDATORY)**
- Electronic Copy of the Existing Condition questionnaire **(MANDATORY if Rehab)**
- Electronic Copy of the Physical Needs Assessment **(MANDATORY at reservation for a 4% rehab request)**
- Electronic Copy of Appraisal **(MANDATORY if acquisition credits requested)**
- Electronic Copy of Environmental Site Assessment (Phase I) **(MANDATORY if 4% credits requested)**
- Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement **(MANDATORY)**
- Tab B: Virginia State Corporation Commission Certification **(MANDATORY)**
- Tab C: Principal's Previous Participation Certification **(MANDATORY)**
- Tab D: List of LIHTC Developments (Schedule A) **(MANDATORY)**
- Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment **(MANDATORY)**
- Tab F: RESNET Rater Certification **(MANDATORY)**
- Tab G: Zoning Certification Letter **(MANDATORY)**
- Tab H: Attorney's Opinion **(MANDATORY)**
- Tab I: Nonprofit Questionnaire **(MANDATORY for points or pool)**
- The following documents need not be submitted unless requested by Virginia Housing:
- Nonprofit Articles of Incorporation
 - IRS Documentation of Nonprofit Status
 - Joint Venture Agreement (if applicable)
 - For-profit Consulting Agreement (if applicable)
- Tab J: Relocation Plan and Unit Delivery Schedule **(MANDATORY)**
- Tab K: Documentation of Development Location:
- K.1 Revitalization Area Certification
- K.2 Location Map
- K.3 Surveyor's Certification of Proximity To Public Transportation
- Tab L: PHA / Section 8 Notification Letter
- Tab M: Locality CEO Response Letter
- Tab N: Homeownership Plan
- Tab O: Plan of Development Certification Letter
- Tab P: Developer Experience documentation and Partnership agreements
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- Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
- Tab W: Internet Safety Plan and Resident Information Form (if internet amenities selected)
- Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504
- Tab Y: Inducement Resolution for Tax Exempt Bonds

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

3/17/2021

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: Mr. Albert Moor
 Chief Executive Officer's Title: City Manager Phone: (757) 514-4012
 Street Address: 442 West Washington Street
 City: Suffolk State: VA Zip: 23434

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Kevin Hughes, Acting Deputy City Manager (757) 514-4037

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

Tidewater MSA Pool

or

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

[Redacted]

For Tax Exempt Bonds, where are bonds being issued?

[Redacted]

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

2. Type(s) of Allocation/Allocation Year

Carryforward Allocation

Definitions of types:

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

New Construction

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

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

FALSE

5. Planned Combined 9% and 4% Developments

FALSE

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

Name of companion development: [Redacted]

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

FALSE

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

Total Units within 9% allocation request? 0

Total Units within 4% Tax Exempt allocation Request? 0

Total Units: 0

% of units in 4% Tax Exempt Allocation Request: 0.00%

6. Extended Use Restriction

Note: Each recipient of an allocation of credits will be required to record an **Extended Use Agreement** as required by the IRC governing the use of the development for low-income housing for at least 30 years. Applicant waives the right to pursue a Qualified Contract.

Must Select One: 30

Definition of selection:

Development will be subject to the standard extended use agreement of 15 extended use period (after the mandatory 15-year compliance period.)

C. OWNERSHIP INFORMATION

NOTE: 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: Washington Terrace LLC

Developer Name: South Creek Development, LLC

Contact: M/M ▶ Mr. First: Charles MI: S Last: Heritage

Address: 6704 Feagan Road

City: Summerfield St. ▶ NC Zip: 27358

Phone: (336) 669-3587 Ext. Fax:

Email address: charlie@southcreekdevelopment.com

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

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

Additional Contact: Please Provide Name, Email and Phone number.

Andrew Schryver, andy@southcreekdevelopment.com, (843) 437-8470

- 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>	
Generation Housing Development, LLC (GHD)	(512) 971-9127	Manager	51.000%	
Adrian Iglesias, President of GHD	(512) 971-9127	Manager (100%)	0.000%	<i>needs</i>
South Creek Investments, LLC	(336) 669-3587	Manager	39.000%	
See attached Principals	(336) 669-3587	Manager	0.000%	<i>needs</i>
Commonwealth Catholic Charities Housing Corporat	(804) 545-5975	Member	10.000%	
Jay Brown, Executive Director of CCC	(804) 545-5975	Member	0.000%	<i>needs</i>
			0.000%	

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

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

Washington Terrace

<u>Principals</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Washington Terrace MM LLC	(512) 971-9127	Member	100%
Generation Housing Development, LLC	(512) 971-9127	Manager	51%
South Creek Investments, LLC	(336) 669-3587	Manager	39%
Commonwealth Catholic Charities Housing Corporation	(804) 545-5975	Member	10%
Generation Housing Development, LLC	(512) 971-9127	Manager	
Adrian Iglesias	(512) 971-9127	Manager	100%
South Creek Investments, LLC	(336) 669-3587	Manager	
South Creek Ventures, LLC	(336) 669-3587	Manager	15%
South Creek SC, LLC	(843) 437-8470	Member	10%
Hill Tide Housing Investments, LLC	(727) 244-2440	Member	75%
Commonwealth Catholic Charities Housing Corporation (CCC)	(804) 545-5975	Member	
Jay Brown, Executive Director of CCC	(804) 545-5975	Member	0%
South Creek Ventures, LLC	(336) 669-3587	Manager	
Charles Heritage	(336) 669-3587	Manager	100%
South Creek SC, LLC	(843) 437-8470	Member	
Andrew Schryver	(843) 437-8470	Member	100%
Hill Tide Housing Investments, LLC	(727) 244-2440	Member	
Hill Tide Ventures, LLC	(727) 244-2440	Member	100%
Hill Tide Ventures, LLC	(727) 244-2440	Member	
Daniel Winters	(727) 244-2440	Member	50%
Robert Long	(727) 424-0386	Member	50%

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..... **TRUE**

Action: Must be included on the Virginia Housing Experienced LIHTC Developer List or provide Audited Financial Statements and copies of 8609s (**Tab P**)

c. The development's principal(s), as a group or individually, have developed as controlling general partner or managing member, at least one tax credit development that contains at least the same number of units of this proposed development (can include Market units). **FALSE**

Action: Must provide copies of 8609s and partnership agreements (**Tab P**)

D. SITE CONTROL

NOTE: Site control by the Owner identified herein is a mandatory precondition of review of this application. Documentary evidence in the form of either a deed, option, purchase contract or lease for a term longer than the period of time the property will be subject to occupancy restrictions must be included herewith. (For 9% Competitive Credits - An option or contract must extend beyond the application deadline by a minimum of four months.)

Warning: Site control by an entity other than the Owner, even if it is a closely related party, is not sufficient. Anticipated future transfers to the Owner are not sufficient. The Owner, as identified previously, must have site control at the time this Application is submitted.

NOTE: If the Owner receives a reservation of credits, the property must be titled in the name of or leased by (pursuant to a long-term lease) the Owner before the allocation of credits is made.

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

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type: Purchase Contract

Expiration Date: 3/1/2022

In the Option or Purchase contract - Any contract for the acquisition of a site with an existing residential property may not require an empty building as a condition of such contract, unless relocation assistance is provided to displaced households, if any, at such level required by Virginia Housing. See QAP for further details.

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

FALSE There is more than one site for development and more than one form of site control.

(If **True**, provide documentation for each site specifying number of existing buildings on the site (if any), type of control of each site, and applicable expiration date of stated site control. A site control document is required for each site **(Tab E)**.)

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

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

b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 3/1/2022 .

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

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

D. SITE CONTROL

3. Seller Information:

Name: Bayside Holdings, LLC

Address: 530 E. Los Angelese Avenue

City: Moorpark St.: CA Zip: 93021

Contact Person: Chip Collins Phone: (805) 531-9949

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

Provide Email address for each completed team member

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

- | | | | | |
|----|---|---|---------------------------|----------------|
| 1. | Tax Attorney: | Allison Domson | This is a Related Entity. | FALSE |
| | Firm Name: | Williams Mullen | | |
| | Address: | 200 South 10th Street, Suite 1600, Richmond, VA 23219 | | |
| | Email: | adomson@williamsmullen.com | Phone: | (804) 420-6915 |
| | | | | |
| 2. | Tax Accountant: | Nathan Vickers | This is a Related Entity. | FALSE |
| | Firm Name: | Tidwell Group | | |
| | Address: | 2001 Park Place, Suite 900 | | |
| | Email: | nathan.vickers@tidwellgroup.com | Phone: | (205) 822-1010 |
| | | | | |
| 3. | Consultant: | Ryne Johnson | This is a Related Entity. | FALSE |
| | Firm Name: | Astoria, LLC | Role: | |
| | Address: | 3450 Lady Marian Ct., Midlothian, VA 23113 | | |
| | Email: | rynejohnson@astoriallc.com | Phone: | (804) 320-0585 |
| | | | | |
| 4. | Management Entity: | Rick Allen | This is a Related Entity. | FALSE |
| | Firm Name: | Partnership Property Management | | |
| | Address: | P.O. Box 26405, Greensboro, NC 27404 | | |
| | Email: | Rallen@partnershippm.com | Phone: | (336) 544-2300 |
| | | | | |
| 5. | Contractor: | TBD | This is a Related Entity. | FALSE |
| | Firm Name: | | | |
| | Address: | | | |
| | Email: | | Phone: | |
| | Provide Email address for completed team member | | | |
| | | | | |
| 6. | Architect: | Orville V Player III | This is a Related Entity. | FALSE |
| | Firm Name: | Parks-Player Architecture & Planning LLC | | |
| | Address: | 315 E. Broad Street, Greenville, SC 29601 | | |
| | Email: | tplayer@parksplayer.com | Phone: | (864) 382-5000 |
| | | | | |
| 7. | Real Estate Attorney: | Allison Domson | This is a Related Entity. | FALSE |
| | Firm Name: | Williams Mullen | | |
| | Address: | 200 South 10th Street, Suite 1600, Richmond, VA 23219 | | |
| | Email: | adomson@williamsmullen.com | Phone: | (804) 420-6915 |
| | | | | |
| 8. | Mortgage Banker: | Dan Duda | This is a Related Entity. | FALSE |
| | Firm Name: | Churchill Stateside Group | | |
| | Address: | 915 Chestnut Street, Clearwater, FL 33756 | | |
| | Email: | Dduda@csgfirst.com | Phone: | (727) 269-5198 |
| | | | | |
| 9. | Other: | | This is a Related Entity. | FALSE |
| | Firm Name: | | Role: | |
| | Address: | | | |
| | Email: | | Phone: | |

F. REHAB INFORMATION

1. Acquisition Credit Information

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

4. Request For Exception

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

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Owner

Name: Commonwealth Catholic Charities Housing Corporation (Please fit NP name within available space)

Contact Person: Jay Brown

Street Address: 1601 Rolling Hills Dr

City: Richmond State: VA Zip: 23229-5001

Phone: (804) 545-5975 Extension: Contact Email: jay.brown@cccovfa.org

G. NONPROFIT INVOLVEMENT

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

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

10.0%

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

A. TRUE

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

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

Name of qualified nonprofit: Commonwealth Catholic Charities Housing Corporation

or indicate true if Local Housing Authority FALSE

Name of Local Housing Authority _____

2. FALSE

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

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

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	72	bedrooms	174
Total number of rental units in development	72	bedrooms	174
Number of low-income rental units	72	bedrooms	174
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	72	bedrooms	174
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....			99,759.53 <small>(Sq. ft.)</small>
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			17,617.37 <small>(Sq. ft.)</small>
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			82,142.16 <small>(Sq. ft.)</small>
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i. Exact area of site in acres	3.344		
j. Locality has approved a final site plan or plan of development.....			FALSE
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....			FALSE

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	1078.98	SF	42	42
3BR Garden	1227.50	SF	30	30
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
			72	72

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)..... **6**
- b. Age of Structure:..... **0** years
- c. Number of stories:..... **3**
- d. The development is a scattered site development..... **FALSE**
- e. Commercial Area Intended Use: **N/A**
- f. Development consists primarily of : **(Only One Option Below Can Be True)**
 - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... **TRUE**
 - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... **FALSE**
 - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... **FALSE**

H. STRUCTURE AND UNITS INFORMATION

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

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

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

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Community room included in the above amenities

m. Number of Proposed Parking Spaces..... 128
 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	2.10%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	2.10%
Project Wide Absorption Period (Months)	6-9 Months

J. ENHANCEMENTS

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

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

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

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

ACTION: Provide RESNET rater certification (**TAB F**)

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

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

- | | |
|--------|--|
| TRUE | a. A community/meeting room with a minimum of 749 square feet is provided. |
| 85.00% | b. Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations. |
| TRUE | 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. |
| TRUE | f. Free WiFi access will be provided in community room for resident only usage. |
| FALSE | g. Each unit is provided free individual high speed internet access. |
| or | |
| TRUE | h. Each unit is provided free individual WiFi access. |
| FALSE | i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS. |
| or | |
| TRUE | j. Full bath fans are equipped with a humidistat. |
| TRUE | k. Cooking surfaces are equipped with fire prevention features |
| or | |
| FALSE | l. Cooking surfaces are equipped with fire suppression features. |
| FALSE | m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system. |
| or | |
| TRUE | n. All Construction types: each unit is equipped with a permanent dehumidification system. |
| TRUE | o. All interior doors within units are solid core. |
| TRUE | p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port. |
| TRUE | q. All kitchen light fixtures are LED and meet MDCR lighting guidelines. |
| TRUE | r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway. |
| TRUE | s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear |

J. ENHANCEMENTS

from face of building and a minimum size of 30 square feet.

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

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

2. Green Certification

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

The applicant will also obtain one of the following:

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

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

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

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

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


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

33% of Total Rental Units

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

If not, please explain:

[Redacted area]



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

I. UTILITIES

1. Utilities Types:

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

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

- | | | | |
|-----------------|--------------|----------------------|--------------|
| Water?..... | <u>FALSE</u> | Heat?..... | <u>FALSE</u> |
| Hot Water?..... | <u>FALSE</u> | AC?..... | <u>FALSE</u> |
| Lighting?..... | <u>FALSE</u> | Sewer?..... | <u>FALSE</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	0	16	19	0
Air Conditioning	0	0	8	9	0
Cooking	0	0	7	8	0
Lighting	0	0	26	31	0
Hot Water	0	0	15	18	0
Water	0	0	46	57	0
Sewer	0	0	56	71	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$0	\$174	\$213	\$0

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

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

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

K. SPECIAL HOUSING NEEDS

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

- 1. **Accessibility:** Indicate **True** for the following point categories, as appropriate.
Action: Provide appropriate documentation (**Tab X**)

TRUE

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

Documentation from source of assistance must be provided with the application.
Note: Subsidies may apply to any units, not only those built to satisfy Section 504.
(60 points)


FALSE

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

FALSE

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

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


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

K. SPECIAL HOUSING NEEDS

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..... FALSE

(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: Suffolk Redevelopment & Housing Authority

Contact person: Tracey C. Snipes

Title: Executive Director/ CEO

Phone Number: (757) 539-2100

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

b. Leasing preference will be given to individuals and families with children..... TRUE

(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: 30

% of total Low Income Units 42%

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: Rick
Last Name: Allen

Phone Number: (336) 544-2300 Email: rallen@partnershipm.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

TRUE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers
*Administering Organization:

FALSE State Assistance
*Administering Organization:

FALSE Other:

K. SPECIAL HOUSING NEEDS

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:

8

How many years in rental assistance contract?

15.00

Expiration date of contract:

12/1/2036

There is an Option to Renew.....

FALSE

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

L. UNIT DETAILS

1. Set-Aside Election:

UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY

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

a. Units Provided Per Household Type:

Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
8	11.11%	30% Area Median	240%
0	0.00%	40% Area Median	0%
29	40.28%	50% Area Median	1450%
7	9.72%	60% Area Median	420%
17	23.61%	70% Area Median	1190%
11	15.28%	80% Area Median	880%
0	0.00%	Market Units	
72	100.00%	Total	58.06%


Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
8	11.11%	30% Area Median	240%
0	0.00%	40% Area Median	0%
29	40.28%	50% Area Median	1450%
7	9.72%	60% Area Median	420%
17	23.61%	70% Area Median	1190%
11	15.28%	80% Area Median	880%
0	0.00%	Market Units	
72	100.00%	Total	58.06%

- 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	2 BR - 2 Bath	30% AMI	4	1	1001.31	\$383.00	\$1,532
Mix 2	2 BR - 2 Bath	50% AMI	16	1	1001.31	\$754.00	\$12,064
Mix 3	2 BR - 2 Bath	60% AMI	4	1	1001.31	\$925.00	\$3,700
Mix 4	2 BR - 2 Bath	70% AMI	11	1	1001.31	\$1,000.00	\$11,000
Mix 5	2 BR - 2 Bath	80% AMI	7		1001.31	\$1,075.00	\$7,525
Mix 6	3 BR - 2 Bath	30% AMI	4	1	1150.15	\$430.00	\$1,720
Mix 7	3 BR - 2 Bath	50% AMI	13	1	1150.15	\$859.00	\$11,167
Mix 8	3 BR - 2 Bath	60% AMI	3	1	1150.15	\$975.00	\$2,925
Mix 9	3 BR - 2 Bath	70% AMI	6	1	1150.15	\$1,050.00	\$6,300
Mix 10	3 BR - 2 Bath	80% AMI	4		1150.15	\$1,175.00	\$4,700
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0

L. UNIT DETAILS

Mix 14								\$0
Mix 15								\$0
Mix 16								\$0
Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
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Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0

L. UNIT DETAILS

Mix 68							\$0
Mix 69							\$0
Mix 70							\$0
Mix 71							\$0
Mix 72							\$0
Mix 73							\$0
Mix 74							\$0
Mix 75							\$0
Mix 76							\$0
Mix 77							\$0
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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			72	8			\$62,633

Total Units	72	Net Rentable SF:	TC Units	76,559.52
			MKT Units	0.00
			Total NR SF:	76,559.52

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$3,000
2. Office Salaries			\$0
3. Office Supplies			\$3,000
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$38,880
<u>5.37%</u> of EGI	<u>\$540.00</u>	Per Unit	
6. Manager Salaries			\$32,000
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$5,000
9. Auditing			\$5,000
10. Bookkeeping/Accounting Fees			\$5,000
11. Telephone & Answering Service			\$5,000
12. Tax Credit Monitoring Fee			\$0
13. Miscellaneous Administrative			\$5,000
Total Administrative			\$101,880

Utilities

14. Fuel Oil			\$0
15. Electricity			\$8,000
16. Water			\$8,000
17. Gas			\$0
18. Sewer			\$8,000
Total Utility			\$24,000

Operating:

19. Janitor/Cleaning Payroll			\$5,000
20. Janitor/Cleaning Supplies			\$5,000
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$5,000
23. Trash Removal			\$8,000
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$8,000
27. Grounds Contract			\$8,000
28. Maintenance/Repairs Payroll			\$20,000
29. Repairs/Material			\$15,000
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$10,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$5,000
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$10,000
Totals Operating & Maintenance			\$99,000

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$35,000
39. Payroll Taxes	\$10,000
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$30,000
42. Fidelity Bond	\$0
43. Workman's Compensation	\$10,000
44. Health Insurance & Employee Benefits	\$15,000
45. Other Insurance	\$0
Total Taxes & Insurance	\$100,000

Total Operating Expense	\$324,880
--------------------------------	------------------

Total Operating Expenses Per Unit	\$4,512	C. Total Operating Expenses as % of EGI	44.91%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$21,600
---	-----------------

Total Expenses	\$346,480
-----------------------	------------------

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

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	3/17/2021	Charlie Heritage
b. Site Acquisition	12/30/2021	Charlie Heritage
c. Zoning Approval	N/A	
d. Site Plan Approval	12/15/2021	Charlie Heritage
2. Financing		
a. Construction Loan		
i. Loan Application	6/1/2021	Charlie Heritage
ii. Conditional Commitment	7/1/2021	Charlie Heritage
iii. Firm Commitment	8/1/2021	Charlie Heritage
b. Permanent Loan - First Lien		
i. Loan Application	6/1/2021	Charlie Heritage
ii. Conditional Commitment	7/1/2021	Charlie Heritage
iii. Firm Commitment	8/1/2021	Charlie Heritage
c. Permanent Loan-Second Lien		
i. Loan Application	N/A	
ii. Conditional Commitment	N/A	
iii. Firm Commitment	N/A	
d. Other Loans & Grants		
i. Type & Source, List	N/A	
ii. Application	N/A	
iii. Award/Commitment	N/A	
2. Formation of Owner	2/19/2020	Charlie Heritage
3. IRS Approval of Nonprofit Status	N/A	Charlie Heritage
4. Closing and Transfer of Property to Owner	12/30/2021	Charlie Heritage
5. Plans and Specifications, Working Drawings	8/1/2021	Orville V. Player III
6. Building Permit Issued by Local Government	12/15/2021	Charlie Heritage
7. Start Construction	1/1/2022	Charlie Heritage
8. Begin Lease-up	1/1/2023	Charlie Heritage
9. Complete Construction	3/1/2023	Charlie Heritage
10. Complete Lease-Up	9/1/2023	Charlie Heritage
11. Credit Placed in Service Date	3/1/2023	Charlie Heritage

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)	7,695,900	0	0	7,695,900
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
Total Structure	7,695,900	0	0	7,695,900
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	1,500,000	0	0	1,500,000
p. Other Site work	0	0	0	0
Total Land Improvements	1,500,000	0	0	1,500,000
Total Structure and Land	9,195,900	0	0	9,195,900
q. General Requirements	522,000	0	0	522,000
r. Builder's Overhead (1.9% Contract)	174,000	0	0	174,000
s. Builder's Profit (5.7% Contract)	522,000	0	0	522,000
t. Bonds	75,000	0	0	75,000
u. Building Permits	50,000	0	0	50,000
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	\$10,538,900	\$0	\$0	\$10,538,900

O. PROJECT BUDGET - OWNER COSTS

MUST USE WHOLE NUMBERS ONLY!

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$2,778 /Unit)	200,000	0	0	200,000
c. Architecture Supervision Fee \$278 /Unit)	20,000	0	0	20,000
d. Tap Fees	669,600	0	0	669,600
e. Environmental	4,000	0	0	4,000
f. Soil Borings	10,000	0	0	10,000
g. Green Building (Earthcraft, LEED, etc.)	35,000	0	0	35,000
h. Appraisal	3,500	0	0	3,500
i. Market Study	4,400	0	0	4,400
j. Site Engineering / Survey	140,000	0	0	140,000
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	140,000	0	0	140,000
n. Construction Interest (4.5% for 24 months)	650,000	0	0	455,000
o. Taxes During Construction	10,000	0	0	0
p. Insurance During Construction	40,000	0	0	0
q. Permanent Loan Fee (1.0%)	56,500	0	0	0
r. Other Permanent Loan Fees	15,000	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	5,000	0	0	0
v. Title and Recording	80,000	0	0	0
w. Legal Fees for Closing	120,000	0	0	60,000
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	92,700			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	30,000	0	0	0
ab. Organization Costs	3,000	0	0	0
ac. Operating Reserve	336,705	0	0	0
ad. Contingency	65,000	0	0	65,000
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: 3rd Party Constr. Monitorin	45,000	0	0	45,000
(2) Other* specify: Rent Up Reserve and Exp	44,400	0	0	0
(3) Other* specify: Syndicator and Lender DD	25,000	0	0	25,000
(4) Other* specify:	0	0	0	0
(5) Other* specify:	0	0	0	0
(6) Other* specify:	0	0	0	0
(7) Other* specify:	0	0	0	0
(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))	\$2,844,805	\$0	\$0	\$1,876,500
Subtotal 1 + 2 (Owner + Contractor Costs)	\$13,383,705	\$0	\$0	\$12,415,400
3. Developer's Fees Action: Provide Developer Fee Agreement (Tab A)	1,680,000	0	0	1,680,000
4. Owner's Acquisition Costs				
Land	2,250,000			
Existing Improvements	0	0		
Subtotal 4:	\$2,250,000	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$17,313,705	\$0	\$0	\$14,095,400

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

(Provide documentation at Tab E)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$1,680,696

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

\$151 **Meets Limits**
\$262

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	17,313,705	0	0	14,095,400

2. Reductions in Eligible Basis

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

3. Total Eligible Basis (1 - 2 above)

0	0	14,095,400
---	---	------------

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	4,228,620
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0
Total Adjusted Eligible basis	0	18,324,020

5. Applicable Fraction

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

6. Total Qualified Basis

(Eligible Basis x Applicable Fraction)

0	0	18,324,020
---	---	------------

7. Applicable Percentage

0.00%	9.00%	9.00%
-------	-------	-------

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

8. Maximum Allowable Credit under IRC §42

(Qualified Basis x Applicable Percentage)

\$0	\$0	\$1,649,162
-----	-----	-------------

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

\$1,649,162 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.	Churchill			\$14,000,000	Dan Duda
2.					
3.					
Total Construction Funding:				\$14,000,000	

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.	Churchill Stateside Group			\$5,650,000	\$326,929	5.00%	40.00	18.00
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
Total Permanent Funding:				\$5,650,000	\$326,929			

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

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$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: N/A

7. Some of the development's financing has credit enhancements..... FALSE
If **True**, list which financing and describe the credit enhancement:

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

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

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

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	\$0
ii. Contributed Land/Building	\$0
iii. Deferred Developer Fee	\$135,708 (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 \$135,708

2. Equity Gap Calculation

a. Total Development Cost	\$17,313,705
b. Total of Permanent Funding, Grants and Equity	- \$5,785,708
c. Equity Gap	\$11,527,997
d. Developer Equity	- \$1,150
e. Equity gap to be funded with low-income tax credit proceeds	\$11,526,847

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	Churchill Stateside Group		
Contact Person:	Dan Duda	Phone:	(727) 269-5198
Street Address:	915 Chestnut Street		
City:	Clearwater, FL	State:	Zip: 33756

b. Syndication Equity

i. Anticipated Annual Credits	\$1,310,000.00
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%)	99.99000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0
v. Net credit amount anticipated by user of credits	\$1,309,869
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$11,526,847

c. Syndication:	Private
d. Investors:	Corporate

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$11,526,847

5. Net Equity Factor

Must be equal to or greater than 85% 87.9999984731%

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		\$17,313,705
2. Less Total of Permanent Funding, Grants and Equity	-	\$5,785,708
3. Equals Equity Gap		\$11,527,997
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		87.9999984731%
5. Equals Ten-Year Credit Amount Needed to Fund Gap		\$13,099,997
Divided by ten years		10
6. Equals Annual Tax Credit Required to Fund the Equity Gap		\$1,310,000
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		\$1,649,162
8. Requested Credit Amount	For 30% PV Credit:	\$0
	For 70% PV Credit:	\$1,310,000
Credit per LI Units	\$18,194.4444	
Credit per LI Bedroom	\$7,528.7356	
	Combined 30% & 70% PV Credit Requested	\$1,310,000

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		\$62,633
Plus Other Income Source (list):	Laundry and Misc Fees	\$1,440
Equals Total Monthly Income:		\$64,073
Twelve Months		x12
Equals Annual Gross Potential Income		\$768,876
Less Vacancy Allowance	7.0%	\$53,821
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$715,055

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):	PBV rent overhang	\$744
Equals Total Monthly Income:		\$744
Twelve Months		x12
Equals Annual Gross Potential Income		\$8,928
Less Vacancy Allowance	7.0%	\$625
Equals Annual Effective Gross Income (EGI) - Market Rate Units		\$8,303

Action: Provide documentation in support of operating budget (TAB K)

3. Cash Flow (First Year)

a.	Annual EGI Low-Income Units	\$715,055
b.	Annual EGI Market Units	\$8,303
c.	Total Effective Gross Income	\$723,358
d.	Total Expenses	\$346,480
e.	Net Operating Income	\$376,878
f.	Total Annual Debt Service	\$326,929
g.	Cash Flow Available for Distribution	\$49,949

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	723,358	737,825	752,581	767,633	782,986
Less Oper. Expenses	346,480	356,874	367,581	378,608	389,966
Net Income	376,878	380,950	385,001	389,025	393,019
Less Debt Service	326,929	326,929	326,929	326,929	326,929
Cash Flow	49,949	54,021	58,072	62,096	66,090
Debt Coverage Ratio	1.15	1.17	1.18	1.19	1.20

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	798,645	814,618	830,911	847,529	864,479
Less Oper. Expenses	401,665	413,715	426,127	438,910	452,078
Net Income	396,980	400,903	404,784	408,618	412,402
Less Debt Service	326,929	326,929	326,929	326,929	326,929
Cash Flow	70,051	73,974	77,855	81,689	85,473
Debt Coverage Ratio	1.21	1.23	1.24	1.25	1.26

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	881,769	899,404	917,392	935,740	954,455
Less Oper. Expenses	465,640	479,609	493,998	508,818	524,082
Net Income	416,129	419,795	423,395	426,923	430,373
Less Debt Service	326,929	326,929	326,929	326,929	326,929
Cash Flow	89,200	92,866	96,466	99,994	103,444
Debt Coverage Ratio	1.27	1.28	1.30	1.31	1.32

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: 6

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.		12		806 West Washington Street		Suffolk	VA	23434				\$0				\$0	\$3,054,004	04/01/22	9.00%	\$274,860			
2.		12		806 West Washington Street		Suffolk	VA	23434				\$0				\$0	\$3,054,004	04/01/22	9.00%	\$274,860			
3.		12		806 West Washington Street		Suffolk	VA	23434				\$0				\$0	\$3,054,003	04/01/22	9.00%	\$274,860			
4.		12		806 West Washington Street		Suffolk	VA	23434				\$0				\$0	\$3,054,003	04/01/22	9.00%	\$274,860			
5.		12		806 West Washington Street		Suffolk	VA	23434				\$0				\$0	\$3,054,003	04/01/22	9.00%	\$274,860			
6.		12		806 West Washington Street		Suffolk	VA	23434				\$0				\$0	\$3,054,003	04/01/22	9.00%	\$274,860			
7.												\$0				\$0				\$0			
8.												\$0				\$0				\$0			
9.												\$0				\$0				\$0			
10.												\$0				\$0				\$0			
11.												\$0				\$0				\$0			
12.												\$0				\$0				\$0			
13.												\$0				\$0				\$0			
14.												\$0				\$0				\$0			
15.												\$0				\$0				\$0			
16.												\$0				\$0				\$0			
17.												\$0				\$0				\$0			
18.												\$0				\$0				\$0			
19.												\$0				\$0				\$0			
20.												\$0				\$0				\$0			
21.												\$0				\$0				\$0			
22.												\$0				\$0				\$0			
23.												\$0				\$0				\$0			
24.												\$0				\$0				\$0			
25.												\$0				\$0				\$0			
26.												\$0				\$0				\$0			
27.												\$0				\$0				\$0			
28.												\$0				\$0				\$0			
29.												\$0				\$0				\$0			
30.												\$0				\$0				\$0			
31.												\$0				\$0				\$0			
32.												\$0				\$0				\$0			
33.												\$0				\$0				\$0			
34.												\$0				\$0				\$0			
35.												\$0				\$0				\$0			
		72	0																				
				Totals from all buildings							\$0									\$0	\$18,324,020	\$0	\$1,649,162

Number of BINS: 6

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

- 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: Washington Terrace LLC
 By: Washington Terrace MM LLC, its Manager


By: 
 Its: Adrian Iglesias, Manager
 (Title)

V. STATEMENT OF ARCHITECT

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

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

Legal Name of Architect:	Orville V Player III
Virginia License#:	0401016490
Architecture Firm or Company:	Parks-Player Architecture & Planning LLC

By: 

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

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	4.44
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	0.00%	Up to 40	0.00
d. Tax abatement on increase of property's value	N	0 or 5	0.00
e. New project based rental subsidy (HUD or RD)	Y	0 or 10	10.00
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	Y	Up to 20	20.00
Total:			34.44

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			72.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 60	60.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	N	0 or 15	0.00
e. Proximity to public transportation (within Northern VA or Tidewater)	Y20	0, 10 or 20	20.00
f. Development will be Green Certified	Y	0 or 10	10.00
g. Units constructed to meet Virginia Housing's Universal Design standards	33%	Up to 15	5.00
h. Developments with less than 100 units	Y	up to 20	11.20
i. Historic Structure	N	0 or 5	0.00
Total:			178.20

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	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	41.67%	Up to 15	15.00
c.	11.11%	Up to 10	10.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	11.11%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	51.39%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	51.39%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	51.39%	Up to 50	0.00
Total:			100.00

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	Y	0 or 50	50.00
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:			50.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	55.76
b. Cost per unit		Up to 100	33.00
Total:			88.76

7. BONUS POINTS:

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

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

TOTAL SCORE: 526.40

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	25.00
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	4.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	8.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	3.00
k. Cooking Surfaces equipped with fire prevention features	4	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	5.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. Shelf or Ledge at entrance within interior hallway	2	2.00
s. New Construction: Balcony or patio	4	4.00
		<u>72.00</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>72.00</u>

X. Development Summary

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

Deal Name: Washington Terrace

Cycle Type: 9% Tax Credits Requested Credit Amount: \$1,310,000
 Allocation Type: New Construction Jurisdiction: Suffolk City
 Total Units: 72 Population Target: General
 Total LI Units: 72
 Project Gross Sq Ft: 99,759.53 Owner Contact: Charles Heritage
 Green Certified? TRUE

Total Score 526.40

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$5,650,000	\$78,472	\$57	\$326,929

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$9,195,900	\$127,721	\$92	53.11%
General Req/Overhead/Profit	\$1,218,000	\$16,917	\$12	7.03%
Other Contract Costs	\$125,000	\$1,736	\$1	0.72%
Owner Costs	\$2,844,805	\$39,511	\$29	16.43%
Acquisition	\$2,250,000	\$31,250	\$23	13.00%
Developer Fee	\$1,680,000	\$23,333	\$17	9.70%
Total Uses	\$17,313,705		\$240,468	

Total Development Costs	
Total Improvements	\$13,383,705
Land Acquisition	\$2,250,000
Developer Fee	\$1,680,000
Total Development Costs	\$17,313,705

Income		
Gross Potential Income - LI Units		\$768,876
Gross Potential Income - Mkt Units		\$8,928
Subtotal		\$777,804
Less Vacancy %	7.00%	\$54,446
Effective Gross Income		\$723,358

Proposed Cost Limit/Sq Ft: \$151
 Applicable Cost Limit/Sq Ft: \$262

Rental Assistance? TRUE

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	0
# of 2BR	42
# of 3BR	30
# of 4+ BR	0
Total Units	72

Expenses		
Category	Total	Per Unit
Administrative	\$101,880	\$1,415
Utilities	\$24,000	\$333
Operating & Maintenance	\$99,000	\$1,375
Taxes & Insurance	\$100,000	\$1,389
Total Operating Expenses	\$324,880	\$4,512
Replacement Reserves	\$21,600	\$300
Total Expenses	\$346,480	\$4,812

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	8	8
40% AMI	0	0
50% AMI	29	29
60% AMI	7	7
>60% AMI	28	28
Market	0	0

Cash Flow	
EGI	\$723,358
Total Expenses	\$346,480
Net Income	\$376,878
Debt Service	\$326,929
Debt Coverage Ratio (YR1):	1.15

Income Averaging? TRUE

Extended Use Restriction? 30

2021 Low-Income Housing Tax Credit Application For Reservation

Virginia Housing is running a BETA test of new EUR calculations that will be considered for implementation in 2022. These points are only a test and will not be used for scoring purposes in 2021. Please contact taxcreditapps@virginiahousing.com 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)		55.76
Using proposed method:		
Combined Max	\$1,649,162	
Credit Requested	\$1,310,000	
% of Savings	20.57%	
Sliding Scale Points		68.57
<i>Difference</i>		12.81

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)		33.00
Using proposed method:		
Total Costs Less Acquisition	\$15,063,705	
Total Square Feet	99,759.53	
Proposed Cost per SqFt	\$151.00	
Applicable Cost Limit per Sq Ft	\$262.00	
% of Savings	42.37%	
Sliding Scale Points		84.74
<i>Difference</i>		51.74

\$/SF = **\$171.14** Credits/SF = **15.94796** Const \$/unit = **\$146,373.6111**

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
1

In
 Nova
 500
 1

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

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	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	0.00	1,078.98	1,227.50	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	42	30	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	271,935	319,524	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	271,935	319,524	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	0	271,935	319,524	0	0	0	0
PROJECT COST PER UNIT	0	0	184,651	210,068	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	23,940	27,018	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	23,940	27,018	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	23,940	27,018	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	17,208	19,576	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	18.72	14.27	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	32.81	22.95	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **33.00**

TOTAL CREDIT PER UNIT POINTS **55.76**

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 BR-TH
Standard Parameter - low rise	0	0	271,935	319,524	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	271,935	319,524	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	23,940	27,018	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	23,940	27,018	0	0	0	0

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

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	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 BR-TH
Standard Cost Parameter - low rise	0	0	271,935	319,524	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	271,935	319,524	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	0	23,940	27,018	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	23,940	27,018	0	0	0	0

\$/SF = **\$171.14** Credits/SF = **15.94796** Const \$/unit = **\$146,373.61**

TYPE OF PROJECT
LOCATION
TYPE OF CONSTRUCTION

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

11000
500
1

500
1

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

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	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	0.00	1,078.98	1,227.50	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	42	30	0	0	0	0
PARAMETER-(COSTS>=35,000)	0	0	271,935	319,524	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	0	271,935	319,524	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	0	271,935	319,524	0	0	0	0
PROJECT COST PER UNIT	0	0	184,651	210,068	0	0	0	0
PARAMETER-(CREDITS>=35,000)	0	0	23,940	27,018	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	0	23,940	27,018	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	23,940	27,018	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	17,208	19,576	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	18.72	14.27	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	32.81	22.95	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **33.00**

TOTAL CREDIT PER UNIT POINTS **55.76**

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 BR-TH
Standard Parameter - low rise	0	0	271,935	319,524	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	271,935	319,524	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	23,940	27,018	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	23,940	27,018	0	0	0	0

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

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	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 BR-TH
Standard Cost Parameter - low rise	0	0	271,935	319,524	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	271,935	319,524	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	0	23,940	27,018	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	23,940	27,018	0	0	0	0

A

Partnership or Operating Agreement

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

**OPERATING AGREEMENT
OF
WASHINGTON TERRACE LLC**

March 10, 2021

Operating Agreement

This Operating Agreement, dated effective as of March 10, 2021 (the “Operating Agreement”) is made by Washington Terrace MM LLC, a Virginia limited liability company (the “Member”) the sole member of Washington Terrace LLC, a Virginia limited liability company (the “Company”), to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted.

Section 1 Organization and Purpose

1.01 *Formation of Company.* The Member has caused the Company to be organized as a limited liability company under the Virginia Limited Liability Company Act, Virginia Code §13.1-1000, *et seq.* (the “Act”). The Articles of Organization of the Company (the “Articles”) were filed with the Virginia State Corporation Commission and a Certificate of Organization was issued on February 19, 2020.

1.02 *Capital Contributions; Sole Member.* The Member has agreed to make the contributions to the capital of the Company set forth on Exhibit A. In exchange for such capital contributions, the Member shall receive all of the membership interests in the Company.

1.03 *Purpose.* The Company shall own, operate, lease, develop, construct and maintain that certain affordable housing development to be known as Washington Terrace located in the City of Suffolk, Virginia. Additionally, the Company may engage in any and all lawful activities as may be necessary, incidental or convenient to carrying out the business of the Company as contemplated in this Operating Agreement. The Company may also pursue any other lawful activity that is approved by the Member.

1.04 *Registered Agent.* The name and address of the registered agent of the Company for the purposes of the Act is Williams Mullen PC whose address is 200 South 10th Street, Suite 1600, Richmond, Virginia 23219. The sole duty of the registered agent shall be to forward to the Company at its principal office and place of business any notice that is served on it.

Section 2 Management

2.01 *Manager.* The business and affairs of the Company shall be managed under the direction of one or more Managers. The initial Manager shall be Washington Terrace MM LLC. Any Manager may be removed at any time, with or without cause, and a new Manager may be appointed, at the sole discretion of the Member.

2.02 *Management of the Company.*

(a) The Manager shall have the right to manage the business of the Company and to make decisions regarding the business of the Company. The Manager may delegate prescribed functions to any employee, agent, or consultant.

(b) The Manager is granted the right, power, and authority to do in the name of, and on behalf of, the Company all things that, in the Manager's sole judgment, are necessary, proper or desirable to carry out the purposes of the Company, including, but not limited to, the right, power and authority to enter into any kind of contract or activity and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Company, so long as those activities and contracts may be lawfully carried on or performed by a limited liability company under applicable laws and regulations.

(c) All actions taken by the Manager on behalf of the Company from the date of its organization to the date of this Operating Agreement are ratified and confirmed.

2.03 *Compensation and Reimbursements.*

(a) The compensation, if any, of the Manager shall be fixed from time to time by the Member, and no Manager shall be prevented from receiving such compensation by reason of the fact that he or she is also the Member of the Company. The amount of any such management fee, or other compensation, shall be determined in accordance with the services provided by the Manager and the duties performed for the Company.

(b) The Manager shall receive reimbursement for expenses reasonably incurred in the performance of his duties. No Manager shall be prevented from receiving such reimbursement by reason of the fact that he or she is also the Member of the Company.

Section 3
Member Meetings

3.01 *Annual Meetings.* An annual meeting shall be held once per year at a location and on a date selected by the Member for the purpose of the transaction of such business as may come properly before the meeting.

3.02 *Special Meetings.* A meeting of the Member, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Manager or Member at any time.

3.03 *Notice of Meetings.* Written notice stating the place, day and hour of any meeting and, if a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 2 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the Manager calling the meeting, to the Member.

Section 4
Capital Contributions and Distributions

4.01 *Member's Capital Contributions.*

(a) *Initial Capital Contributions.* The initial capital contributions to the Company by the Member shall be as set forth on Exhibit A.

(b) *Additional Capital Contributions.* Additional Capital Contributions shall be made at such times and in such amounts as the Member shall determine in his sole discretion.

4.02 *Distributions.* Distributions shall be made by the Company to the Member at such times as the Member shall determine in his sole discretion.

4.03 *Loans to Company.* Nothing in this Operating Agreement shall prevent the Member from making secured or unsecured loans to the Company by agreement with the Company.

Section 5
Tax Matters

Tax Status. It is intended that the Company be treated as a single member entity within the meaning of Section 301.7701-2(c)(2) of the Treasury Regulations and, accordingly, disregarded as a separate entity for tax purposes, until such time as another member is admitted to the Company.

Section 6
Dissolution and Termination

6.01 *Events of Dissolution.* The Company shall be dissolved upon the occurrence of any of the following events:

(a) The determination in writing of the Member;

(b) As otherwise required by Virginia law.

6.02 *Liquidation.* Upon the dissolution of the Company, it shall wind up its affairs by either or a combination of both of the following methods as the Manager (or if there is no Manager such person as determined by the Member) shall, in his sole discretion, determine:

(a) Selling the Company's assets and, after the payment of Company liabilities, distributing the net proceeds therefrom to the Member in satisfaction of his interest in the Company; and/or,

(b) Distributing the Company's assets to the Member in kind, subject to his liabilities, in satisfaction of his interest in the Company.

6.03 *Orderly Liquidation.* A reasonable time as determined by the Manager (or the person or persons carrying out the liquidation) not to exceed 18 months shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution.

6.04 *Distributions.* Upon dissolution, the Company's assets (including any cash on hand) shall be distributed in the following order and in accordance with the following priorities:

(a) First, to the payment of the debts and liabilities of the Company (including but not limited to loans made by the Member) and the expenses of liquidation, including a sales commission to the selling agent, if any; then

(b) Second, to the setting up of any reserves which the Manager (or the person or persons carrying out the liquidation) deems reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. At the expiration of such period as the Manager (or the person or persons carrying out the liquidation) shall deem advisable, but in no event to exceed 18 months, the Manager shall distribute the balance thereof in the manner provided in the following subparagraph; then

(c) Third, to the Member.

6.05 *Certificate of Cancellation.*

(a) Within a reasonable time following the completion of the liquidation of the Company, there shall be supplied to the Member a statement which shall set forth the assets and the liabilities of the Company as of the date of complete liquidation. Upon completion of the liquidation of the Company and the distribution of all the Company's assets, the Company shall terminate, and the Member shall execute and record a Certificate of Cancellation of the Company as well as any and all other documents required to effectuate the dissolution and termination of the Company.

(b) Upon the issuance of the filing of the Certificate of Cancellation, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Act.

Section 7

Notices

7.01 *Form; Delivery.* Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required hereunder to be given to any person or entity, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such notice may be given in writing, by mail, addressed to the Company at its principal office from time to time and to any other person or entity, at his address as it appears on the records of the Company, with postage thereon prepaid. Any such notice shall be deemed to

have been given at the time it is deposited, postage prepaid, in the United States mail. Notice to a person may also be given personally or by telegram or telecopy sent to his address as it appears on the records of the Company.

7.02 *Waiver.* Whenever any notice is required to be given under the provisions of law, the Articles or this Operating Agreement, a written waiver thereof, signed by the person or persons entitled to said notice and filed with the records of the meeting, whether before or after the time stated therein, shall be conclusively deemed to be equivalent to such notice.

Section 8

Miscellaneous Provisions

8.01 *Bank Accounts.* The Company shall maintain such bank accounts as the Manager may determine to be appropriate from time to time.

8.02 *Books of Account and Records.* Proper and complete records and books of account shall be kept or shall be caused to be kept by the Manager in which shall be entered fully and accurately all transactions and other matters relating to the Company's business in such detail and completeness as is customary and usual for businesses of the type engaged in by the Company. The books and records shall at all times be maintained at the principal office of the Company and shall be open to inspection and examination of the Member or his duly authorized representatives during reasonable business hours.

8.03 *Application of Virginia Law.* This Operating Agreement, and the interpretation hereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Virginia, without reference to its choice of law provisions, and specifically the Act.

8.04 *Amendments.* Any amendment to this Operating Agreement may be adopted by the Member. An amendment shall become effective at such time as it has been adopted by the Member.

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

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

8.07 *Waivers.* The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

8.08 *Rights and Remedies Cumulative.* The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

8.09 *Severability.* If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

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

8.11 *Creditors and Third-Party Beneficiaries.* None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company. The specific intent of the undersigned is that there shall be no third-party beneficiaries of this Operating Agreement.

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

[SIGNATURE PAGE FOLLOWS]

The undersigned, being the sole Member of the Company, hereby agrees, acknowledges and certifies that the foregoing Operating Agreement, including any schedules and exhibits hereto, constitutes the sole and entire Operating Agreement of Washington Terrace LLC, adopted as of the date first written above.

WASHINGTON TERRACE MM LLC,
a Virginia limited liability company


By: 
Adrian Iglesias, Manager

EXHIBIT A

TO OPERATING AGREEMENT OF WASHINGTON TERRACE LLC

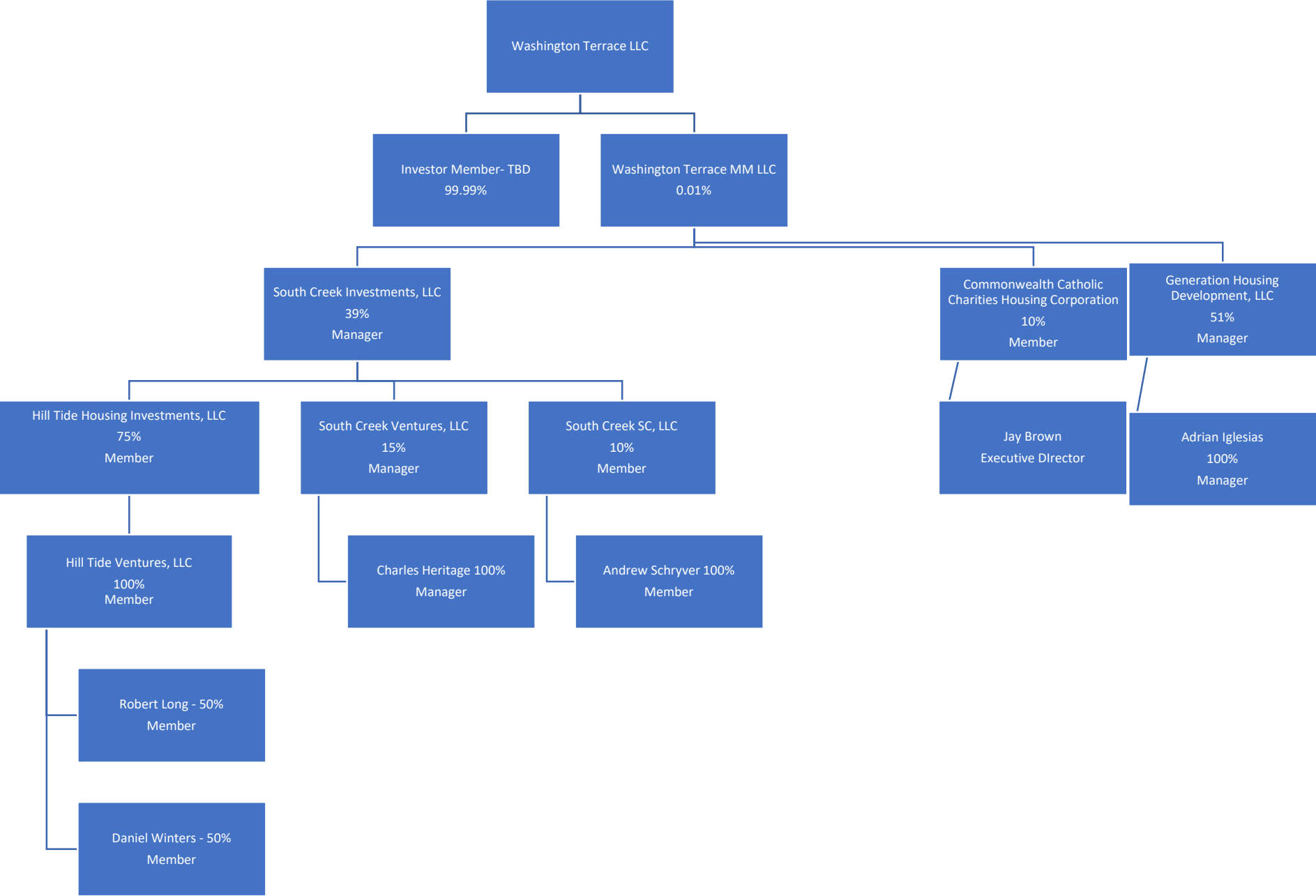
**Member's Name, Address, Membership Interests
and Initial Capital Contributions**

<u>Name</u>	<u>Address</u>	<u>Membership Interest</u>	<u>Initial Capital Contributions</u>
Washington Terrace MM LLC	6704 Fegan Road Summerfield, NC 27358	100.0%	*
Total		100.0%	*

*To be determined by the accountants

42036703_3

Washington Terrace, Owner Org Chart:



OPERATING AGREEMENT
OF
WASHINGTON TERRACE MM LLC

March 10, 2021

**OPERATING AGREEMENT
OF
WASHINGTON TERRACE MM LLC**

THIS OPERATING AGREEMENT is made and entered into as of March 10, 2021, by SOUTH CREEK INVESTMENTS, LLC, a North Carolina limited liability company (“South Creek”), GENERATION HOUSING DEVELOPMENT LLC, a Texas limited liability company (“Generation”), and COMMONWEALTH CATHOLIC CHARITIES HOUSING CORPORATION, a Virginia non-stock corporation (“CCC”), who agree as follows:

**SECTION 1
ORGANIZATIONAL MATTERS**

1.01 Formation. The Company was formed as a Virginia limited liability company under the Act on February 21, 2020. The rights and obligations of the Members shall be as provided in the Act, except as otherwise expressly provided herein. In the event of any inconsistency between any terms and conditions contained in this Agreement and any non-mandatory provisions of the Act, the terms and conditions contained in this Agreement shall govern and in the event of any inconsistency between any items and conditions contained in this Agreement and any mandatory provisions of the Act, the terms and conditions of the Act shall govern.

1.02 Name. The name of the Company shall be Washington Terrace MM LLC.

1.03 Principal Office. The principal office of the Company is 6704 Fegan Road, Summerfield, North Carolina 27358, or such other place as the Managers may from time to time designate. The Company may have other offices at any place or places as may be determined by the Managers.

1.04 Purpose. The primary purpose of the Company is to acquire a membership interest in Washington Terrace LLC, a Virginia limited liability company (the “Owner”), which will acquire, rehabilitate, redevelop, improve, invest in, hold, lease, maintain, operate, and otherwise deal with a certain affordable housing project to be known as Washington Terrace located in the City of Suffolk, Virginia (the “Property”). The Company may engage in any and all other lawful activities as may be necessary, incidental or convenient to carrying out the business of the Company as contemplated by this Agreement. The Company may also pursue any other lawful activity that is approved by the Members.

1.05 Certificate of Formation; Filings. The Company executed and filed Articles of Organization with the Virginia State Corporation Commission as required by the Act. Any Manager may execute and file any amendments to the Articles of Organization authorized by the Members from time to time in a form prescribed by the Act. Any Manager also shall cause to be made, on behalf of the Company, such additional filings and recordings as the Manager shall deem necessary or advisable.

1.06 Fictitious Business Name Statements; Qualification in Other States. Following the execution of this Agreement, fictitious business name statements and qualifications in various states may be filed and published as deemed necessary by the Manager.

1.07 Registered Office and Registered Agent. The Company shall continuously maintain a registered office and a designated and duly qualified agent for service of process on the Company in the Commonwealth of Virginia. As of the date of this Agreement, the address of the Company's registered office is 200 South 10th Street, Suite 1600, Richmond, Virginia 23219 and its registered agent is Williams Mullen PC. The registered office and registered agent may be changed from time to time by action of the Members.

1.08 Term. The Company commenced on February 21, 2020, and shall continue until terminated pursuant to this Agreement.

SECTION 2 **DEFINITIONS**

The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein):

(a) "Act" shall mean the Virginia Limited Liability Company Act, Va. Code Section 13.1-1000 et seq., as amended and in force from time to time.

(b) "Additional Member" shall mean any Person who, after the execution of this Operating Agreement, pursuant to Section 10.06, is issued a Membership Interest by the Company in exchange for a Capital Contribution.

(c) "Adjusted Capital Account Deficit" means, 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 or other period after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts that such Member is obligated to restore pursuant to any provision of this Agreement or is deemed obligated to restore pursuant to the next to the last sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) "Affiliate" means, with respect to any Member, Manager or employee of the Company, any Person that directly or indirectly through one or more intermediaries, controls, or

is controlled by, or is under common control with, such Member, Manager or employee and shall include any relative or spouse of such Member, Manager or employee or any relative of such Member's, Manager's or employee's spouse. As used in the foregoing sentence, the term "control" means possession, directly or indirectly, of the power to direct or cause a direction of the management or policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

(e) "Articles" shall mean the Articles of Organization of the Company as filed and amended with the State Corporation Commission of Virginia from time to time.

(f) "Capital Account" as of any given date shall mean the account calculated and maintained by the Company for each Member as specified in Section 8.

(g) "Capital Contribution" shall mean any contribution to the capital of the Company by a Member in cash, property or services, or a binding obligation to contribute cash, property or services, whenever made.

(h) "Code" shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(i) "Company" shall mean Washington Terrace MM LLC, a Virginia limited liability company, as set forth in the Certificate of Organization issued by the Virginia State Corporation Commission on February 21, 2020.

(j) "Depreciation" means, for each fiscal year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Managers.

(k) "Distribution Percentage" shall mean, with respect to a Member (or a Successor in Interest thereof), the percentage set forth as such for such Member on Schedule 1 as amended from time to time.

(l) "Entity" shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or other association.

(m) "Fiscal Year" shall mean the Company's fiscal year, which shall be the calendar year.

(n) “Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Managers;

(ii) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Managers, as of the following times: (A) the acquisition of an additional interest in the Company following its initial capitalization by any new or existing Member in exchange for more than a de minimus Capital Contribution or in exchange for services; (B) the distribution by the Company to a Member of more than a de minimus amount of Company property as consideration for an interest in the Company; and (C) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that the adjustments pursuant to clauses (A) and (B) above shall be made only if the Managers reasonably determine that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution as determined by such Member and the Managers; and

(iv) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) and subparagraph (iv) of the definition of Profits and Losses; provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (iv) to the extent the Managers determine that an adjustment pursuant to subparagraph (ii) hereof is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraphs (i), (ii), or (iv) hereof, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

(o) “Manager” shall mean a manager as defined in the Act and as specified in Section 4.

(p) “Member” shall mean each of the parties who executes a counterpart of this Agreement as a Member and each of the parties who may hereafter become an Additional Member or a Substitute Member pursuant to the terms hereof, so long as any such party continues to hold a Membership Interest.

(q) “Membership Interest” shall mean the percentage interest in the Company of a Member (or a Successor in Interest thereof) set forth on Schedule 1 as amended from time to time, including all of the rights, privileges and obligations of the Member relating to his status as a Member (or Successor in Interest in the Company).

(r) “Net Cash Flow” shall mean, with respect to any fiscal period, all cash receipts during such fiscal period not used for capital expenditures and not considered as Net Cash Flow in a prior fiscal period and any amount theretofore held in any reserve that was not considered as part of Net Cash Flow in a prior fiscal period which the Managers determine need not be held any longer in reserve, all determined in accordance with the Company’s method of accounting, less Operating Expenses.

(s) “Operating Agreement” or “Agreement” shall mean this Operating Agreement as originally executed and as amended from time to time.

(t) “Operating Expenses” shall mean, with respect to any fiscal period, (i) to the extent paid other than with cash withdrawn from reserves, the amount of cash disbursed in such period in order to operate the Company and to pay expenses (including, without limitation, wages, taxes, insurance, repairs, and/or other costs and expenses) incident to the ownership or operation of the property or the Company and (ii) amounts added to reserves as determined by the Managers.

(t) “Partnership Audit Procedures” has the meaning given to that term in Section 9.09.

(u) “Partnership Representative” has the meaning given to that term in Section 9.09.

(v) “Permitted Transferee” shall mean (i) other Members; (ii) in the case of a Member that is a natural person and not an Entity, the spouse, the children or other descendants of any such Member (whether naturally born or legally adopted), or a trustee who holds such Membership Interest in trust for the exclusive benefit of the Member, such individual Member’s spouse, such individual Member’s children and descendants (whether naturally born or legally adopted) or any one or more of such persons; or (iii) in the case of a Member that is a trustee of a Trust, the beneficiaries of such trust.

(w) “Person” shall mean any natural person or Entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such Person where the context so permits.

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

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of Profits and Losses shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits or Losses pursuant to this definition of Profits and Losses shall be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraphs (ii) or (iii) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(iv) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year, computed in accordance with the definition of Depreciation;

(vi) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in complete liquidation of a Member's Membership Interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Profits or Losses; and

(vii) Notwithstanding any other provision of this definition of Profits and Losses, any items that are specially allocated pursuant to Section 9.03 or Section 9.04 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Sections 9.03 and 9.04 shall be determined by applying rules analogous to those set forth in subparagraphs (i) through (vi) above.

(y) "Regulations" means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

(z) "Substitute Member" shall mean a Successor in Interest who is admitted to the Company as a Member pursuant to Sections 10.03 and 10.04.

(aa) “Successor in Interest” means a Person other than a Member who is an assignee, transferee, successor or legatee of, or who otherwise succeeds to an ownership interest in, all or any portion of a Member’s Membership Interest and who has not been admitted as a Substitute Member.

(bb) “Voting Unit” means the measure of the rights of a Member of the Company, pursuant to the provisions of this Agreement, to participate in the management and affairs of the Company and to vote on Company matters. The number of Voting Units possessed by a Member is determined in accordance with Section 7 hereof. Each Member’s Voting Units are set forth on Schedule 1 hereto, as it may be amended from time to time.

SECTION 3 **MEMBERS**

3.01 Names and Addresses. The names and mailing addresses of all Members are set forth on Schedule 1 attached hereto, which shall be amended from time to time to reflect changes in the identity and/or addresses of the Members.

SECTION 4 **MANAGEMENT**

4.01 Managers. The Company shall be managed under the direction of at least one (1) and not more than three (3) Managers, who shall be called individually a “Manager,” and collectively, the “Managers.” The Managers shall be elected by the Members as provided in Section 4.04. The initial Managers of the Company shall be Adrian Iglesias and Charles Heritage.

4.02 General Powers of the Managers.

(a) **General Powers and Authorities.** Except as provided in Sections 4.04, 4.05, 7.01, 10.01, 10.03, 10.06, 11.01(a), 11.01(b) and 13.04 of this Agreement, the Managers shall have exclusive right to manage the Company and to make all decisions regarding the business of the Company. The Managers shall carry out the policies, directions, orders and resolutions of the Members in the manner described in this Agreement and as authorized and directed by the Members from time to time. The Managers may delegate prescribed functions to any employee, agent or consultant.

(b) **Delegation; Manager Voting.**

(i) The Managers may delegate to one (1) or more of their number the authority to execute any documents or take any other actions deemed necessary or desirable in furtherance of any action that they have authorized on behalf of the Company as provided in Section 4 hereof. Unless otherwise expressly provided by the Act, the Articles or the terms of

this Agreement, the vote, approval or consent of a majority of the Managers, determined on a per capita basis, shall be necessary and sufficient for the Managers to take any action on behalf of the Company that the Managers are authorized to take pursuant to the Act, the Articles or this Agreement.

(ii) Notwithstanding the foregoing to the contrary, the Managers hereby delegate to either one of Charles Heritage or Adrian Iglesias, acting alone, the power to execute such documents as it deems necessary in connection with the acquisition, development and financing of Property, on behalf of the Company, as manager of Owner, including without limiting the generality hereof, any note, mortgage, loan and regulatory agreements and any other documents which may be required in connection with the acquisition of the Property or the financing and development thereof; and each of Charles Heritage or Adrian Iglesias is specifically authorized to execute such documents as it deems necessary in connection with all documents and actions necessary to qualify for, and apply to Virginia Housing Development Authority for financing and an allocation of low income housing tax credits for the Property under Section 42 of the Internal Revenue Code of 1986, as amended.

(c) Ratification. All actions taken by the Managers on behalf of the Company from the date of its organization to the execution of this Agreement are ratified and confirmed.

4.03 Tenure. A Manager shall hold office until his death, resignation, disqualification or removal.

4.04 Removal; Vacancy. A Manager may be removed at any time by the affirmative vote of Members holding at least 80% of the Voting Units entitled to vote. Such removal shall be without prejudice to the contractual rights, if any, of the person so removed. Any vacancy created or caused by removal, death, resignation or disqualification shall be filled by the affirmative vote of Members holding at least 80% of the Voting Units entitled to vote.

4.05 Compensation. The compensation, if any, of the Managers shall be fixed from time to time by the affirmative vote of Members holding at least 80% of the Voting Units entitled to vote. The Managers shall be entitled to reimbursement for expenses incurred by them in performing their duties, according to the policies set by the Members from time to time. Any amount paid as compensation to a Manager who is also a Member shall be treated as a guaranteed payment in accordance with Code Section 707(c).

4.06 Power of Attorney.

(a) Each Member does hereby irrevocably constitute and appoint the Managers serving in office from time to time, and each of them, as the Company's true and lawful attorney-in-fact, with full power and authority in their or its name, place and stead, to make, execute, consent to, swear to, acknowledge, record and file from time to time any and all of the following:

(i) Any certificate or other instrument that may be required to be filed by the Company or the Members under the laws of the Commonwealth of Virginia or under the

applicable laws of any other jurisdiction to the extent the Managers deem any such filing to be necessary or desirable;

(ii) Any instrument or document which may be required to affect the continuation of the Company, the admission of an Additional or Substitute Member, or the dissolution and termination of the Company pursuant to the provisions of this Agreement; and

(iii) Any agreement, instrument, lease, deed, deed of trust, promissory note, certificate or other document in the name or on behalf of the Company which is necessary or appropriate to implement, effectuate or otherwise carry out any transaction to which the Company is a party or to which the Company or any of its assets is or may be subject, provided such transaction has been approved by the Managers or the Members, as the case may be, in accordance with the provisions of this Agreement.

(b) The appointment by each Member of the Managers of the Company as his attorneys-in-fact is irrevocable and shall be deemed to be a power coupled with an interest and shall survive the disability, incompetence, bankruptcy, death or dissolution of any Person giving such power, except, that in the event of an assignment by a Member of all or any part of his Membership Interest, this power of attorney shall survive such assignment only until such time, if any, as the successor in interest shall have been admitted to the Company as a Substitute Member and all required documents and instruments shall have been duly executed, filed and recorded to effect such substitution.

4.07 Managers Have No Exclusive Duty to Company. Unless otherwise expressly provided hereunder or under any other agreement entered into between the Company and such person, no Manager shall be required to manage the Company as his sole and exclusive function, and he may have other interests and activities in addition to those relating to the Company, and neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of such Manager or to the income or proceeds derived therefrom.

4.08 Single Manager. If at any time there is only one person serving as a Manager, such Manager shall be entitled to exercise all powers of the Managers set forth in this Section, and all references in this Section and otherwise in this Agreement to “Managers” shall be deemed to refer to such single Manager.

4.09 Transactions with Managers. The Managers (a) may appoint, employ, contract or otherwise deal with any Person, including a Manager or an Affiliate thereof, and with Persons that have a financial interest in a Manager or in which a Manager has a financial interest, for transacting the Company’s business, including the performance of any and all services or purchases of goods or other property which may at any time be necessary, proper, convenient or advisable in carrying on the business and affairs of the Company or in disposing of some or all of its assets; and (b) may otherwise enter into business transactions (including but not limited to the sale, merger, or other disposition of the Company or all or substantially all of its assets) with any such Persons.

SECTION 5
LIMITATION OF LIABILITY; INDEMNIFICATION

5.01 Limitation of Liability of Managers. In any proceeding brought by or in the right of the Company or brought by or on behalf of Members of the Company, a Manager (in his capacity as a Manager) or any of its Affiliates shall not be liable to the Company or its Members for any monetary damages arising out of any transaction, occurrence or course of conduct, unless in such proceeding the Manager or any of its Affiliates was adjudged to have engaged in willful misconduct or a knowing violation of the criminal law.

5.02 Indemnity of Managers. The Managers shall be indemnified by the Company under the following circumstances and in the manner and to the extent indicated:

(a) Every Person, and his heirs, executors and administrators, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding of any kind, whether civil, criminal, administrative, arbitral or investigative, or was or is the subject of any claim, and whether or not by or in the right of the Company, by reason of his being or having been a Manager, or by reason of his serving or having served at the request of the Company as a director, officer, manager, employee or agent of another Entity, or at the request of the Company in any capacity that under Federal law regulating employee benefit plans would or might constitute him a fiduciary with respect to any such plan, whether or not such plan is or was for employees of the Company, shall be indemnified by the Company against expenses (including attorneys' fees), judgments, fines, penalties, awards, costs, amounts paid in settlement and liabilities of all kinds, actually and reasonably incurred by him in connection with, or resulting from, such action, suit, proceeding or claim, if he acted in good faith and in the manner he reasonably believed to be in, or not opposed to, the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, provided that no indemnification shall be made in respect of any claim, issue or matter as to which he shall have been adjudicated to be liable to the Company for willful misconduct or a knowing violation of the criminal law in the performance of his duty to the Company unless, and only to the extent, that the court in which such action, suit or proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, he is fairly and reasonably entitled to indemnity. The termination of any such action, suit or proceeding by judgment, order or conviction, or upon a plea of nolo contendere or its equivalent, or by settlement, shall not of itself create a presumption that any such Person did not act in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Company.

(b) Any indemnification under Section 5.02(a) (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of such Person is proper in the circumstances because the Manager had met the applicable standard of conduct set forth in such paragraph. Such determination may be made either (i) by the Managers by a majority vote of a quorum consisting of Managers who were not a party to such action, suit or proceeding, or (ii) if such a quorum is not obtainable or, even if obtainable, if a quorum of disinterested Managers so directs, by independent legal counsel in a

written opinion, or (iii) by a majority of the Voting Units held by those Members who were not a party to such action, suit or proceeding.

(c) Reasonable expenses (including attorneys' fees) incurred by or in respect of any such Person in connection with any such action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, shall be paid by the Company in advance of the final disposition thereof upon receipt of an undertaking by, or on behalf of, such Person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Company.

(d) The Managers of the Company shall have the power, generally and in specific cases, to indemnify their employees and agents to the same extent as provided in this Section with respect to its Managers.

(e) The provisions of this Section 5 are in addition to, and not in substitution for, any other right to indemnity to which any Person who is or may be indemnified by or pursuant to this Section may otherwise be entitled, and to the powers otherwise accorded by law to the Company to indemnify any such Person and to purchase and maintain insurance on behalf of any such Person against any liability asserted against or incurred by him in any capacity referred to in this Section or arising from his status as serving or having served in any such capacity (whether or not the Company would have the power to indemnify against such liability).

(f) If any provision of this Section 5 shall be adjudicated invalid or unenforceable, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Company may have under the laws of the Commonwealth of Virginia.

(g) No amendment or repeal of this Section 5 shall limit or eliminate the right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal. For purposes of Sections 5.01 and 5.02, the Partnership Representative shall be considered a Manager.

5.03 No Personal Liability to Members. Notwithstanding any provision of Section 5.02 above, the indemnification provided in Section 5.02 shall in no event cause the Members to incur any liability to the Company beyond their total Capital Contributions plus their share of any undistributed profits of the Company, nor shall it result in any liability of the Members to any third party.

SECTION 6

MEETINGS OF MEMBERS

6.01 Meetings. Meetings of the Members shall not be required, but meetings of the Members may be called upon terms and notices as reasonably determined by the Managers.

6.02 Action by Consent. All Member votes and consents shall be taken by written consent signed by Members holding such number of Voting Units as are required to approve the

action or matter described in the consent. Such consent or consents shall be filed with the Company's books and records. Action taken under this Section 6.02 is effective when the requisite number of Members entitled to vote have signed the consent or consents, unless the consent or consents specify a different effective date. The record date for determining Members entitled to take action shall be the date the first Member signs a written consent. A copy of any such action taken pursuant to this Section 6.02 shall be delivered to each Member pursuant to the provisions of Section 12.01.

SECTION 7

VOTING UNITS; MEMBER VOTING

7.01 Voting Units. Except as otherwise expressly provided hereunder, all matters on which votes are required hereunder shall be cast by Voting Units held by the Members. Each Voting Unit shall be entitled to one vote on all matters coming before any meeting of Members. The number of Voting Units held by each Member is set forth on Schedule 1 hereto. No new Voting Unit shall be awarded to any Person without the consent of Members holding at least 80% of the Voting Units. Any transfer by a Member of some or all of its Membership Interest as permitted hereunder shall result in a proportionate reduction in the Voting Units held by the transferor and the transferee shall not be entitled to receive or hold any such Voting Units unless such Person is admitted as a Substitute Member with corresponding Voting Units pursuant to the provisions of Sections 10.03 and 10.04 hereof. Changes in the number of outstanding Voting Units shall be reflected on the books of the Company and may from time to time be reflected on revisions to Schedule 1. Each Member agrees and acknowledges that no Member shall be entitled to Voting Units unless such Member receives Voting Units in accordance with the terms and provisions of this Operating Agreement.

7.02 Member Voting Generally. The affirmative vote of Members holding at least a majority of the Voting Units represented in person or by proxy and entitled to be voted at a meeting shall be the act of the Members, unless the vote of a greater or lesser proportion or number is otherwise required by the Act, the Articles, or by the express provisions of this Agreement.

SECTION 8

CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

8.01 Members' Capital Contributions.

(a) **Initial Capital Contribution.** Each initial Member shall make such Capital Contributions set forth on Schedule 1 attached hereto as his Initial Capital Contribution.

(b) **Additional Capital Contributions.** The Members shall not be required to make any further Capital Contributions beyond those set forth in Section 8.01(a) above without their prior consent.

(c) Loans. The Managers may endeavor to obtain a loan or loans to the Company, from time to time, for necessary capital on reasonable terms, in order to finance the ownership and operation of the business of the Company.

(d) Loans to Company by Members. Nothing in this Agreement shall prevent any Member from making secured or unsecured loans to the Company by agreement with the Company in accordance with the terms of this Agreement.

8.02 Capital Accounts. A separate Capital Account will be maintained for each Member in accordance with Code Section 704(b) and the Regulations thereunder. Without limiting the foregoing, the Capital Account of a Member shall be credited with the amount of all Capital Contributions by such Member to the Company. The Capital Account of a Member shall be increased by the amount of any Profits (or items of gross income) allocated to such Member pursuant to Section 9, and decreased by (i) the amount of any Losses (or items of loss or deduction) allocated to such Member pursuant to Section 9 and (ii) the amount of any cash or property (valued at its Gross Asset Value) distributed to such Member pursuant to Section 9.01 of this Agreement.

8.03 Interest and Return of Capital Contribution. No Member shall receive any interest on his Capital Contribution. Except as otherwise specifically provided for herein, the Members shall not be allowed to withdraw or have refunded any Capital Contribution.

8.04 Effect of Sale or Exchange. In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest.

SECTION 9

DISTRIBUTIONS, ALLOCATIONS, ELECTIONS AND REPORTS

9.01 Distributions.

(a) All distributions of cash or other property, except distributions upon the Company's dissolution (which shall be governed by Section 11.04), shall be made to the Members on a pro rata basis in accordance with their respective Distribution Percentages on the record date of such distribution.

(b) The Company shall distribute to the Members the amount necessary (as reasonably determined by the Managers) to cover the income taxes payable by the Members on income earned by the Company that is taxable to the Members, including allocations of income under Code Section 704(c), assuming each Member is in the highest combined individual federal, state and local tax bracket applicable to any Member (taking into consideration the character of the income with a proper adjustment for (i) the deductibility of state income taxes on federal income tax returns, and (ii) tax credits, capital gains and losses, and other specially allocated items which pass through to the Member). Distributions under this Section 9.01(b) shall be made when such taxes are

due, including the payment of estimated taxes, and be netted against distributions made under Section 9.01(a).

(c) The Managers shall have the right to determine how much Net Cash Flow, if any, of the Company shall be distributed among the Members each year. Such distributions of Net Cash Flow of the Company shall be distributed among the Members, pro rata in proportion to their respective Distribution Percentages. The Managers shall have the right to establish, maintain and expend reserves to provide for working capital, future investments, debt service and such other purposes as the Managers deem necessary or advisable.

(d) Except as provided in Sections 9.01(b) and 11.04 hereof, all distributions of cash and property shall be made at such times and in such amounts as determined by the Managers.

(e) All other provisions hereof notwithstanding, the Company's obligation, and Managers' authority, to make any distribution is subject to the restrictions governing distributions under the Act and such other pertinent governmental restrictions as are now and may hereafter become effective. Currently, among other prohibitions, the Act prohibits the Company from making a distribution to the extent that, after giving effect to the distribution, liabilities of the Company exceed the fair value of the assets of the Company. All amounts withheld pursuant to the Code or any provisions of state or local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to this Section 9.

9.02 Allocations Generally. After giving effect to the special allocations set forth in Sections 9.03 and 9.04 hereof, Profits or Losses for any fiscal year shall be allocated in the following order and priority:

(a) Except as provided in Section 9.02(b) below, Profits and Losses shall be allocated to and among the Members in proportion to the Distribution Percentage held by each Member.

(b) In the event that the allocation of Losses pursuant to Section 9.02(a) above would result in a Member having an Adjusted Capital Account Deficit at the end of any fiscal year and at such time there are other Members who will not, as a result of such allocation, have an Adjusted Capital Account Deficit, then all Losses in excess of the amount which can be allocated until the foregoing circumstance occurs shall be allocated among the Members who do not have Adjusted Capital Account Deficits on a proportionate basis according to their Distribution Percentages until each such Member would similarly be caused to have an Adjusted Capital Account Deficit. At such time as a further allocation of Losses cannot be made without causing some Member to have an Adjusted Capital Account Deficit, then all remaining Losses for such fiscal year shall be allocated in accordance with the ratio described in Section 9.02(a) above.

9.03 Special Allocations. For the purposes of this Agreement and the allocations of Profits and Losses and items of income, gain, loss, deduction and expense, this Agreement shall be deemed to include a "minimum gain chargeback" as provided for in Regulations Section 1.704-2(f), a "partner nonrecourse debt minimum gain chargeback" as provided for in Regulations Section

1.704-2(i), and a “qualified income offset” as provided for in Regulation Sections 1.704-2(b)(ii)(d). “Nonrecourse deductions,” as defined in Regulations Section 1.704-2(b), shall be allocated to and among the Members in proportion to the Distribution Percentage held by each Member. “Partner nonrecourse deductions,” as defined in Regulations Section 1.704-2(i), shall be allocated as required pursuant to such Section. In the event of any election to adjust the tax basis of any property of the Company pursuant to Code Section 732, 734 or 743, allocations shall be made as required to make the Capital Account adjustments provided for in Regulations Section 1.704-1(b)(2)(iv)(m).

9.04 Curative Allocations. The allocations set forth in Sections 9.02(b) (first sentence) and 9.03 hereof (the “Regulatory Allocations”) are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 9.04. Therefore, notwithstanding any other provision of this Section 9 (other than the Regulatory Allocations), the Company shall make such offsetting special allocations of Company income, gain, loss, or deduction in whatever manner determined by the Managers to be appropriate so that, after such offsetting allocations are made, each Member’s Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to the Sections of this Agreement other than the Regulatory Allocations and this Section. In exercising their discretion under this Section, the Managers shall take into account future Regulatory Allocations that, although not yet made are likely to offset other Regulatory Allocations previously made.

9.05 Other Allocation Rules.

(a) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Managers using any permissible method under Code Section 706 and the Regulations thereunder.

(b) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Members, in the same proportions as they share Profits or Losses, as the case may be, for the year.

(c) The Members are aware of the income tax consequences of the allocations made by this Section 9 and hereby agree to be bound by the provisions of this Section 9 in reporting their shares of Company income and loss for income tax purposes.

9.06 Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with subparagraph (i) of the definition of Gross Asset Value in Section 2 hereof).

In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value in Section 2 hereof, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the Managers in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 9.06 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provisions of this Agreement.

9.07 Allocation of Recapture. For purposes of determining the character (as ordinary income or capital gain) of any taxable income or gain of the Company allocated to the Members pursuant to this Section 9, such portion of the taxable income or gain of the Company allocated pursuant to this Section 9 which is treated as ordinary income attributable to the recapture of depreciation shall, to the extent possible, be allocated among the Members in the proportion which (a) the amount of depreciation previously allocated to each Member bears to (b) the total of such depreciation allocated to all Members. This Section shall not alter the amount of allocations among the Members pursuant to Section 9 but merely the character of the income so allocated.

9.08 Returns and Other Elections. The Managers shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, shall be furnished to the Members within a reasonable time after the end of the Company's fiscal year.

All elections permitted to be made by the Company under federal or state laws, including but not limited to any election under Code Section 754, shall be made by a majority of the number of Managers.

9.09 Partnership Representative.

(a) **Designation and Authority of the Partnership Representative.** The Company will designate pursuant to Proposed Regulations Section 301.6223-1 (and any successor Regulations and other applicable guidance) on its United States federal income tax return for each such taxable year of the Company, South Creek as the "Partnership Representative" and any Person selected by the Partnership Representative may serve as the "designated individual" for the Partnership Representative and the Company for purposes of the laws and procedures set forth in Subchapter C of Chapter 63 of Subtitle F of the Code, as modified by Section 1101 of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, and including any successor statutes thereto or Regulations promulgated or official guidance issued thereunder (the "Partnership Audit Procedures") and shall make such corresponding designations under any corresponding provisions of applicable foreign, state, or local tax law. The Partnership Representative shall (i) determine all matters with respect to any examination of the Company by any taxing authority (including, without

limitation, the allocation of any resulting taxes, penalties and interest among the Members and whether to make an election under Section 6226 of the Code (and any similar provision under applicable foreign, state, or local tax law) with respect to any audit or other examination of the Company) and, (ii) notwithstanding anything herein to the contrary, make such elections as it deems appropriate pursuant to the provisions of the Partnership Audit Procedures.

(b) Obligations of Members.

(i) Generally. Each Member and former Member agrees to cooperate, and to cause its direct and indirect owners to cooperate with the Partnership Representative and to do or refrain from doing any or all things reasonably requested by the Partnership Representative with respect to the conduct of any tax proceedings, in each case regardless whether then a Member or after ceasing to be a Member. Any deficiency for taxes imposed on any Member or former Member or its direct or indirect owners (including penalties, additions to tax or interest imposed with respect to such taxes) will be paid by such Member or former Member or its direct or indirect owners as applicable, and if required to be paid (and actually paid) by the Company, such Member or former Member shall indemnify the Company for such amounts within thirty (30) days of such payment by the Company, in each case regardless of whether then a Member or after ceasing to be a Member.

(ii) Partnership Audit Procedures. At the request of the Partnership Representative, in connection with an adjustment of any item of income, gain, loss, deduction, or credit of the Company or any subsidiary entity in which the Company has an interest, directly or indirectly, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, promptly file one or more amended tax returns in the manner contemplated by Section 6225(c) of the Code (and any Regulations or official guidance relating thereto, and, if applicable, any corresponding or similar provisions under state or local law) and pay any tax due with respect to such returns. If the Partnership Representative makes an election for the Company pursuant to Section 6226 of the Code with respect to an imputed underpayment, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, comply with the requirements under such section (and any Regulations or official guidance relating thereto). At the request of the Partnership Representative, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, provide the Partnership Representative and the Company with any information available to such Member or former Member (or its direct or indirect owners or representatives) and with such representations, certificates, or forms relating to such Member or former Member (or its direct or indirect owners or representatives) and any other documentation, in each case, that the Partnership Representative determines, in its reasonable discretion, are necessary to modify an imputed underpayment under Section 6225(c) of the Code or the Regulations or other official guidance thereunder. In the event that any imputed underpayment is paid or payable by the Company under Section 6225(a)(1) of the Code, each Member and former Member shall indemnify the Company in an amount equal to such Member's or former Member's share (as determined by the Partnership Representative with the advice of the Company's tax counsel) of the imputed underpayment and any associated interest and penalties) paid or payable by the Company; provided, however, that the Partnership Representative may determine, in its discretion, to allocate the burden of such amount to such Member without requiring payment by such Member to the Company.

(iii) Survival of Obligations. Each Member's obligations to comply with the requirements of this Section 9.09 shall survive the Member's transfer of all or any portion of its interest in the Company, otherwise ceasing to be a Member of the Company and/or the termination, dissolution, liquidation and winding up of the Company, to the extent applicable.

(iv) Exculpation and Indemnification of Partnership Representatives and Designated Individuals. Any Person acting as a "Partnership Representative" or "designated individual" pursuant to this Section 9.09 shall, when acting in such capacity, be deemed to be Manager for purposes of the Act, and as such his, her or its liability shall be eliminated to the same extent as Manager's liability is eliminated under Section 5.01 of this Agreement and he, she or it shall be entitled to indemnification to the same extent as a Manager is entitled to indemnification under Section 5.02 of this Agreement.

(c) State Law. If any state or local tax law provides for a Partnership Representative or person having similar rights, powers, authorities or obligations, the Partnership Representative shall also serve in such capacity.

SECTION 10

TRANSFER OF MEMBERSHIP INTEREST

10.01 Transfer Generally. It is the express intention of the Members that this Section 10 govern (i) the admission of Members in lieu of the default provisions of the Act, (ii) the assignment of a Membership Interest in lieu of the default provisions of the Act, (iii) the right of a Successor in Interest to become a Member in lieu of the default provisions of the Act, and (iv) a Member's voluntary dissociation in lieu of the default provisions of the Act. No Person holding a Membership Interest shall voluntarily disassociate or have any right to voluntarily resign or otherwise withdraw from the Company without the prior written consent of all remaining Members of the Company. No Person holding a Membership Interest shall, directly or indirectly, transfer, sell, give, encumber, assign, pledge, or otherwise deal with or dispose of all or any part of his Membership Interest now owned or subsequently acquired by him, other than as expressly provided for in this Agreement. No Person holding a Membership Interest shall encumber, pledge or otherwise grant or allow any security interest or lien to arise with respect to their Membership Interest unless (i) he has received the prior written consent of Members holding at least 80% of the Voting Units entitled to be voted (not taking into account any Voting Units of the Transferor), or (ii) such interest is granted in accordance with Section 10.02. **Error! Reference source not found.** Any resignation, withdrawal or transfer (including, without limitation, any pledge or creation of any security interest of any type) of a Membership Interest or any rights therein in violation of and without full compliance with this Agreement shall be void ab initio and without legal effect. A Member's Voting Units may not be transferred, in whole or in part, to a Successor in Interest, another Member or any other Person except as specifically provided herein. Notwithstanding the foregoing, any Member may transfer all or any portion of such Member's Membership Interest at any time to any Permitted Transferee and such Permitted Transferee shall be a Successor in Interest without giving effect to the options described in Section 10.02(a) and 10.02(b) hereof. No Permitted Transferee or any

other Successor in Interest shall hold any Voting Units unless such Person executes an instrument agreeing to be bound by the terms of this agreement as provided in Section 10.04 and his admission is approved by the Members as provided in Section 10.03.

10.02 Right of First Opportunity.

(a) If a Member wishes to transfer all or any portion of his Membership Interest, such Member shall, before making any such disposition, first give the other Members a selling notice, specifying in writing the price, conditions and terms upon which he is willing to sell such Membership Interest. The other Members shall have the option to purchase all of the offered Membership Interest at the price and upon the conditions and terms set forth in such notice in the manner described herein, provided, that, notwithstanding the preceding sentence, no assignee of a Membership Interest pursuant to this Section 10.02 shall be entitled to all or a portion of the transferring Member's Voting Units or become a Substitute Member of the Company except as provided in Sections 10.03 and 10.04.

(b) The other Members shall have thirty (30) days from the date of the selling notice within which to elect to purchase all of the offered Membership Interest; and if they do not elect to purchase all of such offered Membership Interest, then the Company shall have a similar option exercisable within the following thirty (30) day period.

(c) The option may be exercised by giving notice to the offering Member within the specified period. If more than one Member among those eligible to elect desires to purchase, they may purchase the offered Membership Interest in proportion to their respective Distribution Percentage, unless they otherwise agree. The closing of the purchase shall occur on a mutually agreed date not more than seventy-five (75) days from the date of the selling notice.

(d) If neither a Member nor the Company elects to purchase all of the offered Membership Interest, then the offering Member may sell such Membership Interest at a price not below nor upon terms more advantageous to the purchaser than those contained in the selling notice. If the sale is not made and consummated within ninety (90) days after the date of the selling notice, the offering Member may not thereafter sell or otherwise dispose of any of his Membership Interest without again complying with this Section 10.02.

10.03 Rights of Successor in Interest; Admittance as Substitute Member. No Successor in Interest (other than a Permitted Transferee) of the whole or any portion of any Membership Interest of a Member shall have the right to participate in the management of the business and affairs of the Company or to hold any Voting Units, or to become a Substitute Member in place of his predecessor in interest with respect to the whole or any portion of said Membership Interest without the prior written consent of Members holding at least 80% of the Voting Units entitled to be voted (not taking into account any Voting Units of the transferring Member), which consent shall be in the Members' respective sole discretion and be binding and conclusive on all parties. A Permitted Transferee shall become a Substitute Member upon executing an instrument in which such Permitted Transferee agrees to be bound by the terms of this Agreement and no consent of any Members shall be required. A Successor in Interest shall be bound by, and shall take such Membership Interest subject to, the terms and conditions of this Agreement as same applies to

Members and their Membership Interests, but a Successor in Interest shall not have any Voting Units or any other rights or privileges of a Member hereunder (including but not limited to the right to participate in the Members' right of first opportunity set forth in Section 10.02) other than to share in the allocations and distributions to which the transferor Member would be entitled in respect of the transferred Membership Interest unless and until such Successor in Interest is admitted as a Substitute Member in accordance with the provisions of this Section 10.03 and Section 10.04 hereof, which admittance may be with or without corresponding Voting Units.

10.04 Requirements for Substitute Members. As a condition to the admission as a Substitute Member with respect to the whole or any portion of a Membership Interest, a Successor in Interest shall execute and acknowledge such instruments in form and substance as the Managers may reasonably deem necessary or desirable to effect such admission and to confirm the agreement of such Person being admitted as a Substitute Member to be bound by all of the terms of this Operating Agreement, as the same may have been amended and then in force. Such Successor in Interest shall pay all reasonable expenses in connection with such admission as a Substitute Member.

10.05 Tax Reporting. Each Member agrees that if he transfers or assigns all or part of his Membership Interest herein, such Member shall keep a list containing the transferee's name, address, social security number or taxpayer identification number, as the case may be, the date on which such transfer occurred and the name, address and tax shelter registration number, if required to be obtained, of the Company.

10.06 Admission of New Member. With the consent of Members holding at least 80% of the Voting Units, any Person may become an Additional Member in the Company by the issuance of a new Membership Interest, with or without corresponding Distribution Percentage or Voting Units, in consideration for such Capital Contribution as the Managers shall determine appropriate; provided, that such Person executes such instruments as the Managers deem necessary or desirable to effect its admission as a Member and to confirm its agreement to be bound by all the terms and conditions of this Operating Agreement.

10.07 Allocations to New Members. No Additional Member or Substitute Member or Successor in Interest shall be entitled to any retroactive allocation of items of taxable income, gain, loss, deductions or credits of the Company. The Managers may, at its option, at the time an Additional Member or Substitute Member is admitted, or a Successor in Interest receives a Membership Interest, close the Company books (as though the Company's tax year had ended) or make pro rata allocations of income, gain, loss, deductions or credits to an Additional Member or Substitute Member or Successor in Interest for that portion of the Company's tax year in which an Additional Member or Substitute Member was admitted or Successor in Interest received his Membership Interest, in accordance with the provisions of Code Section 706(d) and the regulations promulgated thereunder.

SECTION 11

DISSOLUTION AND TERMINATION

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

(a) The determination in writing of Members holding at least 80% of the Voting Units;

(b) The sale, transfer or assignment of substantially all of the assets of the Company, unless the Members holding at least 80% of the Voting Units entitled to vote determine otherwise;

(c) The adjudication of the Company as insolvent within the meaning of insolvency in either bankruptcy or equity proceedings, or the filing of an involuntary petition in bankruptcy against the Company (which is not dismissed within ninety (90) days), or the filing against the Company of a petition for reorganization under the federal bankruptcy code or any state statute (which is not dismissed within ninety (90) days), or a general assignment by the Company for the benefit of creditors, or the voluntary claim (by the Company) that it is insolvent under any provisions of the federal bankruptcy code (or any state insolvency statutes), or the appointment for the Company of a temporary or permanent receiver, trustee, custodian or sequestrator, and such receiver, trustee, custodian or sequestrator is not dismissed within ninety (90) days; or

(d) As otherwise required by Virginia law.

11.02 Liquidation. Upon the dissolution of the Company, it shall wind up its affairs by either or a combination of both of the following methods as the Managers (or if there are no Managers, such Person or Persons elected by Members holding a majority of the Voting Units) shall in their sole discretion determine:

(a) Selling the Company's assets and, after paying the Company's liabilities or reserving sufficient funds for such liabilities, distributing the net proceeds to the Members in satisfaction of their interests in the Company; and/or,

(b) Distributing the Company's assets to the Members in kind with the Members accepting undivided interests in the Company's assets, subject to its liabilities, in satisfaction of their interests in the Company.

11.03 Orderly Liquidation. A reasonable time as determined by the Managers (or the Person or Persons carrying out the liquidation) not to exceed eighteen (18) months shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution.

11.04 Distributions. Upon dissolution, the Company's assets (including any cash on hand) shall be distributed in the following order and in accordance with the following priorities:

(a) First, to the payment of the debts and liabilities of the Company (including but not limited to loans made by the Members or Managers) and the expenses of liquidation, including a sales commission to the selling agent, if any; then

(b) Second, to the setting up of any reserves which the Managers (or the Person or Persons carrying out the liquidation) shall deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. Said reserves shall be paid over to a bank or an attorney at law as escrow agent to be held for the purpose of disbursing such reserves in payment of any of the aforementioned contingencies. At the expiration of such period as the Managers (or the Person or Persons carrying out the liquidation) shall deem advisable, but in no event to exceed eighteen (18) months, the Managers shall distribute the balance thereof in the manner provided in the following subparagraph; then

(c) Third, to the Members on a pro rata basis in accordance with their respective Capital Accounts after giving effect to all contributions, allocations and distributions for all periods.

11.05 Taxable Gain or Loss. Taxable income, gain and loss from the sale of the Company's property incurred upon or during liquidation and termination of the Company shall be allocated to the Members as provided in Section 9.

11.06 Certificate of Cancellation.

(a) Within a reasonable time following the completion of the liquidation of the Company, there shall be supplied to each of the Members a statement which shall set forth the assets and the liabilities of the Company as of the date of complete liquidation and each Member's portion of the distributions pursuant to this Agreement. Upon completion of the liquidation of the Company and the distribution of all the Company's assets, the Company shall terminate, and the Members shall execute and record a Certificate of Cancellation of the Company as well as any and all other documents required to effectuate the dissolution and termination of the Company.

(b) Upon the issuance of the filing of the Certificate of Cancellation, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Act. The Managers shall thereafter be trustees for the Members and creditors of the Company and as such shall have authority to distribute any Company property discovered after dissolution, convey real estate, if any, and take such other action as may be necessary on behalf of and in the name of the Company.

SECTION 12

NOTICES

12.01 Form; Delivery. Whenever, under the provisions of law, the Articles or this Operating Agreement, notice is required hereunder to be given to any Person, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such

notice may be given in writing, by mail or by a generally recognized overnight courier service, addressed to such Person, at his post office and street address as it appears on the records of the Company, with postage or applicable delivery fees thereon prepaid or billed to the sender. Any such notice shall be deemed to have been given at the time it is deposited, postage or applicable fees prepaid or billed to sender, in the United States mail or with such recognized courier service. Notice may also be given by a form of electronic transmission consented to by the Person to whom the notice is given. Notice given by a form of electronic transmission shall be deemed to have been delivered at the time it is transmitted. Any consent to notice by electronic transmission shall be revocable by written notice to the Company and shall be deemed revoked if (a) the Company is unable to deliver by electronic transmission two (2) consecutive notices given by the Company in accordance with such consent and (b) such inability becomes known to the Managers or other person responsible for giving the notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or action.

12.02 Waiver. Whenever any notice is required to be given under the provisions of law, the Articles or this Operating Agreement, a written waiver thereof, signed by the Person or Persons entitled to such notice and filed with the records of the meeting, whether before or after the time stated therein, shall be conclusively deemed to be equivalent to such notice. In addition, any Member who attends a meeting of Members in person, or is represented at such meeting of proxy, without protesting at the commencement of the meeting the lack of notice thereof to him, or any Manager who attends a meeting of the Managers without protesting at the commencement of the meeting such lack of notice, shall be conclusively deemed to have waived notice of such meeting.

SECTION 13 **MISCELLANEOUS PROVISIONS**

13.01 Bank Accounts. The Company shall maintain such bank accounts as the Managers may determine to be appropriate from time to time.

13.02 Books of Account and Records. Proper and complete records and books of account shall be kept or caused to be kept by the Managers in which shall be entered fully and accurately all transactions and other matters relating to the Company in such detail and completeness as is customary and usual for businesses of the type engaged in by the Company. The books and records shall at all times be maintained at the principal office of the Company, which initially shall be located at 6704 Fegan Road, Summerfield, North Carolina 27358, and shall be open to inspection and examination of the Members or their duly authorized representatives during reasonable business hours.

13.03 Application of Virginia Law. This Operating Agreement, and the interpretation hereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Virginia, without reference to its choice of law provisions, and specifically the Act.

13.04 Amendments. Any amendment to this Operating Agreement may be proposed to the Members by the Managers or by Members holding at least 80% of all Voting Units in the Company. A vote on any amendment to this Operating Agreement shall be taken within thirty (30) days after notice thereof has been given to the Members unless such period is otherwise extended by applicable laws, regulations, or agreement of the Members. A proposed amendment shall become effective at such time as it has been approved by Members holding at least 80% of the Voting Units. The execution of an amended Operating Agreement by all Members shall be conclusive evidence of approval of such amended Operating Agreement.

13.05 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments as necessary to comply with any laws, rules or regulations.

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

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

13.08 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

13.09 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

13.10 Severability. If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

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

13.12 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company. The specific intent of the undersigned is that there shall be no third-party beneficiaries of this Agreement.

13.13 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. A signature communicated electronically (e.g., by facsimile or as a JPEG, PDF or similar file attached to an e-mail message) shall have the same force and effect as if an original signature.

13.14 Entire Agreement. This Agreement sets forth all of the promises, agreements, conditions and understandings between the parties respecting the subject matter hereof and supersedes all negotiations, conversations, discussions, correspondence, memoranda and agreements between the parties concerning such subject matter.

13.15 Waiver of Jury Trial. TO THE FULLEST EXTENT POSSIBLE, THE COMPANY, THE MANAGERS AND EACH MEMBER WAIVES IN FULL THE RIGHT TO A TRIAL BY JURY IN REGARD TO ANY DISPUTES, CLAIMS, CAUSES OF ACTION, OBLIGATIONS, DAMAGES, COMPLAINTS, LITIGATION OR ANY MATTER WHATSOEVER AND OF ANY TYPE OR NATURE, WHETHER IN CONTRACT, TORT OR OTHERWISE, THAT THEY MAY HAVE NOW OR IN THE FUTURE MAY HAVE RELATING TO THIS AGREEMENT OR ANY MATTER RELATING TO THIS AGREEMENT. THE MEMBERS, THE MANAGERS AND THE COMPANY EACH REPRESENT AND WARRANT THAT (i) HE, SHE OR IT IS REPRESENTED BY COMPETENT COUNSEL WHO HAS FULLY AND COMPLETELY ADVISED HIM, HER OR IT OF THE MEANING AND RAMIFICATIONS OF THE RIGHT TO A TRIAL BY JURY, OR (ii) HE, SHE OR IT HAD THE FULL AND COMPLETE OPPORTUNITY TO CONSULT WITH COUNSEL AND CHOSE NOT TO DO SO, AND, THEREFORE, IN EITHER CASE, FREELY AND VOLUNTARILY WAIVE SUCH RIGHT TO TRIAL BY JURY.

13.16 Forum Selection. THE MANAGERS, THE COMPANY AND THE MEMBERS AGREE THAT THE SOLE AND EXCLUSIVE JURISDICTION FOR ANY LEGAL ACTION, SUIT, OR PROCEEDINGS ARISING OUT OF THIS AGREEMENT OR CONCERNING ITS INTERPRETATION, CONSTRUCTION, APPLICATION, OR ENFORCEMENT SHALL BE A STATE OR FEDERAL COURT OF COMPETENT JURISDICTION FOR THE CITY OF RICHMOND, VIRGINIA (HEREINAFTER THE "PROPER COURTS"). THE PARTIES HEREBY IRREVOCABLY AGREE TO SUBMIT TO THE JURISDICTION OF ALL OF THE PROPER COURTS FOR THE PURPOSE OF ANY LEGAL ACTION, SUIT, OR PROCEEDINGS ARISING OUT OF THIS AGREEMENT OR CONCERNING ITS INTERPRETATION, CONSTRUCTION, APPLICATION, OR ENFORCEMENT. TO THE EXTENT PERMITTED BY LAW, THE PARTIES FURTHER HEREBY AGREE TO WAIVE AND NOT TO ASSERT AS A DEFENSE IN ANY ACTION, SUIT, OR PROCEEDING COVERED BY THIS SECTION THAT (1) ANY OF THE PROPER COURTS CANNOT EXERCISE PERSONAL JURISDICTION OVER A PARTY; (2) ANY PARTY IS IMMUNE FROM EXTRATERRITORIAL INJUNCTIVE RELIEF OR OTHER INJUNCTIVE RELIEF; (3) ANY ACTION, SUIT OR PROCEEDING COVERED BY THIS SECTION MAY NOT BE MAINTAINED IN ANY OF THE PROPER COURTS; (4) ANY ACTION, SUIT OR PROCEEDING COVERED BY THIS SECTION BROUGHT IN ANY OF THE PROPER COURTS SHOULD BE DISMISSED OR TRANSFERRED ON THE

GROUNDS OF *FORUM NON CONVENIENS*; (5) ANY ACTION, SUIT, OR PROCEEDING COVERED BY THIS SECTION SHOULD BE STAYED BY THE PENDENCY OF ANY OTHER ACTION, SUIT, OR PROCEEDING IN ANY COURT OR TRIBUNAL OTHER THAN THE PROPER COURTS; OR (6) THIS AGREEMENT MAY NOT BE ENFORCED IN OR BY ANY OF THE PROPER COURTS.

[Signatures on following page]

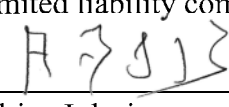
The undersigned, being the initial Members of the Company, hereby agree, acknowledge and certify that the foregoing Operating Agreement, including the schedules and exhibits hereto, constitutes the sole and entire Operating Agreement of Washington Terrace MM LLC, adopted as of the date first written above.

MEMBERS:

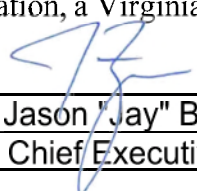
South Creek Investments, LLC,
a North Carolina limited liability company
By: South Creek Ventures, LLC, its Manager

By: 
Name: Charles Heritage
Title: Manager

Generation Housing Development LLC,
a Texas limited liability company

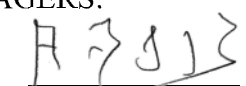
By: 
Name: Adrian Iglesias
Title: Manager

Commonwealth Catholic Charities Housing
Corporation, a Virginia non-stock corporation

By: 
Name: Jason "Jay" Brown
Title: Chief Executive Officer

ACKNOWLEDGED AND AGREED TO BY THE MANAGERS:


Charles Heritage


Adrian Iglesias

SCHEDULE 1

Members' Names, Addresses, Membership Interests, Voting Units and Initial Capital Contributions

Name and Address	Membership Interest	Distribution Percentage	Voting Units	Initial Capital Contributions
South Creek Investments, LLC 6704 Fegan Road Summerfield, North Carolina 27358 Attention: Charles Heritage	39%	48.99%	39	\$48.99
Generation Housing Development LLC 5822 Gallant Run Frisco, Texas 75033 Attention: Adrian Igelsias	51%	51%	51	\$51.00
Commonwealth Catholic Charities Housing Corporation 1601 Rolling Hills Drive Henrico, VA, 23229 - 5011 Attention: Jason "Jay" Brown	10%	0.01%	10	\$0.01
TOTAL	100%	100%	100	\$100.00

DEVELOPMENT AGREEMENT

12. **THIS DEVELOPMENT AGREEMENT** (this "Agreement") made as of March 12, 2021, by and between WASHINGTON TERRACE LLC, a Virginia limited liability company (the "Company"), and SOUTH CREEK DEVELOPMENT, LLC, a North Carolina limited liability company (the "Developer").

WITNESSETH:

WHEREAS, the Company has been formed to develop, construct, acquire, maintain, lease and operate certain property as low-income residential rental housing, to be known as Washington Terrace, to be located in the City of Suffolk, Virginia (the "Project"); and

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

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

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

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

Section 1. Development Services.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) Approval of all construction and architectural contracts and all architectural plans, specifications and drawings prior to the construction and/or alteration

of any improvements contemplated thereby, except for such matters as may be expressly delegated in writing to the Developer by the Company;

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

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

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

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

Section 3. Accounts and Records.

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

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

Section 4. Obligation To Complete Construction.

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

Section 5. Development Amount.

As a fee for its services in connection with the development of the Project and the supervision of the construction/rehabilitation of the Project as set forth in Section 1 and elsewhere in this Agreement, the Developer shall be paid an amount (the "Development Amount") equal to ^{One Million Six Hundred and Eighty}_{Thousand} and No/100 Dollars (\$1,680,000____.00). The Development Amount shall be deemed to have been earned as follows:

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

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

- (i) Twenty percent (20%) on initial equity funding of the Project;
- (ii) Forty percent (40%) upon substantial completion of the Project; and
- (iii) Forty percent (40%) upon achievement of 95% occupancy for the Project.

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

Section 6. Applicable Law.

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

Section 7. Binding Agreement.

This Agreement shall be binding on the parties hereto, their heirs, executors, personal representatives, successors and assigns.

Section 8. Headings.

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

Section 9. Terminology.

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

Section 10. Benefit of Agreement.

The obligations and undertakings of the Developer set forth in this Agreement are made for the benefit of the Company and its Partners and shall not inure to the benefit of any creditor of the Company other than a Partner, notwithstanding any pledge or assignment by the Company of this Agreement of any rights hereunder.

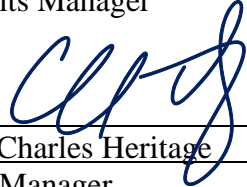
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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

COMPANY:

WASHINGTON TERRACE LLC,
a Virginia limited liability company

By: Washington Terrace MM LLC,
a Virginia limited liability company,
its Manager

By: 
Name: Charles Heritage
Title: Manager

DEVELOPER:

SOUTH CREEK DEVELOPMENT, LLC, a
North Carolina limited liability company

By: South Creek Ventures, LLC,
Its Manager

By: 
Name: Charles Heritage
Title: Manager

B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, February 19, 2020

This is to certify that the certificate of organization of

Washington Terrace LLC

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

Effective date: February 19, 2020



STATE CORPORATION COMMISSION

Attest:

Joel H. Peck

Clerk of the Commission

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Washington Terrace
Name of Applicant (entity): Washington Terrace LLC

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.

A - 9 - 153

Signature

Adrian Iglesias

Printed Name

3/12/2021

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



Previous Participation Certification

Development Name: Washington Terrace
Name of Applicant (entity): Washington Terrace LLC

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

Charles Heritage

Printed Name

3/12/2021

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



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

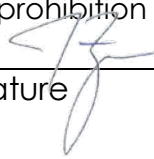
Previous Participation Certification, cont'd

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



Printed Name

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

D

List of LIHTC Developments

(Schedule A)
(MANDATORY)



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Washington Terrace 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.

1st PAGE TOTAL:

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LIHTC as % of Total Units

v.01.01.21



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Washington Terrace MM 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: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Generation Housing Development, 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"
1	Amber Stone Apartments, Beeville TX	Crockett Estates, Ltd, (512)-971-9127	Y	54	54	6/1/2013	2/5/2014	N
2	Heartland Village, Sulphur Springs, TX	Heartland Village, Ltd, (512)-971-9127	Y	80	80	2/1/2015	8/1/2015	N
3	Windy Ridge Apartments, Austin, TX	TX RR620 Apartments, Ltd, (512)-971-9127	Y	120	120	6/21/2016	9/11/2017	N
4	Emma Finke Villas, Beeville, TX	TX Kennedy Apartments, Ltd, (512)-971-9127	Y	76	76	3/5/2017	1/10/2018	N
5	The Estates at Ellington, Houston, TX	TX Strawberry Apartments, Ltd, (512)-971-9127	Y	72	72	12/5/2016	11/21/2017	N
6	Trails of Brady, Brady, TX	THF Brady Housing, Ltd, (512)-971-9127	Y	72	72	12/31/2018	TBD	N
7	Reserve at Engel, New Braunfels, TX	Reserve at Engel Road, LLC,(512)-971-9127	Y	96	96	12/29/2017	9/14/2018	N
8	EMLI at Liberty Crossing, Wilmer, TX	Liberty Crossing TC I, LP(512)-971-9127	Y	240	240	6/15/2019	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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LIHTC as % of Total Units
v.01.01.21



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

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

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Amber Stone Apartments, Beeville TX	Crockett Estates, Ltd, (512)-971-9127	Y	54	54	6/1/2013	2/5/2014	N
2	Heartland Village, Sulphur Springs, TX	Heartland Village, Ltd, (512)-971-9127	Y	80	80	2/1/2015	8/1/2015	N
3	Windy Ridge Apartments, Austin, TX	TX RR620 Apartments, Ltd, (512)-971-9127	Y	120	120	6/21/2016	9/11/2017	N
4	Emma Finke Villas, Beeville, TX	TX Kennedy Apartments, Ltd, (512)-971-9127	Y	76	76	3/5/2017	1/10/2018	N
5	The Estates at Ellington, Houston, TX	TX Strawberry Apartments, Ltd, (512)-971-9127	Y	72	72	12/5/2016	11/21/2017	N
6	Trails of Brady, Brady, TX	THF Brady Housing, Ltd, (512)-971-9127	Y	72	72	12/31/2018	TBD	N
7	Reserve at Engel, New Braunfels, TX	Reserve at Engel Road, LLC,(512)-971-9127	Y	96	96	12/29/2017	9/14/2018	N
8	EMLI at Liberty Crossing, Wilmer, TX	Liberty Crossing TC I, LP(512)-971-9127	Y	240	240	6/15/2019	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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LIHTC as % of Total Units
v.01.01.21

List of LIHTC Developments (Schedule A)



Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

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

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Pegram Landing-Lewisville, NC	Pegram Landing Limited Partnership 336-669-3587	Y	60	60	6/12/2020	TBD	N
2 Woodfield Cove-Havelock, NC	Woodfield Cove Limited Partnership 336-669-3587	Y	72	72	9/3/2020	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

ADD ADDITIONAL PROPERTIES USING NEXT TAB



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Charles Heritage _____ **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"
1	Pegram Landing-Lewisville, NC	Pegram Landing Limited Partnership 336-669-3587	Y	60	60	6/12/2020	TBD	N
2	Woodfield Cove- Havelock, NC	Woodfield Cove Limited Partnership 336-669-3587	Y	72	72	9/3/2020	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Hill Tide Housing Investments, LLC

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"
1	Legacy Trails of Lindale	SCS Lindale 17, LP 727-244-2440	Y	76	64	3/23/20	TBD	N
2	Tranquility at Griffin	Tranquility at Griffin, LP 917-497-8520	Y	120	120	5/28/20	TBD	N
3	Harmony at Conyers	Harmony at Conyers, LP 917-497-8520	Y	122	122	11/23/20	TBD	N
4	Legacy Trails of Decatur	SCS Decatur 17, LP 727-244-2440	Y	70	41	12/17/20	TBD	N
5	Harmony at Covington	Harmony at Covington, LP 917-497-8520	Y	122	122	2/24/21	TBD	N
6	Pegram Landing	Pegram Landing Limited Partnership 336-669-358	Y	60	60	6/10/20	TBD	N
7	Woodfield Cove	Woodfield Cove Limited Partnership 336-669-3587	Y	72	72	10/29/20	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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LIHTC as % of Total Units
v.01.01.21



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Hill Tide Ventures, 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"
1	Legacy Trails of Lindale	SCS Lindale 17, LP 727-244-2440	Y	76	64	3/23/20	TBD	N
2	Tranquility at Griffin	Tranquility at Griffin, LP 917-497-8520	Y	120	120	5/28/20	TBD	N
3	Harmony at Conyers	Harmony at Conyers, LP 917-497-8520	Y	122	122	11/23/20	TBD	N
4	Legacy Trails of Decatur	SCS Decatur 17, LP 727-244-2440	Y	70	41	12/17/20	TBD	N
5	Harmony at Covington	Harmony at Covington, LP 917-497-8520	Y	122	122	2/24/21	TBD	N
6	Pegram Landing	Pegram Landing Limited Partnership 336-669-3587	Y	60	60	6/10/20	TBD	N
7	Woodfield Cove	Woodfield Cove Limited Partnership 336-669-3587	Y	72	72	10/29/20	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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 Long _____ **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*** N
 Principal's Name: _____ Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Legacy Trails of Lindale	SCS Lindale 17, LP 727-244-2440	Y	76	64	3/23/20	TBD	N
2	Tranquility at Griffin	Tranquility at Griffin, LP 917-497-8520	Y	120	120	5/28/20	TBD	N
3	Harmony at Conyers	Harmony at Conyers, LP 917-497-8520	Y	122	122	11/23/20	TBD	N
4	Legacy Trails of Decatur	SCS Decatur 17, LP 727-244-2440	Y	70	41	12/17/20	TBD	N
5	Harmony at Covington	Harmony at Covington, LP 917-497-8520	Y	122	122	2/24/21	TBD	N
6	Pegram Landing	Pegram Landing Limited Partnership 336-669-358	Y	60	60	6/10/20	TBD	N
7	Woodfield Cove	Woodfield Cove Limited Partnership 336-669-3587	Y	72	72	10/29/20	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Daniel Winters _____ **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"
1	Legacy Trails of Lindale	SCS Lindale 17, LP 727-244-2440	Y	76	64	3/23/20	TBD	N
2	Tranquility at Griffin	Tranquility at Griffin, LP 917-497-8520	Y	120	120	5/28/20	TBD	N
3	Harmony at Conyers	Harmony at Conyers, LP 917-497-8520	Y	122	122	11/23/20	TBD	N
4	Legacy Trails of Decatur	SCS Decatur 17, LP 727-244-2440	Y	70	41	12/17/20	TBD	N
5	Harmony at Covington	Harmony at Covington, LP 917-497-8520	Y	122	122	2/24/21	TBD	N
6	Pegram Landing	Pegram Landing Limited Partnership 336-669-358	Y	60	60	6/10/20	TBD	N
7	Woodfield Cove	Woodfield Cove Limited Partnership 336-669-3587	Y	72	72	10/29/20	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

South Creek SC, LLC **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
v.01.01.21



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Andrew Schryver _____ **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: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Commonwealth Catholic Charities Housing Corporation

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 8602 (per entity/development) for a total of 6.

1st PAGE TOTAL:

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LIHTC as % of Total Units

v.01.01.21



List of LIHTC Developments (Schedule A)

Development Name: Washington Terrace
 Name of Applicant: Washington Terrace 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.

Jay Brown _____ **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.

E

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

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT is made as of this 17th day of March, 2021, by and between Washington Terrace LLC, a Virginia limited liability company (the “Assignor”) and South Creek Development, LLC, a North Carolina limited liability company (the “Assignee”).

WHEREAS, Assignor entered into a Purchase and Sale Agreement dated as of March 17, 2021 (the “Contract”), with Bayside Holdings, LLC, as seller (the “Seller”) for the purchase of certain real property located in the City of Suffolk, Virginia, and described more particularly in the Contract; and

WHEREAS, Assignee is an affiliate of Assignor and wishes to purchase that portion of the Property described in the Contract as the “Improved Land” (the “Assigned Property”); and

WHEREAS, Assignor now wishes to assign, and Assignee wishes to accept, the assignment of that portion of the Contract related to the Assigned Property pursuant to the terms hereof.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignor hereby assigns to Assignee, and the Assignee hereby accepts, all right, title, interest and liability under and to the Contract as Purchaser as it relates to the Assigned Property.
2. Assignee shall indemnify and hold Assignor harmless from any and all claims, costs, liabilities and causes of action of any kind pertaining to the Contract which may arise after the date of this Assignment Agreement.
3. The terms of this Assignment Agreement shall be interpreted and construed pursuant to the laws of the Commonwealth of Virginia.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have set their hands and seals as of the date first written above.

ASSIGNOR:

Washington Terrace LLC,
a Virginia limited liability company

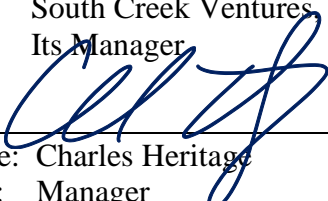
By: Washington Terrace MM LLC,
Its Manager

By: 
Charles Heritage,
Manager

ASSIGNEE:

South Creek Development, LLC,
a North Carolina limited liability company

By: South Creek Ventures, LLC,
Its Manager

By: 
Name: Charles Heritage
Title: Manager

PURCHASE AND SALE AGREEMENT
(Suffolk, VA)

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is executed to be effective as of the latest date set forth on the signature page of this Agreement (the "**Effective Date**"), by and between **WASHINGTON TERRACE LLC**, a Virginia limited liability company, 6704 Fegan Road, Summerfield, North Carolina 27358, Attn: Charlie Heritage; Telephone: (336) 669-3587; email: Charlie.Heritage@southcreekdevelopment.com (together with its successors and/or assigns, "**Buyer**"); and **BAYSIDE HOLDINGS, LLC**, a Wyoming Limited Liability Company, 530 E. Los Angeles Avenue, Suite 115, PMB 163, Moorpark, CA, Attn: Bruce Riddle; Telephone: 805.531.9949; email: bruce.riddle@pointe-marketing.com) (together with its successors and/or assigns, "**Seller**") (Buyer and Seller are collectively referred to as the "**Parties**", and each a "**Party**").

1. **Property.** On the terms herein set forth, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, those certain tracts of land located in Suffolk, Virginia constituting approximately 3.344 acres and 0.462 acres, respectively, and as more particularly described on Exhibit A, attached hereto and made a part hereof (the "**Vacant Land**"), and as described on Exhibit B, attached hereto and made a part hereof (the "**Improved Land**" and together with the Vacant Land, the "**Land**"), together with all easements, appurtenances and rights thereunto belonging, including without limitation, all (a) roads, alleys, easements, streets and rights-of-way bounding the Land, (b) rights of ingress and egress to and from the Land (including without limitation, Seller's right, title and interest in and to all applicable cross-access and reciprocal easements and/or agreements), (c) all improvements thereon, including without limitation, the two (2) apartment buildings containing twenty-four (24) apartment units located on the Improved Land, and (d) oil, gas and other minerals lying on or under the Land (collectively, the "**Property**"). The exact legal description and acreage of the Land shall be determined by the Survey (hereinafter defined).

2. **Purchase Price.** The purchase price of the Property shall be \$3,000,000 (three million dollars), allocated as follows: \$2,250,000 for the Vacant Land and \$750,000 for the Improved Land (collectively, the "**Purchase Price**"), payable at Closing by Buyer.

3. **Title Company and Earnest Money.**

a. **Name and Amount.** Saunders & Ojeda, P.C., Address: 705 W. Washington St Suffolk VA 23434, Attn: Whitney Saunders, email: wsaunders@suffolkvalaw.com, Phone: 757-942-7070 (the "**Escrow Agent**") will serve as the escrow agent. Within ten (10) business days of the date the Escrow Agent provides notice that is has received a copy of this Agreement executed by both Parties, Buyer shall deposit the sum of \$15,000 with the Escrow Agent as earnest money to be applied to the Purchase Price (the "**Earnest Money**"), subject to the terms and provisions of this Agreement. If Buyer does not terminate this Agreement prior to the expiration of the Due Diligence Period (as hereinafter defined), on such date the Earnest Money shall be non-refundable to Buyer and released to the seller, except as otherwise provided herein.

b. **Account.** The Earnest Money shall be held by the Escrow Agent in a non-interest bearing account, separate from other accounts, to be handled in accordance with the terms and conditions of this Agreement. Except as otherwise stated in this Agreement, ESCROW AGENT will deliver the deposit in accordance with the following provisions: Upon written demand for delivery of the Deposit to either party, the Escrow Agent will not honor such demand until not less than ten (10) days after the date on which Escrow Agent shall have delivered (by registered or certified mail, return receipt requested) a

copy of such notice and demand to the other party . Escrow Agent agrees to deliver any such notice within five (5) days after receipt thereof. If the party which receives notice from Escrow Agent pursuant to this Section objects in writing to Escrow Agent to the payment thereof, Escrow agent may interplead the parties and pay the Deposit into a court of competent jurisdiction, in which event the duties of Escrow Agent hereunder shall terminate. Escrow Agent may petition any court into which escrowed funds are interplead for its expenses, cost and fees for time expended in his capacity as Escrow Agent. The parties hereto agree to pay Escrow Agent's expenses, cost and fees for time expended in his capacity as Escrow Agent. It is expressly understood that Escrow agent acts hereunder as an accommodation to Buyer and Seller and as depository and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any instrument deposited with it, or for the form or execution of such instruments or for the identity, authority or right of any person executing or depositing the same, or for the terms and conditions of any instrument pursuant to which Escrow Agent or the parties may act. Escrow Agent shall not have any duties or responsibilities except those set forth in this Article and shall not incur any liability in acting upon any signature , notice, request, waiver, consent, receipt or other paper or document believed by Escrow Agent to be genuine, and Escrow Agent may assume that any person purporting to give it any notice on behalf of any party in accordance with the provisions hereof has been duly authorized to do so. Escrow Agent may act or refrain from acting in respect of any matter referred to herein in full reliance upon and by and with the advice of counsel which may be selected by it and shall be fully protected in so acting or refraining from acting upon the advice of such counsel. Escrow Agent shall not be responsible for any act or failure to act on its part except in the case of its own willful default or gross negligence. Escrow Agent shall be automatically released from all responsibility and liability under this agreement upon Escrow Agent's delivery or deposit of the Deposit in accordance with the provisions of this Article. Purchaser and Seller agree that if either party shall deliver to Escrow agent a written demand for the Deposit the Party making such demand shall promptly deliver a copy of such demand to the other party, together with statement of the facts and circumstances underlying the demand.

4. **Conditions Precedent.**

a. **Due Diligence Period.** Beginning on the Effective Date through 5:00 p.m. (CST) on March 31, 2021 (subject to extensions set forth in this Section 4, the "**Due Diligence Period**"), Buyer shall have the right to conduct inspections of the Property (the "**Due Diligence Investigations**") and its suitability, as determined by Buyer in its sole and absolute discretion, for Buyer's Use. The right to conduct Due Diligence Investigations includes, without limitation, the right of Buyer and Buyer's employees, agents, affiliates and contractors to enter upon any portion of the Property to make market studies, appraisals, needs assessments, take measurements, make inspections, conduct test borings, make boundary and topographical survey maps and to conduct geotechnical, soil, environmental, groundwater, wetland and other studies required by Buyer in its sole discretion, and to determine the existence and adequacy of utilities serving the Property, zoning and compliance with laws. No Due Diligence Investigations shall constitute a waiver or relinquishment on the part of Buyer of its rights under any covenant, condition, representation or warranty of Seller under this Agreement.

b. **Due Diligence Materials.** Within twenty (20) days of the Effective Date (the "**Delivery Date**"), Seller shall deliver to Buyer, at no cost to Buyer, each of the

following items that are in the possession of Seller (collectively, the "**Due Diligence Materials**"):

- (i) Current rent roll and copies of all leases associated with the Improved Land;
- (ii) Current year and immediately prior year tax bills and evidence of payment of same through the Effective Date;
- (iii) Existing soil and groundwater tests;
- (iv) Title commitments, title policies and surveys;
- (v) Leases, reciprocal easement agreements, service contracts and/or any other agreements in any way affecting the Property;
- (vi) Environmental reports;
- (vii) Underground storage tank test results;
- (viii) Waste disposal records; permit records;
- (ix) Code violation notices and records;
- (x) Traffic studies; and
- (xi) All other engineering tests and other studies, reports, records and notices pertaining to the Property.

In the event the Property is not satisfactory to Buyer for any reason in Buyer's sole and absolute discretion, Buyer shall have the right to terminate this Agreement by delivering written notice thereof to Seller prior to the expiration of the Due Diligence Period, and Buyer shall receive a full and prompt refund of the Earnest Money.

c. Title and Survey.

(i) If any of the Commitment, the Title Exceptions or the Survey are not satisfactory to Buyer, then Buyer may give Seller written notice of the items that Buyer finds unacceptable (the "**Title Objections**") before the expiration of the initial Due Diligence Period which expires March 31st 2021. Seller shall have fifteen (15) days after such notice from Buyer to deliver written notice to Buyer that it either agrees to cure the Title Objections within thirty (30) days or to advise Buyer that it will not so cure the Title Objections. All Title Exceptions to which Buyer does not object or which are deemed waived and accepted by Buyer, as herein provided, are collectively referred to as the "**Permitted Exceptions**".

(ii) If Seller does not agree to cure one or more of the Title Objections (and Seller's failure to respond in writing shall be deemed to be an agreement to cure the Title Objections), Buyer may either (A) accept title to the Property subject to the Permitted Exceptions without a reduction in the Purchase Price, or (B) terminate this Agreement by delivering written notice to Seller and receive a full and prompt refund of the Earnest Money, together with accrued

interest thereon, without the need for Seller's consent or signature for its release.

(iii) Notwithstanding any other provision of this Agreement to the contrary, including without limitation whether or not Buyer includes such items in its schedule of Title Objections, Seller shall have the unconditional obligation to remove, discharge, pay and/or cure, as applicable, at no cost to Buyer, all (A) title matters that are a lien for the payment of money, (B) encumbrance that can be removed by the payment of a definite sum of money, and (C) title matters that arise after the Effective Date, and none of such items shall be deemed Permitted Exceptions nor appear in Title Policy.

d. Governmental Approvals. Buyer may, at its option and expense, prepare and submit applications for, and seek to obtain approval by the applicable governmental authorities and/or third parties of, approvals, permits, licenses, easements and agreements required for Buyer's Use, including without limitation, those for utilities, zoning, special uses, building construction, access, platting, easements, site construction and off-site improvements (collectively, the "**Governmental Approvals**"), including without limitation, appropriate re-zoning if necessary. Seller shall cooperate with Buyer in connection with the preparation of the applications and seeking the Governmental Approvals, including without limitation, the timely execution and delivery of all applications, documents, plats and instruments required by the applicable governmental authorities and/or third parties, provided that Seller shall not be obligated to incur any expense in connection therewith.

e. Other Conditions. It shall be a condition precedent to Buyer's obligation to close this transaction and purchase the Property that all of the following are timely satisfied:

(i) Title Policy. At Closing, the Title Company shall be prepared to issue the Title Policy to Buyer with all standard or pre-printed exceptions deleted (to the extent such can be deleted), evidencing Buyer owns good and indefeasible fee simple title in and to the Property subject only to the Permitted Exceptions.

(ii) Representations and Warranties. At Closing, all of the representations and warranties of Seller and Buyer shall be true in all material respects.

(iii) No Liens. At Closing, there shall be no unpaid charges, debts, liabilities, claims or obligations of Seller related to the Property, or any portion thereof, which could give rise to any mechanics', materialmen or other statutory lien against any portion of the Property other than those that will be paid or otherwise satisfied by Seller at Closing, and possession of the Property, free of all tenancies, leases and occupants, shall be delivered to Buyer at Closing.

(iv) Subdivided/Land Condo. At or prior to Closing, the Property shall be subdivided, platted or subjected to a land condo regime such that the Improved Land and the Vacant Land shall be separate legal parcels.

f. Termination. In the event that any condition precedent in Section 4.e is not satisfied by the Closing Date or date otherwise specified in Section 4.e, Buyer shall have the right to terminate this Agreement, whereupon Buyer shall receive a full and prompt refund of the Earnest Money.

g. Extensions. Buyer shall have the right to extend the Due Diligence Period for one period of four (4) months beyond the expiration of the Due Diligence Period, through to and including July 15, 2021, by Buyer providing written notice of such extension to Seller prior to the expiration of the then current Due Diligence Period and the payment therewith of an additional \$10,000 to the ESCROW AGENT, which deposit shall be deemed a part of the Earnest Money and a credit against the Purchase Price at Closing. Buyer may terminate this Agreement prior to the expiration of the Due Diligence Period (as may be extended per this Section) by providing written notice to Seller in accordance with Section 4.b. above and receive a return of the Earnest Money.

Within five (5) days after Buyer's receipt of the VHDA's tax credit award notice, Buyer shall deposit an additional \$50,000 ("**Tax Credit Deposit**") with the ESCROW AGENT, and the Earnest Money and the Tax Credit Deposit shall be deemed non-refundable (except in the event of a Seller default or as otherwise provided hereunder) to Buyer and a credit against the Purchase Price at Closing. The ESCROW AGENT shall release the Earnest Money and Tax Credit Deposit to Seller promptly after receipt of the same.

5. **Closing**.

a. Delivery of Documents. The conveyance of the Property and the closing of the transaction herein described (the "**Closing**") shall occur by December 31, 2021 (the "**Closing Date**"), in escrow at the offices of the Escrow Agent (or such other manner and/or location mutually acceptable to Buyer and Seller); provided, however, Buyer may elect to close at any time upon seven (7) days' prior written notice to Seller.

(i) Seller shall deliver at Closing: (A) a special warranty deed conveying good, marketable and indefeasible fee simple title in and to the Property to Buyer (or its designee) subject only to the Permitted Exceptions (the "**Deed**"); (B) all easements necessary for the development and operation of the Property for Buyer's Use; (C) a lien affidavit acceptable to the Title Company; (D) an affidavit of non-foreign status; (E) any other affidavit or document required by the Title Company to delete the so-called standard exceptions to the Title Policy; (F) an Assignment and Assumption of Leases as it relates to the Improved Land, and (G) such other customary documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transactions contemplated hereby and for the Title Company to issue the Title Policy in the form required by this Agreement.

b. Buyer shall deliver at Closing: (A) the remaining balance of the Purchase Price as provided by this Agreement; and (B) such other documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transaction contemplated hereby. Prorations. Buyer and Seller shall prorate all rents under the Leases, Property taxes, personal property taxes and all other assessments related to the Property as of the Closing Date (collectively, the "**Taxes**") to the degree practicable, with the Closing Date being treated as a day of ownership by Buyer. If any final tax bill is not available at Closing, the Taxes shall be prorated based upon the latest available tax assessment(s) for the Property. If the Property is a part of a larger tax parcel or was recently subdivided and a separate tax bill for the Property is unavailable at Closing, then the proration of the Taxes will be based upon the latest available tax bill based upon the percentage of the larger tax parcel being purchased by Buyer. If there are any improvements on the larger tax parcel that are separately valued or assessed, the value of such improvements shall

be assigned to the Buyer only if such improvements are located on the Property. If any of the amounts set forth in the final bill for the Taxes are different than the amounts prorated at Closing, the Taxes shall be re-prorated and the difference shall either be proportionately refunded to Seller or paid by Seller to Buyer, as applicable. Notwithstanding anything to the contrary set forth in this Agreement, Seller shall pay on or before the Closing Date all Taxes for previous tax years and all other preceding periods for which any Taxes are due or payable. Seller shall be solely responsible for any recoupment of any agricultural credit for the Property. This Section 6.b shall not apply to any Rollback Taxes (hereinafter defined) described in Section 6.e below. This Section 6.b shall survive the Closing and delivery of the Deed.

c. Costs. Seller shall pay the taxes and assessments for which Seller is responsible hereunder, the cost for the preparation of the Deed and Grantor's transfer tax, the cost of curing any title or survey defect that Seller agreed to cure or is obligated to cure pursuant to the terms of this Agreement, and 100% of any broker's commission or fee in accordance with Section 9.f hereof. Except as may otherwise be stated herein, each Party shall bear its own expenses, including its own attorneys' fees.

d. Seller's Obligations Prior to Closing. At all times until Closing, Seller shall maintain indefeasible fee simple legal title to the Property free and clear of any and all defects, liens, and encumbrances of every kind and nature (other than the Permitted Exceptions and liens and encumbrances that will be released at Closing).

e. Rollback Taxes. If (i) the sale contemplated hereby, (ii) a change in the use of the Property, or (iii) a denial of any special use valuation of the Property, would result in the assessment after the Closing of additional taxes and interest applicable to the period of time before the Closing ("**Rollback Taxes**"), then Buyer shall receive a credit against the Purchase Price at the Closing for the amount of the Rollback Taxes (including interest and penalties) that may be assessed after the Closing as reasonably estimated by the City of Suffolk Tax Assessor (the "**Estimated Rollback Taxes**"). Buyer shall be responsible for the payment of the Rollback Taxes (including interest and penalties) if and when assessed after the Closing; provided, however, if after Closing the amount of Rollback Taxes that are actually assessed (the "**Assessed Rollback Taxes**") exceed the Estimated Rollback Taxes, upon written notice delivered by Buyer to Seller with the appropriate back-up material, Seller shall promptly pay to Buyer the difference between the Assessed Rollback Taxes and the Estimated Rollback Taxes. Notwithstanding anything to the contrary set forth in this Agreement, if any Rollback Taxes are due before the Closing due to Seller's change in use of the Property or a denial of a special use valuation of the Property, then Seller shall pay those Rollback Taxes (including any interest and penalties) at or before the Closing. This Section 6.f shall survive the Closing and delivery of the Deed.

f. Casualty; Condemnation. If, prior to Closing, condemnation proceedings are commenced against any portion of the Property, or the Improved Land is destroyed in any material respect rendering any portion of the apartment units uninhabitable, Buyer shall have the right to either (i) terminate this Agreement by delivering written notice to Seller within fifteen (15) days of Buyer's receipt of written notice from Seller of such condemnation proceedings or casualty, receive a full and prompt refund of the Earnest Money, together with accrued interest thereon without the need for Seller's signature or consent for its release, and Seller shall reimburse Buyer for Buyer's reasonable out-of-pocket expenses incurred in connection with its due diligence inspection of the Property, provided, however, the amount of such expenses shall not exceed the

condemnation proceeds received by Seller; or (ii) elect not to terminate the Agreement and appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to (A) Seller and the Purchase Price will be reduced by the same amount, or (B) Buyer and the Purchase Price will not be reduced.

g. Extension. Buyer shall have the right to extend the Closing Date for sixty (60) days by delivering to Seller written notice thereof prior to the then scheduled Closing Date and delivering an extension fee in the amount of \$10,000 ("**Closing Extension Fee**") directly to the Seller. The Closing Extension Fee shall be deemed non-refundable immediately upon delivery to Seller and shall not be **credited** against the Purchase Price at Closing.

6. **Defaults and Remedies.**

a. SELLER DEFAULT. IF SELLER FAILS TO PERFORM IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT, OR OTHERWISE BREACHES ANY OF THE TERMS, COVENANTS, AGREEMENTS, REPRESENTATION OR WARRANTIES CONTAINED IN THIS AGREEMENT, THEN (I) BUYER MAY TERMINATE THIS AGREEMENT BY DELIVERING WRITTEN NOTICE THEREOF TO SELLER, WHEREUPON THE EARNEST MONEY AND TAX CREDIT DEPOSIT, IF PAID OR PAYABLE AT THE TIME OF DEFAULT, SHALL BE IMMEDIATELY REFUNDED AND RETURNED TO BUYER, (II) SELLER SHALL REIMBURSE BUYER FOR ALL REASONABLE OUT-OF-POCKET EXPENSES AND COSTS INCURRED BY BUYER IN CONNECTION WITH ITS EFFORTS TO PURCHASE AND FINANCE THE PROPERTY, AND (III) BUYER MAY ENFORCE THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EXERCISE ANY RIGHTS AND REMEDIES AVAILABLE TO BUYER, AT LAW AND IN EQUITY, INCLUDING WITHOUT LIMITATION AN ACTION FOR DAMAGES AND/OR SPECIFIC PERFORMANCE OF THIS AGREEMENT.

b. BUYER DEFAULT. IF BUYER FAILS TO PERFORM IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT, OR OTHERWISE BREACHES ANY OF THE TERMS, COVENANTS OR AGREEMENTS CONTAINED IN THIS AGREEMENT, THEN, AS SELLER'S SOLE AND EXCLUSIVE REMEDY, SELLER MAY TERMINATE THIS AGREEMENT BY DELIVERING WRITTEN NOTICE THEREOF TO BUYER, THE EARNEST MONEY AND TAX CREDIT DEPOSIT IF PAID OR PAYABLE AT THE TIME OF DEFAULT, SHALL BE FORFEITED BY BUYER AND DELIVERED TO SELLER, , AS LIQUIDATED DAMAGES, AND NOT AS A PENALTY. SELLER ACKNOWLEDGES AND AGREES THAT THE EARNEST MONEY IS A FAIR AND EQUITABLE AMOUNT FOR SELLER TO RECEIVE SINCE SELLER WILL HAVE CHANGED ITS POSITION IN RELIANCE ON BUYER COMPLETING THE TRANSACTION HEREIN DESCRIBED, WILL HAVE HELD THE PROPERTY OFF THE MARKET FOR AN EXTENDED PERIOD OF TIME IN RELIANCE UPON BUYER'S ABILITY TO CLOSE THIS TRANSACTION AND THE DAMAGES SUSTAINED BY SELLER IN SUCH CASE WOULD NOT OTHERWISE BE REASONABLY ASCERTAINABLE. SELLER WAIVES THE RIGHT TO EXERCISE ANY OTHER RIGHTS AND REMEDIES AVAILABLE TO SELLER BECAUSE OF A DEFAULT BY BUYER, AT LAW AND/OR IN EQUITY, INCLUDING WITHOUT LIMITATION, THE RIGHT TO SUE BUYER FOR ADDITIONAL DAMAGES OR SEEK SPECIFIC PERFORMANCE.

7. **Seller's Representations and Warranties.** Seller represents and warrants to Buyer that:

a. Title. Seller is the owner of good, marketable and indefeasible fee simple title in and to the Property, and Seller has been the only owner of the Property during the

36-month period preceding the Effective Date. If at any time **in the initial Due Diligence Period** Buyer or Buyer's counsel makes the reasonable determination that Seller does not hold such title, Buyer shall have the right to terminate this Agreement by delivering written notice thereof to the **Escrow Agent**, and Buyer will then receive a full and prompt refund of the Earnest Money.

b. Authority; Enforceability. Seller has the capacity and authority to execute this Agreement and perform its obligations under this Agreement. This Agreement constitutes a legal and valid binding obligation of Seller, enforceable against Seller in accordance with its terms. All action necessary to authorize Seller's execution (and execution by the individual executing this Agreement on behalf of Seller), delivery and performance of this Agreement has been taken and such action has not been rescinded or modified.

c. Hazardous Substances. To the best of the Seller's knowledge, there are no and there have been no wetlands, oil or gas wells (capped or uncapped) or underground storage tanks (in use or abandoned) on or about the Property and/or land adjacent to the Property. Neither Seller nor any prior owner or occupant of the Property has: (i) caused or permitted, and Seller has received no notice and has no knowledge of, the generation, manufacture, refinement, transportation, treatment, storage, deposit, release, salvage, installation, removal, disposal, transfer, production, burning or processing of Hazardous Substances (as hereinafter defined) on, under or about the Property or any adjacent properties; (ii) caused or permitted, and Seller has received no notice and has no knowledge of, the Release (as hereinafter defined) or existence of any Hazardous Substance on, under or affecting the Property or any adjacent properties; or (iii) caused or permitted, and Seller has received no notice and has no knowledge of, any substances or conditions on, under or affecting the Property or any adjacent properties which may support any claim or cause of action, whether by a governmental agency or any other person or entity, under any applicable federal, state or local law, rule, ordinance or regulation, including without limitation, those related to Hazardous Substances. For the purpose of this Agreement, the terms "**Hazardous Substances**" and "**Release**" shall have the same meaning as set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601 *et seq.*; provided, however, that the definition of Hazardous Substances shall also include petroleum and related by-products, hydrocarbons, radon, asbestos, urea formaldehyde, polychlorinated biphenyl compounds and any other substance considered hazardous to humans or the environment.

d. Leases; Options. (i) Other than leases for individual apartment units on that part of this tax parcel which comprises the Improved Land, there are no outstanding written or oral leases, easements and/or other types of agreement in any way affecting the Property that are not recorded in the Real Property Records of Suffolk, VA, (ii) no person or entity has any right with respect to all or any portion of the Property (whether by option to purchase, easement, right of first refusal, contract or otherwise) that may prevent or interfere with Buyer taking title to, and exclusive possession of, all of the Property at Closing, and (iii) other than leases for the individual apartment units located on the Improved Land, Seller shall not enter into any new lease, easement or other contract with respect to the Property during the pendency of this Agreement that is not terminable upon demand without Buyer's prior written consent, which may be given or withheld by Buyer in Buyer's sole and absolute discretion.

e. No Notices. Seller has not received any notice of, and to the best of its knowledge, there are no (i) proposed special assessments, condemnation or changes

in the roads adjacent to the Property; (ii) pending public improvements that will result in any charge being levied or assessed against, or a lien being created upon, the Property; or (iii) pending or threatened eminent domain or condemnation proceedings against or involving any portion of the Property or any adjacent parcel.

f. Access. Seller has not received any notice of any existing or proposed plans to widen, modify or realign any street adjoining the Property, and the Property has full and free access to and from public highways, streets and roads. Seller has no knowledge of any pending or threatened proceeding by any governmental authority, or any other fact or condition, which would limit or result in the termination of the Property's access to and from such public highways, streets and roads.

g. Utility Availability. To the best of the Seller's knowledge, Public water, sanitary and storm sewer, electricity, gas, and other required utilities (i) are available to the Property in quantities sufficient for the successful operation of the Property for its intended purpose; (ii) enter the Property through adjoining public streets or, if passing through adjoining private land, do so in accordance with recorded public or private easements; and (iii) are serviced and maintained by the appropriate public or quasi-public entity.

h. Utility District. To the best of the Seller's knowledge, with the exception of the Chesapeake Bay Protection Act, the Property is not situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services.

i. Pipelines. To the best of the Seller's knowledge, there are no transportation pipelines, including without limitation, pipelines for the transportation of natural gas, natural gas liquids, synthetic gas, liquefied petroleum gas, petroleum or a petroleum product or hazardous substance, located on, under or within the Property.

j. Owners' Association. The Property is not subject to mandatory membership in a property owners' association.

k. Litigation. There is no pending or threatened litigation, arbitration, administrative action or examination, claim or demand whatsoever relating to the Property; and no attachments, execution proceedings, liens, assignments or insolvency proceedings are pending or threatened against Seller of the Property or contemplated by Seller.

l. Performance under Leases and Service Contracts. During the pendency of this Agreement, Seller will perform its material obligations under all agreements that affect the Property.

m. Insurance. During the pendency of this Agreement, Seller shall maintain all insurance Seller was carrying on the Effective Date.

n. Exclusive Rights. In consideration of Buyer's efforts and expenses required to perform its review of the Property, Seller agrees that it will not, either directly or indirectly, offer to sell or solicit any offers to purchase or negotiate for the sale or disposition of the Property during the pendency of this Agreement.

o. Foreign Person. Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

p. Leases. The Leases provided to Buyer are true, accurate and complete copies of the Leases, there are not defaults under the Leases, and the rent roll delivered by Seller to Buyer previously is the current rent roll as of the date set forth thereon and as of the Closing Date. The security deposits held by Seller shall be transferred to Buyer at Closing.

Seller shall fully disclose to Buyer, immediately upon its occurrence, any change in facts, assumptions or circumstances of which Seller becomes aware prior to the Closing Date that may affect the representations and warranties set forth above. The representations and warranties of Seller contained herein shall survive the Closing and delivery of the Deed.

8. **Buyer's Representations and Warranties.** Buyer represents and warrants to Seller that the statements contained herein are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing.

a. Buyer is a limited liability company/corporation duly organized, validly existing, and in good standing under the laws of the State of North Carolina.

b. Buyer has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Purchaser, enforceable in accordance with its terms and conditions, except to the extent such enforceability is subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or other law affecting or relating to creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

c. No representation or warranty made by the Buyer in this Agreement constitutes any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein not false or misleading.

9. **Miscellaneous.**

a. Plans and Approvals. Buyer shall have the right to file, at Buyer's expense, any and all applications and plans necessary to obtain building permits, any rezoning subdivision (or the vacation of any existing subdivision or plat) and/or any other agreement, assurance, approval or permit from any and all governmental authorities having jurisdiction over the Property that Buyer deems appropriate in connection with the intended purpose of the Property. Seller agrees to join in the execution of any application required in order to obtain any such agreement, assurance, permit or approval (or file such application individually if the relevant governmental authority shall so require). Seller further agrees to cooperate with Buyer or its nominee in all respects, including without limitation, attending and giving favorable testimony at any hearings on the petitions or applications, meeting with and providing information to public and private utilities and governmental and quasi-governmental entities, and otherwise working to obtain the agreements, assurances, approvals and permits required by Buyer or its nominee without additional cost or obligation to Buyer or its nominee.

b. Notices and Deadline Dates. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant to this Agreement shall be in writing and shall be (i) delivered personally, (ii) sent or by overnight express courier, postage prepaid, or (iii) sent by facsimile or electronically (e.mail), provided there is proof of delivery, each addressed

to the Parties at their respective addresses set forth above, and the same shall be effective upon receipt if delivered personally, by overnight courier or by facsimile or electronically (with proof of delivery). A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith. If any deadline under this Agreement falls on a Saturday, Sunday or legal holiday (which for purposes of this Agreement shall be not be considered a "**business day**"), the deadline shall be extended to the next business day.

c. Attorneys' Fees. In the event either Party brings an action at law or other proceeding permitted under the terms of this Agreement against the other Party in order to enforce or interpret any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement or by reason of any breach or default hereunder or thereunder, the Party prevailing in any such action or proceeding shall be paid all reasonable costs and expenses, including without limitation reasonable attorneys' fees, by the non-prevailing Party.

d. Assignment; Binding Agreement. Seller may not assign this Agreement without the written consent of Buyer. Buyer may assign this Agreement (or any portion thereof) to an affiliate or any interest herein without the consent of Seller; provided, however, no such assignment(s) shall release Buyer from its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assignees. This Agreement constitutes the entire agreement between the Parties, and supersedes any and all prior agreements, arrangements and understanding between the Parties. This Agreement may only be amended by a written agreement executed by all of the Parties.

e. Memorandum of Agreement. Seller hereby authorizes Buyer to memorialize this Agreement or any portion hereof with a memorandum thereof filed in the Real Property Records of the county in which the Property is located and agrees to promptly execute any documentation reasonably required by Buyer to effectuate the same.

f. BROKERS AND COMMISSIONS. SELLER SHALL PAY ALL BROKER FEES AND COMMISSIONS AT CLOSING PURSUANT TO THE TERMS OF A SEPARATE AGREEMENT. SELLER INDEMNIFIES BUYER AGAINST, AND SHALL HOLD BUYER HARMLESS FROM, ANY AND ALL SUITS, CLAIMS, DEMANDS, JUDGMENTS, DAMAGES, COSTS AND EXPENSES OF OR FOR ALL SUCH BROKER FEES AND/OR COMMISSIONS, AND SHALL PAY ALL COSTS OF DEFENDING ANY ACTION OR LAWSUIT BROUGHT TO RECOVER ANY FEES OR COMMISSIONS INCURRED BY BUYER, INCLUDING REASONABLE ATTORNEYS' FEES.

g. Effect of Termination. This Agreement shall be void and of no further force and effect upon any proper termination under the terms hereof (other than terms herein that specifically provide that they survive the termination of this Agreement).

h. Multiple Counterparts. This Agreement may be executed in one or more counterparts, and all so executed shall constitute one and the same agreement, binding upon the Parties, and notwithstanding that all of the Parties are not signatories to the same counterparts.

i. **CHOICE OF LAW. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE UNITED STATES OF AMERICA AND THE INTERNAL LAWS OF THE COMMONWEALTH OF VIRGINIA, WITHOUT REGARD TO ITS CONFLICT RULES.**

VENUE AND JURISDICTION FOR ALL CLAIMS UNDER THIS AGREEMENT SHALL BE EXCLUSIVELY IN THE COMMONWEALTH OF VIRGINIA.

j. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement, a legal, valid and enforceable provision that is as similar in terms to such illegal, invalid or unenforceable provision as is possible.

k. INDEPENDENT CONSIDERATION. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, ONE HUNDRED AND 00/100 DOLLARS (\$100.00) OF THE DEPOSITED EARNEST MONEY SHALL BE DEEMED INDEPENDENT CONSIDERATION AND NON-REFUNDABLE AND RETAINED BY SELLER UNDER ALL CIRCUMSTANCES, FOR AND IN CONSIDERATION OF SELLER'S EXECUTION OF THIS AGREEMENT.

l. Complete Understanding. This Agreement represents the complete understanding between the Parties as to the subject matter hereof and supersedes all prior negotiations, statements and agreements, either written or oral, between the Parties. No inducements, representations, statements or agreements have been made or relied upon in the making of this Agreement, except those specifically set forth in this Agreement. Neither Party has any right to rely on any other prior or contemporaneous statements and/or agreements made by anyone concerning this Agreement that are not set forth herein.

10. Tax Credit and Bond Provisions. Notwithstanding anything to the contrary set forth in this Agreement or otherwise:

a. Tax Credits and Bonds. The Parties hereby acknowledge that Buyer intends to (i) apply for, syndicate and sell certain low-income housing tax credits (whether under state or federal law, collectively, "**Tax Credits**") with the assistance of the appropriate housing agency of the state in which the Land is located (the "**Housing Agency**"); and, notwithstanding any contrary provision provided in this Agreement, in the event Buyer believes in good faith that it will not secure the Tax Credits from the Housing Agency, Buyer shall have the right to terminate this Agreement on or before July 15, 2021 by delivering written notice to Seller and receive a full and prompt refund of the Earnest Money.

b. Seller Cooperation. Seller hereby agrees to assist Buyer, at Buyer's sole cost and expense, in obtaining and submitting such information as is necessary to apply for or obtain the Tax Credits and/or the Bond Financing to the extent such information is available to Seller and not to Buyer.

[Signatures begin on the next page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Buyer:

WASHINGTON TERRACE LLC,
a Virginia limited liability company

By: Washington Terrace MM LLC,
a Virginia limited liability company,
its Manager

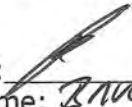
By: 
Name: Charles Heritage
Its: Manager

Date: March 17, 2021

[Seller Signature Page Follows]

Seller:

BAYSIDE HOLDINGS, LLC

By: 
Name: BRUCE PEROTTI
Title: MANAGING MEMBER

Date: 3/16/20

EXHIBIT A

Legal Description of Vacant Land

BEGINNING AT AN IRON ROD FOUND ON THE WESTERN RIGHT OF WAY OF PITCHKETTLE ROAD;
THENCE SOUTH 07°56'18" WEST A DISTANCE OF 36.29';
THENCE NORTH 82°03'51" WEST A DISTANCE OF 66.67';
THENCE SOUTH 07°56'09" WEST A DISTANCE OF 122.50';
THENCE SOUTH 82°10'25" EAST A DISTANCE OF 55.16';
THENCE SOUTH 07°56'27" WEST A DISTANCE OF 132.25';
THENCE NORTH 82°10'25" WEST A DISTANCE OF 137.58';
THENCE SOUTH 07°49'35" WEST A DISTANCE OF 69.98';
THENCE NORTH 82°10'25" WEST A DISTANCE OF 312.06';
THENCE NORTH 08°29'23" EAST A DISTANCE OF 361.02';
THENCE SOUTH 82°09'38" EAST A DISTANCE OF 457.54';
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 145,660 S.F. / 3.344 ACRES

Exhibit B

Legal Description of Improved Land

BEGINNING AT A N IRON ROD FOUND ON THE WESTERN RIGHT OF WAY OF PITCHKETTLE ROAD;
THENCE SOUTH 07°56'18" WEST A DISTANCE OF 36.29' TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH 07°56'26" WEST A DISTANCE OF 324.61';
THENCE NORTH 82°10'20" WEST A DISTANCE OF 148.94';
THENCE NORTH 07°49'35" EAST A DISTANCE OF 69.98';
THENCE SOUTH 82°10'25" EAST A DISTANCE OF 137.58';
THENCE NORTH 07°56'27" EAST A DISTANCE OF 132.25';
THENCE NORTH 82°10'25" WEST A DISTANCE OF 55.16';
THENCE NORTH 07°56'09" EAST A DISTANCE OF 122.50';
THENCE SOUTH 82°03'51" EAST A DISTANCE OF 66.67';
WHICH IS THE POINT OF BEGINNING,
ENCOMPASSING AN AREA OF 20,111 S.F./0.462 ACRES



City of Suffolk, Real Estate Assessments

Account No.: 354000127

Property Address: 806 W WASHINGTON ST

Subdivision: Apts (12+)/Clubs

Lot/Acre: 3.80 Acres

Legal Desc.: PAR.B*1 806 W WASHINGTON ST

Tax Rate: \$1.215 per \$100 of assessed value.

Map No.: 34G16(C)*A

Class Code: 0003

Owner Name: BAYSIDE HOLDINGS LLC

Mailing Address: 530 LOS ANGELES AVE MOORPARK CA 93021-2079

Transfer History

<u>Sale Date</u>	<u>Price</u>	<u>Deed Book</u>	<u>Page</u>	<u>Doc. Num.</u>
January 4, 2011	\$9,200,000	00000	00000	000001690
January 4, 2011	\$0	00000	00000	000001700
January 23, 2006	\$0	00000	00000	060001542
September 16, 2005	\$0	00000	00000	050019145
Date is not on record	\$0	00000	00000	

Assessed Values

	<u>FY 20/21</u>	<u>FY 19/20</u>
Land:	\$722,000	\$722,000
Building:	\$689,800	\$689,800
Land Use:	\$0	\$0
Total Assessed Value:	\$1,411,800	\$1,411,800

Structure Details

Use: Multi-Family - Income

Style:

Square Feet: 0

Year Built:

Bedrooms:

Type of Heat:

Full Bathrooms:

Half Bathrooms:

Roof Type:

Roof Cover:

Exterior:

Floor Cover:

Fireplace 1:

Fireplace 2:

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

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

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

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

Additional Optional Certifications

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

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

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

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

Signed: [Signature]

Date: 3/11/21

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: 6LAEyWeL

HERS® Index Score:

66

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

\$746

*Relative to an average U.S. home

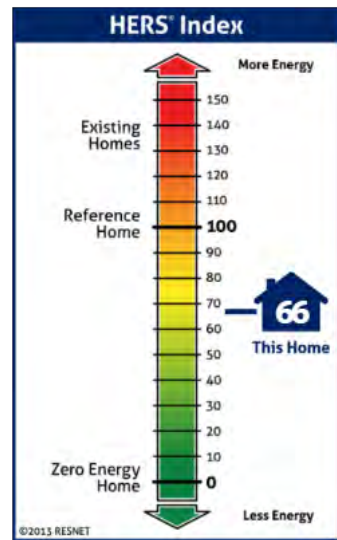
Home:
806 West Washington Street
Suffolk, VA 23434

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	3.9
Cooling	1.5
Hot Water	6.9
Lights/Appliances	15.8
Service Charges	
Generation (e.g. Solar)	0.0
Total:	28.0

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3BR 1st Floor
Community:	Washington Terrace
Conditioned Floor Area:	1,196 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50
Ventilation:	35 CFM • 50 Watts
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-13
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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

Stacey Smith, Certified Energy Rater
Digitally signed: 3/11/21 at 9:34 AM



Home Energy Rating Certificate

Projected Report

Rating Date:
 Registry ID:
 Ekotrope ID: kvylRand

HERS® Index Score:

67

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

\$746

*Relative to an average U.S. home

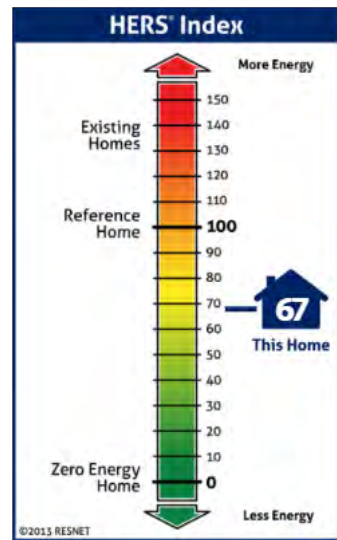
Home:
 806 West Washington Street
 Suffolk, VA 23434

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	3.3
Cooling	1.9
Hot Water	6.9
Lights/Appliances	15.8
Service Charges	
Generation (e.g. Solar)	0.0
Total:	27.9

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3BR 3rd Floor
Community:	Washington Terrace
Conditioned Floor Area:	1,196 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50
Ventilation:	35 CFM • 50 Watts
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-13
Ceiling:	Attic, R-38
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
 RESNET ID: 2279319

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

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

Stacey Smith, Certified Energy Rater
 Digitally signed: 3/11/21 at 9:34 AM



Home Energy Rating Certificate

Projected Report

Rating Date:
 Registry ID:
 Ekotrope ID: 7dBEjArL

HERS® Index Score:

66

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

\$669

*Relative to an average U.S. home

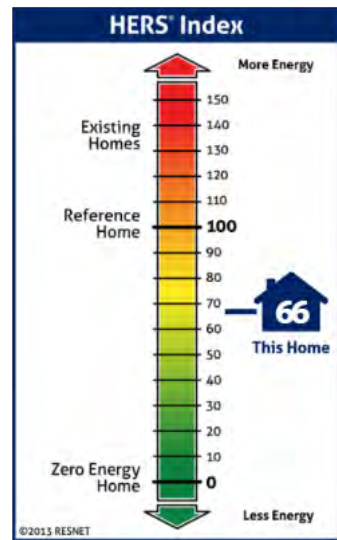
Home:
 806 West Washington Street
 Suffolk, VA 23434

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	4.1
Cooling	1.3
Hot Water	5.3
Lights/Appliances	14.2
Service Charges	
Generation (e.g. Solar)	0.0
Total:	24.9

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	2BR 1st Floor
Community:	Washington Terrace
Conditioned Floor Area:	1,045 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50
Ventilation:	35 CFM • 50 Watts
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-13
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
 RESNET ID: 2279319

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

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

Stacey Smith, Certified Energy Rater
 Digitally signed: 3/11/21 at 9:34 AM



Home Energy Rating Certificate

Projected Report

Rating Date:
Registry ID:
Ekotrope ID: ZdmAR9Vd

HERS® Index Score:

66

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

\$667

*Relative to an average U.S. home

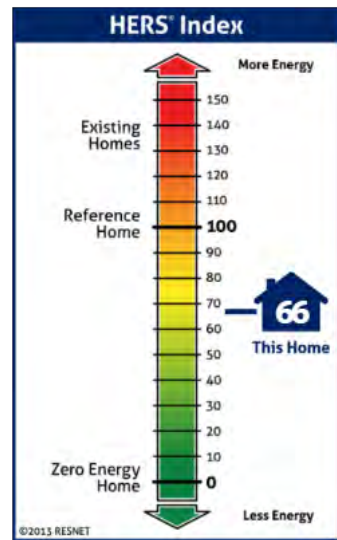
Home:
806 West Washington Street
Suffolk, VA 23434

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	3.2
Cooling	1.6
Hot Water	5.5
Lights/Appliances	14.2
Service Charges	
Generation (e.g. Solar)	0.0
Total:	24.5

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	2BR 3rd Floor
Community:	Washington Terrace
Conditioned Floor Area:	1,045 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50
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Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-13
Ceiling:	Attic, R-38
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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

Stacey Smith, Certified Energy Rater
Digitally signed: 3/11/21 at 9:34 AM





viridiant

Project Name: Washington Terrace
Construction Type: New Construction
Energy Efficiency Path: Energy Star

Unit Type	Quantity	HERS
2BD 1st and 2nd Floors	24	66
2BD 3rd Floor	12	66
3BD 1st and 2nd Floors	24	66
3BD 3rd floor	12	67
Projected Project HERS - Weighted Average		66

G

Zoning Certification Letter
(MANDATORY)



CITY OF SUFFOLK

442 WEST WASHINGTON STREET, SUFFOLK, VIRGINIA 23434
PHONE: (757) 514-4150 FAX: (757) 514-4199

DEPARTMENT OF
PLANNING & COMMUNITY DEVELOPMENT
Division of Community Development

March 15, 2021

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

RE: ZONING CERTIFICATION

Name of Development: Washington Terrace

Name of Owner/Applicant: Washington Terrace LLC

Name of Seller/Current Owner: Bayside Holdings, A Wyoming Limited Liability Company

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

DEVELOPMENT DESCRIPTION:

Development Address:

806 West Washington Street, Suffolk, VA 23434

Legal Description:

*See attached Legal Description

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>72</u> # Units	<u>7</u> # Buildings	<u>99,759.53</u> Approx. Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Approx. Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Approx. Total Floor Area Sq. Ft.

Zoning Certification, cont'd

Current Zoning: CBD allowing a density of 40 units per acre, and the following other applicable conditions: _____
No more than 20 units per garden apartment building is allowed.

Other Descriptive Information:
Zoning will allow for the development of 72 multi- family units contained in in 6 buildings in addition to a clubhouse (7th building) that includes amenities and a community room that is a minimum of 750 square feet.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

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

J. Cobb
Signature

Jennifer Cobb
Printed Name

Zoning Administrator
Title of Local Official or Civil Engineer

(757) 514-4157
Phone:

3/15/2021
Date:

NOTES TO LOCALITY:

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

Exhibit A

Legal Description

BEGINNING AT AN IRON ROD FOUND ON THE WESTERN RIGHT OF WAY OF PITCHKETTLE ROAD
;
THENCE SOUTH 07°56'18" WEST A DISTANCE OF 36.29';
THENCE NORTH 82°03'51" WEST A DISTANCE OF 66.67';
THENCE SOUTH 07°56'09" WEST A DISTANCE OF 122.50';
THENCE SOUTH 82°10'25" EAST A DISTANCE OF 55.16';
THENCE SOUTH 07°56'27" WEST A DISTANCE OF 132.25';
THENCE NORTH 82°10'25" WEST A DISTANCE OF 137.58';
THENCE SOUTH 07°49'35" WEST A DISTANCE OF 69.98';
THENCE NORTH 82°10'25" WEST A DISTANCE OF 312.06';
THENCE NORTH 08°29'23" EAST A DISTANCE OF 361.02';
THENCE SOUTH 82°09'38" EAST A DISTANCE OF 457.54';
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 145,660 S.F. / 3.344 ACRES

H

Attorney's Opinion
(MANDATORY)

WILLIAMS MULLEN

Direct Dial: 804.420.6915
adomson@williamsmullen.com

March 17, 2021

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

RE: 2021 Tax Credit Reservation Request

Name of Development: Washington Terrace
Name of Owner: Washington Terrace LLC

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 17, 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 Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.

4. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all

WILLIAMS MULLEN

March 17, 2021
Page 2

applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.

6. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.

7. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

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

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

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

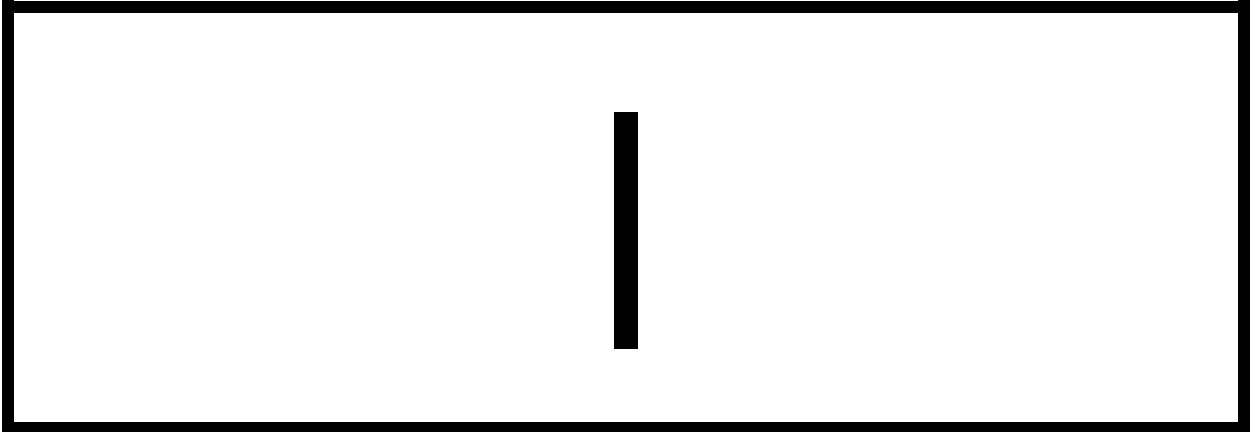
WILLIAMS MULLEN, A Professional Corporation



By: _____

Allison T. Domson

Its: Shareholder



Nonprofit Questionnaire

(MANDATORY for points or pool)



Non-profit Questionnaire

Part II, 13VAC10-180-60, of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority") for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended (the "Code") establishes certain requirements for receiving credits from the non-profit pool established under the Plan and assigning points for participation of a non-profit organization in the development of qualified low-income housing.

Answers to the following questions will be used by the Authority in its evaluation of whether or not an applicant meets such requirements. [Attach additional sheets as necessary to complete each question.](#)

1. General Information

- Name of development: Washington Terrace
- Name of owner/applicant: Washington Terrace LLC
- Name of non-profit entity: Commonwealth Catholic Charities Housing Corporation
- Address of principal place of business of non-profit entity:
1601 Rolling Hills Drive
- Tax exempt status: 501(c)(3) 501(c)(4) 501(a)
- Date of legal formation of non-profit (must be prior to application deadline); 08/03/2017
evidenced by the following documentation: Certificate of Incorporation
- Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):
11/2/2020
- Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):
To develop own, manage, and otherwise provide affordable housing and housing related services.
- How many full time, paid staff members does the non-profit and, if applicable, any other non-profit organization(s) ("related non-profit(s)") of which the non-profit is a subsidiary or to which the non-profit is otherwise related have (i.e. by shared directors, staff, etc.)?
164 How many part time, paid staff members? 24

Describe the duties of all staff members:

See attached Organizational Chart

Commonwealth Catholic Charities Housing Corporation shares staff with and is a supporting organization to Commonwealth Catholic Charities.

Non-profit Questionnaire, cont'd

- Does the non-profit share staff with any other entity besides a related non-profit described above?

Yes No If yes, explain in detail: _____

- What are the sources and manner of funding of the non-profit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development

As a supporting entity , CCCHC shares funding with Commonwealth Catholic Charities. For Fiscal Year 2020:

\$7,660,628 Government Grants (51% total Revenue); \$4,826,872 Program Revenue (32%); \$732,736 Private and Corporate Foundations (5%)

\$984,382 Individual Giving and Special Events (6%); \$81,986 United Way (0.5%); \$317,647 Investment and Other Revenue (2%); \$240,077 In-Kind (1.5%)

- List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:

See attached board roster.

2. Non-profit Formation

- If this is your first Non-profit Questionnaire in Virginia please explain in detail the genesis of the formation of the non-profit; otherwise please skip this question:

Commonwealth Catholic Charities Housing Corporation was formed in 2017 after the Board of Directors of Commonwealth Catholic

Charities affirmed the creation of new affordable housing opportunities a strategic priority of the organization.

- Is the non-profit, or has it ever been, affiliated with or controlled by a for-profit entity or local housing authority?

Yes No If yes, explain in detail:

- Has any for profit organization or local housing authority (including the Owner of the Development, joint venture partner, or any individual or entity directly or indirectly related to such Owner) appointed any directors to the governing board of the non-profit?

Yes No If yes, explain:

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

Yes No If yes, explain:

Non-profit Questionnaire, cont'd

- Does any for profit organization or local housing authority have any other affiliation with the non-profit or have any other relationship with the non-profit in which it exercises or has the right to exercise any other type of control?

Yes No, If yes, explain: _____

- Was the non-profit formed by any individual(s) or for profit entity for the principal purpose of being included in the non-profit Pool or receiving points for non-profit participation under the Plan?

Yes No

- Explain any experience you are seeking to claim as a related or subsidiary non-profit.

3. Non-profit Involvement

- Is the non-profit assured of owning an interest in the Development (either directly or through a wholly owned subsidiary) throughout the Compliance Period (as defined in

§42(i)(1) of the Code)?

Yes No

(i) Will the non-profit own at least 10% of the general partnership/owning entity?

Yes No

(ii) Will the non-profit own 100% of the general partnership interest/owning entity?

Yes No

If no to either 3a.i or 3a.ii above, specifically describe the non-profit's ownership interest:
CCC will own 10% of the general partnership interest

- (i) Will the non-profit be the managing member or managing general partner?

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

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

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

Yes No If yes, where in the partnership/operating agreement is this provision specifically referenced? The right of first refusal is granted by a Real Estate Right of First Refusal Agreement that is separate from the operating agreement.

Non-profit Questionnaire, cont'd

Recordable agreement attached to the Tax Credit Application as TAB V

If no at the end of the compliance period explain how the disposition of the assets will be structured:

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

Yes No If yes,

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

CCCHC will provide assistance with community engagement, liaise with local officials and assist with marketing the property to its service populations

- (ii) Describe the nature and extent of the non-profit's involvement in the operation or management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):

CCC will offer rental housing counseling, financial coaching and education, home-ownership counseling, and employment services to residents.

- (iii) Will the non-profit invest in its overall interaction with the development more than 500 hours annually to this venture? Yes No If yes, subdivide the annual hours by activity and staff responsible and explain in detail:
-
-
-

- If this is a joint venture, (i.e. the non-profit is not the sole general partner/managing member), explain the nature and extent of the joint venture partner's involvement in the construction or rehabilitation and operation or management of the proposed development.

South Creek Development, LLC (the joint venture partner) will lead all aspects of the construction, operation and management of the proposed development.

- Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development?

Yes No If yes,

- (i) explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

South Creek Development LLC is overseeing all aspects of the development process.

- Will the non-profit or the Owner (as identified in the application) pay a joint venture partner or consultant fee for providing development services? Yes No If yes, explain the amount and source of the funds for such payments.
-
-

Non-profit Questionnaire, cont'd

- Will any portion of the developer's fee which the non-profit expects to collect from its participation in the development be used to pay any consultant fee or any other fee to a third party entity or joint venture partner? Yes No If yes, explain in detail the amount and timing of such payments.

- Will the joint venture partner or for-profit consultant be compensated (receive income) in any other manner, such as builder's profit, architectural and engineering fees, or cash flow?
 Yes No If yes, explain:

South Creek Investments LLC and Generations Housing Development LLC will receive a portion of the excess net cash flow, if any, as shown in the Operating Agreement of the Owner.

- Will any member of the board of directors, officer, or staff member of the non-profit participate in the development and/or operation of the proposed development in any for-profit capacity?
 Yes No If yes, explain:

- Disclose any business or personal (including family) relationships that any of the staff members, directors or other principals involved in the formation or operation of the non-profit have, either directly or indirectly, with any persons or entities involved or to be involved in the Development on a for-profit basis including, but not limited to the Owner of the Development, any of its for-profit general partners, employees, limited partners or any other parties directly or indirectly related to such Owner:

None.

Non-profit Questionnaire, cont'd

4. Virginia and Community Activity

- Has the Virginia State Corporation Commission authorized the non-profit to do business in Virginia? Yes No

- Define the non-profit's geographic target area or population to be served:

Commonwealth Catholic Charities Housing Corporation provides quality affordable housing across a spectrum of incomes and needs within the Catholic Diocese of Richmond.

CCC has offices in Newport News, Norfolk, Richmond, Petersburg, Charlottesville, Roanoke, and Norton.

- Does the non-profit or, if applicable, related non-profit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)?

Yes No If yes, or no, explain nature, extent and duration of any service:

Commonwealth Catholic Charities has provided social services to the residents of Virginia for over 90 years. In eastern Virginia, CCC provides refugee resettlement services,

immigration legal assistance, employment assistance, HUD certified housing counseling services, and street outreach to literally homeless individuals

- Does the non-profit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the non-profit on design, location of sites, development and management of affordable housing? Yes No If yes, explain:

- Has the Virginia Department of Agriculture and Consumer Services (Division of Consumer Affairs) authorized the non-profit to solicit contributions/donations in the target community?

Yes No

- Does the non-profit have demonstrated support (preferably financial) from established organizations, institutions, businesses and individuals in the target community?

Yes No If yes, explain:

CCC receives community support from several faith communities and civic groups in the target community as well as from the Hampton Roads Community Foundation, Bon Secours Mercy Health, and the Bernardine Franciscan Sisters Foundation.

- Has the non-profit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input? Yes

No If yes, describe the general discussion points:

- Are at least 33% of the members of the board of directors representatives of the community being served? Yes No If yes,

(i) low-income residents of the community? Yes No

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

Non-profit Questionnaire, cont'd

- Are no more than 33% of the members of the board of directors representatives of the public sector (i.e. public officials or employees or those appointed to the board by public officials)? Yes No
- Does the board of directors hold regular meetings which are well attended and accessible to the target community? Yes No If yes, explain the meeting schedule:
CCCHC's Board of Directors meets quarterly. Board meetings are not open to the public.

- Has the non-profit received a Community Housing Development Organization (CHDO) designation, as defined by the U. S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? Yes No
- Has the non-profit been awarded state or local funds for the purpose of supporting overhead and operating expenses? Yes No If yes, explain in detail:

- Has the non-profit been formally designated by the local government as the principal community-based non-profit housing development organization for the selected target area? Yes No If yes, explain:

- Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? Yes No If yes, note each such application including: the development name and location, the date of application, the non-profit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).
See Schedule A and Previous Participation Certification

- Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? Yes No If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).
St Elizabeth Apartments; Richmond, Virginia; 3/18/2021; application pending

- To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? Yes No

- Has the non-profit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources? Yes No If yes, explain the need identified:

Non-profit Questionnaire, cont'd

5. Attachments

Documentation of any of the above need not be submitted unless requested by VHDA

The undersigned Owner and non-profit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for non-profit participation contained in the Plan or Section 42 of the Internal Revenue Code.

Mar 16, 2021

Date

Washington Terrace LLC

Owner/Applicant

By:  Charles Heritag (Mar 16, 2021 16:51 EDT)

Its: Manager

Title

Commonwealth Catholic Charities
Housing Corporation

Mar 15, 2021

Date

By:  _____

Board Chairman

By:  _____

Executive Director











Y. Nonprofit Questionnaire - Washington Terrace

Final Audit Report

2021-03-16

Created:	2021-03-15
By:	Jay Brown (jay.brown@cccovfa.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAARSOIBIKpcVIGe6phyny-Uq56HTZ1atjg

"Y. Nonprofit Questionnaire - Washington Terrace" History

-  Document created by Jay Brown (jay.brown@cccovfa.org)
2021-03-15 - 8:24:00 PM GMT- IP address: 72.224.91.0
-  Document emailed to Paul Sinclair (paul.a.sinclair@gmail.com) for signature
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-  Email viewed by Paul Sinclair (paul.a.sinclair@gmail.com)
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-  Document e-signed by Paul Sinclair (paul.a.sinclair@gmail.com)
Signature Date: 2021-03-15 - 8:30:02 PM GMT - Time Source: server- IP address: 38.70.11.63
-  Document emailed to Jay Brown (jay.brown@cccovfa.org) for signature
2021-03-15 - 8:30:04 PM GMT
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-  Document e-signed by Jay Brown (jay.brown@cccovfa.org)
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-  Document emailed to Charles Heritage (charlie@southcreekdevelopment.com) for signature
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-  Email viewed by Charles Heritage (charlie@southcreekdevelopment.com)
2021-03-16 - 8:51:07 PM GMT- IP address: 216.236.168.133
-  Document e-signed by Charles Heritage (charlie@southcreekdevelopment.com)
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✔ Agreement completed.

2021-03-16 - 8:51:48 PM GMT



Non-profit Questionnaire Request for Supplemental Documentation

Part II, Section 6, of the Qualified Allocation Plan ("QAP") of the Virginia Housing Development Authority (the "Authority") for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended (the "Code") establishes certain requirements for receiving credits from the Non-profit Pool established under the QAP and assigning points for participation of a non-profit organization in the development of qualified low-income housing.

Please submit the following **only if** the Non-profit has not previously been approved as a qualified Non-profit to compete for tax credits in the Non-profit pool in the community where the proposed development is located.

- IRS Determination Letter
- Articles of Incorporation and by-laws
- Joint Venture Agreement Check if not applicable
- Consultant's Contract Check if not applicable
- Virginia Department of Agriculture and Consumer Services Form 102
- Non-profit's last 3 years of IRS Form 990
- Non-profit's most recent financial statements
- Other (please list)

If you cannot provide any of the above, please provide a written explanation.

The undersigned Non-profit hereby each certify that, to the best of its knowledge, all of the foregoing information is correct, complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for non-profit participation contained in the Plan or Section 42 of the Internal Revenue Code.

3/15/2021
Date

Commonwealth Catholic Charities Housing Corporation
Non-profit

By: Paul A. Sinclair
Board Chairman Paul A. Sinclair

By: Jay Brown
Executive Director Jay Brown









2021 Nonprofit Questionnaire-SUPPLEMENTAL DOCUMENTATION

Final Audit Report

2021-03-15

Created:	2021-03-15
By:	Jay Brown (jay.brown@cccovfa.org)
Status:	Signed
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"2021 Nonprofit Questionnaire-SUPPLEMENTAL DOCUMENTATION" History

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-  Document e-signed by Paul Sinclair (paul.a.sinclair@gmail.com)
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-  Document emailed to Jay Brown (jay.brown@cccovfa.org) for signature
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-  Document e-signed by Jay Brown (jay.brown@cccovfa.org)
Signature Date: 2021-03-15 - 5:55:48 PM GMT - Time Source: server- IP address: 72.224.91.0
-  Agreement completed.
2021-03-15 - 5:55:48 PM GMT

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **MAY 17 2019**

COMMONWEALTH CATHOLIC CHARITIES
HOUSING CORPORATION
1601 ROLLING HILLS DR
RICHMOND, VA 23229-5011

Employer Identification Number:
35-2636133
DLN:
17053025302019
Contact Person:
HEATHER L SUHR ID# 17300
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
September 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
August 3, 2017
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

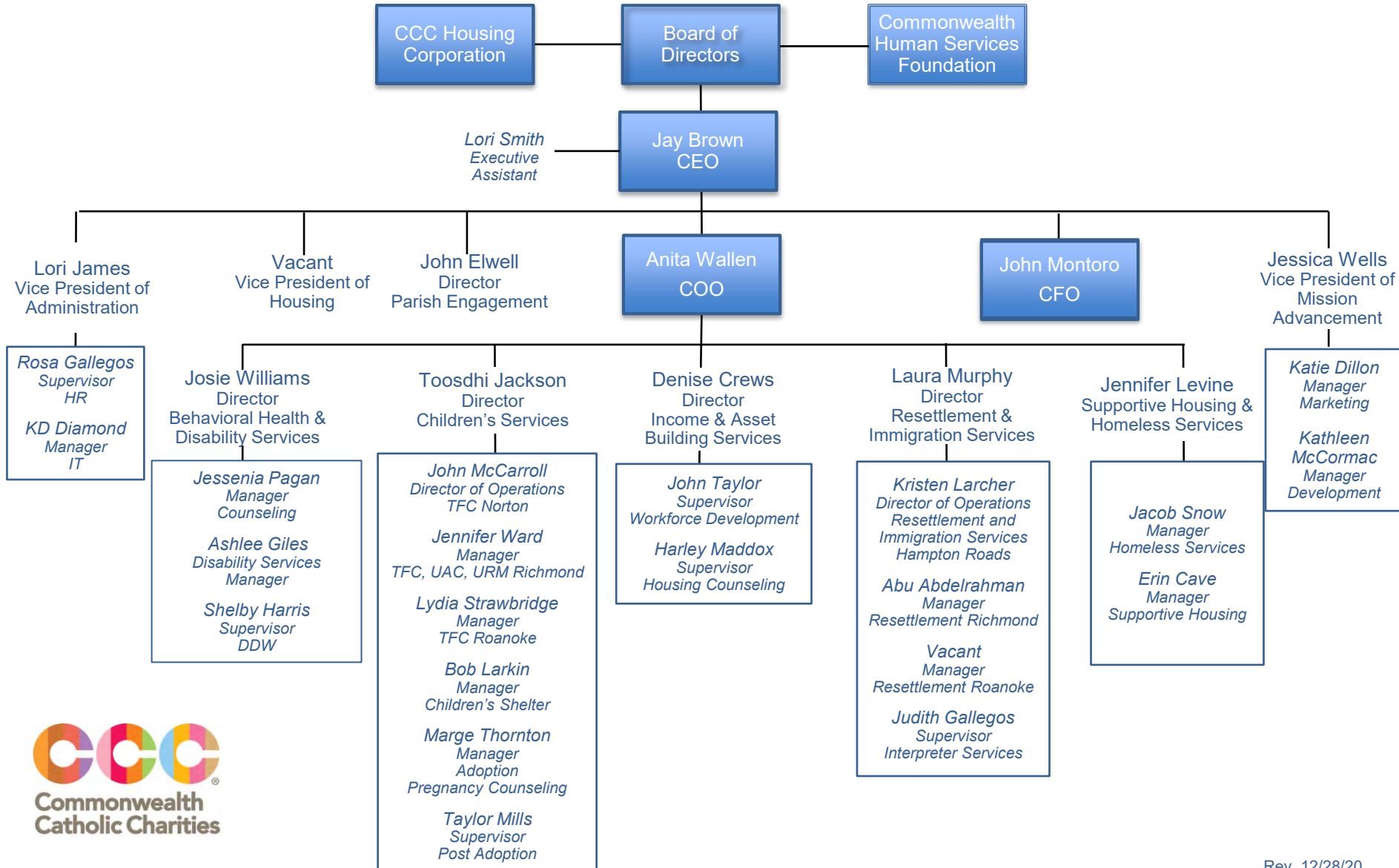
COMMONWEALTH CATHOLIC CHARITIES

Sincerely,

Stephen A. Martin

Director, Exempt Organizations
Rulings and Agreements

Commonwealth Catholic Charities





Housing Corporation Board of Directors Directory 2021



Rosann Bocciarelli, Member rbocciarelli@gmail.com 804.306.4652

204 Cyril Lane, Richmond, VA 23229

- Director of International Education (Retired), Collegiate School; Assistant General Counsel/Attorney (Retired)
- Juris Doctorate from Yale Law School and Bachelor of Arts from Connecticut College
- Member-Saint Elizabeth Catholic Church



Joseph Boisineau, Vice Chair joeboisineau@verizon.net 804.814.6066

1509 Sandgate Road, Midlothian, VA 23113

- Dispute Resolution Specialist (Retired), Virginia Department of Agriculture and Consumer Services
- Virginia Commonwealth University's Management Program and Detroit Retail Management and Merchandising Institute Program, Attended University of Detroit, University of Michigan, Henry Ford College and John Tyler Community College
- Vice Chair-CCC Housing Corporation Board of Directors; Past Chair-CCC Board of Directors; Chair-CCC Board Development Committee; Member-CCC Finance Committee; Member-CHSF Holiday Festival of Music Committee
- Member-Saint Edward the Confessor Catholic Church



James P. Carreras, Member j.carrerasjr@comcast.net 804.240.7896

2011 Oakengate Lane, Midlothian, VA 23113

- President, P & J Properties, Inc.; President (Retired), Automatic Leasing Service, Inc.
- Master of Business Administration from Wharton School University of Pennsylvania and Bachelor of Science from Saint Vincent College
- Member-CHSF Investment Committee
- Member-Saint Edward the Confessor Catholic Church



James J. DePasquale, Secretary jditalia2000@gmail.com 804.840.7422

O East 4th Street, Studio 39, Richmond, VA 23224

- President, DePasquale Delph Gentilhomme Group (Retired); Licensed Architect Certified by the National Council of Architectural Registration Boards
- Bachelor of Architecture from University of Virginia
- Secretary-CCC Housing Corporation Board of Directors
- Member-Bon Air Baptist Church

Photo
Not
Available

Scott Horchler, Treasurer sahorchler@gmail.com 540.982.3185
10 Franklin Road SE, Suite 100, Roanoke, VA 24011

- Vice President/Community Development Manager, SunTrust Bank for Western Virginia and West Virginia
- Attended Brigham Young University
- Treasurer-CHSF Board of Directors; Treasurer-CCCHC Board of Directors; Member-CCC Roanoke Regional Advisory Committee

Photo
Not
Available

Joyce M. Knight, Member houston2506@comcast.net 804.389.6954
2605 Houston Avenue, Richmond, VA 23222

- Meeting Planner, Virginia Tobacco Commission
- Church Secretary, First Baptist Church, Elmont
- Degree pending from Virginia Commonwealth University



Rev. Mr. Ronald A. Reger, Member varegers@gmail.com 804.363.8491
5100 Monument Avenue, Unit #1203, Richmond, VA 23230

- Program Administration Specialist, Virginia Housing Development Authority
- Master of Arts in Theology from Saint Leo University and Master of Business Administration from Old Dominion University and Bachelor of Science from SUNY College at Brockport and Organization Development Certificate from Georgetown University
- Member-Church of the Redeemer Catholic Church



Michael Shaia, Member mkshaia@comcast.net 804-360-8831
12708 Parchment Lane, Richmond, VA 23233

- Senior Associate, Cushman & Wakefield | Thalhimer
- Virginia Polytechnic Institute and State University
- St. Michael and St. Anthony



Paul Sinclair, Chair paul.a.sinclair@gmail.com 804.677.2308
4227 Kingcrest Parkway, Richmond, VA 23221

- IT Consultant/Owner, Technology Solutions Group, LLC (Retired)
- Juris Doctorate from Catholic University School of Law and Bachelor of Arts from University of Notre Dame
- Chair-CCC Housing Corporation Board of Directors; Vice Chair-CCC Board of Directors; Member-CCC Executive Committee
- Member-Saint Bridget Catholic Church



Lucia Anna (Pia) Trigiani, Member pia.trigiani@mercertrigiani.com 703.837.5008
710 South Union Street, Alexandria, VA 22314

- Attorney and Founding Partner, MercerTrigiani LLP
- Juris Doctorate from T.C. William School of Law University of Richmond and Bachelor of Arts from Saint Mary's College in Notre Dame
- Member-CCC Board Development Committee; Past Member-CHSF Board of Directors
- Member-Basilica of Saint Mary Catholic Church



Jay Brown, Chief Executive Officer jay.brown@cccovfa.org 804.545.5975
1601 Rolling Hills Drive, Richmond, VA 23229-5011

- Chief Executive Officer, Commonwealth Catholic Charities



Housing Corporation Board of Directors Terms 2021 (*3-year Terms)

Terms Expire 12/2021

Joseph Boisineau	(1 st)	Lucia Anna (Pia) Trigiani	(1 st)
Scott Horchler	(1 st)		

Terms Expire 12/2022

James P. Carreras	(2 nd)	Paul Sinclair	(2 nd)
Ronald A. Reger	(1 st)		

Terms Expire 12/2023

Rosann Bocciarelli	(2 nd)	James J. DePasquale	(2 nd)
Joyce M. Knight	(1 st)	Michael Shaia	(1 st)

ARTICLES OF INCORPORATION
OF
COMMONWEALTH CATHOLIC CHARITIES HOUSING CORPORATION
A Virginia Nonstock Corporation

Article I
Name

The name of the corporation is Commonwealth Catholic Charities Housing Corporation (hereinafter “Corporation”).

Article II
Purposes

The Corporation is formed for religious, educational, and charitable purposes, and shall include, but not be limited to developing, acquiring, owning, financing and managing and otherwise providing affordable housing and housing-related services within the Catholic Diocese of Richmond.

Article III
Powers

A. The Corporation is organized and shall be operated exclusively for religious and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law (the “Code”). The Corporation shall operate as a “supporting organization” described in Section 509(a)(3) of the Code by conducting and supporting activities which carry out the exclusively public purposes of Commonwealth Catholic Charities, a Virginia non-stock corporation and an organization described in Sections 501(c)(3), 509(a)(1) and 170(b)(1)(A) of the Code, to fulfill its mission of providing quality, compassionate human services to all people,

especially the most vulnerable, through soliciting support from communities served. The preceding sentence shall not limit the ability of the Corporation to carry out any other charitable, educational, or scientific purposes previously set forth herein. The Corporation may engage only in activities that may be carried on by a corporation exempt from federal income taxation under Section 501(c)(3) of the Code and by a corporation to which contributions are deductible under Sections 170(c), 2055 and 2522 of the Code.

B. No part of the net earnings of the Corporation shall inure to the benefit of any private shareholder or individual, except that the Corporation may pay reasonable compensation for services rendered and may make payments or distribution in furtherance of the purposes set forth in Article II herein. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, nor shall the Corporation participate or intervene (including by publishing or distributing statements) in any political campaign on behalf of, or in opposition to, any candidate for public office.

C. To the extent consistent with Section 501(c)(3) of the Code, the Corporation may exercise any and all powers conferred upon nonstock corporations by Sections 13.1-826 and 827 of the Virginia Nonstock Corporation Act.

Article IV. **Member**

The sole member of the Corporation shall be the Most Reverend Francis X. DiLorenzo, Bishop of the Catholic Diocese of Richmond, Virginia, or his Successors in office (hereinafter "Sole Member"). Sole Member shall have the power to disallow any of the actions herein described or any other action of the Board of Directors, Corporation, and Its employees or agents, acting on Its behalf, when he determines in his sole discretion that such action is, or

imposes a restriction, condition or requirement, inconsistent with the philosophy or teachings of the Roman Catholic Church.

Article V.
Directors

A. The Corporation shall have a Board of Directors. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of, its Board of Directors.

B. The number of persons constituting the Board of Directors shall be fixed by the Bylaws but shall not be less than five (5) and not more than ten (10) and in the absence of a Bylaw fixing the number, shall be five (5).

C. Initial Directors shall be nominated by the Board of Directors of Commonwealth Catholic Charities (“CCC Board”) by a simple majority and approved by the Sole Member. Director candidates who are nominated and approved in this manner shall be appointed upon a two-thirds vote of the CCC Board at a regularly scheduled board meeting or one called for that purpose. At the first Annual Meeting of the Board of Directors, the number of Directors shall be divided into three (3) groups with each group containing one-third (1/3) of the total as nearly as possible. The term of the Directors in the first group shall expire at the first Annual Meeting of the Board of Directors after their appointment, the terms of the Directors in the second group shall expire at the second Annual Meeting of the Board of Directors after their appointment, and the terms of the Directors in the third group shall expire at the third Annual Meeting of the Board of Directors after their appointment. Following the appointment of the initial Director, new Directors shall be recommended by the Board of Directors and appointed to a term of three (3) years upon a two-thirds vote of the CCC Board at a regularly scheduled board meeting or one called for that purpose.

D. The Board of Directors shall be responsible for the day-to-day management of the assets and affairs of the Corporation.

E. The Board of Directors shall propose policies that further the purpose of the Corporation.

F. The Board of Directors shall approve operating agreements, any merger, consolidation, creation of a subsidiary, or the affiliation of the Corporation with any other corporation or institution and any decision to dissolve or liquidate the Corporation.

G. The Board of Directors shall appoint the Officers of the Board of Directors. The chief executive of the Corporation shall be the Executive Director of Commonwealth Catholic Charities, who may be removed by a majority vote of the CCC Board.

Article VI.
Registered Office and Agent.

The initial registered office of the Corporation is 8550 Mayland Drive, Richmond, VA 23294 in the County of Henrico, Virginia. Its initial registered agent at that address is Greer P. Jackson, Jr., Esquire, who is a resident of Virginia and a member of the Virginia State Bar.

Article VII.
Dissolution.

If the Corporation is dissolved, any assets remaining after payment (or provision for payment) of all claims against it shall be distributed to Commonwealth Catholic Charities, if then existing, or, if not, the Catholic Diocese of Richmond, Virginia, to be used for the religious, charitable or educational missions of the Roman Catholic Church. Commonwealth Catholic Charities, if then existing, or, if not, the Catholic Diocese of Richmond shall adhere to any

restrictions on these assets in accordance with the Corporation's gift acceptance policy and the endowment agreement.

Article VIII.
Indemnification

The Corporation shall indemnify and hold harmless to the full extent permitted by law any person who was, or is, a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a Director, Officer or Member of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Dated:

Aug. 3, 2017



**The Most Reverend Francis X. DiLorenzo
Bishop of the Catholic Diocese of Richmond,
Sole Member of the Commonwealth Catholic
Charities Housing Corporation, and his
successors in office**

ARTICLES OF AMENDMENT
OF
COMMONWEALTH CATHOLIC CHARITIES HOUSING CORPORATION

1. The name of the corporation is Commonwealth Catholic Charities Housing Corporation (hereinafter "Corporation").
2. Article V, Paragraph B of the Articles of Incorporation is deleted and replaced as follows:
 - B. The number of persons constituting the Board of Directors shall be fixed by the Bylaws but shall not be less than five (5) and not more than fifteen (15) and in the absence of a Bylaw fixing the number, shall be five (5).
3. The foregoing amendment was adopted by the Corporation on October 6, 2020.
4. The amendment was adopted by the consent of the sole member.

Executed in the name of the Corporation by:

Dated: 10/23/20



**The Most Reverend Barry C. Knestout
Bishop of the Catholic Diocese of Richmond,
Sole Member of the Commonwealth Catholic
Charities Housing Corporation, and his
successors in office**

SCC ID No.: 08217374

COMMONWEALTH CATHOLIC CHARITIES

HOUSING CORPORATION

AMENDED AND RESTATED BYLAWS

ARTICLE I
PURPOSES OF THE CORPORATION

Section 1 – Specified Purposes of the Corporation.

The Commonwealth Catholic Charities Housing Corporation, a Virginia non-stock corporation (“Corporation”) is formed for religious, educational, and charitable purposes and to develop, acquire, own, finance and manage and otherwise provide affordable housing and housing-related services within the Catholic Diocese of Richmond.

Section 2 – Powers of the Corporation.

The Corporation is organized and shall be operated exclusively for religious and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States internal revenue law (the “Code”). The Corporation shall operate as a “supporting organization” described in Section 509(a)(3) of the Code by conducting and supporting activities which carry out the exclusively public purposes of Commonwealth Catholic Charities, a Virginia non-stock corporation and an organization described in Sections 501(c)(3), 509(a)(1) and 170(b)(1)(A) of the Code, to fulfill its mission of providing quality, compassionate human services to all people, especially the most vulnerable, through soliciting support from communities served. The preceding sentence shall not limit the ability of the Corporation to carry out any other charitable, educational, or scientific purposes previously set forth herein. The Corporation may engage only in activities that may be carried on by a corporation exempt from federal income taxation under Section 501(c)(3) of the Code and by a corporation to which contributions are deductible under Sections 170(c), 2055 and 2522 of the Code. The Corporation shall have the power to receive, retain and expend funds from the government of the United States, any state or local government and any charitable or educational organization (including foundations). Consistent with the foregoing, the Corporation may exercise all powers which a corporation organized under the Virginia provisions of law relating to non-stock corporations, as from time to time amended, may be authorized to exercise. The Corporation is specifically empowered to do and perform all acts reasonably necessary to accomplish the purposes of the Corporation.

ARTICLE II
MEMBER OF THE CORPORATION

Section 1 – Member of the Corporation.

The Most Reverend Barry C. Knestout, Bishop of the Catholic Diocese of Richmond, Virginia, or his successor in office, shall be the sole member of the Corporation (the “Member”), and he shall have the power to disallow any of the actions hereinabove described or any other action of the Board of Directors, Corporation, and Its employees or agents, acting on Its behalf, because such action is, or imposes a restriction, condition or requirement, inconsistent with the philosophy or teachings of the Roman Catholic Church.

Section 2 – Annual Meeting.

The Corporation shall hold an annual meeting to announce the appointment of Directors and to transact any other business within its powers during the month of October in each year, or at such other time as soon as practicable thereafter as shall be set by the Board of Directors. Unless the Articles provide otherwise, any business may be considered at an annual meeting with the purpose of the meeting having been specified in the notice. Failure to hold an annual meeting does not invalidate the Corporation’s existence or affect any otherwise valid corporate act(s).

Section 3 – Place of Meeting.

Meetings shall be held at such place and for such purposes as is designated in the notice.

ARTICLE III
BOARD OF DIRECTORS

Section 1 – Number of Directors.

The number of persons constituting the Board of Directors (hereinafter “the Board”) shall be not be less than five (5) and not more than fifteen (15), including the Executive Director of Commonwealth Catholic Charities (hereinafter “Executive Director”) who shall be an ex officio Director of the Board.

Section 2 – Appointment of Directors.

Directors shall be nominated by the Board and appointed by the Board of Directors of Commonwealth Catholic Charities (“CCC Board of Directors” and “CCC” respectively) at its Annual Meeting by a two-thirds majority vote of the CCC Board of Directors. Directors shall serve three (3) year terms, with no more than three consecutive terms. The CCC Board of Directors shall have the right to remove any Director with or without cause.

Section 3 – Powers.

The powers of the Corporation shall be vested in the Board. The Board shall elect Board officers, and fill vacancies among the Board officers for unexpired terms; and shall have the power and authority to perform all acts and functions not inconsistent with these Bylaws, or with any actions taken by the Corporation. The Executive Director of Commonwealth Catholic Charities shall have responsibility for the administration of the Corporation. The Executive Director shall be a non-voting, ex-officio member of the Board of Directors and its Committees. The Executive Director of Commonwealth Catholic Charities shall remain chief executive of the Corporation so long as (s)he remains chief executive of Commonwealth Catholic Charities.

Section 4 – Executive Committee.

There may be an Executive Committee, elected by the Board from their number, which may include the Chairperson, Vice Chairperson, Secretary and Treasurer of the Corporation, and Committee Chairs as designated by the Board, as well as any other Board officer the Board creates and elects.

Section 5 – Conflict of Interest.

A. Any duality of interest or possible conflict of interest on the part of any Director in any matter involving the Corporation shall be disclosed in writing to the Secretary at or before the meeting at which the matter is considered.

B. Any Director having a duality of interest or possible conflict of interest in any matter shall not vote on or use his or her personal influence to affect approval or disapproval of the matter, and he or she shall not be counted in determining the quorum for that portion of the meeting at which the matter is considered.

C. The foregoing requirements shall not be construed as preventing a Director from briefly stating his or her position in the matter, nor from answering pertinent questions of other Directors since his or her knowledge may be of great assistance to them.

D. Any new Director shall be advised of this policy upon assuming office. Any duality of interest or possible conflict of interest on the part of any such new Director in any matters which involves or may involve the Corporation shall be stated in writing by such Director to the Secretary and disclosed to other Directors.

E. When the Board considers a matter involving a duality of interest or possible conflict of interest of any Director, the minutes of that meeting shall reflect a disclosure of such duality of interest or possible conflict of interest and that the Director concerned was not counted in determining the existence of a quorum and that said Director abstained from voting on such matter.

Section 6 – Resignations or Removal of Directors.

A. The Board may recommend, by a two-thirds majority vote, the removal of a Director with or without cause. The CCC Board of Directors at any duly called meeting may accept or reject such recommendation for removal upon a majority vote of that body.

B. In the event that any Director shall have three (3) consecutive unexcused absences from regular meetings of the Board, after due notice of such meeting has been given, such absences shall be deemed to constitute a resignation from the Board by such Director.

Section 7 – Filling Vacancies.

Upon the death, resignation or removal of a Director, the Board shall recommend a successor to the CCC Board of Directors for appointment not later than the next Annual Meeting of the Corporation, at which time a successor shall be appointed by the CCC Board of Directors, which successor shall hold office for the remainder of the term of the Director whose death, resignation or removal created the vacancy.

Section 8 – Compensation.

Directors, as such, shall not receive any stated salary for their services as a Director; however, nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation for that service.

ARTICLE IV
MEETINGS OF THE BOARD OF DIRECTORS

Section 1 – Regular Meetings.

Regular meetings of the Board shall be held at such place as may be determined by the Directors. The Board shall meet at least two (2) times per year.

Section 2 – Agenda for Meetings.

The Chairperson of the Corporation shall prepare an agenda for each meeting which should be delivered to each Director at least five (5) days before the meeting. Directors may request that additional items of business be included in the agenda at any time.

Section 3 – Special Meetings.

Special meetings may be called by the Chairperson and also shall be called within fourteen (14) days of receipt of written request of one-third of the Directors. Written notice of special meetings shall be mailed to each Director at least five (5) days before the date of such meeting. The agenda for a special meeting shall be followed and only the business mentioned on the agenda shall be conducted.

Section 4 – Quorum.

For regular or special meetings of the Board, a quorum shall be two-thirds of the then number of Directors. Unless otherwise required by law, the Articles of Incorporation or these Bylaws, a majority vote of the Directors present at a meeting at which a quorum is present constitutes action by the Board.

Section 5 – Notice of Meeting.

The Chairperson or Secretary shall give notice to each Director of each regular and special meeting of the Board. The notice shall state the time and place of the meeting. Notice is given to a Director when it is delivered personally to him or her, left at his or her residence or usual place of business, or sent by telegraph, telephone, or email, at least five (5) days before the time of the meeting or, in the alternative, by mail to his or her address as it shall appear on the records of the Corporation, at least five (5) days before the time of the meeting. Unless the Articles of Incorporation, these Bylaws, or a resolution of the Board requires otherwise, the notice need not state the business to be transacted at or the purpose of any regular or special meeting of the Board. No notice of any meeting of the Board need be given to any Director who attends, or to any Director who waives such notice, in writing executed and filed with the records of the meeting either before or after the meeting. Any meeting of the Board, regular or special, may adjourn from time to time to reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement.

Section 6 – Informal Action by Directors.

Any action required or permitted to be taken at a meeting of Directors may be taken without a meeting if there is filed with the records of the Corporation a written consent which sets forth the action and is signed by each Director.

ARTICLE V
OFFICERS OF THE BOARD OF DIRECTORS

Section 1 – Officers.

The Officers of the Board of Directors shall be Chairperson, Vice-Chairperson, Secretary, Treasurer, and other Officers the Board may authorize. The Chairperson, Vice-Chairperson, Secretary, Treasurer and other such Officers as the Board may authorize, shall be elected by the Board from among its own membership at the first regular meeting after it has been appointed, and said Officer shall hold office a period of one (1) year or until successors have been duly elected or qualified. Each Director may serve in one (1) or more officer positions, as the Board may determine.

Section 2 – Chairperson.

The Chairperson shall preside at the meeting of the Board. The Chairperson shall also perform such other duties as the Board shall prescribe and shall be an *ex-officio* member of all committees, with the right to vote.

Section 3 – Vice-Chairperson.

At the request of the Chairperson or in the event of his/her absence or disability, the Vice-Chairperson shall perform the duties and shall possess and exercise the powers of the Chairperson, and to the extent authorized by law, the Vice-Chairperson will have such other powers as the Board may determine and shall perform such other duties as may be assigned to him/her by the Board.

Section 4 – Secretary.

The Secretary shall act as Secretary of the Corporation and shall send appropriate notices, prepare minutes of all meetings of the Board and shall act as custodian of all records and reports, and shall be responsible for the keeping and recording of adequate records of all meetings of the Board. The Secretary shall perform all duties incident to the office of a secretary of a corporation and such other duties as, from time to time, may be assigned to him or her by the Board or the Chairperson.

Section 5 – Treasurer.

The Treasurer shall be elected annually, shall be a member of the executive committee of the Board, if any, shall be chairman of the finance committee, if any, and shall be the liaison between the Board and those persons designated to manage and audit the Corporation's finances.

Section 6 – Assistant Officers.

The Board of Directors may elect or appoint such Assistant Officers as it may prescribe. Such Assistant Officers may, but need not be, Members of the Board of Directors and shall have such duties and powers as the Board may prescribe.

Section 7 – Vacancies or Removal of Officers.

Officers of the Board of Directors shall be elected by a two-thirds majority of the Directors at the first Board meeting subsequent to the annual appointment of the Directors. The Board may accept the resignation of, or remove Officers of the Board of Directors, with or without cause, with a two-thirds majority vote of the Directors at a regular or special meeting. Such vacancies may be filled by the Board of Directors to complete the annual term of the person resigning or removed.

Section 8 – Execution of the Corporate Instruments.

Except as otherwise required by law, Articles of Incorporation, or these Bylaws, the Chairperson and those other Officers or agents designated by the Board shall each have authority to sign and execute on behalf of the Corporation, all authorized contracts, or other instruments.

Section 9 – Compensation.

Officers, as such, shall not receive any stated salary or compensation for their services rendered as an officer; however, nothing herein contained shall be construed to preclude any Officer from serving the Corporation in any other capacity and receiving compensation for that service.

ARTICLE VI
INDEMNITY

Section 1 – Indemnity.

The Corporation shall indemnify and hold harmless to the full extent permitted by law any person who was, or is, a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a Director, Officer, Member or Executive Director of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. This Section of Article VI of the Bylaws has been approved by the Member for the benefit of the persons covered thereby.

Section 2 – Insurance.

The Board may cause the Corporation to procure and maintain insurance in such amounts and in such form as the Board may deem necessary or desirable in order to indemnify the Corporation and the Directors and the Officers against any expense, cost or liability of the kind or nature referred in Section 1 of this Article VI.

ARTICLE VII
DISSOLUTION

Section 1 – Dissolution.

Upon dissolution or termination of this Corporation, all assets held by this Corporation, of whatever kind, shall be paid over and delivered to Commonwealth Catholic Charities, if then existing, or, if not, the Catholic Diocese of Richmond, Virginia, to be used for the religious, charitable, or educational mission of the Roman Catholic Church. Commonwealth Catholic Charities, if then existing, or, if not, the Catholic Diocese of Richmond shall adhere to any donor imposed restrictions on these assets in accordance with the Corporation's gift acceptance policy and the endowment agreement.

ARTICLE VIII
MISCELLANEOUS

Section 1 – Signature of Checks, Drafts, and Contracts for Services.

Checks, drafts and contracts for services drawn against funds of the Corporation or executed for the benefit of the Corporation, respectively, shall be signed by the Executive Director or such other persons or in such manner as designated by the Executive Director.

Section 2 – Amendments.

Amendments to these Bylaws initiated by Member do not require the approval of the Board. All other amendments to these Bylaws shall be approved by the Board at any regular or special meeting by the affirmative vote of two-thirds of the Directors. Notice of the substance of any proposed amendment shall be given in writing to all Directors at least five (5) days prior to the meeting at which such amendment is to be submitted, unless such notice be waived in writing filed with the records of the Corporation. Such Amendments shall become effective unless disapproved by the Member in accordance with the Articles of Incorporation.

Section 3 – General.

Any matters not specifically covered by these Bylaws and the Articles of Incorporation shall be governed by the provisions of the Code of Virginia at the time in question.

Section 4 – Fiscal Year.

The fiscal year of the Corporation shall end on the last day of September in each year.

Section 5 – Bylaws Implementation.

The Corporation shall conform to the Bylaws in a reasonably timely manner, as determined by the Member and/or Chairperson of the Corporation.

Approved by the sole member of The Commonwealth Catholic Charities Housing Corporation.

Dated:

10/23/20



**The Most Reverend Barry C. Knestout
Bishop of the Catholic Diocese of Richmond
Sole Member of the Commonwealth Catholic
Charities Housing Corporation of the Diocese of
Richmond, and his successors in office**



COMMONWEALTH of VIRGINIA

Jewel H. Bronaugh, Ph.D
Commissioner

Department of Agriculture and Consumer Services

Division of Consumer Protection
Office of Charitable and Regulatory Programs

February 12, 2021

Enotify to: Lori.Smith@cccofva.org; From: ocarpunit.vdacs@vdacs.virginia.gov; Sent: Fri 02/12/21 07:26 am

Mr. Jason Brown
Chief Executive Director
Commonwealth Catholic Charities
1601 Rolling Hills Drive
Richmond, VA 23229

Dear Mr. Brown:

In response to your request of February 11, 2021, our office will grant Commonwealth Catholic Charities an extension of time, not to exceed August 15, 2021, in which to complete the filing under the Virginia Solicitation of Contributions Law (Law). Registration forms and information are available at <http://www.vdacs.virginia.gov/food-charitable-solicitation.shtml>.

Failure to file, to request an additional extension of time to file (up to a maximum of six months from the original due date), or to notify our office, in writing, on or before August 15, 2021 that you no longer intend to solicit in Virginia, may result in the issuance of a press release warning the public that you have not complied with the law, as outlined in Section 57-52 of the Code of Virginia.

Thank you for your attention to this matter. If we may be of any further assistance, please feel free to contact our office at 804-786-1343, Option 1 or OCARPUNIT.vdacs@vdacs.virginia.gov.

Office of Charitable & Regulatory Programs
Charitable Programs Unit



COMMONWEALTH of VIRGINIA

Jewel H. Bronaugh, Ph.D.
Commissioner

Department of Agriculture and Consumer Services

Division of Consumer Protection
Office of Charitable and Regulatory Programs

June 8, 2020

Enotify to: freida.nevills@cccovfa.org; From: marcellus.grooms@vdacs.virginia.gov; Sent: Mon 06/08/20 07:50 pm

Mr. Jason Brown
Chief Executive Director
Commonwealth Catholic Charities
1601 Rolling Hills Drive
Richmond, VA 23229

Dear Mr. Brown:

This confirms receipt of your completed Form 102, "Virginia Registration Statement for a Charitable Organization," under Section 57-49 of the Virginia Solicitation of Contributions Law (Law), and your registration fee in the amount of \$325.

We have reviewed your completed Form 102 and accompanying materials and found your organization to be in compliance with the registration requirements of section 57-49 of the Law. Your organization is registered through February 15, 2021.

The issuance of this registration does not constitute an endorsement by the Commonwealth of Virginia, or by any of its departments, offices or employees, of the purpose or person conducting charitable solicitations.

It is your responsibility to advise potential donors, in a written statement on your solicitation materials, that a financial statement is available upon written request from the Office of Charitable and Regulatory Programs.

If we can be of further assistance, please do not hesitate to contact us at 804-786-1343, Option 1.

Office of Charitable and Regulatory Programs
Charitable Programs Unit

P.O. Box 1163, Richmond, Virginia 23218

804/786-1343 • Fax: 804/225-2666 • TDD: 800/828-1120 • www.vdacs.virginia.gov • Equal Opportunity Employer

K

Documentation of
Development Location

K.1

Revitalization Area
Certification

RESOLUTION NUMBER 21-R-010

**A RESOLUTION IN SUPPORT OF THE PITCHKETTLE PLACE
DEVELOPMENT'S APPLICATION TO THE VIRGINIA HOUSING
DEVELOPMENT AUTHORITY FOR THE LOW-INCOME
HOUSING TAX CREDIT PROGRAM**

WHEREAS, The Pitchkettle Place development is a major revitalization project located in Downtown Suffolk and within the Downtown Influence Area as designated in the Suffolk Downtown Master Plan; and

WHEREAS, The Pitchkettle Place development is a positive revitalization project with significant long-term opportunity benefit to the City of Suffolk and more specifically Downtown Master Plan efforts; and

WHEREAS, The Pitchkettle Place development is seeking designation and qualification through the Virginia Housing Low-Income Housing Tax Credit (LIHTC) program; and

WHEREAS, Virginia Housing places prioritization on transformative projects located in revitalization areas in municipalities throughout the Commonwealth of Virginia; and

WHEREAS, a resolution from the Suffolk City Council confirming support of the Pitchkettle Place project in this revitalization area of Suffolk has been requested from the Pitchkettle Place development to assist in receiving funding from Virginia Housing and the LIHTC program; and

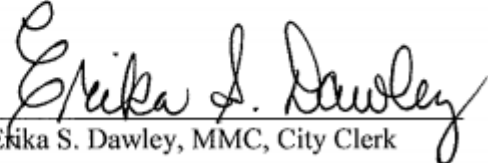
WHEREAS, The Pitchkettle Place redevelopment is an ideal Long-Term Opportunity Site and Revitalization project for the City of Suffolk, and whereas the commercial and economic development of such an area will benefit the city, but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and

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

NOW, THEREFORE, BE IT RESOLVED, by the Council for the City of Suffolk, Virginia, that the Council hereby confirms its support of the Pitchkettle Place Development Project located within the Downtown Influence Area.

BE IT FURTHER RESOLVED that this resolution shall become effective upon adoption.

READ AND ADOPTED: FEBRUARY 17, 2021

TESTE: 
Erika S. Dawley, MMC, City Clerk



CITY MANAGER

CITY OF SUFFOLK

P.O. BOX 1858, SUFFOLK, VIRGINIA 23439-1858 PHONE: (757) 514-4012

March 12, 2021

Virginia Housing
JD Bondurant, Director of LIHTC Programs
601 S. Belvidere Street
Richmond, VA 23220

RE: Resolution Number 21-R-010

Dear Mr. Bondurant:

The aforementioned resolution, refers to a tract of land known as 806 West Washington Street, also identified as Parcel ID 34G16(C)*A, in the City of Suffolk, VA. Furthermore, the City of Suffolk has been informed that the name of the proposed LIHTC development has changed from Pitchkettle Place to Washington Terrace Apartments.

Should you have any questions, please don't hesitate to reach out to me directly on 757-514-4043 or at khughes@suffolkva.us.

Sincerely,

Kevin Hughes
Interim Deputy City Manager



2020 and 2021 Small DDAs and QCTs

806 w washington, suffolk, va

Go

Select a State

Select a County

Go

Map Options : Clear | Reset | Full Screen

QCT Legend:

Tract Outline



LIHTC Project



2021 Qualified Census Tracts

SADDA Legend:

FMR Boundary

ZCTA Boundary



2021 Small DDA



Part DDA



Non Metro DDA

Hide the overview

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

Map Options

14 Current Zoom Level

Show Difficult Development Areas (Zoom 7+)

Color QCT Qualified Tracts (Zoom 7+)

Show Tracts Outline (Zoom 11+)

Show FMR Outlines (Zoom 4+)

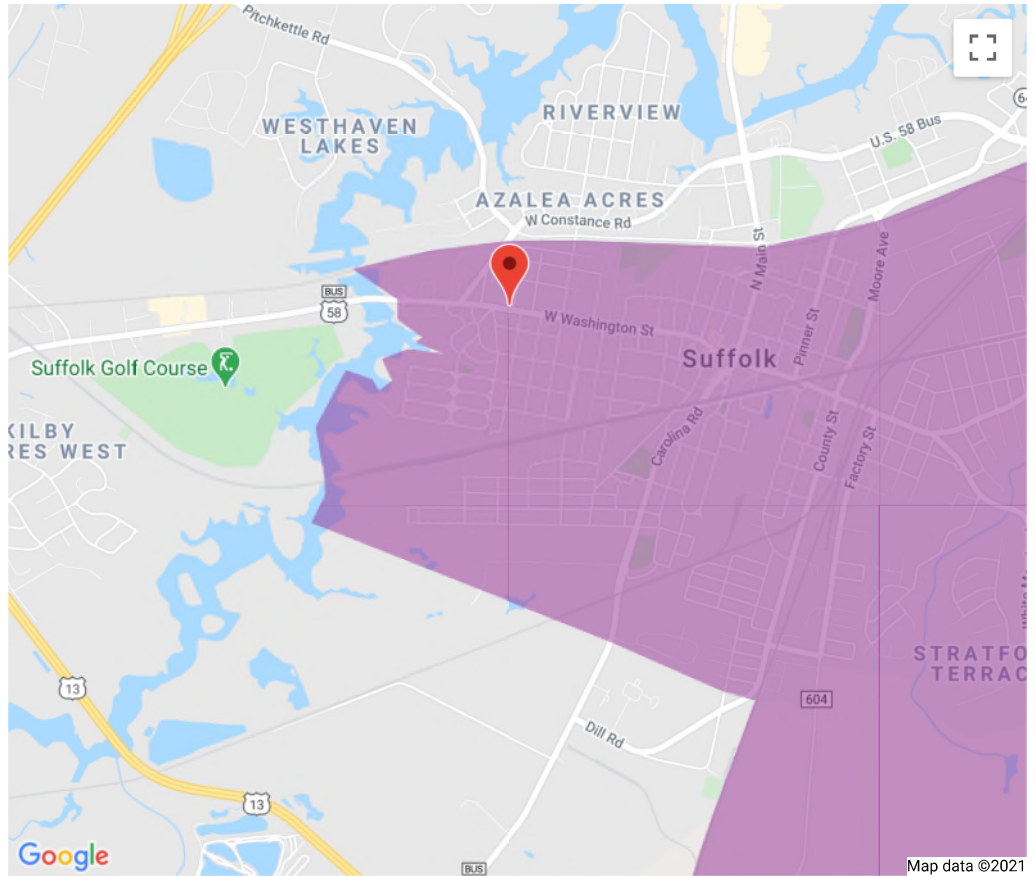
Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

Select Year

2021

2020



◀ 1.5K

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Delegations of Authority and Order of Succession

Events

HUD at 50

HUD Secretary's Awards

PD&R Careers

Initiatives

Ageing Research and Resources

Public Health Research and Resources

Regulatory Barriers Clearinghouse

Research

Case Studies

Data Sets

Periodicals

Regulatory Barriers Clearinghouse

Reports

Reference

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

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HUD USER

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

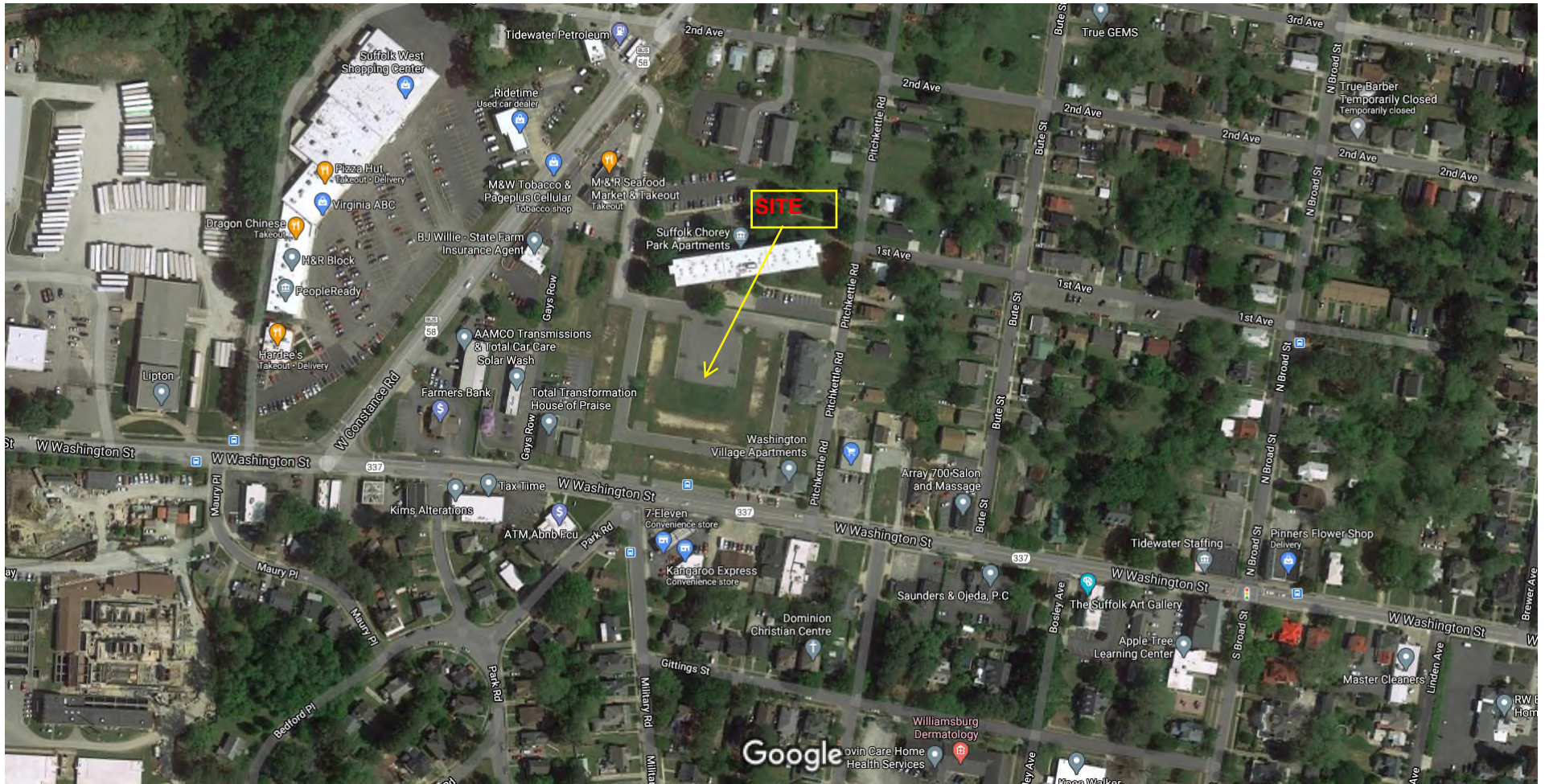
Toll Free: 1-800-245-2691 **TDD:** 1-800-927-7589

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

K.2

Location Map

LOCATION MAP



K.3

Surveyor's Certification of
Proximity to Public
Transportation



PINNACLE GROUP ENGINEERING, INC.

CIVIL ENGINEERING

Surveyor's Certification of Proximity to Transportation

DATE: March 3, 2021

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

RE: 2021 Tax Credit Reservation Request
Name of Development: Washington Terrace
Name of Owner: Washington Terrace LLC


Gentlemen:

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

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

- 2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.

Pinnacle Group Engineering, Inc.
Firm Name


By: E. Rodney Flores, P.E.

Its: President





L

PHA/Section 8 Notification
Letter



PHA or Section 8 Notification Letter

Development Name: Washington Terrace

Tracking #: 2021-C-32

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: March 9, 2021

TO: Suffolk Redevelopment and Housing A
530 East Pinner St.
Suffolk, VA 23434

RE: PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Washington Terrace
Name of Owner: Washington Terrace 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 March 2023 (date).

The following is a brief description of the proposed development:

Development Address:
806 West Washington Street, Suffolk, VA 23434

Proposed Improvements:

<input checked="" type="checkbox"/> New Constr.:	<u>72</u>	# units	<u>7</u>	# Bldgs
<input type="checkbox"/> Adaptive Reuse:	<u> </u>	# units	<u> </u>	# Bldgs
<input type="checkbox"/> Rehabilitation:	<u> </u>	# units	<u> </u>	# Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ <u> </u>	/ month
<input type="checkbox"/> 1 Bedroom Units:	\$ <u> </u>	/ month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>383-1,075</u>	/ month
<input checked="" type="checkbox"/> 3 Bedroom Units:	\$ <u>430-1,175</u>	/ month
<input type="checkbox"/> 4 Bedroom Units:	\$ <u> </u>	/ month

Other Descriptive Information:

Washington Terrace will be an apartment community of 72 units for the general population. There will be 6 residential buildings and one clubhouse for a total of 7 buildings.

PHA or Section 8 Notification Letter

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (336) 669 - 3587.

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

Sincerely yours,



Name

Manager

Title

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

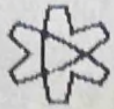
Seen and Acknowledged By: Tracey C Snipes

Printed Name: Tracey C. Snipes

Title: Executive Director/ CEO

Phone: 757-539-2100

Date: 3/10/21



FedEx OfficeSM

Address: 3731 BATTLEGROUND
AVE
GREENSBORO
NC 27410
Location: GSXKO
Device ID: -BTC01
Transaction: 940294588649

FedEx Ground

784662613231 0.05 lb (S) 10.59

Declared Value 100

Recipient Address:

TRACEY SNIPES
SUFFOLK RHA
530 E PINNER ST
SUFFOLK, VA 23434
7575394358

Scheduled Delivery Date 3/15/2021

Pricing option:
STANDARD RATE

Package Information:
Your Packaging
9 x 7 x 1

M

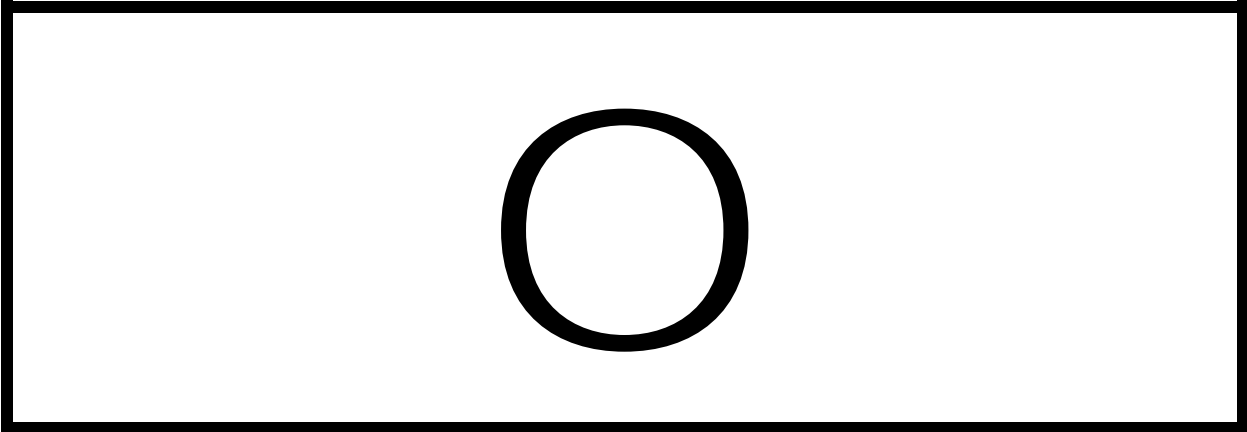
Locality CEO Response
Letter

This deal does not require
information behind this tab.

N

Homeownership Plan

This deal does not require
information behind this tab.



O

Plan of Development
Certification Letter

This deal does not require
information behind this tab.

P

Copies of 8609s to
Certify Developer
Experience and
Partnership agreements

VHDA Experienced LIHTC Developers

Notes:

Updated: 3/4/2021

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

I Listed if documentation supported at least 6 LIHTC developments

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

See LIHTC Manual for instructions on being added to this list

INDIVIDUALS

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

NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

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

Q

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

March 9, 2021

Charlie Heritage
South Creek Development, LLC
7204 West Friendly Avenue., Suite C
Greensboro, NC 27410
charlie@southcreekdevelopment.com

Dear Mr. Heritage:

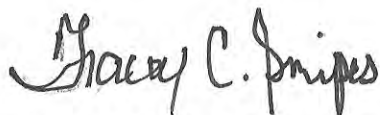
Thank you for responding to Suffolk Redevelopment and Housing Authority's Request for Proposal No. **SRHA PBV 02-2021** for Project Based Vouchers issued on **February 19, 2021**. In response to your proposal, I am pleased to inform you that you have been awarded **8 PBV's** for **Washington Terrace** located at **806 West Washington, Suffolk, VA 23434**.

The terms of the PBVs will be for 15 years subject to the execution of a HAP contract. This commitment is in effect from March 9, 2021 – September 8, 2023 (30 months) subject to your satisfactory compliance with the terms and conditions stipulated in the aforementioned RFP.

In addition, if you indicated in your response to the aforementioned RFP that your project was applying for Low Income Housing Tax Credits (LIHTCs) through VHDA, then this commitment is contingent upon the receiving in allocation of Low Income Housing Tax Credits no later than December 31, 2021.

Again, congratulations on receiving this commitment. We look forward to working with you.

Sincerely,



Tracey C. Snipes
Executive Director/CEO

cc/file

R

Documentation of
Operating Budget
and Utility Allowance



March 5, 2021

Andy Schryver
South Creek Development, LLC
7204 W Friendly Ave,
Greensboro, NC 27410
andy@southcreekdevelopment.com

RE: Preliminary Utility Allowance for Washington Terrace

Dear Mr. Schryver,

Please see the following Preliminary Utility Allowance (UA) for Washington Terrace located in Suffolk, Virginia. Projections were generated with the applicable rates, fees, and taxes of following providers:

Electricity:	Dominion Energy	Gas:	N/A
Water:	City of Suffolk	Trash:	N/A
Sewer:	City of Suffolk; HRSD		

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.

EARTH CRAFT 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	N/A	\$ 16.36	\$ 19.21	N/A
Air Conditioning	Electric	Tenant	N/A	N/A	\$ 7.63	\$ 8.96	N/A
Cooking	Electric	Tenant	N/A	N/A	\$ 6.54	\$ 7.68	N/A
Lighting	Electric	Tenant	N/A	N/A	\$ 26.17	\$ 30.73	N/A
Hot Water	Electric	Tenant	N/A	N/A	\$ 15.27	\$ 17.93	N/A
Water	-	Tenant	N/A	N/A	\$ 45.78	\$ 57.22	N/A
Sewer	-	Tenant	N/A	N/A	\$ 55.70	\$ 71.17	N/A
Trash	-	Owner	N/A	N/A	\$ -	\$ -	N/A
Total UA costs paid by tenants			\$ -	\$ -	\$ 173.45	\$ 212.91	\$ -

**Allowances only for Washington Terrace as an EarthCraft project. The water and sewer projections were produced using water fixtures with flow rates of 0.8 gpf toilets, 1.5 gpm showerheads, 1.5 gpm kitchen faucets, and 1.5 gpm lavatory faucets. Due to rounding, the amounts for the UA components may not add up to the Total UA amount.*

Sincerely,

Rob McRaney
Business Relations Manager

S

Supportive Housing
Certification

This deal does not require
information behind this tab.

T

Funding Documentation

Washington Terrace

Explanation of Project Based Voucher (PBV) rent overhang as shown on the Cash Flow Page of the LIHTC application.

Washington Terrace was awarded 8 PBVs from Suffolk Redevelopment and Housing Authority

The project-based voucher rents are higher than the 50% LIHTC rents creating an estimated rent overhang as shown in the table below:

<u>Bedrooms</u>	<u>Voucher Rent</u>	<u>50% LIHTC Rent</u>	<u>PBV Rent Overhang/Mo.</u>	<u>PBV Rent Overhang/Yr.</u>	<u># of Units</u>	<u>Total</u>
2	\$847	\$754	\$93	\$1,116	8	\$8,928



March 16, 2021

South Creek Development, LLC
669 Marina Drive
Charleston, SC 29492

Attn: Andy Schryver

Re: Project: Washington Terrace Apartments
Property Location: 806 West Washington Street
Suffolk, VA 23434

Dear Mr. Schryver:

Churchill Stateside Group (“CSG”) is pleased to submit this Letter of Intent (“LOI”) to Washington Terrace LLC (the “Borrower”) with respect to a proposed equity investment in Washington Terrace Apartments (the “Project”). CSG is a sponsor of investment partnerships (the “CSG Fund”) which provides equity capital for projects that are eligible for low-income housing tax credits (“LIHTCs”) pursuant to Section 42 of the *Internal Revenue Code*.

The terms of this LOI are based on preliminary financial information we have received about the Project. We have not yet completed our review of detailed plans or specifications for the Project, loan commitments, the property management agreement, the development agreement, or other agreements and materials. Our expectation is that the economics for the Project will be consistent with your preliminary economic projections and other documents and material submitted by you.

Based upon the Project receiving \$1,310,000 in annual low income housing tax credits, and further based on terms and conditions as set forth below, the investment in the Project is \$11,526,847 or \$0.88 per low income housing tax credit allocated the investor. Of the total low income housing tax credits allocated to the Partnership, 99.99% shall be purchased by the CSG Fund. Payment of Developer Fee will be negotiated between CSG and the Developer based upon ongoing source & use calculations verifying sufficient funds to complete the property as specified

This letter of intent is subject to CSG’s satisfactory completion of its normal due diligence, and is also subject to the approval by the Investment Committee of CSG of the terms and conditions of the investment in its sole discretion based on then current market conditions, including availability of investment funds and pricing for tax credits.

CSG is led by seasoned professionals whose collective experience includes direct involvement in the production and syndication of more than \$1 billion of federal and state tax credits for affordable multifamily rental housing properties under the federal and state Low Income Housing Tax Credit (“LIHTC”) programs. Thank you again for the opportunity to work with you on this transaction.

Washington Terrace LLC
Page 2 of 2

Sincerely,

CHURCHILL STATESIDE GROUP, LLC

By:

A handwritten signature in black ink, appearing to read 'DD', is positioned to the right of the word 'By:'.

Daniel Duda
Senior Vice President



March 16, 2021

Washington Terrace LLC
669 Marina Drive
Charleston, SC 29492

Attn: Mr. Andy Schryver, South Creek Development

Re: Washington Terrace - Construction and Permanent Financing Letter

Churchill Mortgage Investment LLC, a subsidiary of Churchill Stateside Group, LLC (collectively defined as the “Lender”), is pleased to provide this Conditional Commitment for construction financing and permanent financing for the aforementioned proposed affordable housing development. The terms and conditions of the proposed financing are as follows:

Subject Property: Washington Terrace Apartments
806 West Washington Street
Suffolk, VA 23434

Borrower: Washington Terrace, LLC

Construction Loan Terms

Construction Loan Amount: \$14,000,000
Construction Term Loan: 24 months; interest only
Interest Rate: 4.50% fixed
Financing Fee: 1.0% of loan amount
Application Fee: \$5,000 due at acceptance by Borrower
Guarantors: TBD
Security: First Deed of Trust with assignment of rents on the subject property and improvements to be constructed thereon; legal description to govern. Assignment of low income housing tax credits.

Permanent Loan Terms

Permanent Loan Amount: \$5,650,000 (subject to LTV and DSCR constraints described below)
Guarantors: Same as above (non-recourse except for standard carve-outs)
Security: First Deed of Trust with assignment of rents on the subject property and improvements to be constructed thereon; legal description to govern.
Interest Rate: 5% fixed
Term/Amortization: 18/40
Loan-to-Value: 90% maximum
Debt Service Coverage Ratio: 1.15 minimum; based on mandatory-pay debt service and Lender’s underwritten Net Operating Income.

Washington Terrace Apartments

Lender Financing Fee: Greater of \$25,000 or 1.0% of loan amount.
Lender Application Fee: \$3,500 due at acceptance of application by Borrower.
Other Fees: The Borrower shall be responsible for the Lender's reasonable legal fees, all third party reports, and any other reasonable fees incurred during the processing of the Borrower's application and the loan closing.
Contingency Reserve: Minimum of 2% of the Construction Contract; released upon achievement of 90% occupancy for 90 days; funded at loan closing.

Funding of the Permanent Loan is conditioned upon, but not limited to, the following:

1. Receipt and review by Lender of all due diligence items and applicable third party reports;
2. Approval of the proposed transaction by Lender's Investment Committee;
3. Lien-free completion of the proposed improvements acceptable to Lender;
4. 90% occupancy for 90 consecutive days prior to Permanent Loan closing;
5. Resolution of all conditions set forth in the Lender Commitments; and,
6. Payment of all fees, escrows and reserve deposits required by the Lender.

This conditional commitment shall expire if all conditions set forth above are not met within one-hundred eighty (180) days from acceptance of the terms and conditions set forth herein, or it is mutually agreed by the Lender and Borrower to terminate this agreement. The Borrower can request up to three (3), one month extensions beyond the initial one-hundred eighty (180) day period. Said extensions shall be at the sole discretion of the Lender.

Thank you for the opportunity to provide financing for this project. Please let me know if you have any questions related to this matter.

Sincerely,

CHURCHILL MORTGAGE INVESTMENT, LLC

By:



Dan Duda
SVP

The foregoing is hereby agreed to and confirmed:

Washington Terrace LLC

By: _____

Date: _____

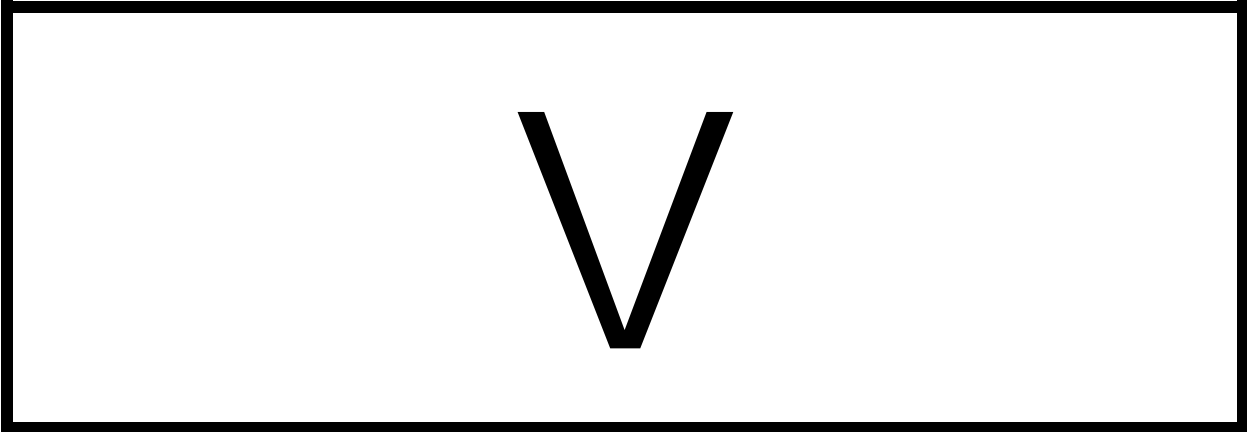
Name: _____

Title: _____

U

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

This deal does not require
information behind this tab.



V

Nonprofit or LHA Purchase
Option or Right of First
Refusal

Prepared by and Return to:

Williams Mullen
200 South 10th Street
Suite 1600
Richmond, VA 23219

TPIN:

REAL ESTATE RIGHT OF FIRST REFUSAL AGREEMENT

THIS REAL ESTATE RIGHT OF FIRST REFUSAL AGREEMENT (this "Agreement"), made and entered into as of March 17, 2021, by and between WASHINGTON TERRACE LLC, a Virginia limited liability company ("Seller"), and COMMONWEALTH CATHOLIC CHARITIES HOUSING CORPORATION, a Virginia non-stock corporation ("Purchaser"), provides as follows:

RECITALS:

- A. Seller is the owner of, or has agreed to purchase, the "Property" (as hereafter defined).
- B. Subject to the terms and conditions hereafter set forth, Seller desires to grant to Purchaser, and Purchaser desires to obtain from Seller, the exclusive right and right of first refusal to purchase the Property, on the terms as hereafter provided.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants, premises, conditions and undertakings herein set forth, Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge and covenant and agree as follows:

1. **DEFINITIONS.** In addition to any other terms defined elsewhere in this Agreement, the following terms shall have the following meanings, unless the context requires otherwise:

A. "Operating Agreement" shall mean the Amended and Restated Operating Agreement of the Seller, as the same may be amended from time to time.

B. "Property" shall mean that certain piece or parcel of real estate located generally at 806 West Washington Street, City of Suffolk, Virginia, and more particularly described on Exhibit A, attached and made a part hereof, together with all appurtenances, rights, privileges and easements in any way benefiting, belonging, or appertaining to the Property, together with all buildings and improvements located on the Property, including, without limitation, the multi-family apartment building to be known as Washington Terrace, containing 74 residential units (the "Improvements"), together with all mechanical systems, fixtures, equipment, compressors, engines, elevators and escalators, all electrical systems, fixtures and equipment, heating fixtures,

systems and equipment, air conditioning fixtures, systems and equipment and plumbing fixtures, systems and equipment.

C. "Settlement" shall mean the closing of the purchase and sale of the Property pursuant to the provisions of this Agreement, which shall occur on the Settlement Date.

D. "Settlement Date" shall mean that certain date thirty (30) days after the exercise of the Right of First Refusal, or such extended date as may be agreed in writing by Seller and Purchaser.

E. "Compliance Period" shall mean the "compliance period" set forth in the Rules and Regulations for Allocation of Low-Income Housing Tax Credits, 13 VAC 10-180 et seq., as published in the Virginia Housing Development Authority, Low-Income Housing Tax Credit Program, 2021 Application Manual, including all amendments thereto and clarifications thereof (the "Regulations"), and as set forth in the Seller's application for a reservation of a low-income housing tax credits pursuant to the Regulations.

2. **GRANT OF RIGHT OF FIRST REFUSAL.** In the event that the Seller receives an offer to purchase the Property during the Refusal Right Term, defined in Section 3 below, Purchaser shall have a right of first refusal to purchase the Property (the "Right of First Refusal") on the terms and conditions set forth in this Agreement and subject to the conditions precedent to exercise of the Right of First Refusal specified herein. In addition to all other applicable conditions set forth in this Agreement, the foregoing grant of the Right of First Refusal shall be effective only if Purchaser is currently and remains at all times hereafter, until the Right of First Refusal has been exercised and the resulting purchase and sale has been closed, a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Internal Revenue Code. Prior to accepting any such offer to purchase the Property, the Seller shall notify Purchaser of such offer and deliver to it a copy thereof (the "Refusal Exercise Notice"). The Seller shall not accept any such offer unless and until the Right of First Refusal has expired without exercise by Purchaser under the terms hereof.

3. **TERM OF THE RIGHT OF FIRST REFUSAL.** The term of the Right of First Refusal shall commence on the later of the following dates to occur (a) expiration of the Compliance Period for the Property, and (b) the date upon which (1) Seller shall have the right to pay off or defease its then-current financing without any prepayment premium, penalty or other cost (excepting routine expenses such as recording costs and legal fees) being due in connection therewith, unless Purchaser irrevocably agrees to pay any of the foregoing fees on Seller's behalf, or (2) the then-current financing is assumable by the Purchaser at no cost to Seller (the "Refusal Right Commencement Date"), and shall expire upon the earlier of (i) consummation of the sale of the Property after the Compliance Period to a person other than the Purchaser after the Purchaser has failed to exercise its Right of First Refusal in accordance with this Agreement, or (ii) twelve (12) months after the Refusal Right Commencement Date (the "Refusal Right Term").

4. **EXERCISE OF THE RIGHT OF FIRST REFUSAL.** The Right of First Refusal may be exercised by Purchaser by (a) giving written notice of its intent to exercise to the Seller in compliance with the requirements hereof, and (b) complying with the contract and closing

requirements hereof. Any such notice of exercise shall be given within thirty (30) days after Purchaser has received the Refusal Exercise Notice. The notice of intent shall specify a Settlement Date within one hundred eighty (180) days immediately following the date of exercise. If the Purchaser exercises the Right of First Refusal but fails to consummate the acquisition of the Property pursuant hereto for any reason other than a breach of this Agreement by the Seller, the Right of First Refusal shall terminate, and neither party hereto shall have further rights or obligations to the other with respect to the Right of First Refusal.

5. **PURCHASE AND SALE OF THE LAND.** If the Right of First Refusal is exercised as provided herein, then, upon the terms and conditions hereafter set forth, Seller hereby agrees to sell and convey the Property to Purchaser, and Purchaser hereby agrees to acquire and purchase the Property from Seller.

6. **PURCHASE PRICE.**

A. **Amount of Purchase Price Under the Right of First Refusal.** The purchase price (the "**Purchase Price**") to be paid by Purchaser to Seller for the Property shall be an amount equal to the sum of (i) the payment of or the assumption of the principal amount of outstanding indebtedness secured by the Property, all other loans from Seller's partners or its affiliates, any accrued interest on any of such debts plus any and all payments, costs, sums, charges and liabilities owed to such lenders (the "**Indebtedness**"), (ii) the Exit Taxes, and (iii) amounts owed to the Seller's investor members under the terms of the Operating Agreement ("**Investor Member Payables**"). For purposes of this Agreement, "**Exit Taxes**" shall mean all Federal, state and local taxes attributable to such sale, including those incurred or to be incurred by Seller's investor members and their partners or members. Seller shall provide Purchaser with satisfactory evidence, including a proper accounting, of the amounts of the Indebtedness and Exit Taxes for the purpose of calculating the Purchase Price. In no event shall the Purchase Price be less than the minimum purchase price defined in Section 42(i)(7)(B) of the Internal Revenue Code.

B. **Payment of Purchase Price.** The Purchase Price shall be payable at the Settlement in cash, by wire transfer or by cashier's or certified check.

7. **SETTLEMENT.** Settlement shall occur on the Settlement Date in the offices of Seller's attorney, or at such other place as the parties may agree in writing. Possession of the Property shall be given to Purchaser at Settlement. Except as otherwise provided in this Agreement, Purchaser agrees to accept the Property at Settlement in "as is" condition.

8. **TITLE.** Within thirty (30) days after the effective exercise of the Right of First Refusal, Purchaser shall, at its expense, cause an examination of title to the Property to be made and shall advise Seller of those exceptions to title to the Property that render such title unmarketable. Any exceptions to title to the Property that do not render such title unmarketable, or of which Purchaser does not so notify Seller, shall hereafter be referred to as "**Permitted Exceptions**". Within ten (10) days after receiving such notice from Purchaser, Seller shall notify Purchaser of Seller's election (i) to cure such exceptions, in which event Seller shall cure such exceptions promptly and at its expense, or (ii) not to cure such exceptions, in which event Purchaser shall either waive such

condition and proceed to purchase the Property as provided herein or terminate this Agreement. If Purchaser so elects to terminate, this Agreement shall be of no further force and effect and the parties shall have no further rights or obligations hereunder. If Seller elects to remove, or cause the removal of, title exceptions as provided herein, the Settlement Date shall, if agreed by Purchaser, be extended for such time as Seller and Purchaser may agree. Unless Seller expressly agrees to do so, Seller shall have no obligation to cure or remove any title exceptions.

9. **DUE DILIGENCE.**

A. **Purchaser's Tests and Inspections.** Purchaser shall have the right during the Right of First Refusal Period and upon 24 hours prior notice to Seller (which notice may be oral or written) to enter upon the Property and to perform, at its expense, economic, engineering, topographic, environmental, survey and marketing tests or any other studies, tests and due diligence as Purchaser elects. During the Right of First Refusal Period, Seller agrees to make available to Purchaser for inspection any and all engineering studies and surveys relating to the Property that are in Seller's possession and control. Purchaser agrees to indemnify against and hold Seller harmless from any claims, demands, liabilities, losses, damages, costs, and expenses, including, without limitation, attorneys' fees, arising from entry upon the Property by Purchaser, or any agents, contractors, or employees of Purchaser. Purchaser, at its own expense, shall promptly repair any damage to the Property caused by Purchaser's tests, surveys, studies and due diligence.

B. **Copies of Tests and Studies.** Purchaser shall deliver to Seller copies of the written results of such tests, surveys, studies and due diligence obtained during the Right of First Refusal Period.

C. **Survey.** Purchaser, at Purchaser's Right of First Refusal and expense, may arrange for the preparation of a survey of the Property (the "Survey") prior to Settlement.

10. **SETTLEMENT DELIVERIES.**

A. **Seller's Deliveries.** At Settlement, Seller shall deliver to Purchaser all of the following documents and instruments each of which shall have been duly executed on behalf of Seller, where appropriate.

1. A special warranty deed (the "Deed") dated as of the Settlement Date conveying fee simple title to the Property free and clear of any monetary liens on the Property but subject to the Permitted Exceptions.

2. Appropriate resolutions or other consents of the Seller, authorizing (a) the execution of this Agreement on behalf of Seller and all other documents and instruments to be executed by Seller hereunder, and (b) the performance by Seller of Seller's obligations hereunder and under each of the other documents and instruments referred to herein.

3. A Certification of Non-Foreign Status pursuant to Section 1445 of the Internal Revenue Code that Seller is not a foreign person, foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and related regulations), and applicable federal and state tax reporting certificates.

4. The originals of all leases affecting the Property (the "Leases").

5. An assignment and assumption agreement dated as of the Settlement Date assigning to Purchaser the Leases and such management agreements, service contracts and other agreements relating to the Property that are not terminated by Seller (which such terminations shall not be made if the Purchaser notifies Seller in writing of any contracts that it desires to continue) on or before the Settlement Date.

6. Tenant notification letters, dated as of the Settlement Date, notifying the tenants of the Property that the Property has been sold to Purchaser and directing such tenants to pay rentals to Purchaser (or Purchaser's designated agent).

7. An amount of cash (or a settlement statement credit adjustment) equal to the sum of the tenants' security deposits held by Seller or that Seller should be holding pursuant to the terms of the Leases.

B. Purchaser's Deliveries. At Settlement, Purchaser shall pay or deliver to Seller all of the following (each of which shall have been duly executed on behalf of Purchaser, where appropriate).

1. Appropriate resolutions or certificates of Purchaser, authorizing (a) the execution of this Agreement on behalf of Purchaser and all other documents and instruments to be executed by Purchaser hereunder, and (b) the performance by Purchaser of Purchaser's obligations hereunder and under each of the other documents and instruments referred to herein.

2. The Purchase Price as provided in Section 6 hereof.

11. **SETTLEMENT COSTS: PRORATED ITEMS AND ADJUSTMENTS.**

A. Settlement Costs. Purchaser shall pay all costs of closing and transfer of the Property including the cost of the Survey, the title examination and the title insurance premium, all legal fees and all recording taxes and fees in connection with the recordation of the Deed.

B. Prorations. At Settlement, the following adjustments and prorations shall be computed as of the Settlement Date, and, as hereafter set forth, the cash portion of the Purchase Price shall be adjusted to reflect such prorations:

1. All rents from the Property (including without limitation, any pro rata payments by tenants with respect to taxes, operating expenses and utility fees) earned and attributable to the period prior to and including the Settlement Date will be retained by Seller to the extent that such rents have been collected on or before the Settlement Date. Rents (including any such pro rata payments) earned and attributable to the period after the Settlement Date will be paid to Purchaser, and, if received by Seller, will be paid by Seller promptly to Purchaser. Rents received by Purchaser within ninety (90) days after Settlement that were earned and attributable to the period prior to and including the Settlement Date will be paid promptly to Seller; provided, however, that all rents received by Purchaser shall be credited to the obligations of tenants for the current month and then available to be applied to rents not collected by Seller.

2. At Settlement, Seller, at no expense to Purchaser, shall transfer to Purchaser (i) in cash, all security and other deposits and fees as to the Leases and all interest required by law or by the Leases to be accrued or paid thereon, (ii) all rights to such deposits and fees owed by Tenants pursuant to the Leases but not paid to Seller, and (iii) any replacement reserves held by Seller's lender for the benefit of the Property.

3. Real property taxes shall be apportioned between Purchaser and Seller as of the Settlement Date based on the ratio of the number of days in the tax period for which such taxes are paid to the number of days in such period (a) before and including the Settlement Date (with respect to which Seller shall be responsible) and (b) after the Settlement Date (with respect to which Purchaser shall be responsible). All special assessments and other similar charges that have become a lien upon all or any portion of the Property as of the Settlement Date shall be apportioned as of the Settlement Date in the same manner as real property taxes. If after Settlement any proration is determined to have been inaccurate, the parties will make the proper adjustment payment or payments.

4. All prepayments or payments made or payments due under the management, service and other agreements assumed by Purchaser shall be prorated as of the Settlement Date in the manner provided in subparagraph 3 hereof for the proration of real property taxes.

5. All other charges and fees customarily prorated and adjusted in similar transactions shall be prorated and adjusted as of the Settlement Date in the manner provided in subparagraph 3 hereof. If accurate prorations and other adjustments cannot be made at Settlement because current bills are not obtainable, the parties shall prorate as of the Settlement Date on the best available information, subject to adjustment upon receipt of the final bills. Seller shall use its best efforts to have the utility meters read on the date preceding the Settlement Date so as to determine the proration of current utility bills. In all cases where the utility company involved will permit, charges for utilities serving the Property shall be billed separately to Seller for the period prior to and including the Settlement Date and to Purchaser for the period after the Settlement Date. Any utility charges not so separately billed shall be prorated as of the Settlement Date. All other income and operating expenses of the Property will be prorated as of the Settlement Date.

If after Settlement, any proration is determined to have been inaccurate, the parties will make the proper adjustment payment or payments.

12. **PURCHASER'S REPRESENTATIONS AND WARRANTIES.** To induce Seller to enter into this Agreement and to sell the Property, Purchaser hereby makes the following representations, warranties and covenants as of the date hereof:

A. **Authority.** Purchaser (i) is duly organized and validly existing, and (ii) has the authority (a) to execute and deliver this agreement and all other documents and instruments to be executed and delivered hereunder, and (b) to perform its obligations hereunder and under such other documents and instruments in order to purchase the Property in accordance with the terms and conditions hereof. All necessary actions have been taken by Purchaser to confer upon the persons executing this Agreement, and all documents that are contemplated hereby on Purchaser's behalf, the power and authority to do so.

B. **Qualified Non-Profit Organization.** Purchaser is an organization described in Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended, and exempt from taxation under Section 501(1) of the Code, whose purposes include the fostering of low-income housing, and is a "qualified non-profit organization" as that term is defined in the Regulations.

13. **SELLER'S REPRESENTATIONS AND WARRANTIES.** To induce Purchaser to enter into this Agreement and to purchase the Property, Seller hereby makes the following representations, warranties and covenants as of the date hereof:

A. **Authority.** Seller (i) is a duly organized and validly existing limited liability company under the laws of the Commonwealth of Virginia and (ii) has the power and authority (a) to execute and deliver this Agreement and all other documents and instruments to be executed and delivered by it hereunder, and (b) to perform its obligations hereunder and under such other documents and instruments in order to sell the Property in accordance with the terms and conditions hereof. All necessary actions have been taken to confer upon the person executing this Agreement, and all documents that are contemplated hereby on Seller's behalf, the power and authority to do so.

B. **Compliance with Laws.** Neither the execution of this Agreement nor the consummation of the transaction contemplated hereby will constitute or result in a violation or breach by Seller of any judgment, order, writ, injunction or decree issued against or imposed upon it, or will result in a violation of any applicable statute, law, ordinance, rule or regulation. There is no action, suit, proceeding or investigation pending or, to Seller's knowledge, overtly threatened against Seller that would prevent the transaction contemplated by this Agreement or that would become a cloud on the title to the Property or that questions the validity or enforceability of the transaction contemplated by this Agreement or any action taken pursuant hereto.

C. Conflict With Other Instruments and Agreements. Neither the execution of this Agreement by Seller nor the consummation by Seller of the transaction contemplated hereby will (i) conflict with, or result in a breach of, any provision of the Operating Agreement or (ii) conflict with, result in a breach of any term of, or in the termination of, or accelerate any instrument or agreement to which Seller is a party, or by which it may be bound. Seller is not a party to and is not bound by any sales contract, option agreement, right of first refusal agreement or other contract or agreement providing for the sale or other conveyance by Seller of the Property or any portion thereof.

14. **CONDITIONS PRECEDENT.**

A. Conditions for the Protection of Seller. It shall be a condition precedent to Seller's obligation to provide the Exercise Notice, sell the Property and to perform its other obligations hereunder that each and every one of the conditions set forth under this Section 14(A) shall have been satisfied at or before Settlement, and Seller agrees to use reasonable good faith efforts to obtain each of the following.

1. Seller shall have obtained an allocation of Low-Income Housing Tax Credits from the Virginia Housing Development Authority in connection with the Property and in an amount acceptable to Seller by November 1, 2021.

2. Seller shall have obtained financing in an amount, and on terms, acceptable to Seller for the acquisition of the Property and the construction of the Improvements by November 1, 2021.

3. Seller shall have rehabilitated the Improvements and the same shall be occupied pursuant to duly authorized certificates of occupancy issued by the appropriate governmental authorities by December 31, 2023.

B. The Seller's Right to Terminate. Except as otherwise set forth above, if any condition set forth above is not satisfied within the Compliance Period, Seller shall have the right to terminate this Agreement and its obligation to sell the Property, in which event neither party shall have any further liability or obligation hereunder.

15. **CONDEMNATION AND RISK OF LOSS.**

A. Condemnation. In the event of condemnation or receipt of notice of condemnation of all of the Property, or any portion thereof, prior to the Settlement Date, Seller shall give written notice to Purchaser promptly after Seller receives such notice or otherwise learns of such condemnation or conveyance in lieu thereof. If all of the Property is, or is to be, condemned, this Agreement shall terminate immediately. If a material portion of the Property is, or is to be, condemned or taken, Purchaser, at its option, may elect either (a) to terminate this Agreement effective upon written notice to Seller not later than ten (10) days after receipt of notice from Seller, or (b) not to terminate this Agreement and proceed to Settlement, in which event the condemnation proceeds shall be applied as a credit to the Indebtedness.

B. Risk of Loss. The risk of loss or damage to the Property after the exercise of the Right of First Refusal and prior to the Settlement, by casualty, act of God or any other event, shall be upon Seller.

16. REAL ESTATE COMMISSION. Seller and Purchaser each hereby represents and warrants to the other that no broker, finder, real estate agent or other person has acted for or on its behalf in bringing about this Agreement, and each party hereby agrees to indemnify against and hold the other harmless from any claims, demands, losses, damages, liabilities, suits, actions, costs and expenses, including, without limitation, attorneys' fees, incurred in connection with a breach by the indemnifying party of the preceding representation and warranty.

17. DEFAULT.

A. If, after the exercise of the Right of First Refusal and prior to Settlement, Purchaser defaults in the performance of any of its obligations under this Agreement, Seller may, at the option of Seller, give Purchaser prompt written notice of such default, and, after ten (10) days written notice thereof (if Purchaser fails to cure such default within such time), Seller shall be entitled to all remedies at law and in equity with respect thereto, including, but not limited to, the right to specific performance of this Agreement and the right to recover Seller's attorneys' fees incurred in connection therewith.

B. If, after the exercise of the Right of First Refusal and prior to Settlement, Seller defaults in the performance of any of its obligations under this Agreement, Purchaser may, at the option of Purchaser, give Seller prompt written notice of such default, and, after ten (10) days written notice thereof (if Seller fails to cure such default within such time), Purchaser shall be entitled to all remedies at law and in equity with respect thereto, including, but not limited to, the right to specific performance of this Agreement and the right to recover Purchaser's attorneys' fees incurred in connection therewith.

18. GENERAL PROVISIONS.

A. Completeness and Modification. This Agreement constitutes the entire agreement between the parties as to the transactions contemplated herein and supersedes all prior and contemporaneous discussions, understandings and agreements between the parties.

B. Assignments. Purchaser may not assign its rights hereunder without the prior written consent of Seller, in Seller's sole discretion. Notwithstanding the above, the Purchaser's rights under this Agreement may be assigned to another "qualified non-profit organization", as defined in Regulations, at the option of the Purchaser, with the approval of the Virginia Housing Development Authority ("VHDA"), or in the event the Purchaser goes out of existence prior to the end of the Compliance Period, at the option of and upon the approval of VHDA.

C. Recordation. In the event the Seller receives an unconditional reservation of low-income housing tax credits from VHDA, pursuant to the Regulations, on the Property, then this

Agreement shall be recorded in the Clerk's Office of the Circuit Court of the City of Suffolk, Virginia, at the Seller's expense.

D. Survival. Seller's representations, warranties, covenants and agreements made in, or pursuant to, this Agreement shall not survive Settlement and shall merge with the delivery and recordation of the Deed.

E. Governing Law. This Agreement and all documents and instruments referred to herein shall be governed by, and shall be construed according to, the laws of the Commonwealth of Virginia.

F. Severability. If any term, covenant or condition of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to other persons or circumstances, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

G. Notices. Any notice expressly provided for or permitted under this Agreement shall be in writing, shall be given either manually or by mail, overnight delivery service, telegram, radiogram or cable, and shall be deemed sufficiently given when received by the party to be notified at its address set forth below, or three (3) business days after being mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to such party at such address, whichever shall first occur. Any party and any representative designated below, by notice to the other party, may change its address for receiving such notices.

If to Seller: Washington Terrace LLC
6704 Fegan Road
Summerfield, NC 27358
Attn: Charles Heritage

If to Purchaser: Commonwealth Catholic Charities Housing Corporation
1601 Rolling Hills Drive
Henrico, VA 23229
Attn: Jay Brown

H. Incorporation by Reference. All of the Exhibits attached or referred to herein and all documents in the nature of such Exhibits are by this reference incorporated herein and made a part of this Agreement.

I. Interpretation. The section and paragraph headings used herein are for reference and convenience only and shall not enter into the interpretation hereof. Wherever used herein, the singular number shall include the plural and vice versa, and the use of any gender shall include all other genders, all as the context may require.

J. Business Days. If any action is required under the provisions of this Agreement to occur by a date that is a Saturday, Sunday or legal holiday, such date shall be extended to the first day thereafter that is not a Saturday, Sunday or legal holiday.

K. Waiver. No waiver or purported waiver by Seller shall be valid against Seller unless it is in writing and signed by Seller.

[Signature Page Follows]

42036951_4

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

SELLER:

WASHINGTON TERRACE LLC,
a Virginia limited liability company

By: Washington Terrace MM LLC
a Virginia limited liability company,
Its Manager

By:  (SEAL)
Charles Heritage, Manager

State North Carolina OF North Carolina)
CITY/COUNTY OF Guilford) TO-WIT:

The foregoing instrument was acknowledged before me this 12 day of March, 2021, by Charles Heritage, as Manager of Washington Terrace MM LLC, a Virginia limited liability company. Manager of Washington Terrace LLC, a Virginia limited liability company, on its behalf.

My Commission expires: 12-28-2022




Notary Public

Exhibit A

Legal Description

BEGINNING AT AN IRON ROD FOUND ON THE WESTERN RIGHT OF WAY OF PITCHKETTLE ROAD
;
THENCE SOUTH 07°56'18" WEST A DISTANCE OF 36.29';
THENCE NORTH 82°03'51" WEST A DISTANCE OF 66.67';
THENCE SOUTH 07°56'09" WEST A DISTANCE OF 122.50';
THENCE SOUTH 82°10'25" EAST A DISTANCE OF 55.16';
THENCE SOUTH 07°56'27" WEST A DISTANCE OF 132.25';
THENCE NORTH 82°10'25" WEST A DISTANCE OF 137.58';
THENCE SOUTH 07°49'35" WEST A DISTANCE OF 69.98';
THENCE NORTH 82°10'25" WEST A DISTANCE OF 312.06';
THENCE NORTH 08°29'23" EAST A DISTANCE OF 361.02';
THENCE SOUTH 82°09'38" EAST A DISTANCE OF 457.54';
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 145,660 S.F. / 3.344 ACRES

W

Internet Safety Plan and
Resident Information
Form

RESIDENT INTERNET SERVICE - Acknowledgement of Responsibilities

By signing below, I acknowledge that I have thoroughly reviewed the Internet Security Plan and understand the general rules of operation prior to use. I understand my responsibility as a user of the Internet and I agree to abide by the following Rules of Operation at all times.

Rules of Operation

- Computer usage for the purpose of illegal activity is absolutely NOT permitted and will be reported to authorities.
- Do not access pornographic or illicit sites via the internet.
- No smoking in the community room or business center.
- No profanity will be tolerated on-line or in-person.
- No rough-housing in the community room or business center.
- Surf at your own risk.

If there is any question regarding my or my child's behavior while using the community internet (including but not limited to, rough-housing, misuse of equipment, etc.), I or my child may be suspended from using the Internet service.

By: _____

Name (Print):

Date

WASHINGTON TERRACE
INTERNET SECURITY PLAN

The internet service at Washington Terrace will have a rotating password that is only accessible to residents. The network router will be in a secure area to which tenants will not have access. The router will have a secure firewall to prevent data breaches.

At move-in, we will provide Tenants with the attached security and safety information and guidelines and will ask Tenants to sign an Acknowledgement of Responsibilities statement to ensure that they are educated in the internet safety and security guidelines.



Internet Safety

Playing it safe while playing online



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



Privacy & Personal Information



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

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

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

They can also make money off of your information by selling it to others.

Companies or other criminals will use your info to send you junk mail or spam emails.

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

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



Think before you click



Do you know who sent that email?



Passwords

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

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

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



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

Spam



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

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

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



How do you know it is spam?

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



Malware



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

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

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

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



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

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

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

Adware

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

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

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

<http://www.pctools.com/security-news/what-is-adware-and-spyware/>



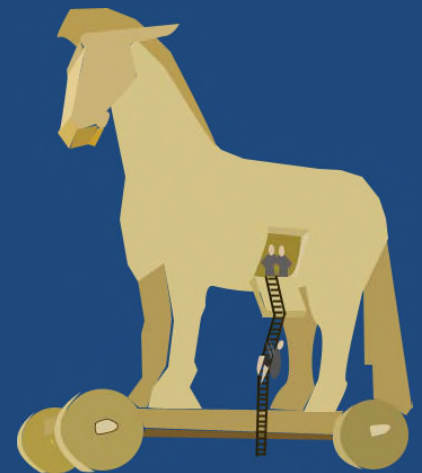
Trojan Horse

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

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

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

<http://www.webopedia.com/DidYouKnow/Internet/virus.asp>



Worms

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

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

<http://www.webopedia.com/TERM/Z/zombie.html>





Virus

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

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

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

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

<https://www.microsoft.com/security/pc-security/virus-whatIs.aspx>

Social Media

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



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

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

Geotagging



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

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

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

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

<http://www.nytimes.com/2010/08/12/technology/personaltech>



Be Careful of What You Say!



Defamation: Defamation is the blanket word used for all types of untrue statements made about others. [Definition of Defamation on Law.com](#)

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

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



Be Careful of What You Say!



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

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

<http://ideas.time.com/2013/01/07/yelp-reviewers-beware-you-can-get-sued/>

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

Stranger Danger Online



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

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

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

How to Protect Yourself in Online Chats

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





Cyberbullying

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



Consequences of Cyberbullying

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

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

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

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

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

Consequences of Cyberbullying

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

There are many websites designed to inform and decrease the number of bullying cases we see each year. The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - www.stopbullying.gov

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





The Effects of Cyberbullying

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



Dealing with Cyberbullying

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



About Sexting



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

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

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

22% of teen girls

18% of teen boys

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

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

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



About Sexting



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

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

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

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

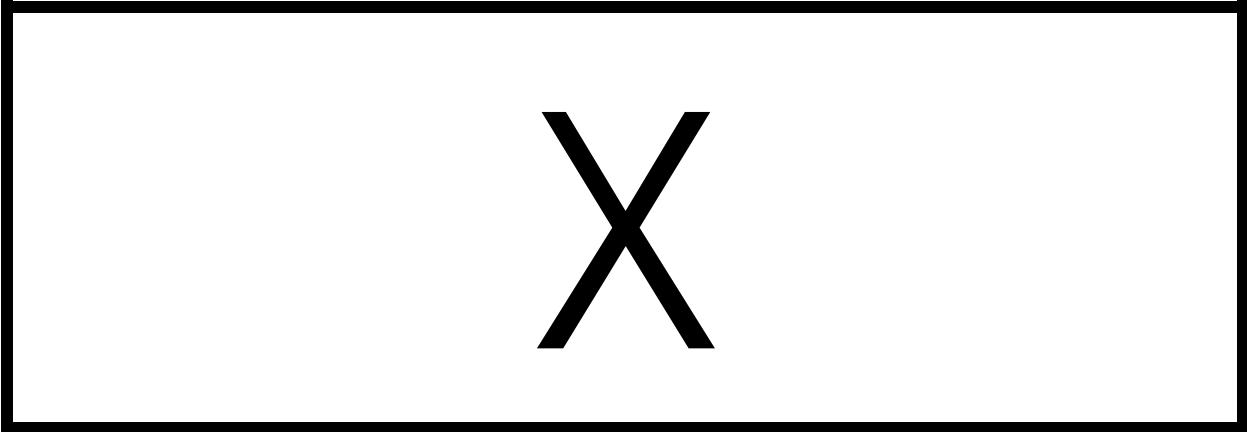
REMEMBER: You can't control what other people do with your photos. Even if you think you are sending it to someone you can trust, they may end up surprising you. You can't trust anyone with something as private as that. Don't Do It!

Legal Consequences of Sexting

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



Information Provided By:
Office of the Attorney
General
202 North Ninth Street
Richmond, Virginia 23219
(804) 786-2071
www.ag.virginia.gov



X

Marketing Plan

For units meeting accessibility requirements of HUD section

504



**Washington Terrace
Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act**

This Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act (the "Marketing Plan") has been designed to convey to current and potential residents with disabilities that Washington Terrace 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 will endeavor to secure qualified tenants, ensure quality tenancy, and effective management and maintenance of the property.

The Management Agent will be responsible for the management of Washington Terrace. Partnership Property Management, 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, Partnership Property Management will be responsible for the development and management of community and resident services program.

Affirmative Marketing

Partnership Property Management is committed to the letter and the spirit of the Fair Housing Act, which among other things, prohibits discrimination against persons with disabilities. In accordance with statutory responsibilities and management policies, we will make reasonable accommodations in our rules, policies, and practices when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy their housing community. Partnership Property Management, its Officers, Directors, and employees will not discriminate on the basis of Race, Color, Religion, Sex, Handicap, Familial Status, National Origin and in Virginia, those aged 55 and up.

Any employee who has discriminated in the acceptance of a resident will be subject to disciplinary action up 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, criminal 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. All residents will be provided a copy of a "Residents Resource and Safety Guide," which further explains their Fair Housing rights and Resident Responsibilities. Any resident who has questions not answered by the housing staff will be referred to the Fair Housing Coordinator, Associate Director or the Executive Director of Partnership Property Management.

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:

Networking

Partnership Property Management will contact local centers for independent living, disability services boards and other service organizations via phone and/or printed communication. The contacts will include the following organizations:

- Area Center for Independent Living (757) 461-8007
- Virginia Board for People with Disabilities (804) 786-0016
- Virginia Department for Aging and Rehabilitative Services (804) 662-7000
- Centers for Independent Living Disability Resource Center (757) 451-7101
- Sentara Behavioral Health Services (757) 934-4000

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 person in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.
- 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.
- Will retain Tenant verification letter, Acknowledgment and Settlement Agreement Target Population Status
- Target Population units will be confirmed by VHDA.
- Elizabeth Seward, Director, Statewide Housing Initiatives, (804) 343-5615, Elizabeth.seward@vhda.com

Internet Search

Washington Terrace will also be listed on the following websites:

www.virginiahousingsearch.com
accessva.org
dbhds.virginia.gov

Print Media

Print media sources will also be identified in the Suffolk area that cater to people with disabilities as well as the public at large. These sources may include, but are not limited to, rental magazines such as the *Apartment Shoppers Guide*, *Apartments For Rent*, local newspapers, etc. All advertising materials related to the project will contain the Equal Housing Opportunity logo, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available.

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 may be offered non-monetary incentives, to be determined, for referring qualified applicants who rent at the property.

Marketing Materials

All printed marketing materials will include the EHO logo and/or statement. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

Brochures or news media coverage –A simple, two color brochure may be produced at low cost which will effectively sell the apartments and community. A brochure will include a listing of features and amenities. News media may include the local newspaper and/or the local television station coverage.

Flyers - Flyers can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic.

Resident Referral - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. 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. A non-monetary incentive, such as a microwave, or other unit upgrade may be used to gain referrals.

Public and Community Relations

Equal Housing Opportunity promotions - all Site Signage containing the EHO logo and Fair Housing posters are displayed in the Rental Office. Partnership Property Management encourages and supports an affirmative marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, Handicap, Familial Status, National Origin or those aged 55 and up.

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.

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.

Times of Operation - the Management Office will be open Monday through Friday from 8:00am to 5:00 pm. Applicants will be processed at the Management Office Monday to Friday, in accordance with approved criteria. Move-in process and orientation to property - applicants meet with designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

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.

Tenant Selection Criteria

Tenant Selection will include maximum income limits under the Low-Income Tax Credit and Section 8 programs. 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.

Application Processing

Application processing will be done at the Management Office by the housing staff who are well versed in Fair Credit Law. As stated before, the processing will include a review of prior landlord references, personal references, criminal/sex offender and credit reporting and income verification. The housing staff will make further review for inaccuracies in the application. The annual income and family composition are the key factors for determining eligibility. However, Management 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.
- We 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 an acceptable credit score and no negative rental history and no criminal history outside the pre-established thresholds, then the application may be approved. Final Eligibility approval will be determined by home office Compliance staff.
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 Credit 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.

- We will process the Rental Application through a Screening Agency to determine any possible criminal conduct. A criminal background check will be used as part of the qualifying criteria. An applicant will automatically be denied if;
 - There is a conviction for the manufacture, sale, distribution, or possession with the intent to manufacture, sell or distribute a controlled substance within the past five years.
 - There is evidence in the criminal history that reveals that the applicant has developed a pattern of criminal behavior, and such behavior presents a real or potential threat to residents and/or property.
- 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 Washington Terrace 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 previous Landlord.
- 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 a doctor's statement and/or other proof of any handicap or disability.
- Applicants must provide a birth certificate or other acceptable HUD approved form of 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 have the demonstrated ability to maintain acceptable housekeeping standards.
- Applicants must meet current Federal program eligibility requirements for tax credits and 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 removed from the waiting list.

Target Market Marketing

Unit 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 VHDA'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.