

INSTRUCTIONS FOR THE VIRGINIA 2022 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 10, 2022**. 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
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2022 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
- Tab Z: Documentation of team member's Diversity, Equity and Inclusion Designation
- Tab AA: Priority Letter from Rural Development
- Tab AB: Social Disadvantage Certification

VHDA TRACKING NUMBER

2022-TEB-10

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/7/2022

1. Development Name: Swansboro Apartments
2. Address (line 1): 3600 & 3601 E Broad Rock Road
 Address (line 2):
 City: Richmond State: VA Zip: 23224
3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000
 (Only necessary if street address or street intersections are not available.)
4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:
 City/County of Richmond City
5. The site overlaps one or more jurisdictional boundaries..... FALSE
 If true, what other City/County is the site located in besides response to #4?.....
6. Development is located in the census tract of: 607 and 604
7. Development is located in a Qualified Census Tract..... TRUE
8. Development is located in a Difficult Development Area..... FALSE
9. Development is located in a Revitalization Area based on QCT TRUE
10. Development is located in a Revitalization Area designated by resolution FALSE
11. Development is located in an Opportunity Zone (with a binding commitment for funding)..... FALSE
 (If 9, 10 or 11 are True, Action: Provide required form in TAB K1)

12. Development is located in a census tract with a poverty rate of.....	3%	10%	12%
	FALSE	FALSE	FALSE

Enter only Numeric Values below:

13. Congressional District: 4
- Planning District: 15
- State Senate District: 16
- State House District: 69

Click on the following link for assistance in determining the districts related to this development:

[Link to Virginia Housing's HOME - Select Virginia LIHTC Reference Map](#)

14. ACTION: Provide Location Map (TAB K2)

15. Development Description: In the space provided below, give a brief description of the proposed development

Swansboro Apartments is a 62-unit existing apartment complex located in Richmond. The applicant proposes to acquire and significantly renovate the apartments using 4% LIHTC credits and tax-exempt bonds. The property is located on two separate parcels. One parcel is located in the QCT 607, and the other one is in QCT 604.

VHDA TRACKING NUMBER

2022-TEB-10

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/7/2022

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: Levar Stoney
 Chief Executive Officer's Title: Richmond City Mayor Phone: 804-646-7978
 Street Address: 900 E Main St
 City: Richmond State: VA Zip: 23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Regina Taggart, Executive Assistant to the CAO

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

or

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

For Tax Exempt Bonds, where are bonds being issued?

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

Skip to Number 4 below.

2. Type(s) of Allocation/Allocation Year

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2022.

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, 2022, 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 2023 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

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

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

5. Planned Combined 9% and 4% Developments

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

Name of companion development:

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

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

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

% of units in 4% Tax Exempt Allocation Request:

6. Extended Use Restriction

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

Must Select One:

Definition of selection:

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

7. Virginia Housing would like to encourage the efficiency of electronic payments. Indicate if developer commits to submitting any payments due the Authority, including reservation fees and monitoring fees, by electronic payment (ACH or Wire).

In 2022, Virginia Housing will debut a new Rental Housing Invoicing Portal to allow easy payments via secure ACH transactions. More details will be provided.

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: VST Swansboro LLC

Developer Name: Genesis Properties Development, LLC

Contact: M/M ▶ MR. First: Edward MI: K. Last: Solarz

Address: 101 W Commerce Road, 2nd Floor

City: Richmond St. ▶ VA Zip: 23224

Phone: Ext. Fax:

Email address: edsolarz@genesisproperties.com

Federal I.D. No. 850765741 (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.
Jessica Stevenson, jessicastevenson@genesisproperties.com, 804-977-0765

- 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. a. 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>
Jennifer Hunt Essary	804-230-1220	Member/Manager	49.000%
Edward K. Solarz	804-977-0778	Member/Manager	20.000%
Laura Hopson	804-977-0767	Member	10.500%
Winnie Spaulding	804-977-0766	Member	4.000%
Maury DeFreitas	804-977-0769	Member	10.000%
Connie L. Glass	804-977-0768	Member	2.500%
Christine R. Stevens	804-977-0760	Member	4.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%

C. OWNERSHIP INFORMATION

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

C. OWNERSHIP INFORMATION

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

ACTION:

- Provide Principals' Previous Participation Certification (**Mandatory TAB C**)
- 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**)

b. Indicate if at least one principal listed above with an ownership interest of at least 25% in the controlling general partner or managing member is a socially disadvantaged individual as defined in the manual.

FALSE

ACTION: If true, provide Socially Disadvantaged Certification (**TAB AB**)

3. Developer Experience:

*May only choose one of A, B or C **OR** select one or more of D, E and F.*

FALSE a. A principal of the controlling general partner or managing member for the proposed development has developed as a controlling general partner or managing member for (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.

Action: Must be included on Virginia Housing Experienced LIHTC Developer List or provide copies of 8609s, partnership agreements and organizational charts (**Tab P**)

FALSE b. A principal of the controlling general partner or managing member for the proposed development has developed at least three deals as principal and have at \$500,000 in liquid assets.

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

FALSE 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).

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

TRUE d. The development has an experienced sponsor (as defined in the manual) that has placed at least one LIHTC development in service in Virginia within the past 5 years.

Action: Provide one 8609 from qualifying development. (**Tab P**)

FALSE e. The development has an experienced sponsor (as defined in the manual) that has placed at least three (3) LIHTC developments in service in any state within the past 6 years (in addition to any development provided to qualify for option d. above)

Action: Provide one 8609 from each qualifying development. (**Tab P**)

FALSE f. Applicant is competing in the Local Housing Authority pool and partnering with an experienced sponsor (as defined in the manual), other than a local housing authority

Action: Provide documentation as stated in the manual. (**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: 6/30/2022

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..... 6/30/2022 .

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: Swansboro, LLC

Address: 101 W Commerce Road, 2nd Floor

City: Richmond St.: VA Zip: 23224

Contact Person: Ronald H. Hunt Phone: (804) 230-1220

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

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Ronald H. Hunt	(804) 230-1220	Managing Member	1.00%
Jennifer Hunt Essary *see seller org ct	(804) 230-1220	Beneficial Member	99.99%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

Indicate Diversity, Equity and Inclusion (DEI) Designation if this team member is SWAM or Service Disabled Veteran as defined in manual.

ACTION: Provide copy of certification from Commonwealth of Virginia, if applicable - **TAB Z**

1. Tax Attorney:	Saundra R. Hirth	This is a Related Entity.	FALSE
Firm Name:	SRH Law, PLLC	DEI Designation?	FALSE
Address:	7204 West Franklin Street, Richmond, VA 23226		
Email:	srhirth@srhpllc.com	Phone:	(804) 305-8494
2. Tax Accountant:	Paul Young	This is a Related Entity.	FALSE
Firm Name:	Dixon Hughes Goodman LLP	DEI Designation?	FALSE
Address:	901 E Cary St. STE 1000, Richmond, VA 23219		
Email:	paul.young@dhg.com	Phone:	(804) 474-1203
3. Consultant:	W. Travis Bowers	This is a Related Entity.	FALSE
Firm Name:	The Hyperion Group	DEI Designation?	TRUE
Address:	409 E. Laburnum, Ofc 1, Richmond, VA 23222		
Email:	tbowers@thehyperiongroup.net	Role:	Diverse Hiring Consultant
		Phone:	(804) 640-2933
4. Management Entity:	Maury DeFreitas	This is a Related Entity.	FALSE
Firm Name:	Genesis Properties, Inc.	DEI Designation?	FALSE
Address:	101 W Commerce Road, 2nd Floor, Richmond, VA 23224		
Email:	maury@genesisproperties.com	Phone:	(804) 230-1220
5. Contractor:	Kevin O'Leary	This is a Related Entity.	FALSE
Firm Name:	JD Lewis Construction Management	DEI Designation?	FALSE
Address:	503 E Main St, Richmond, VA 23219		
Email:	koleary@jdlewiscm.com	Phone:	(804) 915-8800
6. Architect:	Andy Scudder and/or Anne Durkin	This is a Related Entity.	FALSE
Firm Name:	Johannas Design Group, P.C.	DEI Designation?	FALSE
Address:	1901 W Cary Street, Richmond, VA 23220		
Email:	andy@johannasdesign.com; anne@johannas		Phone: (804) 358-4993
7. Real Estate Attorney:	Saundra Hirth	This is a Related Entity.	FALSE
Firm Name:	SRH Law, PLLC	DEI Designation?	FALSE
Address:	7204 West Franklin Street, Richmond, VA 23226		
Email:	srhirth@srhpllc.com	Phone:	(804) 305-8494
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	TRUE
Address:			
Email:		Phone:	
9. Other:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Role:	
		Phone:	

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... **TRUE**
Action: If true, provide an electronic copy of the Existing Condition Questionnaire and Appraisal
- b. This development has received a previous allocation of credits..... **TRUE**
 If so, in what year did this development receive credits? **2002, 2003**
- c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... **FALSE**
- d. This development is an existing RD or HUD S8/236 development..... **FALSE**
Action: (If True, provide required form in **TAB Q**)

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

- i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition..... **FALSE**
- ii. Applicant has obtained a waiver of this requirement from Virginia Housing prior to the application submission deadline..... **FALSE**

2. Ten-Year Rule For Acquisition Credits

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

b. Minimum Expenditure Requirements

i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii)..... TRUE

ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only)..... FALSE

iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception..... FALSE

iv. There are different circumstances for different buildings..... FALSE

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

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..... FALSE (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..... FALSE

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: [Yellow box]

Name: [Yellow box]

Contact Person: [Yellow box]

Street Address: [Yellow box]

City: [Yellow box] State: [Yellow box] Zip: [Yellow box]

Phone: [Yellow box] Contact Email: [Yellow box]

G. NONPROFIT INVOLVEMENT

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

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

0.0%

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

A. FALSE

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

Action: Provide Option or Right of First Refusal in Recordable Form meeting Virginia Housing's specifications. **(TAB V)**
Provide Nonprofit Questionnaire (if applicable) **(TAB I)**

Name of qualified nonprofit:

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

FALSE

2. FALSE

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

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

NOTE: Applicant is required to waive the right to pursue a Qualified Contract.

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	62	bedrooms	124
Total number of rental units in development	62	bedrooms	124
Number of low-income rental units	62	bedrooms	124
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	62	bedrooms	124
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.....			50,211.00 (Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			4,565.00 (Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			45,646.00 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			0.00%
i. Exact area of site in acres	2.215		
j. Locality has approved a final site plan or plan of development.....			TRUE
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....			FALSE

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	695.00	SF	44	44
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	837.00	SF	18	18
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			62	62

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

3. Structures

- a. Number of Buildings (containing rental units)..... 3
- b. Age of Structure:..... 59; 57 years
- c. Number of stories:..... 2
- d. The development is a scattered site development..... TRUE
- e. Commercial Area Intended Use: _____

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	TRUE	v. Detached Single-family	FALSE
ii. Garden Apartments	TRUE	vi. Detached Two-family	FALSE
iii. Slab on Grade	TRUE	vii. Basement	FALSE
iv. Crawl space	TRUE		

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.....	FALSE	f. Limited Access.....	FALSE
b. Covered Parking.....	FALSE	g. Playground.....	FALSE
c. Exercise Room.....	FALSE	h. Pool.....	FALSE
d. Gated access to Site.....	FALSE	i. Rental Office.....	FALSE
e. Laundry facilities.....	FALSE	j. Sports Activity Ct..	FALSE
		k. Other:	

l. Describe Community Facilities: Onsite parking

m. Number of Proposed Parking Spaces	63
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: (MANDATORY)

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

Project Wide Capture Rate - LIHTC Units	8.60%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	8.60%
Project Wide Absorption Period (Months)	4

J. ENHANCEMENTS

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

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

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

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

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

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

REQUIRED:

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

- FALSE a. A community/meeting room with a minimum of 749 square feet is provided.
- 100.00% b1. Percentage of brick covering the exterior walls.
- 0.00% b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering 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).
- FALSE d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- TRUE e. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- f. *Not applicable for 2022 Cycles*
- 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
- FALSE j. Full bath fans are equipped with a humidistat.
- FALSE k. Cooking surfaces are equipped with fire prevention features
- or
- TRUE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- FALSE o. All interior doors within units are solid core.
- FALSE p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- r. *Not applicable for 2022 Cycles*

J. ENHANCEMENTS

FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

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

FALSE a. All cooking ranges have front controls.

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.

FALSE d. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.

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:

FALSE Earthcraft Gold or higher certification

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

FALSE U.S. Green Building Council LEED certification

FALSE Enterprise Green Communities (EGC) Certification

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

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

FALSE Zero Energy Ready Home Requirements

FALSE Passive House Standards

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

FALSE a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.

0 b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:
0% of Total Rental Units

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

If not, please explain: _____



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

I. UTILITIES

1. Utilities Types:

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

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

- | | | | |
|---------------------|--------------|----------------|--------------|
| Water? | <u>FALSE</u> | Heat? | <u>FALSE</u> |
| Hot Water? | <u>FALSE</u> | AC? | <u>FALSE</u> |
| Lighting/ Electric? | <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	36	0	0
Air Conditioning	0	0	9	0	0
Cooking	0	0	5	0	0
Lighting	0	0	18	0	0
Hot Water	0	0	15	0	0
Water	0	0	31	0	0
Sewer	0	0	38	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$0	\$152	\$0	\$0

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

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

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

K. SPECIAL HOUSING NEEDS

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

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

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

FALSE

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

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

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


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

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

FALSE

b. Any development in which ten percent (10%) 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 the application for credits.

For items a or b, 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.

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**)

K. SPECIAL HOUSING NEEDS

b. The development has existing tenants and a relocation plan has been developed..... TRUE
(If True, Virginia Housing policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties.)

Action: Provide Relocation Plan and Unit Delivery Schedule (Mandatory if tenants are displaced - Tab J)

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: Yes

Organization which holds waiting list: Richmond Redevelopment Housing Authority

Contact person: Terese Walton

Title: Interim CEO

Phone Number: (804) 780-4246

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: 0
% of total Low Income Units 0%

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

Action: Provide documentation of tenant disclosure regarding Virginia Housing Rental Education (Mandatory - Tab U)

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: Del

Last Name: Smalls

K. SPECIAL HOUSING NEEDS

Phone Number: (804) 977-0791 Email: delsmalls@genesisproperties.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

TRUE Section 8 Certificates

TRUE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

TRUE Section 8 Vouchers *Administering Organization: Richmond Redevelopment Housing Autf

FALSE State Assistance *Administering Organization:

FALSE Other:

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

TRUE

i. If True above, how many of the 30% units will not have project based vouchers? 0

d. Number of units receiving assistance: 11
How many years in rental assistance contract? 15.00
Expiration date of contract: 1/1/2036
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	0.00%	30% Area Median	
0	0.00%	40% Area Median	
0	0.00%	50% Area Median	
62	100.00%	60% Area Median	
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
62	100.00%	Total	

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	
0	0.00%	30% Area Median	
0	0.00%	40% Area Median	
0	0.00%	50% Area Median	
62	100.00%	60% Area Median	
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
62	100.00%	Total	

b. The development plans to utilize average income..... FALSE
 If true, should the points based on the units assigned to the levels above be waived and therefore not required for compliance?
 20-30% Levels FALSE 40% Levels FALSE 50% levels FALSE

2. Unit Detail FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID

In the following grid, add a row for each unique unit type planned within the development. Enter the appropriate data for both tax credit and market rate units.

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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	2 BR - 1 Bath	60% AMI	22		688.50	\$950.00	\$20,900
Mix 2	2 BR - 1 Bath	60% AMI	22		701.00	\$950.00	\$20,900
Mix 3	2 BR - 1.5 Bath	60% AMI	18		837.00	\$950.00	\$17,100
Mix 4							\$0
Mix 5							\$0
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0

L. UNIT DETAILS

Mix 16								\$0
Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
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Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0
Mix 68								\$0
Mix 69								\$0
Mix 70								\$0

L. UNIT DETAILS

Mix 71								\$0
Mix 72								\$0
Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
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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			62	0				\$58,900

Total Units	62	Net Rentable SF:	TC Units	45,635.00
			MKT Units	0.00
			Total NR SF:	45,635.00

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$6,200
2. Office Salaries			\$35,650
3. Office Supplies			\$4,391
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$29,930
<u>4.18%</u> of EGI	<u>\$482.74</u>	Per Unit	
6. Manager Salaries			\$0
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$4,391
9. Auditing			\$4,391
10. Bookkeeping/Accounting Fees			\$4,391
11. Telephone & Answering Service			\$4,391
12. Tax Credit Monitoring Fee			\$2,500
13. Miscellaneous Administrative			\$1,895
Total Administrative			\$98,130

Utilities

14. Fuel Oil			\$0
15. Electricity			\$3,720
16. Water			\$34,100
17. Gas			\$0
18. Sewer			\$34,100
Total Utility			\$71,920

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$0
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$0
23. Trash Removal			\$8,060
24. Security Payroll/Contract			\$8,680
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$13,020
28. Maintenance/Repairs Payroll			\$29,450
29. Repairs/Material			\$0
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$0
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$6,200
36. Decorating Supplies			\$6,200
37. Miscellaneous			\$12,710
Totals Operating & Maintenance			\$84,320

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$68,712
39. Payroll Taxes	\$10,850
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$24,800
42. Fidelity Bond	\$0
43. Workman's Compensation	\$0
44. Health Insurance & Employee Benefits	\$0
45. Other Insurance	\$0
Total Taxes & Insurance	\$104,362

Total Operating Expense **\$358,732**

Total Operating Expenses Per Unit **\$5,786** **C. Total Operating Expenses as % of EGI** **50.09%**

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum) **\$18,600**

Total Expenses	\$377,332
-----------------------	------------------

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	7/1/2021	Edward K. Solarz
b. Site Acquisition	3/15/2022	Edward K. Solarz
c. Zoning Approval	7/1/2021	Edward K. Solarz
d. Site Plan Approval	7/1/2021	Edward K. Solarz
2. Financing		
a. Construction Loan		
i. Loan Application	2/2/2022	Edward K. Solarz
ii. Conditional Commitment	2/15/2022	Edward K. Solarz
iii. Firm Commitment	3/1/2022	Edward K. Solarz
b. Permanent Loan - First Lien		
i. Loan Application	2/2/2022	Edward K. Solarz
ii. Conditional Commitment	2/15/2022	Edward K. Solarz
iii. Firm Commitment	3/1/2022	Edward K. Solarz
c. Permanent Loan-Second Lien		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
d. Other Loans & Grants		
i. Type & Source, List		
ii. Application		
iii. Award/Commitment		
2. Formation of Owner	7/1/2021	Edward K. Solarz
3. IRS Approval of Nonprofit Status		
4. Closing and Transfer of Property to Owner	3/15/2022	Edward K. Solarz
5. Plans and Specifications, Working Drawings	3/1/2021	Edward K. Solarz
6. Building Permit Issued by Local Government	9/1/2021	Edward K. Solarz
7. Start Construction	3/15/2022	Edward K. Solarz
8. Begin Lease-up	3/1/2023	Edward K. Solarz
9. Complete Construction	6/1/2023	Edward K. Solarz
10. Complete Lease-Up	3/1/2024	Edward K. Solarz
11. Credit Placed in Service Date	5/1/2024	Edward K. Solarz

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

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.

		Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(A) Cost	(B) Acquisition	(C) Rehab/ New Construction
Must Use Whole Numbers Only!				
1. Contractor Cost				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	3,404,784	0	3,404,784	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	3,404,784	0	3,404,784	0
f. Earthwork		0		0
g. Site Utilities	0	0	0	0
<input type="checkbox"/> h. Renewable Energy	0	0	0	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	479,019	0	479,019	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	206,236	0	206,236	0
o. Demolition	100,000	0	100,000	0
p. Site Work	0	0	0	0
q. Other Site work	0	0	0	0
Total Land Improvements	785,255	0	785,255	0
Total Structure and Land	4,190,039	0	4,190,039	0
r. General Requirements	181,649	0	181,649	0
s. Builder's Overhead	181,649	0	181,649	0
(4.3% Contract)				
t. Builder's Profit	181,650	0	181,650	0
(4.3% Contract)				
u. Bonds	0	0	0	0
v. Building Permits	18,600	0	18,600	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: <u>Low Volt Cable Internet</u>	58,650	0	58,650	0
z. Other 2: <u>Landscaping</u>	65,000	0	65,000	0
aa. Other 3: <u>PP Bonds</u>	50,000	0	0	0
Contractor Costs	\$4,927,237	\$0	\$4,877,237	\$0

O. PROJECT BUDGET - OWNER COSTS

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

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 \$1,371 /Unit)	85,000	0	85,000	0
c. Architecture Supervision Fee \$242 /Unit)	15,000	0	15,000	0
d. Tap Fees	0	0	0	0
e. Environmental	0	0	0	0
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	25,000	0	25,000	0
h. Appraisal	6,000	0	6,000	0
i. Market Study	4,000	0	4,000	0
j. Site Engineering / Survey	5,000	0	5,000	0
k. Construction/Development Mgt	42,000	0	42,000	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	30,000	0	30,000	0
n. Construction Interest (3.5% for 20 months)	245,000	0	245,000	0
o. Taxes During Construction	38,568	0	38,568	0
p. Insurance During Construction	38,000	0	38,000	0
q. Permanent Loan Fee (1.0%)	58,600	0	0	0
r. Other Permanent Loan Fees	67,500	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	7,500	0	7,500	0
u. Accounting	0	0	0	0
v. Title and Recording	57,442	0	2,930	0
w. Legal Fees for Closing	35,000	0	20,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	32,327	0	0	0
z. Tenant Relocation	62,000	0	0	0
aa. Fixtures, Furnitures and Equipment	10,000	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	336,270	0	0	0
ad. Contingency	492,723	0	492,723	0
ae. Security	75,000	0	75,000	0
af. Utilities	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

ag. Servicing Reserve	0			
(1) Other* specify: Construction Lender Inspect	18,000	0	18,000	0
(2) Other* specify: Permanent Lender Legal	65,000	0	0	0
(3) Other* specify: Construction Lender Third P	25,000	0	25,000	0
(4) Other* specify: Soft Cost Contingency	50,000	0	50,000	0
(5) Other * specify: Bond Issuer	45,000	0	0	0
(6) Other* specify: Sec 3 Construction Lender M	30,000	0	30,000	0
(7) Other* specify: Bond Legal	90,000	0	0	0
(8) Other* specify: RRHA PBV Fee	15,000	0	0	0
(9) Other* specify: Construction Lender Legal	65,000	0	45,000	0
Owner Costs Subtotal (Sum 2A..2(10))	\$2,170,930	\$0	\$1,299,721	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)	\$7,098,167	\$0	\$6,176,958	\$0
3. Developer's Fees Action: Provide Developer Fee Agreement (Tab A)	1,121,780	0	1,121,780	0
4. Owner's Acquisition Costs				
Land	300,000			
Existing Improvements	1,700,000	1,700,000		
Subtotal 4:	\$2,000,000	\$1,700,000		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$10,219,947	\$1,700,000	\$7,298,738	\$0

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$1,121,780

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

\$164 **Meets Limits**
\$231

Proposed Development's Cost per Unit
Applicable Cost Limit per Unit:

\$132,580 **Meets Limits**
\$225,968

2022 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	10,219,947	1,700,000	7,298,738	0

2. Reductions in Eligible Basis

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

3. Total Eligible Basis (1 - 2 above)

1,700,000	7,298,738	0
-----------	-----------	---

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	2,189,621	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0

Total Adjusted Eligible basis

9,488,359	0
-----------	---

5. Applicable Fraction

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

6. Total Qualified Basis

(Eligible Basis x Applicable Fraction)

1,700,000	9,488,359	0
-----------	-----------	---

7. Applicable Percentage

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

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

8. Maximum Allowable Credit under IRC §42

(Qualified Basis x Applicable Percentage)

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

\$68,000	\$379,534	\$0
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\$447,534	
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. Cedar Rapids Bank and Trust Co.		12/03/21	\$5,860,000	
2.				
3.				
Total Construction Funding:			\$5,860,000	

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. Cedar Rapids Bank and Trust Co.		12/3/2021	\$5,860,000	\$295,208	4.03%	40	17
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:				\$5,860,000	\$295,208		

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

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

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.			
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$0

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$5,860,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$0
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

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

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

Q. SOURCES OF FUNDS

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

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **63.02%**

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

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

[Empty text box for describing credit enhancements]

8. Other Subsidies

Action: Provide documentation (**Tab Q**)

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

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

c. **FALSE** Other [Empty text box]

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	\$332,140			(Note: Deferred Developer Fee cannot be negative.)
iv.	Other:				
	ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at TAB A.				
	Equity Total	<u>\$332,140</u>			

2. Equity Gap Calculation

a.	Total Development Cost	\$10,219,947
b.	Total of Permanent Funding, Grants and Equity	- \$6,192,140
c.	Equity Gap	\$4,027,807
d.	Developer Equity	- \$406
e.	Equity gap to be funded with low-income tax credit proceeds	\$4,027,401

3. Syndication Information (If Applicable)

a.	Actual or Anticipated Name of Syndicator:	CAHEC		
	Contact Person:	Ryan Thayer	Phone:	919-646-9829
	Street Address:	7700 Falls of Neuse Road, Suite 200		
	City:	Raleigh, NC	State:	
			Zip:	27615
b.	Syndication Equity			
i.	Anticipated Annual Credits	\$447,534.00		
ii.	Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.900		
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	\$447,489		
vi.	Total to be paid by anticipated users of credit (e.g., limited partners)	\$4,027,401		
c.	Syndication:	Private		
d.	Investors:	Corporate		

4. Net Syndication Amount

Which will be used to pay for Total Development Costs	<u>\$4,027,401</u>
---	--------------------

5. Net Equity Factor

Must be equal to or greater than 85%	<u>89.9999504033%</u>
--------------------------------------	-----------------------

S. DETERMINATION OF RESERVATION AMOUNT NEEDED

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

1. Total Development Costs		<u>\$10,219,947</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$6,192,140</u>
3. Equals Equity Gap		<u>\$4,027,807</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>89.9999504033%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$4,475,344</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$447,534</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$447,534</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$447,534</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$7,218.2903</u>	
Credit per LI Bedroom	<u>\$3,609.1452</u>	
	Combined 30% & 70% PV Credit Requested	\$447,534

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		\$58,900
Plus Other Income Source (list):	<u>Water, Sewer, Cable/Internet</u>	\$5,270
Equals Total Monthly Income:		<u>\$64,170</u>
Twelve Months		x12
Equals Annual Gross Potential Income		\$770,040
Less Vacancy Allowance	<u>7.0%</u>	<u>\$53,903</u>
Equals Annual Effective Gross Income (EGI) - Low Income Units		<u>\$716,137</u>

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

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	<u>\$716,137</u>
b. Annual EGI Market Units	<u>\$0</u>
c. Total Effective Gross Income	<u>\$716,137</u>
d. Total Expenses	<u>\$377,332</u>
e. Net Operating Income	<u>\$338,805</u>
f. Total Annual Debt Service	<u>\$295,208</u>
g. Cash Flow Available for Distribution	<u>\$43,597</u>

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	716,137	730,460	745,069	759,971	775,170
Less Oper. Expenses	377,332	388,652	400,312	412,321	424,690
Net Income	338,805	341,808	344,758	347,650	350,479
Less Debt Service	295,208	295,208	295,208	295,208	295,208
Cash Flow	43,597	46,600	49,550	52,442	55,271
Debt Coverage Ratio	1.15	1.16	1.17	1.18	1.19

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	790,673	806,487	822,617	839,069	855,850
Less Oper. Expenses	437,431	450,554	464,071	477,993	492,333
Net Income	353,242	355,933	358,546	361,076	363,518
Less Debt Service	295,208	295,208	295,208	295,208	295,208
Cash Flow	58,034	60,725	63,338	65,868	68,310
Debt Coverage Ratio	1.20	1.21	1.21	1.22	1.23

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	872,967	890,427	908,235	926,400	944,928
Less Oper. Expenses	507,103	522,316	537,985	554,125	570,749
Net Income	365,865	368,111	370,250	372,275	374,179
Less Debt Service	295,208	295,208	295,208	295,208	295,208
Cash Flow	70,657	72,903	75,042	77,067	78,971
Debt Coverage Ratio	1.24	1.25	1.25	1.26	1.27

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

U. Building-by-Building Information

Must Complete

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

Number of BINS: 3

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

Please help us with the process:
DO NOT use the CUT feature
DO NOT SKIP LINES BETWEEN BUILDINGS

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
1.	VA0261002	8	0	3601 E Broad Rock Road		Richmond	VA	23224	\$219,352		4.00%	\$8,774	\$1,224,304		4.00%	\$48,972				\$0
2.	VA0261003	10	0	705 E 36th Street		Richmond	VA	23224	\$274,190		4.00%	\$10,968	\$1,530,380		4.00%	\$61,215				\$0
3.	VA0261001	44	0	801 E 36th Street		Richmond	VA	23224	\$1,206,458		4.00%	\$48,258	\$6,733,675		4.00%	\$269,347				\$0
4.												\$0				\$0				\$0
5.												\$0				\$0				\$0
6.												\$0				\$0				\$0
7.												\$0				\$0				\$0
8.												\$0				\$0				\$0
9.												\$0				\$0				\$0
10.												\$0				\$0				\$0
11.												\$0				\$0				\$0
12.												\$0				\$0				\$0
13.												\$0				\$0				\$0
14.												\$0				\$0				\$0
15.												\$0				\$0				\$0
16.												\$0				\$0				\$0
17.												\$0				\$0				\$0
18.												\$0				\$0				\$0
19.												\$0				\$0				\$0
20.												\$0				\$0				\$0
21.												\$0				\$0				\$0
22.												\$0				\$0				\$0
23.												\$0				\$0				\$0
24.												\$0				\$0				\$0
25.												\$0				\$0				\$0
26.												\$0				\$0				\$0
27.												\$0				\$0				\$0
28.												\$0				\$0				\$0
29.												\$0				\$0				\$0
30.												\$0				\$0				\$0
31.												\$0				\$0				\$0
32.												\$0				\$0				\$0
33.												\$0				\$0				\$0
34.												\$0				\$0				\$0
35.												\$0				\$0				\$0

62 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$1,700,000

\$68,000

\$9,488,359

\$379,534

\$0

\$0

Number of BINS: 3

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

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

V. STATEMENT OF OWNER

- 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 agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.
- 16. that undersigned waives the right to pursue a Qualified Contract on this development.
- 17. 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: VST Swansboro LLC

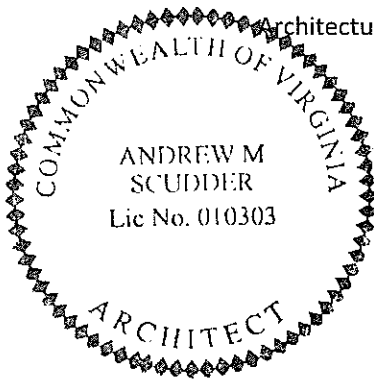
By: 
Its: Manager of its Managing Member
(Title)

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: ANDREW SCUDDER
Virginia License#: 010303
Architecture Firm or Company: JENKINS DESIGN GROUP



By: [Signature]
Its: PARTNER
(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. Items 5f and 5g require 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:

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

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

1. READINESS:

- a. Virginia Housing notification letter to CEO (via Locality Notification Information App)
- b. Local CEO Opposition Letter
- c. Plan of development < no points offered in Cycle 2022 >
- d. Location in a revitalization area based on Qualified Census Tract
- e. Location in a revitalization area with resolution
- f. Location in a Opportunity Zone

Y	0 or -50	0.00
N	0 or -25	0.00
N/A	0 pts for 2022	0.00
Y	0 or 10	10.00
N	0 or 15	0.00
N	0 or 15	0.00
Total:		10.00

2. HOUSING NEEDS CHARACTERISTICS:

- a. Sec 8 or PHA waiting list preference
- b. Existing RD, HUD Section 8 or 236 program
- c. Subsidized funding commitments
- d. Tax abatement on increase of property's value
- e. New project based rental subsidy (HUD or RD)
- f. Census tract with <12% poverty rate
- g. Development provided priority letter from Rural Development
- h. Dev. located in area with increasing rent burdened population

Y	0 or up to 5	4.11
N	0 or 20	0.00
0.00%	Up to 40	0.00
Y	0 or 5	5.00
Y	0 or 10	10.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
N	Up to 20	0.00
Total:		19.11

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			42.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	N	0 or 50	0.00
or c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
e. Development will be Green Certified	N	0 or 10	0.00
f. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
g. Developments with less than 100 low income units	Y	up to 20	15.20
h. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			67.20

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$90,000	\$59,700

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	0.00%	Up to 15	0.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			15.00

5. SPONSOR CHARACTERISTICS:

a. Developer experience (Subdivision 5a - options a,b or c)	N	0, 10 or 25	0.00
b. Experienced Sponsor - 1 development in Virginia	Y	0 or 5	5.00
c. Experienced Sponsor - 3 developments in any state	N	0 or 15	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 (per occurrence)	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	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. Socially Disadvantaged Principal owner 25% or greater	N	0 or 5	0.00
k. Management company rated unsatisfactory	N	0 or -25	0.00
l. Experienced Sponsor partnering with Local Housing Authority pool applicant	N	0 or 5	0.00
Total:			5.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	109.42
b. Cost per unit		Up to 100	82.66
Total:			192.08

7. BONUS POINTS:

a. Extended compliance	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	N	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 30	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Diversity, Equity and Inclusion Designation	Y	0 or 5	5.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
Total:			10.00

400 Point Threshold - all 9% Tax Credits
 300 Point Threshold - Tax Exempt Bonds

TOTAL SCORE: **318.39**

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	0.00
b. Exterior walls constructed with brick and other low maintenance materials	40	20.00
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	1.00
f. N/A for 2022	0	0.00
g. Each unit provided free individual high speed internet access	10	0.00
h. Each unit provided free individual WiFi	12	12.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. N/A for 2022	0	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>42.00</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
w. Shelf or Ledge at entrance within interior hallway	2	0.00
		<u>0.00</u>
Total amenities:		<u>42.00</u>

X. Development Summary

Summary Information 2022 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Swansboro Apartments

Cycle Type: 4% Tax Exempt Bonds Credits **Requested Credit Amount:** \$447,534
Allocation Type: Acquisition/Rehab **Jurisdiction:** Richmond City
Total Units: 62 **Population Target:** General
Total LI Units: 62
Project Gross Sq Ft: 50,211.00 **Owner Contact:** Edward Solarz
Green Certified? FALSE

Total Score
318.39

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$5,860,000	\$94,516	\$117	\$295,208
Grants	\$0	\$0		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$4,190,039	\$67,581	\$83	41.00%
General Req/Overhead/Profit	\$544,948	\$8,789	\$11	5.33%
Other Contract Costs	\$192,250	\$3,101	\$4	1.88%
Owner Costs	\$2,170,930	\$35,015	\$43	21.24%
Acquisition	\$2,000,000	\$32,258	\$40	19.57%
Developer Fee	\$1,121,780	\$18,093	\$22	10.98%
Total Uses	\$10,219,947	\$164,838		

Total Development Costs	
Total Improvements	\$7,098,167
Land Acquisition	\$2,000,000
Developer Fee	\$1,121,780
Total Development Costs	\$10,219,947

Proposed Cost Limit/Sq Ft: \$164
Applicable Cost Limit/Sq Ft: \$231
Proposed Cost Limit/Unit: \$132,580
Applicable Cost Limit/Unit: \$225,968

Income		
Gross Potential Income - LI Units		\$770,040
Gross Potential Income - Mkt Units		\$0
Subtotal		\$770,040
Less Vacancy %	7.00%	\$53,903
Effective Gross Income		\$716,137

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$98,130	\$1,583
Utilities	\$71,920	\$1,160
Operating & Maintenance	\$84,320	\$1,360
Taxes & Insurance	\$104,362	\$1,683
Total Operating Expenses	\$358,732	\$5,786
Replacement Reserves	\$18,600	\$300
Total Expenses	\$377,332	\$6,086

Cash Flow	
EGI	\$716,137
Total Expenses	\$377,332
Net Income	\$338,805
Debt Service	\$295,208
Debt Coverage Ratio (YR1):	1.15

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	0
# of 2BR	62
# of 3BR	0
# of 4+ BR	0
Total Units	62

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	62	62
>60% AMI	0	0
Market	0	0

Income Averaging? FALSE

Extended Use Restriction? 30

i. Efficient Use of Resources

Credit Points for 9% Credits:

* 4% Credit applications will be calculated using the E-U-R TE Bond Tab

If the Combined Max Allowable Credits 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.

Combined Max	\$447,534
Credit Requested	\$447,534
% of Savings	0.00%
Sliding Scale Points	0

4% Deals EUR Points 109.42

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 cost 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.

Total Costs Less Acquisition	\$8,219,947
Total Square Feet	50,211.00
Proposed Cost per SqFt	\$163.71
Applicable Cost Limit per Sq Ft	\$231.00
% of Savings	29.13%
Total Units	62
Proposed Cost per Unit	\$132,580
Applicable Cost Limit per Unit	\$225,968
% of Savings	41.33%
Max % of Savings	41.33%
Sliding Scale Points	82.66

\$/SF = **\$209.96** Credits/SF = **9.8044516** Const \$/unit = **\$79,471.56**

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

11000
400
3

400
3

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

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0
PARAMETER-(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
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	695.00	0.00	0.00	837.00	0.00	0.00
NUMBER OF UNITS	0	0	44	0	0	18	0	0
PARAMETER-(CREDITS>=35,000)	0	0	15,675	0	0	16,500	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	0	15,675	0	0	16,500	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	15,675	0	0	16,500	0	0
PROJECT CREDIT PER UNIT	0	0	6,814	0	0	8,206	0	0
CREDIT PER UNIT POINTS	0.00	0.00	80.23	0.00	0.00	29.19	0.00	0.00

TOTAL CREDIT PER UNIT POINTS **109.42**

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

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	15,675	0	0	16,500	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	15,675	0	0	16,500	0	0

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

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 Cost Parameter	0	0	0	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	15,675	0	0	16,500	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	15,675	0	0	16,500	0	0

Tab A:

Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement (MANDATORY)

**OPERATING AGREEMENT
OF
VST SWANSBORO MANAGING MEMBER LLC**

THIS OPERATING AGREEMENT (this “Operating Agreement”), dated this 16th day of November, 2021, by Jennifer Hunt Essary, Maury DeFreitas, Christine R. Stevens, Connie L. Glass, Laura H. Hopson, Winnie Spaulding, and Normandy II LLC, the members of VST Swansboro Managing Member LLC, a Virginia limited liability company (the “Company”), provides as follows:

RECITALS:

A. The undersigned parties have caused the Company to be organized as a limited liability company under the laws of the Commonwealth of Virginia pursuant to the Articles of Organization of the Company filed with the State Corporation Commission (the “SCC”).

B. The undersigned parties desire to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, covenants and conditions herein contained, the parties do hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS

1.01 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 13.1-1000 et seq., as amended and in force from time to time.

(b) Articles shall mean the articles of organization of the Company, as amended and in force from time to time.

(c) Budget Act shall mean the Bipartisan Budget Act of 2015, Pub L. No. 114-74.

(d) Capital Account shall mean as of any given date the amount calculated and maintained by the Company for each Member as provided in Section 6.04 hereof.

(e) 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. "Initial Capital Contribution" shall mean the initial contribution to the capital of the Company of a Member pursuant to this Operating Agreement.

(f) Code shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

(g) Company shall refer to VST Swansboro Managing Member LLC.

(h) Corporation shall mean any corporation duly organized under the laws of its applicable jurisdiction, and active and in good standing within that jurisdiction.

(i) Designated Individual shall mean the individual appointed by the Company to serve as the "designated individual" pursuant to proposed Treasury Regulation 301.6223-1(b)(3) and who is the sole party through whom the Partnership Representative shall act.

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

(k) Guarantor means any Person who provides a Guaranty.

(l) Guaranty means any guaranty and/or indemnification, including, without limitation, any "nonrecourse carve out guaranty," letter of credit, title company indemnity, tax credit indemnity or similar instrument, that the Managers have approved and may be provided to, or required or requested by, a lender, title company, tax credit investor (described in the Project Owner Operating Agreement) or other third party and executed by any Person in connection with (i) any loan to Project Owner or (ii) the Project.

(m) Majority Interest shall mean Members owning more than 50% of the Voting Interests of the Voting Members (or other specified group of Members) on the day for any determination requiring approval of a Majority Interest.

(n) Manager shall mean a manager of the Company, whose rights, powers and duties are specified in Article V hereof.

(o) Member shall mean any Corporation or Person that is specifically identified as a Member in Article III hereof or is admitted as a Member (either as transferee of a Membership Interest or as an additional Member) as provided in Article VII hereof. A Corporation or Person shall cease to be a Member at such time as that Corporation or Person no longer owns any Membership Interest.

(p) Membership Interest shall mean the ownership interest of a Member in the Company, which may be expressed as a percentage equal to such Member's Capital Account divided by the aggregate Capital Account of all Members. The Membership Interest may be

recorded from time to time on a schedule attached to this Operating Agreement.

(q) Non-Voting Member shall mean a Member owning less than 25% of the Member Interest in the Company.

(r) Operating Agreement shall mean this Operating Agreement, as originally executed and as amended from time to time.

(s) Partnership Audit Rules shall mean the partnership audit provisions of the Budget Act.

(t) Partnership Representative shall mean the Member designated to act as partnership representative of the Partnership for purposes of Code Section 6223(a) or the designated successor as provided in Section 9.05.

(u) 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 admits.

(v) Voting Member shall mean a Member owning 25% or more of the Member Interest in the Company.

(w) Voting Interest shall mean the Member Interest of a Voting Member.

ARTICLE II

PURPOSES AND POWERS OF COMPANY

2.01 Purpose. The purpose of the Company shall be to engage in any lawful act or activity for which limited liability companies may be formed under Virginia Limited Liability Company Act, Virginia Code Sections 13.1-1000, et seq., as now in effect or hereafter amended (the “Act”), including but not limited to act as the managing member of VST Swansboro LLC, a Virginia limited liability company (the “Project Owner LLC”), and to sign any and all documents on behalf of the Project Owner LLC and to do all things necessary for Project Owner LLC to (a) submit an application for an allocation/reservation of low income housing tax credits; (b) acquire, construct/renovate, own, finance, lease, maintain and operate a housing development to be located at 3600 East Broad Rock Road, Richmond, Virginia (the “Project”); (c) to eventually sell or otherwise dispose of the housing development; (d) to construct and/or rehabilitate the housing development; and (e) to engage in all other activities incidental or related thereto.

The Company is authorized to execute and submit, on behalf of any Project Owner LLC for which the Company is a managing member, applications for the reservation/allocation of low-income housing tax credits allowed for low-income housing projects pursuant to Section 42 of the Internal Revenue Code and tax exempt bonds and Edward K. Solarz (“E. Solarz”) is

authorized to execute such application and all certificates, affidavits and instruments required in connection therewith.

2.02 Powers. The Company shall have all powers and rights of a limited liability company organized under the Act, to the extent such powers and rights are not prescribed by the Articles.

ARTICLE III
NAMES, ADDRESSES AND PERCENTAGE
OWNERSHIP OF MEMBERS: PRINCIPAL OFFICE

3.01 Names and Address. The names, addresses and percentage ownership of the members are as follows:

<u>Name and Address</u>	<u>Percentages</u>
Normandy II LLC 4305 August Avenue Richmond, VA 23230	20.00%
Jennifer Hunt Essary 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	49.00%
Maury DeFreitas 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	10.00%
Christine R. Stevens 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	4.00%
Connie L. Glass 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	2.50%
Laura Hopson 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	10.50%
Winnie Spaulding 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	4.00%

3.02 Principal Office. The principal office of the Company shall initially be at 101 West Commerce Road, 2nd Floor, Richmond, Virginia 23224. The principal office may be changed

from time to time by the Members.

ARTICLE IV **VOTING POWERS, MEETINGS, ETC. OF MEMBER**

4.01 In General. The Members shall not be entitled to participate in the day-to-day affairs and management of the Company, but instead, the Members right to vote or otherwise participate with respect to matters relating the Company shall be limited to those matters as to which the express terms of the Act, the Articles or this Operating Agreement vest in the Members the right to so vote or otherwise participate. On any matter requiring action or approval by the Members, only the Voting Members shall be entitled to vote, which Voting Members shall vote in proportion to their respective Membership Interests in the Company.

4.02 Actions Requiring Approval of Members.

(a) Notwithstanding any other provision of this Operating Agreement, the approval of the Members shall be required in order for any of the following actions to be taken on behalf of the Company:

- (i) Amending the Articles or this Operating Agreement in any manner that materially alters the preferences, privileges or relative rights of Members;
- (ii) Taking any action which would make it impossible to carry on the ordinary business of the Company;
- (iii) Confessing a judgment against the Company in excess of \$5,000.00;
- (iv) Filing or consenting to filing a petition for or against the Company under any federal or state bankruptcy, insolvency or reorganization act; and
- (v) Loaning company funds in excess of \$25,000 or for a term in excess of one year to any Member.

(b) Unless the express terms of this Operating Agreement specifically provide otherwise, the affirmative vote of all of the Voting Members shall be necessary and sufficient in order to approve or consent to any of the matters set forth in Section 4.02(a) above or any other matters which require the approval or consent of the Members.

4.03 Action by Members. In exercising their rights as provided above, the Members shall act collectively through meetings and/or written consents as provided in this Article.

4.04 Annual Meeting. At the request of one or more Members, an annual meeting of the Members may be held on the second Tuesday in December of each year at 10:00 a.m., or at such other time as shall be determined by the Members for the purpose of the transaction of such business as may come properly before the meeting.

4.05 Special Meetings. Special Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, shall be called at the request of any Member.

4.06 Place of Meetings. The place of any meeting of the Members shall be the principal office of the Company, unless another place is designated by the Member or Members calling the meeting, and if such place is not within the City of Richmond, Virginia, such other meeting place as is consented to by the all other Members.

4.07 Notice of Special Meetings. Written notice stating the place, day and hour of any special meeting of the Members as well as to the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the Person or Persons calling the meeting, to each Member, unless the Act or the Articles require different notice.

4.08 Conduct of Meetings. All meetings of the Members shall be presided over by a chairman of the meeting (the Company's President, if one is elected), who shall be designated by the Members. The chairman of any meeting of Members shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seen to it in order, and shall appoint a secretary (the Company's Secretary, if one is elected) of such meeting to take minutes thereof.

ARTICLE V **MANAGERS**

5.01 Powers of Managers. Except, as expressly provided otherwise in the Act, the Articles or this Operating Agreement, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by, one or more Managers, who need not be Members. The powers so exercised shall include but not be limited to the following:

(a) Entering into, making and performing contracts, agreements and other undertakings binding the Company that may be necessary, appropriate or advisable in furtherance of the purposes of the Company.

(b) Opening and maintaining bank accounts, investment accounts and other arrangements, drawing checks and other orders for the payment of money, and designating individuals with authority to sign or give instructions with respect to those accounts and arrangements. Company funds shall not be commingled with funds from other sources and shall be used solely for the business of the Company.

(c) Collecting of funds due to the Company.

(d) Acquiring, utilizing for the Company's purposes, maintaining and disposing of any assets of the Company.

(e) To the extent that funds of the Company are available, paying debts and

obligations of the Company.

(f) Borrowing money or otherwise committing the credit of the Company for Company activities, and voluntary prepaying or extending any such borrowings.

(g) Employing from time to time persons, firms or corporations for the operation and management of various aspects of the Company's business, including, without limitation, managing agents, contractors, subcontractors, architects, engineers, laborers, suppliers, accountants and attorneys on such terms and for such compensation as the Managers shall determine, notwithstanding the fact that the Managers or any Member may have a financial interest in such firms or corporations.

(h) Making elections available to the Company under the Code.

(i) Registering the Company as a tax shelter with the Secretary of the Treasury and furnishing to such Secretary lists of investors in the Company, if required pursuant to the applicable provisions of the Code.

(j) Obtaining general liability, property and other insurance for the Company, as the Managers deem proper.

(k) Obtaining life insurance on the Managers and/or the Founding Members upon such terms and in such amounts as the Managers deem proper.

(l) Taking such actions as may be directed by the Members in furtherance of their approval of any matter set forth in Section 4.02 hereof.

(m) Doing and performing all such things and executing, acknowledging and delivering any and all such instruments as may be in furtherance of the Company's purposes and necessary and appropriate to the conduct of its business.

5.02 Initial Managers. The initial number of Managers shall be two (2). Members hereby unanimously elect Jennifer Hunt Essary and E. Solarz as the initial Managers. Jennifer S. Hunt and E. Solarz will serve as Managers until a respective successor(s) has been duly elected and qualified. Upon the death, resignation, or removal of any of the Managers, the Voting Members holding a Majority Interest may elect a successor or successors as they may determine from time-to-time, provided there is always at least one Manager.

5.03 Action by Two or More Managers. Except as otherwise expressly set forth herein, in the event there is more than one (1) Manager appointed, no Manager may act on behalf of the Company unless such action is approved by a majority of the Managers then serving or, in the event such Managers are deadlocked with respect to approval of an action, a Majority Interest. Each Manager shall exercise its commercially reasonable efforts to promote and protect the interests of the Company and shall devote such time and attention as is reasonably necessary and

appropriate to discharge such obligations. A Manager shall not be liable to the Company or to the other Members for any errors or omissions committed in the discharge of its duties hereunder, unless such errors or omissions constitute gross mismanagement, gross negligence, willful or reckless misconduct, a knowing violation of criminal law or intentional breach or disregard of the express terms of this Operating Agreement.

5.04 Executing of Documents and Other Actions. The Managers may delegate to one or more of their number the authority to execute any documents or take any other action deemed necessary or desirable in furtherance of any action that they have authorized on behalf of the Company. As of the date hereof, the Members and the Managers delegate to E. Solarz, the authority to act an Authorized Signatory of the Company for purposes of entering into contracts for on and on behalf of the Company and for and on behalf of the Company as managing member of the Project Owner LLC.

5.05 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 Operating Agreement to Managers shall be deemed to refer to such single Manager.

5.06 Reliance by Other Persons. Any Person dealing with the Company, other than a Member, may rely on the authority of a particular Manager or Managers in taking any action in the name of the Company, if such Manager or Managers provide to such Person a copy of the applicable provision of this Operating Agreement and/or the resolution or written consent of the Managers or Members granting such authority, certified in writing by such Manager or Managers to be genuine and correct and not to have been revoked, superseded or otherwise amended.

5.07 Manager's Expenses and Fees. A Manager shall be entitled, but not required, to receive a reasonable guaranteed payment for services rendered on behalf of the Company or in its capacity as the Manager. The amount of such payment shall be determined by the Managers and consented to by the Members, which consent shall not be unreasonably withheld. The Company shall reimburse any Manager for reasonable out-of-pocket expenses which were or are incurred by the Manager on behalf of the Company with respect to the start-up or operation of the Company, the on-going conduct of the Company's business, or the dissolution and winding up of the Company and its business.

5.08 Indemnification. The Company shall indemnify each Manager, whether serving the Company or, at its request, any other Entity, to the full extent permitted by the Act. The foregoing rights of indemnification shall not be exclusive of any other rights to which the Managers may be entitled. The Managers may, upon the approval of the Members, take such action as is necessary to carry out these indemnification provisions and may adopt approve and amend from time to time such resolutions or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law.

5.09 Liability of Managers. So long as the Managers act in good faith with respect to the

conduct of the business and affairs of the Company, no Manager shall be liable or accountable to the Company or to any of the Members, in damages or otherwise, for any error of judgment, for any mistake of fact or of law, or for any other act or thing which it may do or refrain from doing in connection with the businesses and affairs of the Company, except for willful misconduct or gross negligence or breach of fiduciary duty, and further except for breaches of contractual obligations or agreements between the Managers and the Company.

5.10 Limitations Upon the Manager's Authority. Without first obtaining the consent of the Voting Members holding a Majority Interest, the Manager shall not:

- (i) Possess or in any manner deal with the Company's assets or assign the Company's rights in any Company assets for other than Company purposes;
- (ii) Admit a Person as a Member of the Company other than in accordance with the terms of this Operating Agreement;
- (iii) Change or reorganize the Company into any other legal form;
- (iv) Sell, transfer or otherwise dispose, or consent to any such sale, transfer or disposition, of all or substantially all of the Company's property; or
- (v) Do any act which would make it impossible to carry on the ordinary business of the Company.
- (vi) Borrow or incur indebtedness on behalf of the Company in a single amount in excess of \$5,000 or in an aggregate amount outstanding at any time in excess of \$10,000 to any entity;
- (vii) Encumber, pledge or assign Company assets to secure indebtedness in an aggregate principal amount exceeding \$10,000 at any time;
- (viii) Assign, transfer, pledge, or compromise any debts due to the Company, except on full payment or for debts under \$10,000;
- (ix) Take any action outside the ordinary course of the Company's business which may require the Company to pay more than \$10,000;
- (x) Confess a judgment against the Company;
- (xi) Require any Member to contribute to the capital of the Company except as expressly provided in this Operating Agreement;
- (xii) Refinance any loan to the Company secured by the Property prior to the maturity date of such loan;

- (xiii) Authorize the Property Owner to obtain a loan secured by the Property Owner LLC's property. In connection with any Property Owner LLC's mortgage loan authorized by a Majority of Members, the Manager shall have the authority to (a) cause the Company to join in the execution and delivery of any loan documents required to be executed by the Company in connection with a Property Owner LLC's mortgage loan, including, without limitation, a pledge of the Company's membership interest in the Property Owner LLC; (b) execute and deliver, for and on behalf of the Company, a guaranty of any Property Owner LLC's mortgage loan; and (c) execute, in the Company's name, all appropriate agreements, limited liability company consents and resolutions to be executed by the Company for itself or as a member of the Property Owner LLC;
- (xiv) Consent to the sale, transfer or other disposition, of all or substantially all of the Property Owner LLC's property;
- (xv) Permit (a) the assignment of any membership interest of Property Owner LLC or (b) the admission of any new member of Property Owner LLC; or
- (xvi) Amend the Property Owner LLC's operating agreement, or authorize or take any action with respect to Property Owner LLC, in a manner adverse to any of the Members.

The foregoing limitations are in addition to and do not supersede any other limitations or prohibitions expressly imposed upon the Manager under this Operating Agreement or by the Act.

ARTICLE VI
CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS

6.01 Initial Capital Contributions. Each initial Member shall contribute in cash or by bank check, property or services as its initial Capital Contribution the following:

Normandy II LLC	\$20.00
Jennifer Hunt Essary	\$49.00
Maury DeFreitas	\$10.00
Christine R. Stevens	\$4.00
Connie L. Glass	\$2.50
Laura Hopson	\$10.50

Winnie Spaulding	<u>\$4.00</u>
Total	\$100.00

The initial Capital Contribution to be made by any Corporation or Person who after the date hereof is admitted as a Member and acquires its Membership Interest from the Company shall be determined by the unanimous consent of the Members.

6.02 Additional Capital Contributions. No Member shall be required to make any capital contribution in addition to its initial Capital Contribution, except upon the unanimous consent of the Members.

6.03 Interests and Return of Capital Contribution. No Member shall receive any interest on its Capital Contribution. Except as otherwise expressly provided for herein, the Members shall not be allowed to withdraw or have refunded any Capital Contribution.

6.04 Capital Accounts. Separate Capital Accounts shall be maintained for each Member in accordance with the following provisions:

(a) To each Member's Capital Account there shall be credited the fair market value of such Members Initial Capital Contribution and any additional Capital Contributions, such Members distributive share of profits, and the amount of any Company liabilities that are assumed by such Member.

(b) To each Member's Capital Account there shall be debited the amount of cash and the fair market value of any Property distributed to such Member pursuant to any provision of this Operating Agreement, such Member's distributive share of losses, and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company.

(c) The Capital Account shall also include a pro rata share of the fair market value of any property contributed by a person who is not a Member, such value to be the same value reported for federal gift tax purposes if a gift tax return is filed, and if not, the value in the case of the real property shall be determined by an independent M.A.I. appraiser actively engaged in appraisal work in the area where such property is located and selected by the Managers, and otherwise by the certified public accountant or accountants then serving the Company.

(d) If any Member makes a non-pro rata Capital Contribution to the Company or the Company makes a non-pro rata distribution to any Member, the Capital Account of each Member shall be adjusted to reflect the then fair market value of the assets held by the Company immediately before the Capital Contribution or distribution.

6.05 Loans to the Company. If the Company has insufficient funds to meet its obligations as they come due and to carry out its routine, day-to-day affairs, then, in lieu of obtaining required

funds from third parties or selling its assets to provide required funds, the Company may, but shall not be required to, borrow necessary funds from one or more of the Members as designated by the Managers; provided that the terms of such borrowing shall be commercially reasonable and the Company shall not pledge its assets to secure such borrowing. If a Member constitutes a Guarantor and is required to pay any amount under a Guaranty, such amount shall be treated as loan by such Member.

6.06 Effect of Sale or Exchange. In the event of a permitted sale or other transfer of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent they relate to the transferred Membership Interest.

6.07 Distributions. All distributions of cash or other property (except upon the Company's dissolution, which shall be governed by the applicable provisions of the Act and Article VIII hereof) shall be made to the Members in proportion to their respective Membership Interests. All distributions of cash or property shall be made at such time and in such amounts as determined by the Managers. 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. Notwithstanding the foregoing, no Member transfer or amendment of this Operating Agreement shall occur or be effective if it would increase the distribution percentage set forth in this Section 6.07 of Jennifer Hunt Essary to be, in the aggregate, greater than 49%, unless prior consent is provided by Managers and any tax credit investor member of the Project Owner or its affiliate.

6.08 Allocations. All items of income, gain, loss, deduction and credit, whether resulting from the Company's operations or in connection with its dissolution shall be allocated to the Members for federal, state and local income tax purposes in proportion to their respective Membership Interests.

ARTICLE VII

ASSIGNMENT; RESIGNATION

7.01 Assignment Generally. Except as provided in Sections 7.02, 7.03 and 7.04 of this Operating Agreement, each Member hereby covenants and agrees that it will not sell, assign, transfer, mortgage, pledge, encumber, hypothecate or otherwise dispose of all or any part of its interest in the Company to any person, firm corporation, trust or other entity without first offering in writing to sell such interest to the Company. The Company shall have the right to accept the offer at any time during the 30 days following the date on which the written offer is delivered to the Company. The consent of all of the Managers shall be required to authorize the exercise of such option by the Company. If the Company shall fail to accept the offer within the 30 day period, such interest may during the following 60 days be disposed of free of the restrictions imposed by this Operating Agreement; provided, however, that the purchase price for such interest shall not be less and the terms of the purchase for such interest shall not be more favorable than the purchase price and terms of purchase that would have been applicable to the Company had the Company purchased the interest; provided further that the purchaser shall first

become a Member pursuant to this Operating Agreement; and provided further that any interest not so disposed of within the 60-day period shall thereafter remain subject to the terms of this Operating Agreement. Notwithstanding the preceding sentence, and except as set forth in Section 7.02, no assignee of a Membership Interests shall become a Member of the Company except upon the consent of all of the non-assigning Members.

7.02 Permitted Transfers. Notwithstanding Section 7.01, a Member shall not be required to offer to sell its Membership Interest to the Company prior to transferring its Membership Interest to its spouse or any of its descendants, to a revocable trust under which it is the beneficiary, or to a trust the sole beneficiaries of which are one or more of the Member, its spouse and its descendants, provided that such transfer is by way of inter vivos gift or testamentary or intestate succession (each a “Permitted Transferee”). Any assignee of a Membership Interest that is (i) a Permitted Transferee, and (ii) a descendant of Jennifer Hunt Essary or is a trust for benefit of one or more of such descendants, shall automatically become a Member of the Company, and any other assignee of a Membership Interest that is a Permitted Transferee shall become a Member of the Company only upon the consent of all of the non-assigning Managers, or if there are no non-assigning Managers, upon the consent of a Majority Interest of the non-assigning Members.

7.03 Transfer from Custodianships. Notwithstanding Section 7.01, any Membership Interest that is held by a guardian or custodian for an individual under the laws of the Commonwealth of Virginia or any other state shall be fully transferable and assignable to the individual, without an offer being made to the Company, when the minor reaches the age of termination of such custodianship or guardianship under the applicable statute.

7.04 Purchaser of Certain Memberships.

(a) If an Option Event (as defined below) occurs with respect to any Member (an Option Member), the Company shall have the option to purchase the Option Member's Membership Interests upon the terms and conditions set forth in this Section 7.04. For purposes of the foregoing, an Option Event shall mean the (i) the death of a Member, (ii) the inability of a Member to pay its debts generally as they become due, (iii) any assignment by a Member for the benefit of its creditors, (iv) the filing by a Member of a voluntary petition in bankruptcy or similar insolvency proceeding, (v) the filing against a Member of an involuntary petition in bankruptcy or similar insolvency proceedings that is not dismissed within ninety (90) days thereafter or (vi) in the event a Non-Voting Member ceases to be an employee of Genesis Properties, Inc., which is an affiliate of the Company. The term Option Member shall include an Option Member's personal representative or trustee in bankruptcy, to the extent applicable. Notwithstanding the foregoing, the Company shall not exercise any option to purchase the Option Member's Membership Interest under this Section 7.04 if such purchase would increase the distribution percentage set forth in this Section 6.07 of Jennifer Hunt Essary to be, in the aggregate, greater than 49% unless prior consent is provided by Managers and any tax credit investor member of the Project Owner or its affiliate.

(b) Upon any Option Event occurring to an Option Member, the Option Member

or its personal representative, if the Option Member is incapable of serving notice, shall deliver written notice of the occurrence of such Option Event to the Company. The Company shall have the option, but not the obligation, to purchase the Option Member's Membership Interest at any time during the sixty (60) day period immediately following the date on which it receives notice of the occurrence of the Option Event. Such option shall entitle the Company to purchase such Membership Interest for the fair market value of such Membership Interest. The fair market value of the interest shall be the amount that the Option Member would receive in exchange for its entire interest in the Company if the Company sold all of its assets, subject to their liabilities, at their fair market value as of the date on which the Option Event occurred and distributed the net proceeds from such sale in complete liquidation of the Company. The consent of all the Members excluding the Option Member, shall be required to authorize the exercise of such option by the Company. Such option must be exercised by delivery of a written notice from the Company to the Option Member during the aforementioned period. Upon delivery of such notice the exercise of such option shall be final and binding on the Company and the Option Member.

(c) If the foregoing option is not exercised, the business of the Company shall continue, and the Option Member shall retain its Membership Interest.

(d) The fair market value of the Option Members Membership Interest shall be determined as expeditiously as possible by a disinterested certified public accountant (CPA) mutually selected by the Option Member and the Company (the Company's selection being made by the Members). If the Option Member and the Company are unable to agree on a disinterested CPA, then the Option Member and the Company shall each select a disinterested CPA and if the disinterested CPAs selected are not able to agree as to the fair market value of the interest, then the two disinterested CPAs shall select a third disinterested CPA who shall determine the fair market value. The determination of the fair market value of the Option Members Membership Interest by the CPA or CPAs shall be conclusive and binding on all parties. All costs of a CPA mutually selected by the Option Member and the Company or the two disinterested CPAs shall be shared equally by the Option Member and the Company. All costs of an individually selected CPA shall be borne by the parties selecting such CPAs.

(e) If the option to purchase the Option Member's Membership Interest is exercised by the Company, then not later than thirty (30) days after the date on which the appraisal described above is complete (the Appraisal Date), the Company shall make a distribution of property (which may be cash or other assets of the Company) to the Option Member with a value equal in amount to the fair market value of the Option Member's Membership Interest; provided, however, that, at the election of the Company, such distribution to the Option Member may be made in five (5) equal annual installments, the first of which shall be made on the thirtieth (30) day after the Appraisal Date, and one of which shall be made on the same date in each of the four years thereafter, provided, further, however, that notwithstanding an election by the Company to make the distribution to the Option Member in five equal annual installments, the Company may accelerate without penalty all of such installments at any time or any part of such installment at any time. If the Company elects to make distributions to the

Option Member in five equal annual installments as provided herein, the Company, in addition to such annual installments, shall pay the Option Member additional amounts computed as if the Option Member were entitled to interest on the undistributed amount of the total distribution to which the Option Member is entitled hereunder at an annual rate equal to the annual Federal Mid-Term Rate in effect under Section 1274(d) of the Code, as determined on the 30th day after the Appraisal Date, which additional amounts, computed like interest, shall be due and payable on the same dates as the annual installments of the distribution payable to the Option Member hereunder. Any unpaid Capital Contributions of the Option Member and any damages occurring to the Company as a result of the Option Event shall be taken into account in determining the net amount due to the Option Member at the closing, and any excess of such unpaid Capital Contributions or damages over the amount due at closing shall be netted against subsequent installment payments as they become due.

(f) If at a time when the Company has an option to purchase an Option Member's Membership Interest, it is prohibited from purchasing all or any portion of such Membership Interest pursuant to the Act or any loan agreement or similar restrictive agreement, the Option Member and the remaining Members shall, to the extent permitted by law, take appropriate action to adjust the value of the Company's assets from book value to a fair valuation based on accounting practices and principles that are reasonable under the circumstances in order to permit the Company to purchase such Membership Interest. If the Company becomes obligated to purchase an Option Member's Membership Interest under this Section and the above action cannot be taken or does not create sufficient value to permit the Company to do so, the Company shall be obligated to purchase the portion of the Membership Interest it is permitted to purchase, with a proportionate reduction in the aggregate purchase price.

(g) In order to fund any obligations under this Operating Agreement, the Company or the Members may maintain such life insurance policies on the lives of one or more Members as the Members determine from time to time to be desirable.

7.05 Absolute Prohibition. Notwithstanding any other provision in this Article VII, except as otherwise set forth in this Operating Agreement, the Membership Interest of a Member, in whole or in part, or any rights to distributions therefrom, shall not be sold, exchanged, conveyed, assigned, pledged, hypothecated, subjected to a security interest or otherwise transferred or encumbered, if as a result thereof, the Company would be terminated for federal income tax purposes in the opinion of counsel for the Company or such action would result in a violation of federal and state securities laws in the opinion of counsel for the Company.

7.06 Members Acquiring Membership Interest from Company. Except as specifically provided in this Operating Agreement, no Corporation or Person who acquires a Membership Interest from the Company (other than the Members of the Company as of the date hereof) shall be admitted as a Member, except upon the consent of the Members.

7.07 Resignation. Any Member may elect to resign from the Company and to sell its entire interest in the Company to the Company at any time by serving written notice of such election

upon the Company. Such notice shall set forth the date upon which such resignation shall become effective, which shall be not less than sixty (60) days and not more than ninety (90) days from the date of such notice. The purchase price for the Resigning Member's interest in the Company shall be One Dollar (\$1.00).

7.08 Effect of Prohibited Action. Any assignment or other action in violation of this Article shall be void ab initio and of no force or effect whatsoever.

ARTICLE VIII

DISSOLUTION AND TERMINATION

8.01 Events of Dissolution. The Company shall be dissolved upon the first to occur of the following:

(a) Any event which under the Act or the Articles require dissolution for the Company, provided that the death, resignation, expulsion, bankruptcy, or dissolution of a member or occurrence of any other event that terminates the continued membership of a member in the Company shall not cause the dissolution of the Company.

(b) The unanimous written consent of the Members to the dissolution of the Company.

(c) The entry of a decree of judicial dissolution of the Company as provided in the Act.

8.02 Liquidation. Upon the dissolution for the Company, it shall wind up its affairs and distribute its assets in accordance with the Act by either or a combination of both of the following methods as the Members shall determine:

(a) Withdrawing the Company's assets and, after the payment of Company liabilities, distributing the net proceeds there from to the Member in proportion to their Membership Interests and in satisfaction thereof; and/or

(b) Distributing the Company's assets to the Members in kind with each Member accepting an undivided interest in the Company's assets, subject to its liabilities, in satisfaction of its Membership Interest. The interest conveyed to each Member in such assets shall constitute a percentage of the entire interest in such assets equal to such Member's Membership Interest.

8.03 Orderly Liquidation. A reasonable time as determined by the Members not to exceed twelve (12) 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.

8.04 Distributions. Upon liquidation, the Company 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 and the expense of liquidation, including a sales commission to the selling agent, if any, then

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

(c) Third, to the Members in proportion to their respective Membership Interests.

(d) In the event of a distribution in liquidation of the Company's property in kind, the fair market value of such property shall be determined by a qualified and disinterested M.A.I. appraiser actively engaged in appraisal work in the Richmond, Virginia area, selected by the Members (or the person or persons carrying out the liquidation), and each Member shall receive an undivided interest in such property equal to the proportion of the proceeds to which it would be entitled under the immediately preceding subsections of such property were sold at such fair market value.

8.05 Taxable Gain or Loss. Taxable income, gain or loss from the sale or distribution of Company property incurred upon or during liquidation and termination of the Company shall be allocated to the Members as provided in Section 6.08 above.

8.06 No Recourse Against Members. Except as provided by law, upon dissolution, each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of each Member, such Member shall have no recourse against any other Member.

ARTICLE IX **RECORDS, REPORTS, ETC.**

9.01 Records. The Company shall maintain and make available to the Members its records to the extent provided in the Act.

9.02 Financial and Operating Statements and Tax Returns. Within seventy-five (75) days from the close of each fiscal year of the Company, the Company shall deliver to each Member a statement setting forth such Members allocable share of all tax items of the Company for such year, and all such other information as may be required to enable each Member to prepare its federal, state and local income tax returns in accordance with all then applicable laws, rules and regulation. The Company also shall prepare and file all federal, state and local income tax returns required of it for each fiscal year.

9.03 Banking. The funds of the Company shall be kept in one or more separate bank accounts in the name of the Company in such banks or other federally insured depositories as may be designated by the Members or shall otherwise be invested in the name of the Company in such manner and upon such terms and conditions as may be designated by the Member. All withdrawals from any such bank accounts or investments established by the Member hereunder shall be made on such signature or signatures as may be authorized from time to time by all of the Members. Any account opened for the Company shall not be commingled with other funds of the Members or interested persons.

9.04 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 such Members true and lawful attorney, in 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 which 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 in order to conduct business in any such jurisdiction, to the extent the Managers deem any such filing to be necessary or desirable.

(ii) Any amendment to the Articles adopted as provided in this Operating Agreement.

(iii) Any certificates or other instruments which may be required to effectuate the dissolution and termination of the Company pursuant to the provisions of this Operating Agreement.

(b) It is expressly understood, intended and agreed by each Member for itself, its successors and assigns that the grant of the power of attorney to the Managers pursuant to subsection (a) is coupled with an interest, is irrevocable, and shall survive the death or legal incompetency of the Member or such assignment of its Membership Interests.

(c) One of the ways that the aforementioned power of attorney may be exercised is by listing the names of the Members and having the signature of the Manager or Managers, as attorney-in-fact appear with the notation that the signatory is signing as attorney-in-fact of the listed Member.

9.05 Partnership Representative.

(a) Jennifer Hunt Essary shall serve as the Partnership Representative. The Partnership Representatives shall have all of the powers and obligations set forth in this Section 9.05. The Manager shall take any and all action required under the Code or the Treasury Regulations, as in effect from time to time, to designate Jennifer Hunt Essary (including on all

applicable Company tax returns) as the Partnership Representative, unless otherwise directed by the all of the Members. The Partnership Representative and the Designated Individual (if any) shall obtain the consent and approval of all of the Members for all actions taken as the Partnership Representative or Designated Individual, as applicable. Should the person acting as the Partnership Representative or the Designated Individual (if any) either: (i) be removed or resign or no longer have the capacity to act; or (ii) fail to obtain the consent and approval from all of the Members prior to acting under this Section 9.05 at the direction of the all of the Members, and to the extent permitted by the Code, the Partnership Representative or Designated Individual, as applicable, shall take such actions as may be necessary or appropriate to resign as Partnership Representative or Designated Individual, as applicable, and the Manager shall take actions as may be necessary or appropriate to appoint a replacement Partnership Representative and/or replacement Designated Individual, as applicable, to be selected by all of the Members. References in this section to Sections 6221 through 6235 of the Code shall mean such sections as they apply to returns filed for Company taxable years beginning after December 31, 2017.

(b) Cooperation. The Manager shall cooperate with the Members in good faith to amend this Operating Agreement if the all of the Members determine that an amendment is required to maintain the intent of the parties with respect to the obligations and limitations of the Partnership Representative and/or Designated Individual.

(c) Elections and Other Actions. Solely at the direction of and with the consent of all of the Members, but to the extent permitted under the Code, the Partnership Representative and Designated Individual shall:

(i) Elect pursuant to Section 1101(g)(4) of the Budget Act to apply the provisions of Section 1101 of such act to any return of the Company filed for taxable years of the Company beginning after the date that such act was enacted but prior to January 1, 2018;

(ii) Make a Section 6221(b) election;

(iii) Cause the Company to take action pursuant to Section 6225(c) of the Code and the Treasury Regulations promulgated thereunder, including the filing of amended returns pursuant to Section 6225(c)(2) of the Code, at such times as such provision may be applicable;

(iv) Make a Section 6226(a) election;

(v) File a request for an administrative adjustment of a Company item under Section 6227 of the Code;

(vi) Commence an action for judicial review as contemplated in Section 6234 of the Code or appeal any adverse determination of a judicial tribunal;

(vii) Enter into a settlement agreement with the Internal Revenue Service which purports to bind the Company or any of the Members; or

(viii) Enter into an agreement extending the period of limitations set forth in Section 6235 of the Code.

(d) Responsibilities of Partnership Representative and Designated Individual. The Partnership Representative and Designated Individual shall fully comply with the requirements of the Partnership Audit Rules, the Treasury Regulations thereunder, and other Internal Revenue Service guidance and the Partnership shall fully indemnify the Partnership Representative and Designated Individual for undertaking such statutory responsibilities, unless (i) the actions of the Partnership Representative or Designated Individual constitute gross negligence or intentional misconduct, or (ii) the Partnership Representative or Designated Individual fails in a material way to comply with its obligations to notify the Members of any correspondence or communication to, from, or with the Internal Revenue Service (as needed to obtain the consent of all of the Members to any action or inaction in accordance with this Operating Agreement). The Partnership Representative through the Designated Individual shall represent the Company, at the Company's expense, in connection with all examinations of the Company's affairs by tax authorities and all administrative and/or judicial proceedings by the Internal Revenue Service or any government authority involving any income tax return of the Company. The Partnership Representative and Designated Individual shall promptly furnish to each Member written notice with respect to any and all correspondence or communications to, from, or with the Internal Revenue Service, including, but not limited to, conventional mail, e-mail or other internet-based communications, telephone calls, meetings, or facsimiles, and also including but not limited to the following events and actions:

- (i) The making of any Section 6221(b) election;
- (ii) The making of any Section 6226(a) election, and a copy of the applicable 6226(a) statement;
- (iii) The Company's receipt of a notice of administrative proceeding initiated at the "partnership level" (within the meaning of Section 6231(a)(1) of the Code);
- (iv) The Company's receipt of a notice of "proposed partnership adjustment" (within the meaning of Section 6231(a)(2) of the Code);
- (v) The Company's receipt of a notice of "final partnership adjustment" (within the meaning of Section 6231(a)(3) of the Code);
- (vi) The Company's filing of a "request for administrative adjustment" (within the meaning of Section 6227(a) of the Code);
- (vii) The Company's filing of any petition for judicial review;
- (viii) The Company's filing of any appeal with respect to any judicial

determination;

- (ix) Any final judicial determination; and
- (x) Any additional information required by applicable Treasury Regulations.

(e) The Members have the right to be present at all stages of administrative and/or judicial proceedings involving an income tax return of the Company and monitor or assist with, at its own cost, any such proceeding.

(f) The Partnership Representative and Designated Individual shall not be required to take any action or incur any expenses for the defense of any audit or the prosecution of any administrative or judicial remedies in its capacity as Partnership Representative unless the Company reserves sufficient funds to pay the expenses of such activities or the Partners agree on a method of funding expenses incurred in connection with such activities.

(g) Each Member shall furnish to the Partnership Representative or Designated Individual such information that the Partnership Representative or Designated Individual reasonably requires to comply with the requirements of the Code. The Partnership Representative or Designated Individual annually or more frequently (as the Partnership Representative or Designated Individual shall determine) may request from each Member and former Member and each Member and former Member shall provide such information, including, but not be limited to: (i) the Member's or former Member's current address and its taxpayer identification number; and (ii) if the Member or former Member is an S corporation, such Member's taxpayer identification and the name, address, and taxpayer identification number of each of its shareholders.

(h) Each Member is aware of the income tax consequences of the allocations made by this Operating Agreement and of its duty under Section 6222 of the Code to treat each item of Company income, gain, loss, deduction or credit in a manner that is consistent with the treatment of such items on the Company's tax return(s).

(i) This Section 9.05 shall survive termination of any Member's interest in the Company for any reason and shall be binding on all Partners, including former Partners.

(j) Tax Returns and Information. The Partners intend for the Company to be treated as a partnership, rather than as an association taxable as a corporation, for federal income tax purposes. Except as otherwise provided in this Operating Agreement, all tax elections required or permitted to be made by the Company under the Code shall be made by the Manager, subject to the consent of all of the Members. The Manager shall prepare or cause to be prepared all federal, state, and local income and other tax returns that the Company is required to file.

(k) The provisions of this Section 9.05 shall survive the termination of the Company or the termination of any Member's interest in the Company and shall remain binding on the

Members for the period of time necessary to resolve with the Internal Revenue Service or the United States Department of the Treasury any and all matters regarding the United States federal income taxation of the Company.

ARTICLE X
MISCELLANEOUS PROVISIONS

10.01 Attorneys Fees. In the event any party brings an action to enforce any provisions of this Operating Agreement, whether such action is at law, in equity or otherwise, and such party prevails in such action, such party shall be entitled, in addition to any other rights or remedies available to it, to collect from the non-prevailing party or parties the reasonable costs and expenses incurred in the investigation preceding such action and the prosecution of such action, including but not limited to reasonable attorney's fees and court costs.

10.02 Notices. Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required 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, addressed to the Company at its principal office from time to time and to any other Person at its address as it appears on the records of the Company from time to time, with postage thereon prepaid. Notice to a Person may also be given personally or by telegram or telecopy sent to its address as it appears on the records of the Company. The address of the Members as shown on the records of the Company shall originally be those set forth in Article III hereof. Any Person may change its address as shown on the records of the Company by delivering written notice to the Company in accordance with this Section.

10.03 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.

10.04 Amendments. No amendment or modification of this Operating Agreement shall be effective except upon the unanimous written consent of the Members.

10.05 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, and vice versa.

10.06 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.

10.07 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.

10.08 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.

10.09 Severability. If any provisions of the Operating Agreement of 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.

10.10 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.

10.11 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company.

10.12 Electronic 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. This Operating Agreement may be executed electronically. Without limiting the generality of the foregoing, delivery of an executed signature page to this Operating Agreement by email attachment, or other means of electronic transmission with authorization to attach it to this Operating Agreement, or any other means of electronic transmission used to obtain an electronic signature shall be deemed to have the same legal effect as delivery of an original manually executed (i.e. affixed by hand) counterpart. Each party hereto shall become bound by this Operating Agreement immediately upon affixing its signature hereto, independently or the signature of any other party to this Operating Agreement.

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

10.14 Normandy Provisions. That certain Employment Agreement dated October 30, 2015, made by and among E. Solarz, Genesis Properties, Inc. (“Genesis”) and Genesis Investment Partners, LLC, as subsequently amended by that certain Addendum to Employment Agreement dated as of October 1, 2018 and that certain Second Addendum to Employment Agreement (as so amended, the “E. Solarz Employment Agreement”) sets forth additional provisions, incorporated herein by this reference, which govern the Membership Interest of Normandy II LLC (“Normandy”), including, without limitation Normandy’s share of distributions of the Company’s net cash flow or capital proceeds and distributions upon liquidation of the Company and the rights of Normandy with respect to its Membership Interest upon termination of E. Solarz’s employment with Genesis. The Normandy E. Solarz Employment Agreement provides

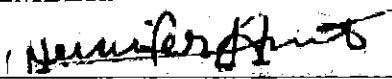
that Normandy shall have no consent, approval or voting rights as a result of its Membership Interest in the Company and (ii) unless specifically set forth in writing, Normandy shall have no authority to act on behalf of the Company (the “Authority Restrictions”). The Members hereby agree that so long as E. Solarz is a Manager of the Company, the Authority Restrictions will not apply. Transfers of Normandy’s Membership Interest are subject to and must comply with the provisions of the E. Solarz Employment Agreement. The Members hereby agree that to the extent that the provisions of the E. Solarz Employment Agreement conflict with the provisions of this Operating Agreement, the provisions of the E. Solarz Employment Agreement shall govern Normandy’s rights and obligations with respect to Normandy’s Membership Interest.

10.15 Maury DeFreitas Provisions. That certain Employment Agreement dated effective as of August 21, 2020, made by and between Maury DeFreitas (“M. DeFreitas”) and Genesis, as amended by that certain First Addendum to Employment Agreement (as so amended, the “M. DeFreitas Employment Agreement”) sets forth additional provisions, incorporated herein by this reference, which govern the Membership Interest of M. DeFreitas, including, without limitation M. DeFreitas’ share of distributions of the Company’s net cash flow or capital proceeds and distributions upon liquidation of the Company and the rights of M. DeFreitas with respect to his Membership Interest upon termination of his employment with Genesis. Transfers of M. DeFreitas’ Membership Interest are subject to and must comply with the provisions of the M. DeFreitas Employment Agreement. The Members hereby agree that to the extent that the provisions of the M. DeFreitas Employment Agreement conflict with the provisions of this Operating Agreement, the provisions of the M. DeFreitas Employment Agreement shall govern M. DeFreitas’ rights and obligations with respect to M. DeFreitas’ Membership Interest.

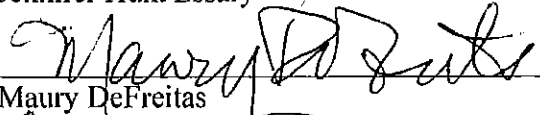
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SIGNATURES APPEAR ON NEXT PAGE]**

The undersigned, being all the Members of the Company, hereby agree, acknowledge and certify that the forgoing Operating Agreement constitutes the sole and entire Operating Agreement of the Company, unanimously adopted by the Members of the Company as of the date first written above.

MEMBERS:



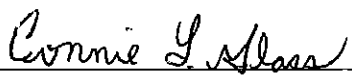
Jennifer Hunt Essary



Maury DeFreitas



Christine R. Stevens



Connie L. Glass




Laura H. Hopson




Winnie Spaulding

Normandy II LLC,
a Virginia limited liability company

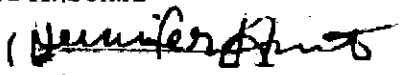
By: 

Edward K. Solarz, Manager

MANAGERS:



Edward K. Solarz



Jennifer Hunt Essary

**OPERATING AGREEMENT
OF
VST SWANSBORO LLC**

THIS OPERATING AGREEMENT, dated this 10th day of September, 2020, by VST Swansboro Limited Partner LLC and VST Swansboro Managing Member LLC, all of the members of VST Swansboro LLC, a Virginia limited liability company (the "Company"), provides as follows:

RECITALS:

A. The undersigned parties have caused the Company to be organized as a limited liability company under the laws of the Commonwealth of Virginia pursuant to the Articles of Organization of the Company filed with the State Corporation Commission (the "SCC").

B. The undersigned parties desire to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, covenants and conditions herein contained, the parties do hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS

1.01 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 13.1-1000 et seq., as amended and in force from time to time.

(b) Articles shall mean the articles of organization of the Company, as amended and in force from time to time.

(c) Capital Account shall mean as of any given date the amount calculated and maintained by the Company for each Member as provided in Section 6.04 hereof.

(d) 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. "Initial Capital Contribution" shall mean the initial contribution to the capital of the Company of a Member pursuant to this Operating Agreement.

(e) Code shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

(f) Company shall refer to VST Swansboro LLC.

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

(h) Majority Interest shall mean Members owning more than 50% of the Interests owned by all of the Members (or other specified group of Members) on the day for any determination requiring approval of a Majority Interest.

(i) Manager shall mean a manager of the Company, whose rights, powers and duties are specified in Article V hereof.

(j) Member shall mean any Corporation or Person that is specifically identified as a Member in Article III hereof or is admitted as a Member (either as transferee of a Membership Interest or as an additional Member) as provided in Article VII hereof. A Corporation or Person shall cease to be a Member at such time as that Corporation or Person no longer owns any Membership Interest.

(k) Membership Interest shall mean the ownership interest of a Member in the Company, which may be expressed as a percentage equal to such Members Capital Account divided by the aggregate Capital Account of all Members. The Membership Interest may be recorded from time to time on a schedule attached to this Operating Agreement.

(l) Operating Agreement shall mean this Operating Agreement, as originally executed and as amended from time to time.

(m) Corporation shall mean any corporation duly organized under the laws of its applicable jurisdiction, and active and in good standing within that jurisdiction.

(n) 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 admits.

ARTICLE II

PURPOSES AND POWERS OF COMPANY

2.01 Purpose. The initial purpose of the Company shall be to purchase, develop and maintain real property. The Company shall be entitled to engage in any other business not prohibited by

the Act or the Articles.

2.02 Powers. The Company shall have all powers and rights of a limited liability company organized under the Act, to the extent such powers and rights are not prescribed by the Articles.

ARTICLE III
NAMES, ADDRESSES AND PERCENTAGE
OWNERSHIP OF MEMBERS: PRINCIPAL OFFICE

3.01 Names and Address. The names, addresses and percentage ownership of the members are as follows:

<u>Name and Address</u>	<u>Percentages</u>
VST Swansboro Managing Member LLC 101 W Commerce Road 2 nd Floor Richmond, VA 23224	00.01%
VST Swansboro Limited Partner LLC 101 W Commerce Road 2 nd Floor Richmond, VA 23224	99.99%

3.02 Principal Office. The principal office of the Company shall initially be at 101 West Commerce Road, 2nd Floor, Richmond, Virginia 23224. The principal office may be changed from time to time by the Members.

ARTICLE IV
VOTING POWERS, MEETINGS, ETC. OF MEMBER

4.01 In General. The Members shall not be entitled to participate in the day-to-day affairs and management of the Company, but instead, the Members right to vote or otherwise participate with respect to matters relating the Company shall be limited to those matters as to which the express terms of the Act, the Articles or this Operating Agreement vest in the Members the right to so vote or otherwise participate.

4.02 Actions Requiring Approval of Members.

(a) Notwithstanding any other provision of this Operating Agreement, the approval of the Members shall be required in order for any of the following actions to be taken on behalf of the Company:

- (i) Amending the Articles or this Operating Agreement in any manner that materially alters the preferences, privileges or relative rights of Members.
- (ii) Electing the Managers as provided in Article V hereof.
- (iii) Taking any action which would make it impossible to carry on the ordinary business of the Company.
- (iv) Confessing a judgment against the Company in excess of \$5,000.00.
- (v) Filing or consenting to filing a petition for or against the Company under any federal or state bankruptcy, insolvency or reorganization act.
- (vi) Loaning company funds in excess of \$25,000 or for a term in excess of one year to any Member.

(b) Unless the express terms of this Operating Agreement specifically provide otherwise, the affirmative vote of the Members holding a majority of the Membership Interest shall be necessary and sufficient in order to approve or consent to any of the matters set forth in Section 4.02(a) above or any other matters which require the approval or consent of the Members.

4.03 Action by Members. In exercising their rights as provided above, the Members shall act collectively through meetings and/or written consents as provided in this Article.

4.04 Annual Meeting. At the request of one or more Members, an annual meeting of the Members may be held on the second Tuesday in December of each year at 10:00 a.m., or at such other time as shall be determined by the Members for the purpose of the transaction of such business as may come properly before the meeting.

4.05 Special Meetings. Special Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, shall be called at the request of any Member.

4.06 Place of Meetings. The place of any meeting of the Members shall be the principal office of the Company, unless another place is designated by the Member or Members calling the meeting, and if such place is not within the City of Richmond, Virginia, such other meeting place as is consented to by the all other Members.

4.07 Notice of Special Meetings. Written notice stating the place, day and hour of any special meeting of the Members as well as to the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the Person or Persons calling the meeting, to each Member, unless the Act or the Articles require different notice.

4.08 Conduct of Meetings. All meetings of the Members shall be presided over by a chairman of the meeting (the Company's President, if one is elected), who shall be designated by the Members. The chairman of any meeting of Members shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seen to it in order, and shall appoint a secretary (the Company's Secretary, if one is elected) of such meeting to take minutes thereof.

ARTICLE V
MANAGERS

5.01 Powers of Managers. Except, as expressly provided otherwise in the Act, the Articles or this Operating Agreement, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by, one or more Managers. The powers so exercised shall include but not be limited to the following:

- (a) Entering into, making and performing contracts, agreements and other undertakings binding the Company that may be necessary, appropriate or advisable in furtherance of the purposes of the Company.
- (b) Opening and maintaining bank accounts, investment accounts and other arrangements, drawing checks and other orders for the payment of money, and designating individuals with authority to sign or give instructions with respect to those accounts and arrangements. Company funds shall not be commingled with funds from other sources and shall be used solely for the business of the Company.
- (c) Collecting of funds due to the Company.
- (d) Acquiring, utilizing for the Company's purposes, maintaining and disposing of any assets of the Company.
- (e) To the extent that funds of the Company are available, paying debts and obligations of the Company.
- (f) Borrowing money or otherwise committing the credit of the Company for Company activities, and voluntary prepaying or extending any such borrowings.
- (g) Employing from time to time persons, firms or corporations for the operation and management of various aspects of the Company's business, including, without limitation, managing agents, contractors, subcontractors, architects, engineers, laborers, suppliers, accountants and attorneys on such terms and for such compensation as the Managers shall determine, notwithstanding the fact that the Managers or any Member may have a financial interest in such firms or corporations.
- (h) Making elections available to the Company under the Code.
- (i) Registering the Company as a tax shelter with the Secretary of the Treasury and furnishing to such Secretary lists of investors in the Company, if required pursuant to the applicable provisions of the Code.

(j) Obtaining general liability, property and other insurance for the Company, as the Managers deem proper.

(k) Obtaining life insurance on the Managers and/or the Founding Members upon such terms and in such amounts as the Managers deem proper.

(l) Taking such actions as may be directed by the Members in furtherance of their approval of any matter set forth in Section 4.02 hereof.

(m) Doing and performing all such things and executing, acknowledging and delivering any and all such instruments as may be in furtherance of the Company's purposes and necessary and appropriate to the conduct of its business.

5.02 Initial Manager. Members hereby unanimously elect VST Swansboro Managing Member LLC as the initial Manager. VST Swansboro Managing Member LLC shall serve as Manager until its respective successor(s) has been duly elected and qualified.

5.03 Action by Two or More Managers. Unless otherwise expressly provided by the Act, the Articles, or the terms of this Operating 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 Operating Agreement.

5.04 Executing of Documents and Other Actions. The Managers may delegate to one or more of their number the authority to execute any documents or take any other action deemed necessary or desirable in furtherance of any action that they have authorized on behalf of the Company. As of the date hereof, the Members and the Manager delegate to E. Solarz, the authority to act an Authorized Signatory of the Company for purposes of entering into contracts.

5.05 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 Operating Agreement to Managers shall be deemed to refer to such single Manager.

5.06 Reliance by Other Persons. Any Person dealing with the Company, other than a Member, may rely on the authority of a particular Manager or Managers in taking any action in the name of the Company, if such Manager or Managers provide to such Person a copy of the applicable provision of this Operating Agreement and/or the resolution or written consent of the Managers or Members granting such authority, certified in writing by such Manager or Managers to be genuine and correct and not to have been revoked, superseded or otherwise amended.

5.07 Manager's Expenses and Fees. A Manager shall be entitled, but not required, to receive a reasonable guaranteed payment for services rendered on behalf of the Company or in its capacity as the Manager. The amount of such payment shall be determined by the Managers and

consented to by the Members, which consent shall not be unreasonably withheld. The Company shall reimburse any Manager for reasonable out-of-pocket expenses which were or are incurred by the Manager on behalf of the Company with respect to the start-up or operation of the Company, the on-going conduct of the Company's business, or the dissolution and winding up of the Company and its business.

5.08 Indemnification. The Company shall indemnify each Manager, whether serving the Company or, at its request, any other Entity, to the full extent permitted by the Act. The foregoing rights of indemnification shall not be exclusive of any other rights to which the Managers may be entitled. The Managers may, upon the approval of the Members, take such action as is necessary to carry out these indemnification provisions and may adopt approve and amend from time to time such resolutions or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law.

5.09 Liability of Managers. So long as the Managers act in good faith with respect to the conduct of the business and affairs of the Company, no Manager shall be liable or accountable to the Company or to any of the Members, in damages or otherwise, for any error of judgment, for any mistake of fact or of law, or for any other act or thing which it may do or refrain from doing in connection with the businesses and affairs of the Company, except for willful misconduct or gross negligence or breach of fiduciary duty, and further except for breaches of contractual obligations or agreements between the Managers and the Company.

ARTICLE VI
CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS

6.01 Initial Capital Contributions. Each initial Member shall contribute in cash or by bank check, property or services as its initial Capital Contribution the following:

VST Swansboro Managing Member LLC	\$1.00
VST Swansboro Limited Partner LLC	\$99.00
Total	\$100.00

The initial Capital Contribution to be made by any Corporation or Person who after the date hereof is admitted as a Member and acquires its Membership Interest from the Company shall be determined by the unanimous consent of the Members.

6.02 Additional Capital Contributions. No Member shall be required to make any capital contribution in addition to its initial Capital Contribution, except upon the unanimous consent of the Members.

6.03 Interests and Return of Capital Contribution. No Member shall receive any interest on its Capital Contribution. Except as otherwise expressly provided for herein, the Members shall not

be allowed to withdraw or have refunded any Capital Contribution.

6.04 Capital Accounts. Separate Capital Accounts shall be maintained for each Member in accordance with the following provisions:

(a) To each Member's Capital Account there shall be credited the fair market value of such Member's Initial Capital Contribution and any additional Capital Contributions, such Member's distributive share of profits, and the amount of any Company liabilities that are assumed by such Member.

(b) To each Member's Capital Account there shall be debited the amount of cash and the fair market value of any Property distributed to such Member pursuant to any provision of this Operating Agreement, such Members' distributive share of losses, and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company.

(c) The Capital Account shall also include a pro rata share of the fair market value of any property contributed by a person who is not a Member, such value to be the same value reported for federal gift tax purposes if a gift tax return is filed, and if not, the value in the case of the real property shall be determined by an independent M.A.I. appraiser actively engaged in appraisal work in the area where such property is located and selected by the Managers, and otherwise by the certified public accountant or accountants then serving the Company.

(d) If any Member makes a non-pro rata Capital Contribution to the Company or the Company makes a non-pro rata distribution to any Member, the Capital Account of each Member shall be adjusted to reflect the then fair market value of the assets held by the Company immediately before the Capital Contribution or distribution.

6.05 Loans to the Company. If the Company has insufficient funds to meet its obligations as they come due and to carry out its routine, day-to-day affairs, then, in lieu of obtaining required funds from third parties or selling its assets to provide required funds, the Company may, but shall not be required to, borrow necessary funds from one or more of the Members as designated by the Managers; provided that the terms of such borrowing shall be commercially reasonable and the Company shall not pledge its assets to secure such borrowing.

6.06 Effect of Sale or Exchange. In the event of a permitted sale or other transfer of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent they relate to the transferred Membership Interest.

6.07 Distributions. All distributions of cash or other property (except upon the Company's dissolution, which shall be governed by the applicable provisions of the Act and Article VIII hereof) shall be made to the Members in proportion to their respective Membership Interests. All distributions of cash or property shall be made at such time and in such amounts as determined by the Members. 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.

6.08 Allocations. All items of income, gain, loss, deduction and credit, whether resulting from the Company's operations or in connection with its dissolution shall be allocated to the Members for federal, state and local income tax purposes in proportion to their respective Membership Interests.

ARTICLE VII

ASSIGNMENT; RESIGNATION

7.01 Assignment Generally. Except as provided in Sections 7.02, 7.03 and 7.04 of this Operating Agreement, each Member hereby covenants and agrees that it will not sell, assign, transfer, mortgage, pledge, encumber, hypothecate or otherwise dispose of all or any part of its interest in the Company to any person, firm, corporation, trust or other entity without first offering in writing to sell such interest to the Company. The Company shall have the right to accept the offer at any time during the 30 days following the date on which the written offer is delivered to the Company. The consent of all of the Managers shall be required to authorize the exercise of such option by the Company. If the Company shall fail to accept the offer within the 30 day period, such interest may during the following 60 days be disposed of free of the restrictions imposed by this Operating Agreement; provided, however, that the purchase price for such interest shall not be less and the terms of the purchase for such interest shall not be more favorable than the purchase price and terms of purchase that would have been applicable to the Company had the Company purchased the interest; provided further that the purchaser shall first become a Member pursuant to this Operating Agreement; and provided further that any interest not so disposed of within the 60-day period shall thereafter remain subject to the terms of this Operating Agreement. Notwithstanding the preceding sentence, except as set forth in Section 7.02 below, no assignee of a Membership Interests shall become a Member of the Company except upon the consent of a majority in interest of the non-assigning Members.

7.02 Permitted Transfers. Notwithstanding Section 7.01, a Member shall not be required to offer to sell its Membership Interest to the Company prior to transferring its Membership Interest to its spouse or any of its descendants, to a revocable trust under which it is the beneficiary, or to a trust the sole beneficiaries of which are one or more of the Member, its spouse and its descendants, provided that such transfer is by way of inter vivos gift or testamentary or intestate succession (each a "Permitted Transferee"). Any assignee of a Membership Interest that is (i) a Permitted Transferee, and (ii) a descendant of Robert D. Hunt or Jennifer S. Hunt or is a trust for benefit of one or more of such descendants, shall automatically become a Member of the Company, and any other assignee of a Membership Interest that is a Permitted Transferee shall become a Member of the Company only upon the consent of all of the non-assigning Managers, or if there are no non-assigning Managers, upon the consent of a Majority Interest of the non-assigning Members.

7.03 Transfer from Custodianships. Notwithstanding Section 7.01, any Membership Interest that is held by a guardian or a custodian for an individual under the laws of the Commonwealth of Virginia or any other state shall be fully transferable and assignable to the minor, without an offer being made to the Company, when the individual reaches the age of termination of such custodianship or guardianship under the applicable statute.

7.04 Purchaser of Certain Memberships.

(a) If an Option Event (as defined below) occurs with respect to any Member (an Option Member), the Company shall have the option to purchase the Option Members Membership Interests upon the terms and conditions set forth in this Section 7.04. For purposes of the foregoing, an Option Event shall mean the (i) the death of a Member, (ii) the inability of a Member to pay its debts generally as they become due, (iii) any assignment by a Member for the benefit of its creditors, (iv) the filing by a Member of a voluntary petition in bankruptcy or similar insolvency proceeding, or (v) the filing against a Member of an involuntary petition in bankruptcy or similar insolvency proceedings that is not dismissed within ninety (90) days thereafter. The term Option Member shall include an Option Member's personal representative or trustee in bankruptcy, to the extent applicable.

(b) Upon any Option Event occurring to an Option Member, the Option Member or its personal representative, if the Option Member is incapable of serving notice, shall deliver written notice of the occurrence of such Option Event to the Company. The Company shall have the option, but not the obligation, to purchase the Option Member's Membership Interest at any time during the sixty (60) day period immediately following the date on which it receives notice of the occurrence of the Option Event. Such option shall entitle the Company to purchase such Membership Interest for the fair market value of such Membership Interests. The fair market value of the interest shall be the amount that the Option Member would receive in exchange for its entire interest in the Company if the Company sold all of its assets, subject to their liabilities, at their fair market value as of the date on which the Option Event occurred and distributed the net proceeds from such sale in complete liquidation of the Company. The consent of all the Members excluding the Option Member, shall be required to authorize the exercise of such option by the Company. Such option must be exercised by delivery of a written notice from the Company to the Option Member during the aforementioned period. Upon delivery of such notice the exercise of such option shall be final and binding on the Company and the Option Member.

(c) If the foregoing option is not exercised, the business of the Company shall continue, and the Option Member shall retain its Membership Interest.

(d) The fair market value of the Option Member's Membership Interest shall be determined as expeditiously as possible by a disinterested certified public accountant (CPA) mutually selected by the Option Member and the Company (the Company's selection being made by the Members). If the Option Member and the Company are unable to agree on a disinterested CPA, then the Option Member and the Company shall each select a disinterested

CPA and if the disinterested CPAs selected are not able to agree as to the fair market value of the interest, then the two disinterested CPAs shall select a third disinterested CPA who shall determine the fair market value. The determination of the fair market value of the Option Member's Membership Interest by the CPA or CPAs shall be conclusive and binding on all parties. All costs of a CPA mutually selected by the Option Member and the Company or the two disinterested CPAs shall be shared equally by the Option Member and the Company. All costs of an individually selected CPA shall be borne by the parties selecting such CPAs.

(e) If the option to purchase the Option Member's Membership Interest is exercised by the Company, then not later than thirty (30) days after the date on which the appraisal described above is complete (the "Appraisal Date"), the Company shall make a distribution of property (which may be cash or other assets of the Company) to the Option Member with a value equal in amount to the fair market value of the Option Member's Membership Interest; provided, however, that at the election of the Company, such distribution to the Option Member may be made in five (5) equal annual installments, the first of which shall be made on the thirtieth (30) day after the Appraisal Date and one of which shall be made on the same date in each of the four years thereafter, provided, further, however, that notwithstanding an election by the Company to make the distribution to the Option Member in five equal annual installments, the Company may accelerate without penalty all of such installments at any time or any part of such installment at any time. If the Company elects to make distributions to the Option Member in five equal annual installments as provided herein, the Company, in addition to such annual installments, shall pay the Option Member additional amounts computed as if the Option Member were entitled to interest on the undistributed amount of the total distribution to which the Option Member is entitled hereunder at an annual rate equal to the annual Federal Mid-Term Rate in effect under Section 1274(d) of the Code, as determined on the 30th day after the Appraisal Date, which additional amounts, computed like interest, shall be due and payable on the same dates as the annual installments of the distribution payable to the Option Member hereunder. Any unpaid Capital Contributions of the Option Member and any damages occurring to the Company as a result of the Option Event shall be taken into account in determining the net amount due to the Option Member at the closing, and any excess of such unpaid Capital Contributions or damages over the amount due at closing shall be netted against subsequent installment payments as they become due.

(f) If at a time when the Company has an option to purchase an Option Member's Membership Interest, it is prohibited from purchasing all or any portion of such Membership Interest pursuant to the Act or any loan agreement or similar restrictive agreement, the Option Member and the remaining Members shall, to the extent permitted by law, take appropriate action to adjust the value of the Company's assets from book value to a fair valuation based on accounting practices and principles that are reasonable under the circumstances in order to permit the Company to purchase such Membership Interest. If the Company becomes obligated to purchase an Option Member's Membership Interest under this Section and the above action cannot be taken or does not create sufficient value to permit the Company to do so, the Company shall be obligated to purchase the portion of the Membership Interest it is permitted to purchase, with a proportionate reduction in the aggregate purchase price.

(g) In order to fund any obligations under this Operating Agreement, the Company or the Members may maintain such life insurance policies on the lives of one or more Members as the Members determine from time to time to be desirable.

7.05 Absolute Prohibition. Notwithstanding any other provision in this Article VII, except as otherwise specifically set forth in this Agreement, the Membership Interest of a Member, in whole or in part, or any rights to distributions therefrom, shall not be sold, exchanged, conveyed, assigned, pledged, hypothecated, subjected to a security interest or otherwise transferred or encumbered, if, as a result thereof, the Company would be terminated for federal income tax purposes in the opinion of counsel for the Company or such action would result in a violation of federal and state securities laws in the opinion of counsel for the Company.

7.06 Members Acquiring Membership Interest from Company. Except as specifically provided in this Agreement, no Corporation or Person who acquires a Membership Interest from the Company (other than the Members of the Company as of the date hereof) shall be admitted as a Member, except upon the consent of the Members.

7.07 Resignation. Any Member may elect to resign from the Company and to sell its entire interest in the Company to the Company at any time by serving written notice of such election upon the Company. Such notice shall set forth the date upon which such resignation shall become effective, which shall be not less than sixty (60) days and not more than ninety (90) days from the date of such notice. The purchase price for the Resigning Member's interest in the Company shall be One Dollar (\$1.00).

7.08 Effect of Prohibited Action. Any assignment or other action in violation of this Article shall be void ab initio and of no force or effect whatsoever.

ARTICLE VIII

DISSOLUTION AND TERMINATION

8.01 Events of Dissolution. The Company shall be dissolved upon the first to occur of the following:

(a) Any event which under the Act or the Articles require dissolution for the Company, provided that the death, resignation, expulsion, bankruptcy, or dissolution of a member or occurrence of any other event that terminates the continued membership of a member in the Company shall not cause the dissolution of the Company.

(b) The unanimous written consent of the Members to the dissolution of the Company.

(c) The entry of a decree of judicial dissolution of the Company as provided in the Act.

8.02 Liquidation. Upon the dissolution for the Company, it shall wind up its affairs and distribute its assets in accordance with the Act by either or a combination of both of the following methods as the Members shall determine:

(a) Withdrawing the Company's assets and, after the payment of Company liabilities, distributing the net proceeds there from to the Member in proportion to their Membership Interests and in satisfaction thereof; and/or

(b) Distributing the Company's assets to the Members in kind with each Member accepting an undivided interest in the Company's assets, subject to its liabilities, in satisfaction of its Membership Interest. The interest conveyed to each Member in such assets shall constitute a percentage of the entire interest in such assets equal to such Member's Membership Interest.

8.03 Orderly Liquidation. A reasonable time as determined by the Members not to exceed twelve (12) 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.

8.04 Distributions. Upon liquidation, the Company 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 and the expense of liquidation, including a sales commission to the selling agent, if any, then

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

(c) Third, to the Members in proportion to their respective Membership Interests.

(d) In the event of a distribution in liquidation of the Company's property in kind, the fair market value of such property shall be determined by a qualified and disinterested M.A.I. appraiser actively engaged in appraisal work in the Richmond, Virginia area, selected by the Members (or the person or persons carrying out the liquidation), and each Member shall receive an undivided interest in such property equal to the proportion of the proceeds to which it would be entitled under the immediately preceding subsections of such property were sold at such fair market value.

8.05 Taxable Gain or Loss. Taxable income, gain or loss from the sale or distribution of Company property incurred upon or during liquidation and termination of the Company shall be

allocated to the Members as provided in Section 6.08 above.

8.06 No Recourse Against Members. Except as provided by law, upon dissolution, each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of each Member, such Member shall have no recourse against any other Member.

ARTICLE IX **RECORDS, REPORTS, ETC.**

9.01 Records. The Company shall maintain and make available to the Members its records to the extent provided in the Act.

9.02 Financial and Operating Statements and Tax Returns. Within seventy-five (75) days from the close of each fiscal year of the Company, the Company shall deliver to each Member a statement setting forth such Members allocable share of all tax items of the Company for such year, and all such other information as may be required to enable each Member to prepare its federal, state and local income tax returns in accordance with all then applicable laws, rules and regulation. The Company also shall prepare and file all federal, state and local income tax returns required of it for each fiscal year.

9.03 Banking. The funds of the Company shall be kept in one or more separate bank accounts in the name of the Company in such banks or other federally insured depositories as may be designated by the Members or shall otherwise be invested in the name of the Company in such manner and upon such terms and conditions as may be designated by the Member. All withdrawals from any such bank accounts or investments established by the Member hereunder shall be made on such signature or signatures as may be authorized from time to time by the majority consent of the Members. Any account opened for the Company shall not be commingled with other funds of the Members or interested persons.

9.04 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 such Members true and lawful attorney, in 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 which 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 in order to conduct business in any such jurisdiction, to the extent the Managers deem any such filing to be necessary or desirable.

(ii) Any amendment to the Articles adopted as provided in this Operating

Agreement.

(iii) Any certificates or other instruments which may be required to effectuate the dissolution and termination of the Company pursuant to the provisions of this Operating Agreement.

(b) It is expressly understood, intended and agreed by each Member for itself, its successors and assigns that the grant of the power of attorney to the Managers pursuant to subsection (a) is coupled with an interest, is irrevocable, and shall survive the death or legal incompetency of the Member or such assignment of its Membership Interests.

(c) One of the ways that the aforementioned power of attorney may be exercised is by listing the names of the Members and having the signature of the Manager or Managers, as attorney-in-fact appear with the notation that the signatory is signing as attorney-in-fact of the listed Member.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.01 Attorneys Fees. In the event any party brings an action to enforce any provisions of this Agreement, whether such action is at law, in equity or otherwise, and such party prevails in such action, such party shall be entitled, in addition to any other rights or remedies available to it, to collect from the non-prevailing party or parties the reasonable costs and expenses incurred in the investigation preceding such action and the prosecution of such action, including but not limited to reasonable attorney's fees and court costs.

10.02 Notices. Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required 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, addressed to the Company at its principle office from time to time and to any other Person at its address as it appears on the records of the Company from time to time, with postage thereon prepaid. Notice to a Person may also be given personally or by telegram or telecopy sent to its address as it appears on the records of the Company. The address of the Members as shown on the records of the Company shall originally be those set forth in Article III hereof. Any Person may change its address as shown on the records of the Company by delivering written notice to the Company in accordance with this Section.

10.03 Application of Virginia Law. This 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.

10.04 Amendments. No amendment or modification of this Operating Agreement shall be effective except upon the unanimous written consent of the Members.

10.05 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, and vice versa.

10.06 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.

10.07 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.

10.08 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.

10.09 Severability. If any provisions of the Operating Agreement of 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.

10.10 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.

10.11 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company.

10.12 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.

10.13 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 prior and contemporaneous negotiations, conversations, discussions, correspondence, memoranda and agreements between the parties concerning such subject matter.

10.14 Specific Authorizations. The Company is authorized to execute and submit applications for the reservation/allocation of low-income housing tax credits allowed for low-income housing projects pursuant to Section 42 of the Internal Revenue Code, and Jennifer S. Hunt and E. Solarz are each authorized, acting alone, to execute such application and all certificates, affidavits and instruments required in connection therewith. The undersigned, being all the Members of the Company, hereby agree, acknowledge and certify that the forgoing Operating Agreement

constitutes the sole and entire Operating Agreement of the Company, unanimously adopted by the Members of the Company as of the date first written above.

10.14 Normandy Provisions. That certain Employment Agreement dated October 30, 2015, made by and among E. Solarz and Genesis Properties, Inc. and Genesis Investment Partners, LLC, as subsequently amended by that certain Addendum to Employment Agreement dated as of October 1, 2018 (as so amended, the “Employment Agreement”) sets forth additional provisions, incorporated herein by this reference, which govern the Membership Interest of Normandy, including, without limitation Normandy’s share of distributions of the Company’s net cash flow or capital proceeds and distributions upon liquidation of the Company (the “Normandy Governing Provisions”). The Normandy Governing Provisions include the following additional provisions: (a) (i) Normandy shall have no consent, approval or voting rights as a result of its Membership Interest in the Company (notwithstanding anything contained in this Agreement to the contrary) and(ii) unless specifically set forth in writing, Normandy shall have no authority to act on behalf of the Company (the “Authority Restrictions”); and (b) transfers of Normandy’s Membership Interest are subject to and must comply with the provisions of the Employment Agreement (the “Transfer Restrictions”). The Members hereby agree that (i) so long as E. Solarz is a Manager of the Company, the Authority Restrictions will not apply and (ii) to the extent that the Transfer Restrictions conflict with the provisions of Section 7.01 and 7.02 of this Agreement, the Transfer provisions shall govern the transfer of Normandy’s Membership Interest.

**[BALANCE OF PAGE INTENTIONALLY BLANK -
SIGNATURES APPEAR ON NEXT PAGE]**

The undersigned, being all the Members of the Company, hereby agree, acknowledge and certify that the forgoing Operating agreement constitutes the sole and entire Operating Agreement of the Company, unanimously adopted by the Members of the Company as of the date first written above.

MEMBERS


Signatures of Partners

VST Swansboro Managing Member LLC

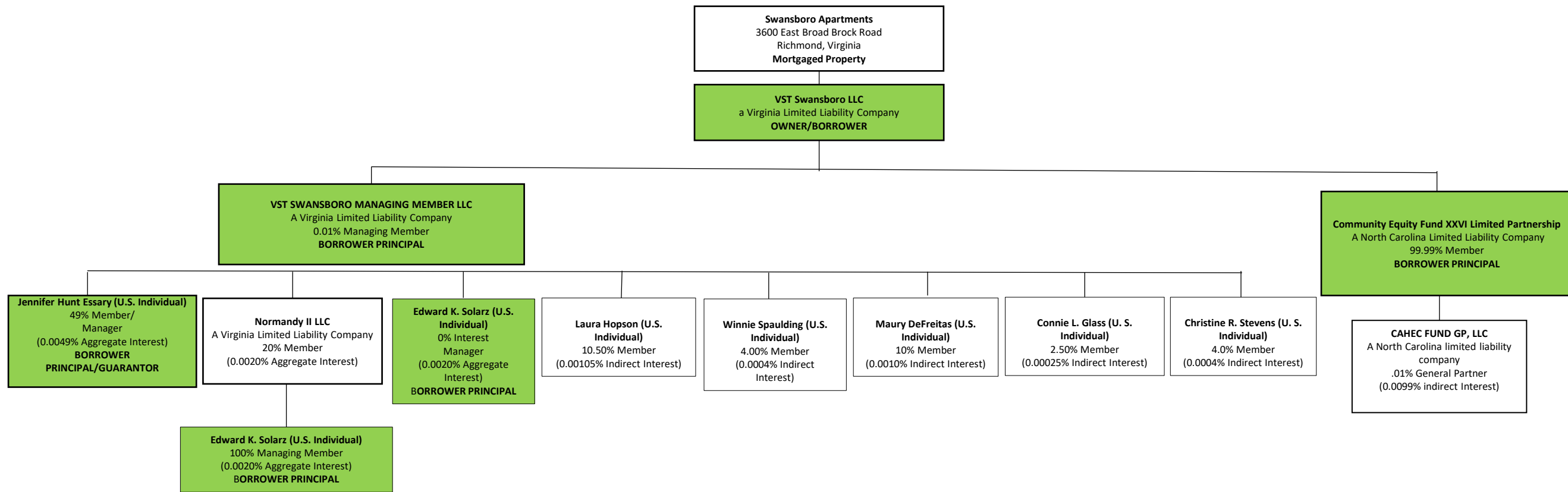
By: 
Jennifer S. Hunt, Co-Manager

By: 
Edward K. Solarz, Co-Manager

VST Swansboro Limited Partner LLC

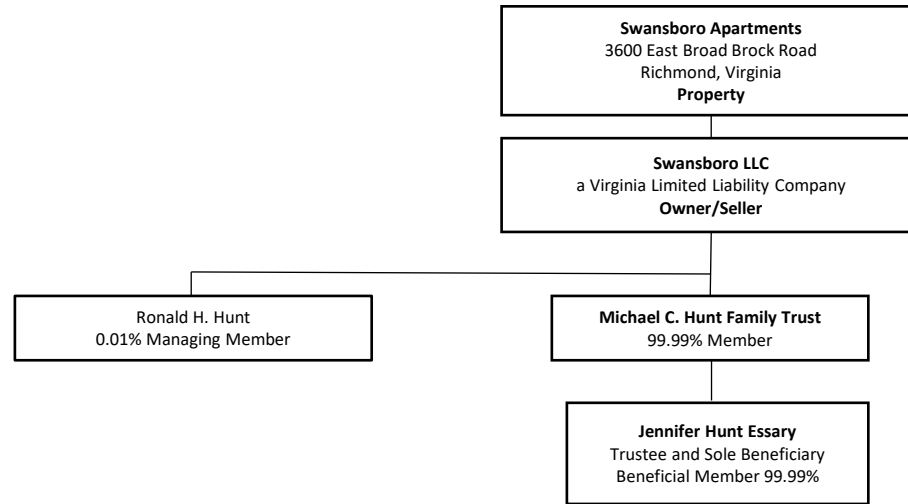
By: 
Jennifer S. Hunt, Co-Manager

By: 
Edward K. Solarz, Co-Manager



Except as otherwise shown, no U. S. Individual or entity holds a 25% or greater aggregate direct or indirect interest in Borrower.
 Except as otherwise shown, no non-U. S. Individual or entity holds a 10% or greater aggregate direct or indirect interest in Borrower.

Supplemental Information Site & Seller Tab, Seller Principals



Except as otherwise shown, no U. S. Individual or entity holds a 25% or greater aggregate direct or indirect interest in Borrower.
Except as otherwise shown, no non-U. S. Individual or entity holds a 10% or greater aggregate direct or indirect interest in Borrower.

DEVELOPMENT AGREEMENT

This Development Agreement (the “*Agreement*”), dated and effective as of March 7, 2022, is made by and between VST Swansboro LLC, a Virginia limited liability company (the “*Company*”), and Genesis Properties Development, LLC, a Virginia limited liability company (the “*Developer*”).

The Company was formed for the purpose of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a residential project located in Richmond, Virginia (the “*Project*”). The Company is operating pursuant to a First Amended and Restated Operating Agreement to which this Agreement is attached as an exhibit (the “*Operating Agreement*”).

The Company and the Developer desire to enter into a written agreement with respect to certain services related to the development of the Project and to ratify the provision of certain services prior to the date hereof. Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

1. ***Appointment and Term.*** The Company hereby appoints the Developer to render services in overseeing the development of the Project for the Company as herein contemplated and the Developer hereby accepts the appointment.

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

(a) Obtain construction financing, if required, on behalf of the Company in an amount sufficient to fund the construction and/or rehabilitation of the Project.

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

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

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

(e) Obtain a construction contract in an amount not to exceed the amount provided therefor pursuant to the Company financial projections from a reputable general contractor (the “*General Contractor*”).

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

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

(ii) preparation of construction schedules and supervision of the scheduling of construction in conformity with the construction schedules;

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

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

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

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

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

(i) the plans and specifications;

(ii) all obligations of the Company under any documents executed by the Company under the construction loan documents; and

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

(i) Maintain, or cause to be maintained, builders risk, contractors liability, and workers compensation insurance required by law or by Community Equity Fund XXVI Limited Partnership (the "***Federal Investor Member***").

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

(k) Make available to the Company upon request copies of all contracts and subcontracts relating to the development of the Project.

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

3. Developer Fee.

(a) For development services to be performed under this Agreement, the Company shall pay the Developer a total fee equal to \$1,121,780 (the “*Developer Fee*”).

(b) To the extent that the Developer Fee is paid from the Capital Contribution Installments of the Federal Investor Member, the Developer Fee shall be paid as follows:

(i) \$280,445 from and upon receipt of the First Capital Contribution Installment as set forth on Exhibit A, Section 3 of the Operating Agreement;

(ii) \$560,890 from and upon receipt of the Third Capital Contribution Installment as set forth on Exhibit A, Section 3 of the Operating Agreement;

(iii) \$112,178 from and upon receipt of the Fourth Capital Contribution Installment as set forth on Exhibit A, Section 3 of the Operating Agreement;

(iv) \$168,267 from and upon receipt of the Fifth Capital Contribution Installment as set forth on Exhibit A, Section 3 of the Operating Agreement; and

(c) Any amount of the Developer Fee that is not paid from the Capital Contribution Installments of the Investor Member (estimated to be \$332,140) (the “*Deferred Developer Fee*”) shall be paid from other sources approved by the Investor Member, including the Net Cash Flow of the Company to the extent available for payment of the Deferred Developer Fee in accordance with Section 7.01(b) of the Operating Agreement. No interest shall accrue on the unpaid amounts. Any amount of the Developer Fee that has not been paid in full on or before December 31, 2035 shall be paid by the Company to the Developer no later than that date.

(d) Notwithstanding the foregoing, in the event that the percentage of the aggregate basis of the land and buildings (including site improvements) funded from tax-exempt bond proceeds would be less than fifty percent (50%) (as defined for purposes of Section 42(h)(4)(B) of the Code), the total Developer Fee pursuant to Section 3(a) shall be reduced to the extent necessary to ensure that the percentage would be not less than fifty percent (50%).

4. Operating Agreement. Except as expressly provided herein, this Agreement shall be subject to the applicable terms and conditions of the Operating Agreement.

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

6. Severability of Provisions. Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law,

the invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

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

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

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

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

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

12. **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.

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


[signatures begin on the following page]

The parties have executed this Development Agreement as of the date first written above.

COMPANY


VST SWANSBORO LLC

By: **VST SWANSBORO MANAGING MEMBER LLC**
Managing Member

By: 
Name: Edward K. Solarz
Title: Manager

DEVELOPER

GENESIS PROPERTIES DEVELOPMENT, LLC

By: 
Name: Ronald H. Hunt
Title: Manager

Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, August 6, 2020

This is to certify that the certificate of organization of

VST Swansboro 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: August 6, 2020



STATE CORPORATION COMMISSION

Attest:

A handwritten signature in cursive script, appearing to read "Bernard J. St. John".

Interim Clerk of the Commission

Tab C:

Principal's Previous Participation Certification
(MANDATORY)



Previous Participation Certification Instructions

General Instructions:

The following certification:

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

Definitions:

Development - the proposed multifamily rental housing development

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

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

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

Instructions, cont'd

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

Please follow guidelines below for listing principals.

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

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

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



Previous Participation Certification

Development Name: _____

Name of Applicant (entity): _____

I hereby certify that:

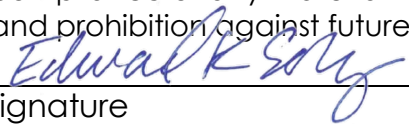
1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily 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)

Tab D:

List of LIHTC Developments (Schedule A)
(MANDATORY)

List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments
 Name of Applicant: VST Swansboro 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 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Winnie Spaulding 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.

1st PAGE TOTAL: 0 0 #DIV/0! LIHTC as % of Total Units

Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
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List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments
 Name of Applicant: VST Swansboro 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 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Maury DeFreitas 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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Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
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List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments
 Name of Applicant: VST Swansboro 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 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Laura H. Hopson 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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Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
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List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments
 Name of Applicant: VST Swansboro 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 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Jennifer S. Hunt 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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Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
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List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments
 Name of Applicant: VST Swansboro 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 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Edward K. Solarz

Controlling GP (CGP) or 'Named' Managing Member of Proposed 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	Bellevue Apartments, Richmond, VA	Code Genesis Bellevue LLC, 804-230-1220	N	143	143	2018-2019	2019	N
3	Ivy Farms Apartments, Newport News, VA	Adams Drive LLC, 804-230-1	Y	168	168	TBD	TBD	N
5	Holly Springs, Richmond, VA	VST Holly Springs LLC, 804-23	Y	121	121	TBD	TBD	N
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39 * 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 100% v.01.01.19

Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
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LIHTC as % of 100% Total Unit

List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments
 Name of Applicant: VST Swansboro 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 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Connie L. Glass 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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Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
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List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments
 Name of Applicant: VST Swansboro 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 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Christine R. Stevens 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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Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed in Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
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Tab E:

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

Property: 3600 E Broad Rock Road **Parcel ID:** S0071063006**Parcel**

Street Address: 3600 E Broad Rock Road Richmond, VA 23224-
Owner: SWANSBORO LLC
Mailing Address: 11511 ALLECINGIE PKWY, RICHMOND, VA 23235
Subdivision Name : NONE
Parent Parcel ID: S0071063006
Assessment Area: 505 - SMF West
Property Class: 321 - R Apartment 25-99 Units
Zoning District: R-48 - Residential (Multi-Family)
Exemption Code: 620 - Low Income Housing Credit (LIHTC)
Unit Count: 44

Current Assessment

Effective Date: 01/01/2022
Land Value: \$220,000
Improvement Value: \$2,288,000
Total Value: \$2,508,000
Area Tax: \$0
Special Assessment District: None

Land Description

Parcel Square Feet: 0
Acreage: 0
Property Description 1: SWANSBORO APTS
Property Description 2: 0566.00X0138.70 IRG0000.000
State Plane Coords(?): X= 11783056.000013 Y= 3708125.8708
Latitude: 37.50269296 , **Longitude:** -77.46592764

Description

Land Type: Primary Commercial/Indust Land
Topology:
Front Size: 0
Rear Size: 0
Parcel Square Feet: 0
Acreage: 0
Property Description 1: SWANSBORO APTS
Property Description 2: 0566.00X0138.70 IRG0000.000
Subdivision Name : NONE
State Plane Coords(?): X= 11783056.000013 Y= 3708125.8708
Latitude: 37.50269296 , **Longitude:** -77.46592764

Other

Street improvement:
Sidewalk:

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2022	\$220,000	\$2,288,000	\$2,508,000	Reassessment
2021	\$220,000	\$2,046,000	\$2,266,000	Reassessment
2020	\$220,000	\$2,046,000	\$2,266,000	Reassessment
2019	\$220,000	\$2,046,000	\$2,266,000	Reassessment
2018	\$220,000	\$2,046,000	\$2,266,000	Reassessment
2017	\$220,000	\$2,046,000	\$2,266,000	Reassessment
2016	\$220,000	\$2,046,000	\$2,266,000	AdminCorrect
2015	\$51,000	\$473,000	\$524,000	Reassessment
2014	\$51,000	\$473,000	\$524,000	Reassessment
2013	\$51,000	\$473,000	\$524,000	Reassessment
2012	\$51,000	\$473,000	\$524,000	Reassessment

Transfers

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
06/17/2002	\$0	HUNT RONALD H	id200219449	
02/20/2002	\$0	HUNT RONALD H	ID2002-6726	
02/20/2002	\$0	HUNT RONALD H & PATRICIA L	ID2002-6725	

Planning

Master Plan Future Land Use: R
Zoning District: R-48 - Residential (Multi-Family)
Planning District: Old South
Traffic Zone: 1199
City Neighborhood Code: BRDR
City Neighborhood Name: Broad Rock
Civic Code:
Civic Association Name:
Subdivision Name: NONE
City Old and Historic District:
National historic District:
Neighborhoods in Bloom:
Redevelopment Conservation Area:

Economic Development

Care Area: -
Enterprise Zone:

Environment

100 YEAR Flood Plain Flag: Contact the Water Resources Division at 646-7586.
500 YEAR Flood Plain Flag: N
Resource Protection Flag: Contact the Water Resources Division at 646-7586.
Wetland Flag: N

Census

Census Year	Block	Block Group	Tract
2000	5014	0607005	060700
1990	515	0607985	060798

Schools

Elementary School: Blackwell
Middle School: Boushall
High School: Armstrong

Public Safety

Police Precinct: 2
Police Sector: 211
Fire District: 17
Dispatch Zone: 165B

Public Works Schedules

Street Sweep: TBD
Leaf Collection: TBD
Refuse Collection: Thursday
Bulk Collection: TBD

Government Districts

Council District: 8
Voter Precinct: 811
State House District: 69
State Senate District: 16
Congressional District: 4

Extension 1 Details

Extension Name: C01 -
Year Built: 1900
Stories: 0
Units: 44
Number Of Rooms: 0
Number Of Bed Rooms: 0
Number Of Full Baths: 0
Number Of Half Baths: 0
Condition: normal for age
Foundation Type:
1st Predominant Exterior:
2nd Predominant Exterior: N/A
Roof Style:
Roof Material:
Interior Wall:
Floor Finish:
Heating Type:
Central Air: N
Basement Garage Car #: 0
Fireplace: N
Building Description (Out Building and Yard Items) : Miscellaneous

Extension 1 Dimensions

Finished Living Area: 0 Sqft
Attic: 0 Sqft
Finished Attic: 0 Sqft
Basement: 0 Sqft
Finished Basement: 0 Sqft
Attached Garage: 0 Sqft
Detached Garage: 0 Sqft
Attached Carport: 0 Sqft
Enclosed Porch: 0 Sqft
Open Porch: 0 Sqft
Deck: 0 Sqft

Extension 2 Details

Extension Name: C02 - Swansboro Apts
Year Built: 1963
Stories: 2
Units: 44
Number Of Rooms: 0
Number Of Bed Rooms: 0
Number Of Full Baths: 0
Number Of Half Baths: 0
Condition: normal for age
Foundation Type:
1st Predominant Exterior:
2nd Predominant Exterior: N/A
Roof Style: 0
Roof Material:
Interior Wall:
Floor Finish:
Heating Type: 35632 sf
Central Air: N
Basement Garage Car #: 0
Fireplace: N
Building Description (Out Building and Yard Items) : Paving, Fencing - Wood

Extension 2 Dimensions

Finished Living Area: 35632 Sqft
Attic: 0 Sqft
Finished Attic: 0 Sqft
Basement: 0 Sqft
Finished Basement: 0 Sqft
Attached Garage: 0 Sqft
Detached Garage: 0 Sqft
Attached Carport: 0 Sqft
Enclosed Porch: 0 Sqft
Open Porch: 237 Sqft
Deck: 0 Sqft

Property Images

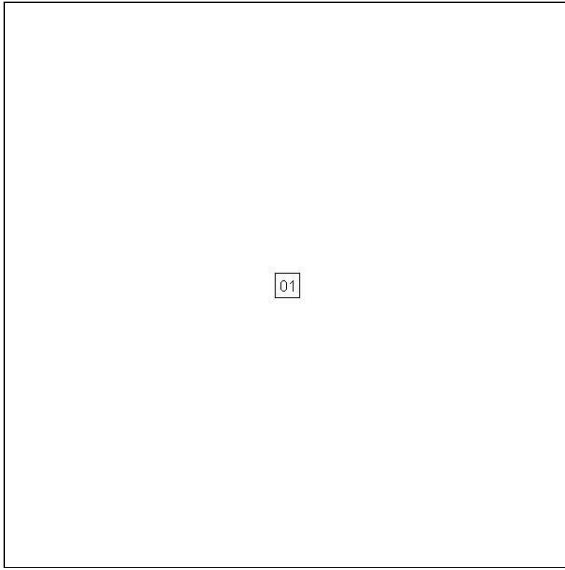
Name:S0071063006 Desc:C01



[Click here for Larger Image](#)

Sketch Images

Name:S0071063006 Desc:C01



Property: 3601 E Broad Rock Road **Parcel ID:** S0002760006

Parcel

Street Address: 3601 E Broad Rock Road Richmond, VA 23224-
Alternate Street Addresses: 723 E 36th St
: 721 E 36th St
: 713 E 36th St
: 715 E 36th St
: 717 E 36th St
: 719 E 36th St
Owner: SWANSBORO LLC
Mailing Address: 101 W COMMERCE RD FL 2, RICHMOND, VA 23224
Subdivision Name : WEISIGERS PLAN
Parent Parcel ID: S0002760006
Assessment Area: 505 - SMF West
Property Class: 315 - R Apartment 12-24 Units
Zoning District: R-48 - Residential (Multi-Family)
Exemption Code: 620 - Low Income Housing Credit (LIHTC)
Unit Count: 18

Current Assessment

Effective Date: 01/01/2022
Land Value: \$90,000
Improvement Value: \$1,141,000
Total Value: \$1,231,000
Area Tax: \$0
Special Assessment District: None

Land Description

Parcel Square Feet: 22547
Acreage: 0.518
Property Description 1: WEISINGERS L7-10 B21
Property Description 2: 0125.74X0137.50 IRG0000.000
State Plane Coords(?): X= 11782657.50 Y= 3708323.878086
Latitude: 37.50297438 , **Longitude:** -77.46640589

Description

Land Type: Primary Commercial/Indust Land
Topology:
Front Size: 125
Rear Size: 137
Parcel Square Feet: 22547
Acreage: 0.518
Property Description 1: WEISINGERS L7-10 B21
Property Description 2: 0125.74X0137.50 IRG0000.000
Subdivision Name : WEISIGERS PLAN
State Plane Coords(?): X= 11782657.50 Y= 3708323.878086
Latitude: 37.50297438 , **Longitude:** -77.46640589

Other

Street improvement:
Sidewalk:

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2022	\$90,000	\$1,141,000	\$1,231,000	Reassessment
2021	\$90,000	\$858,000	\$948,000	Reassessment
2020	\$90,000	\$858,000	\$948,000	Reassessment
2019	\$90,000	\$858,000	\$948,000	Reassessment
2018	\$90,000	\$858,000	\$948,000	Reassessment
2017	\$90,000	\$858,000	\$948,000	Reassessment
2016	\$72,000	\$678,000	\$750,000	Reassessment
2015	\$21,000	\$205,000	\$226,000	Reassessment
2014	\$21,000	\$205,000	\$226,000	Reassessment
2013	\$21,000	\$205,000	\$226,000	Reassessment
2012	\$21,000	\$205,000	\$226,000	Reassessment

Transfers

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
06/17/2002	\$0	HUNT RONALD H	ID2002-19449	
02/20/2002	\$0	HUNT RONALD H	ID2002-6726	
02/20/2002	\$0	HUNT RONALD H & PATRICIA L	ID2002-6725	

Planning

Master Plan Future Land Use: R
Zoning District: R-48 - Residential (Multi-Family)
Planning District: Old South
Traffic Zone: 1186
City Neighborhood Code: BRDR
City Neighborhood Name: Broad Rock
Civic Code:
Civic Association Name:
Subdivision Name: WEISIGERS PLAN
City Old and Historic District:
National historic District:
Neighborhoods in Bloom:
Redevelopment Conservation Area:

Economic Development

Care Area: -
Enterprise Zone:

Environment

100 YEAR Flood Plain Flag: Contact the Water Resources Division at 646-7586.
500 YEAR Flood Plain Flag: N
Resource Protection Flag: Contact the Water Resources Division at 646-7586.
Wetland Flag: N

Census

Census Year	Block	Block Group	Tract
2000	2012	0604002	060400
1990	228	0604002	060400

Schools

Elementary School: Swansboro
Middle School: River City
High School: Wythe

Public Safety

Police Precinct: 2
Police Sector: 211
Fire District: 17
Dispatch Zone: 169C

Public Works Schedules

Street Sweep: TBD
Leaf Collection: TBD
Refuse Collection: Thursday
Bulk Collection: TBD

Government Districts

Council District: 8
Voter Precinct: 811
State House District: 79
State Senate District: 18
Congressional District: 4

Extension 1 Details

Extension Name: C02 -
Year Built: 1965
Stories: 2
Units: 18
Number Of Rooms: 0
Number Of Bed Rooms: 0
Number Of Full Baths: 0
Number Of Half Baths: 0
Condition: normal for age
Foundation Type:
1st Predominant Exterior:
2nd Predominant Exterior: N/A
Roof Style: 1
Roof Material:
Interior Wall:
Floor Finish:
Heating Type: 0 sf
Central Air: N
Basement Garage Car #: 0
Fireplace: N
**Building Description (Out Building and Paving
Yard Items) :**

Extension 1 Dimensions

Finished Living Area: 16384 Sqft
Attic: 0 Sqft
Finished Attic: 0 Sqft
Basement: 0 Sqft
Finished Basement: 0 Sqft
Attached Garage: 0 Sqft
Detached Garage: 0 Sqft
Attached Carport: 0 Sqft
Enclosed Porch: 0 Sqft
Open Porch: 0 Sqft
Deck: 0 Sqft

Property Images

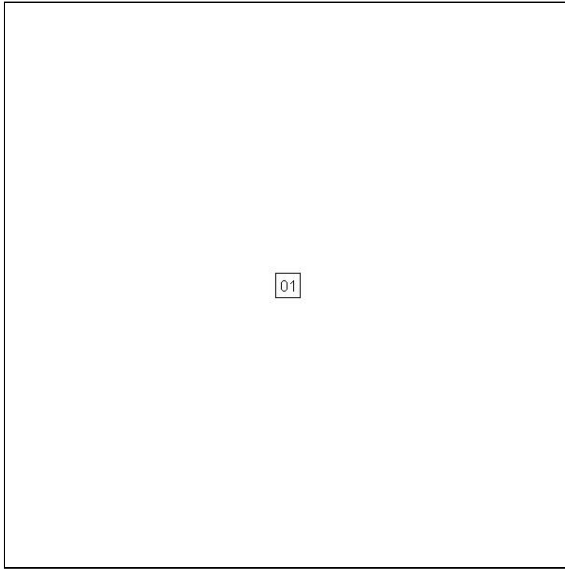
Name: Desc:



[Click here for Larger Image](#)

Sketch Images

Name:S0002760006 Desc:C01



REAL ESTATE PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "**Contract**" or "**Agreement**") is made this 18th Day of August, 2020, by Swansboro LLC, (the "**Seller**") and VST Swansboro LLC a Virginia Limited Liability Company and/or assigns (the "**Purchaser**"). In consideration of the sum of Ten Dollars (\$10.00), other good and valuable consideration, and the mutual agreements herein, the parties agree as follows:

1. **Agreement to Sell and Identification of Real Property.** Subject to the terms of this Agreement, Seller agrees to sell and Purchaser agrees to buy the following:

Real Property: that certain 2.205 acre parcel of land and all improvements thereon known as 3600 & 3601 E Broad Rock Road, Richmond, VA 23224 and designated as parcel number S0071063006 & S0002760006 in the City of Richmond, Virginia Real Estate Assessor's Parcel Mapper database (hereinafter, "**Property**").

2. **Purchase Price:** Two Million Dollars (\$2,000,000), which will be paid by Purchaser in cash or immediately available funds at Closing (hereafter defined).
3. **Initial Deposit.** An initial fully refundable earnest money deposit (the "Initial Deposit") of Ten Thousand Dollars (\$10,000.00) shall be paid by Purchaser within 5 business days of the execution of the Agreement by the parties. The Initial Deposit shall be placed in escrow with Old Republic National Title Company until Closing, at which time it shall be credited to Purchaser's Purchase Price. Purchaser shall have the option to terminate the Agreement with written notice to Seller for any reason whatsoever on or before the end of the Feasibility Period (defined below) if, in its sole discretion, the Property does not meet Purchaser's requirements, in which event the Initial Deposit shall be returned to Purchaser. Upon the expiration of the Feasibility Period, Purchaser will apply an additional Ten Thousand Dollar deposit (\$10,000), which together with the Initial Deposit totals a deposit of Twenty Thousand Dollars (\$20,000), (hereafter, the "Deposit").
4. **Feasibility Period.** Purchaser shall have a period of sixty (60) days after the full execution of the Agreement to perform investigations with respect to the Property and Documents as Purchaser may deem necessary in order to determine whether the Property is suitable for Purchaser's intended use thereof (the "Feasibility Period"). Purchaser shall have the option to terminate the Agreement with written notice to Seller for any reason whatsoever on or before the end of the Feasibility Period if, in its sole discretion, the Property does not meet Purchaser's requirements, in which event the Initial Deposit shall be returned to Purchaser as stipulated herein. Seller agrees to cooperate and allow Purchaser and Purchaser's agents, employees, engineers, contractors, invitees and/or designees (collectively, "Purchaser's Agents"), at Purchaser's sole cost and expense, with reasonable access to the Property during normal business hours for the purpose of conducting such soil borings, soil analyses, engineering tests and studies, wetland studies, environmental tests and studies, topographic tests and/or investigations with respect to the Property as Purchaser may deem necessary in order to determine whether the Property is suitable for Purchaser's intended use thereof. Purchaser shall be responsible for all damage caused to the Property by its examinations and shall restore the Property to its original condition. Purchaser shall indemnify, defend, and hold

Seller harmless from any and all costs or expenses associated with any damage caused to the Property or any person or persons thereon by Purchaser or Purchasers designated representatives, and this obligation of indemnification shall survive the closing and/or any termination of this Contract. Within five (5) business days after full execution of this Agreement Seller agrees to deliver and/or make available for inspection to Purchaser copies of Documents knowingly in Seller's possession, if any, related to the use, development, or ownership of the Property, (the "Property Documents"). If requested by Purchaser, Seller shall provide, if in Seller's possession, copies of (i) notices of mechanics liens and tax delinquencies; (ii) all warranties, agreements and contracts of subcontractors, materialmen, architects, engineers, manufacturers, and suppliers of equipment in connection with the development of the Property; (iii) any leases or agreements with vendors currently in place or which will be in place in the future but prior to Closing; and (iv) all other documentation relevant to the Property that Purchaser may request.

5. **Closing.** Provided this Agreement has not been terminated as allowed and provided herein, Closing under the Agreement shall be the later of June 30th, 2022, or a date sooner that is mutually agreed upon by the Purchase and the Seller.

Purchaser shall be granted up to three (6) 30-day Closing extensions provided Purchaser makes an additional \$10,000.00 non-refundable payment ("Extension Payment") to Seller for each 30-day extension of Closing, or portion thereof, if written notice of the extension with the Extension Payment is made before the then contractual Closing Date. Provided, further, any Extension Payment shall be applied to the Purchase Price if Purchaser closes.

Except for and in addition to the provisions in Paragraphs 4, 7, and 8, if Purchaser materially breaches the Agreement, Seller's remedies shall be retention of the Deposit and retention of any Extension Payment(s).

6. **Title.** Seller will deliver to Purchaser at Closing a duly executed and acknowledged Deed of Bargain and Sale, with General Warranty, subject to any and all recorded easements, covenants, reservations, restrictions and/or agreements lawfully affecting the Property and such other documents as are reasonable and necessary to transfer the subject premises to Purchaser. Purchaser shall examine title within 45 days of the expiration of the Feasibility Period and shall notify the Seller in writing of the existence of any defects adversely affecting the marketability of the Property within 60 days of the expiration of the Feasibility Period. (the "written notice"). Seller shall have the option to correct any such reported title defects. If Seller is unable or unwilling to correct such defects within 45 days of the written notice, Purchaser may terminate this Agreement by providing written notice of termination within 10 days after the date of delivery of the original written notice, and upon such termination the Deposit shall be refunded to the Purchaser.

7. **Purchaser's Conditions Precedent to Closing.** Sellers Representations, Warranties and Covenants set forth in this Agreement shall be true as of Closing and title to the Property shall be free of liens and encumbrances except for those recorded liens and encumbrances of record not objected to or accepted or waived pursuant to Paragraph 6, and Seller is not in default of any material terms in this Agreement (the "**Purchaser's Conditions Precedent to Closing**"). Purchaser shall have the right to examine the documents referred to in Section

4, if any, and shall certify satisfactory receipt thereof prior to the expiration of the Feasibility Period.

8. **Closing Costs/Expenses.** Seller shall pay the cost of the preparation of the Deed, the Virginia Grantor's Tax, the cost of obtaining releases of all monetary liens encumbering the Property and Seller's attorneys' fees. Purchaser shall pay its own attorneys' fees; any title insurance premiums and examination fees; any intangibles, mortgage, or documentary tax on any mortgage given by Purchaser; all other charges for recording of any instrument or document delivered by Seller to Purchaser; and all transfer taxes payable with respect to the transfer of the Property to Purchaser. All real estate taxes and other similar charges shall be prorated as of the date of each Closing.
9. **Broker Commissions.** Seller and Purchaser warrant and represent that they have retained no broker.
10. **Purchaser's Assignment.** Purchaser shall have the right to assign its rights and obligations under this Agreement in whole without Seller' prior written consent. Such assignee shall be entitled to the benefit of and may enforce Seller's covenants, representations and warranties hereunder. Any assignee assumes all obligations hereunder and complies with the representations and warranties made by Purchaser.
11. **Risk of Loss.** All risk of loss or damage to any of the Property by fire or other cause, or taking by eminent domain, is assumed by Seller until Closing. In the event of substantial loss or damage to the Property before Closing, Purchaser will have the option of either (a) terminating this Agreement or (b) purchasing the Property, in which event Seller will assign to Purchaser, as to the damaged Property, all of Seller's rights under any applicable policy or policies of insurance and any condemnation awards and pay over to Purchaser any sums received as a result of such loss or damage.
12. **Notice.** Any notice or demand required to be given under this Agreement will be deemed given on the day of delivery if sent by hand, one (1) day after deposit with Federal Express (or other guaranteed overnight delivery service) or three (3) days after deposit with the U.S. mail, return receipt requested, addressed to the parties as follows:

SELLER: Swansboro LLC
101 West Commerce Road, 2nd Floor
Richmond, VA 23224

PURCHASER: VST Swansboro LLC
Attention: Ed Solarz
101 West Commerce Road, 2nd Floor
Richmond, VA 23224

13. **Seller's Representations.** Warranties and Covenants. Seller represents, warrants and covenants, to the best of Seller's knowledge, as follows with respect to the Property as of the date of the Closing of the sale of the Property to Purchaser:

- a. Seller (and each of the persons executing this Agreement on behalf of Seller) has the right, power and authority to sell the Property to Purchaser in accordance with the terms and conditions hereof. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby will violate any judgment, order, law, restriction, agreement or arrangement to which Seller or the Properties are subject.
- b. There are no outstanding options to purchase or rights of first refusal with respect to the Property, and there are no outstanding executed contracts for the sale, mortgage, pledge, hypothecation, assignment, lease, sublease, license, or other transfer of all or any legal or equitable interest or right in any of the Property, except any encumbrances and easements of record, or any of the like, however denominated. Except for liens, covenants, declarations and easements of record, no person or entity has or claims any right to possess or use any Property or any part thereof by virtue of any agreement, lease or license made or right granted by Seller other than Purchaser. If any such items exist, Seller must provide to Purchaser written documentation of any such item listed in this paragraph.
- c. There are no suits, eminent domain condemnation or annexation proceedings, or other legal or administrative proceedings pending or, to the best of Seller's knowledge, threatened to be filed against Seller (including, without limitation, any voluntary or involuntary actions or suits pursuant to state or federal bankruptcy or other creditors' rights laws, statutes, rules or regulations) or affecting the Property before any federal, state, County or municipal department, commission, board, bureau, agency or other governmental instrumentality. Seller will give Purchaser prompt written notice of any notice received by Seller relating to any legal actions or suits of any part of the Property. The Seller makes no representations or warranties regarding zoning or related actions.
- d. To the best of Seller's knowledge, no hazardous substances or hazardous materials have been released, deposited, stored or placed in, on, under or above the Property in violation of applicable Federal, state or local laws, ordinances, statutes and regulations, and to Seller's actual knowledge without investigation no such hazardous substances or hazardous materials currently exist in, on, under or above the Property such that their existence would violate applicable Federal, state or local laws, ordinances, statutes and regulations. As used herein, all references to hazardous materials and hazardous substances shall mean and refer to hazardous waste as that term is defined in the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et. seq.), the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. Section 9601, et. seq.), or under any other Federal, state or local law, ordinance, statute, rule or regulation, including, without limitation, any asbestos or asbestos-related products and any oils, petroleum products or pesticides.
- e. At or prior to Closing, Seller shall have paid for all labor that has been performed on or materials furnished to the Property by or on behalf of Seller for which a mechanic's

or materialmen's lien could be claimed by any person or entity. The foregoing warranty shall not cover any period prior to Seller's ownership of the Property.

14. Purchaser's Representations, Warranties and Covenants.

- a. Purchaser (and each of the persons executing this Agreement on behalf of Purchaser) has the right, power and authority to execute, deliver and perform its obligations under this Agreement. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby will violate any judgment, order, law, restriction, agreement or arrangement, to which Purchaser is subject.
- b. Purchaser represents, acknowledges, affirms and agrees that the property acquisition contemplated by this Agreement does not constitute a joint venture, partnership, or other mutual undertaking among the parties hereto, but rather, constitutes the establishment of a Purchaser/Seller relationship.

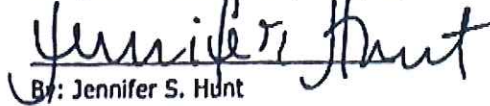
15. Survival. Purchaser's and Seller's obligations and warranties contained herein shall survive closing.

16. General Provisions. This Agreement may be executed in any number of counterparts, any one and all of which shall constitute the contract of the parties and each of which shall be deemed an original. Signatures delivered via facsimile or scanned documents shall be binding upon the parties. No modification or amendment of this Agreement shall be of any force or effect unless in writing executed by both Seller and Purchaser. The governing law of this Agreement shall be, and this Agreement shall be interpreted in accordance with, the laws of the Commonwealth of Virginia. This Agreement sets forth the entire agreement between Seller and the Purchaser relating to the Property and all subject matter herein and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties. Any time period provided for in this Agreement which ends on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. on the next full Business Day. Both parties agree that this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto. All of the parties to this Agreement have participated freely in the negotiation and preparation hereof. Failure by Purchaser or Seller to insist upon or enforce any of its rights shall not constitute a waiver thereof. Either party hereto may waive the benefit of any provision or condition for its benefit contained in this Agreement. As used in this Agreement, the masculine gender shall include the feminine and neuter, the singular shall include the plural and the plural shall include the singular as the context may require. The Paragraph headings herein are for convenience or reference only and shall not be deemed to vary or to limit the provisions or scope of any Paragraph and Paragraph. Each exhibit referenced herein is attached hereto and incorporated herein by reference.

WITNESS the following signatures:

SELLER:

Swansboro, LLC
a Virginia Limited Liability Company



By: Jennifer S. Hunt

Title: Executor of the Estate of Michael C.
Hunt

Date: 8/18/2020

PURCHASER:

VST Swansboro LLC
a Virginia Limited Liability Company



By: Jennifer S. Hunt

Title: Co-Manager

Date: 8/18/2020



By: Edward K. Solarz

Title: Co-Manager

Date: 8/18/20

Tab F:

RESNET Rater Certification (MANDATORY)

Home Energy Rating Certificate

Projected Report

Rating Date: 2020-08-26
 Registry ID:
 Ekotrope ID: kvywXVIL

HERS® Index Score:

284

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

-\$1,127

*Relative to an average U.S. home

Home:

3416 Maury Street
 Richmond, VA 23224

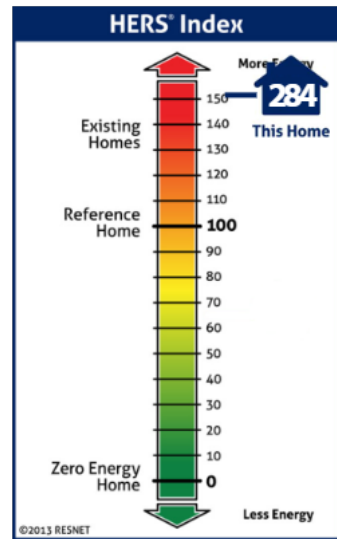
Builder:

VST Swansboro LLC

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	54.2
Cooling	9.0
Hot Water	6.6
Lights/Appliances	14.9
Service Charges	
Generation (e.g. Solar)	0.0
Total:	84.6

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	770 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 6.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	2336 CFM50 (23.49 ACH50)
Ventilation:	None
Duct Leakage to Outside:	508 CFM @ 25Pa (65.97 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.55, SHGC: 0.5
Foundation Walls:	N/A
Framed Floor:	R-0

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: 2/23/22 at 8:59 AM



Home Energy Rating Certificate

Projected Report

Rating Date: 2020-08-26
 Registry ID:
 Ekotrope ID: Avjw8rV2

HERS® Index Score:

138

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

\$152

*Relative to an average U.S. home

Home:
 3416 Maury Street
 Richmond, VA 23224

Builder:
 VST Swansboro LLC

Your Home's Estimated Energy Use:

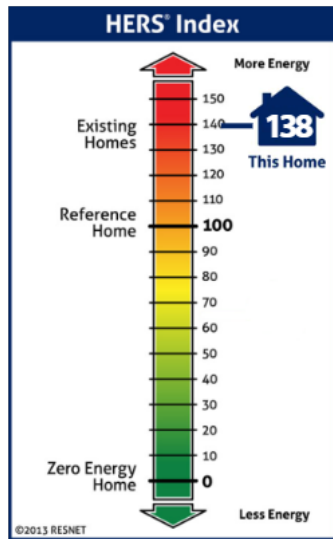
	Use [MBtu]
Heating	19.1
Cooling	4.9
Hot Water	6.0
Lights/Appliances	11.9
Service Charges	
Generation (e.g. Solar)	0.0
Total:	41.9

This home meets or exceeds the criteria of the following:

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: 2/23/22 at 8:59 AM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	770 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 • 14 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	2336 CFM50 (23.49 ACH50)
Ventilation:	None
Duct Leakage to Outside:	100 CFM @ 25Pa (12.99 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Attic, R-30
Window Type:	U-Value: 0.55, SHGC: 0.5
Foundation Walls:	N/A
Framed Floor:	R-11

Home Energy Rating Certificate

Projected Report

Rating Date: 2020-08-26
 Registry ID:
 Ekotrope ID: x25mXML2

HERS® Index Score:

228

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

-\$628

*Relative to an average U.S. home

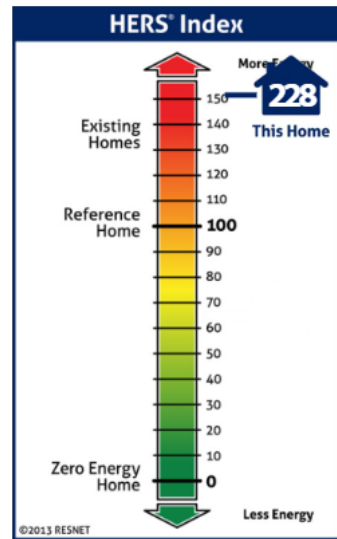
Home:
 3416 Maury Street
 Richmond, VA 23224

Builder:
 VST Swansboro LLC

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	36.2
Cooling	9.2
Hot Water	6.6
Lights/Appliances	14.9
Service Charges	
Generation (e.g. Solar)	0.0
Total:	66.8

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	770 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 6.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	2336 CFM50 (23.49 ACH50)
Ventilation:	None
Duct Leakage to Outside:	508 CFM @ 25Pa (65.97 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Attic, R-30
Window Type:	U-Value: 0.55, SHGC: 0.5
Foundation Walls:	N/A
Framed Floor:	R-11

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: 2/23/22 at 8:59 AM



Home Energy Rating Certificate

Projected Report

Rating Date: 2020-08-26
 Registry ID:
 Ekotrope ID: YdxOWxGL

HERS® Index Score:

131

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

\$182

*Relative to an average U.S. home

Home:
 3416 Maury Street
 Richmond, VA 23224

Builder:
 VST Swansboro LLC

Your Home's Estimated Energy Use:

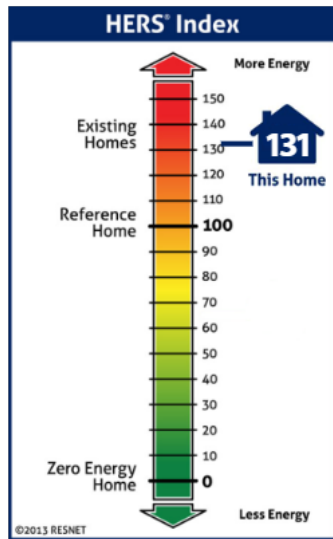
	Use [MBtu]
Heating	10.3
Cooling	1.6
Hot Water	5.3
Lights/Appliances	9.7
Service Charges	
Generation (e.g. Solar)	0.0
Total:	27.0

This home meets or exceeds the criteria of the following:

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: 2/23/22 at 8:59 AM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	386 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 14 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	2336 CFM50 (40.35 ACH50)
Ventilation:	None
Duct Leakage to Outside:	100 CFM @ 25Pa (25.91 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.55, SHGC: 0.5
Foundation Walls:	N/A
Framed Floor:	R-19

Home Energy Rating Certificate

Projected Report

Rating Date: 2020-08-26
 Registry ID:
 Ekotrope ID: yL01W3zd

HERS® Index Score:

240

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

-\$376

*Relative to an average U.S. home

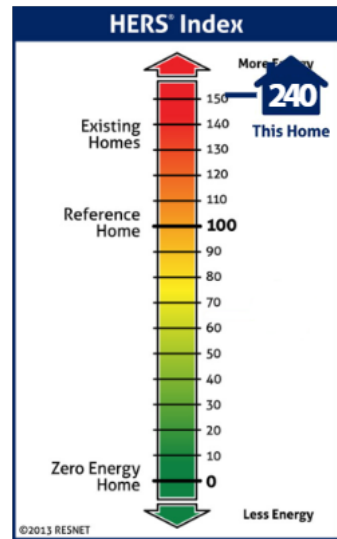
Home:
 3416 Maury Street
 Richmond, VA 23224

Builder:
 VST Swansboro LLC

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	24.9
Cooling	2.6
Hot Water	6.4
Lights/Appliances	11.8
Service Charges	
Generation (e.g. Solar)	0.0
Total:	45.7

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	386 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	2336 CFM50 (40.35 ACH50)
Ventilation:	None
Duct Leakage to Outside:	508 CFM @ 25Pa (131.61 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.55, SHGC: 0.5
Foundation Walls:	N/A
Framed Floor:	R-0

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: 2/23/22 at 8:59 AM



Home Energy Rating Certificate

Projected Report

Rating Date: 2020-08-26
 Registry ID:
 Ekotrope ID: yvP5RE82

HERS® Index Score:

191

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

-\$308

*Relative to an average U.S. home

Home:
 3416 Maury Street
 Richmond, VA 23224

Builder:
 VST Swansboro LLC

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	35.7
Cooling	4.8
Hot Water	6.0
Lights/Appliances	11.9
Service Charges	
Generation (e.g. Solar)	0.0
Total:	58.4

This home meets or exceeds the criteria of the following:

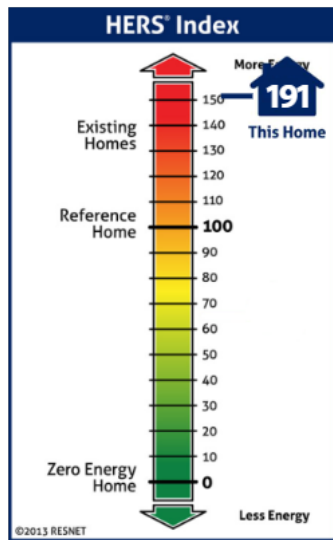
Rating Completed by:

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: 2/23/22 at 8:59 AM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	770 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 • 14 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	2336.3 CFM50 (23.49 ACH50)
Ventilation:	None
Duct Leakage to Outside:	100 CFM @ 25Pa (12.99 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.55, SHGC: 0.5
Foundation Walls:	N/A
Framed Floor:	R-0

Home Energy Rating Certificate

Projected Report

Rating Date: 2021-12-13
 Registry ID:
 Ekotrope ID: ILV7Ez3d

HERS® Index Score:

122

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

\$255

*Relative to an average U.S. home

Home:

3416 Maury Street
 Richmond, VA 23224

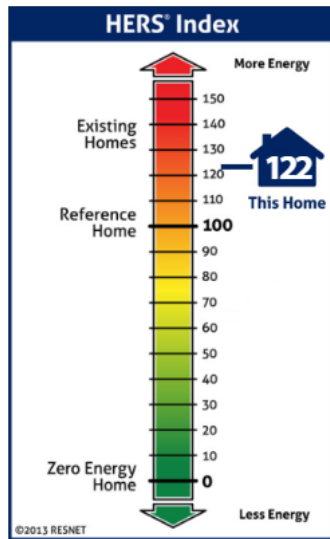
Builder:

VST Swansboro LLC

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	40.8
Cooling	5.4
Hot Water	6.7
Lights/Appliances	14.3
Service Charges	
Generation (e.g. Solar)	0.0
Total:	67.2

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	933 ft ²
Number of Bedrooms:	2
Primary Heating System:	Furnace • Natural Gas • 80 AFUE
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 Energy Factor
House Tightness:	2509 CFM50 (18.98 ACH50)
Ventilation:	None
Duct Leakage to Outside:	171 CFM @ 25Pa (18.33 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Attic, R-49
Window Type:	U-Value: 0.46, SHGC: 0.57
Foundation Walls:	N/A
Framed Floor:	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: 2/23/22 at 9:09 AM



Home Energy Rating Certificate

Projected Report

Rating Date: 2021-12-13
 Registry ID:
 Ekotrope ID: ILXNXNbv

HERS® Index Score:

86

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

\$588

*Relative to an average U.S. home

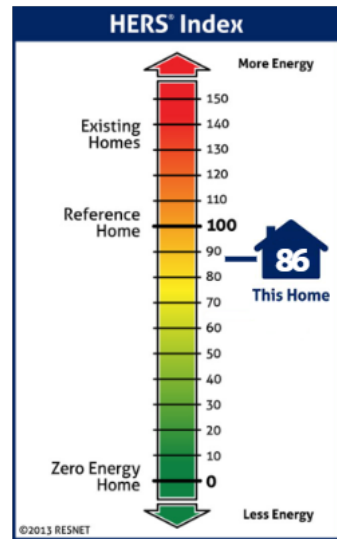
Home:
 3416 Maury Street
 Richmond, VA 23224

Builder:
 VST Swansboro LLC

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	25.6
Cooling	3.2
Hot Water	6.8
Lights/Appliances	12.6
Service Charges	
Generation (e.g. Solar)	0.0
Total:	48.2

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	933 ft ²
Number of Bedrooms:	2
Primary Heating System:	Furnace • Natural Gas • 96 AFUE
Primary Cooling System:	Air Source Heat Pump • Electric • 14.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	8 ACH50
Ventilation:	None
Duct Leakage to Outside:	100 CFM @ 25Pa (10.72 / 100 ft ²)
Above Grade Walls:	R-1
Ceiling:	Attic, R-49
Window Type:	U-Value: 0.46, SHGC: 0.57
Foundation Walls:	N/A
Framed Floor:	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: 2/23/22 at 9:09 AM





Appendix F

RESNET Rater Certification of Development Plans

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP).

In the event the plans and specifications do not include requirements to meet the QAP baseline energy performance, then those requirements still must be met, even though the application is accepted for credits.

***Please note that this may cause the Application to be ineligible for credits. The Requirements apply to any new, adaptive reuse or rehabilitated development (including those serving elderly and/or physically disabled households).

In addition provide HERS rating documentation as specified in the manual

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

X 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 Virginia Housing 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 Virginia Housing 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 Virginia Housing.

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

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

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

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

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

Signed: [Signature]

Date: 2/23/22

Printed Name: Stacey Smith

Resnet Provider Agency
Viridiant

RESNET Rater
Signature [Signature]

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



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

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X 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 Virginia Housing 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 Virginia Housing 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 Virginia Housing.

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

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

Signed: [Signature]

Date: 2/23/22

Printed Name: Stacey Smith

Resnet Provider Agency
Viridiant

RESNET Rater
Signature [Signature]

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

Tab G:

Zoning Certification Letter (MANDATORY)



CITY OF RICHMOND

DEPARTMENT OF
PLANNING AND DEVELOPMENT REVIEW
ZONING ADMINISTRATION

October 29, 2021

Genesis Properties
101 Wet Commerce Road - 2nd Floor
Richmond, Virginia 23224

ATTN: Ed Solarz

**RE: 3600 EAST BROAD ROCK ROAD/803-907 EAST 36TH STREET (Tax Map: S007-1063/006)
3601-15 EAST BROAD ROCK ROAD/705-11 EAST 36TH STREET (Tax Map: S000-2760/006)**

Dear Mr. Solarz:

In response to your request for Zoning Confirmation Letter for the above reference properties, please be advised of the following:

The properties are located within the corporate limits of the City of Richmond, Virginia. The properties are zoned R-48 (Multi-Family Residential) and are subject to the restrictions generally applicable to that classification which are contained in the City Of Richmond Zoning Ordinance.

The properties are not located within a City Old and Historic District or any other type of overlay district.

3600 East Broad Rock Road:

The irregularly-shaped property measures 138.7' x 566' and contains approximately 73,220 square feet of lot area with 2-story multifamily building containing forty-four (44) dwelling units originally constructed circa 1966.

Our records indicate that on August 12, 1963, a building permit was issued for twenty-eight (28) dwelling units. On October 1, 1963, a building permit was issued for sixteen (16) additional dwelling units. At the time of the approval the property was zoned R-6, which was the older Multi-Family Residential district designation. The parking requirement for multi-family dwellings was two (2) parking spaces per three (3) dwelling units when constructed; twenty-nine (29) parking spaces were required.

A Certificate of Occupancy (C.O.) was issued for the property on July 22, 1983, for four (4) dwelling units. Another C.O. was issued for the property on July 22, 1983, for forty (40) dwelling units. Fifty (50) parking spaces were provided for the forty-four (44) dwelling units.

Under current R-48 zoning district regulations, the parking requirement for multi-family dwellings is one (1) space per unit. Forty-four (44) spaces are currently required; fifty-three (53) exist.

3601-15 East Broad Rock Road:

The irregularly-shaped property measures 125.74' x 137.5' and contains approximately 22,547 square feet of lot area with two 2-story multi-family buildings containing eighteen (18) dwelling units originally constructed circa 1965.

Our records indicate that in 1965, at the time of the approval the building permits, the property was zoned R-6, which was the older Multi-Family Residential district designation. The parking requirement for multi-family dwellings was two (2) parking spaces per three (3) dwelling units when constructed; twelve (12) parking spaces were required.

A Certificate of Occupancy (C.O.) was issued for the property on March 3, 1966, for eighteen (18) units. Eighteen (18) parking spaces were provided for the eighteen (18) dwelling units.

Under current R-48 zoning district regulations, the parking requirement for multi-family dwellings is one (1) space per unit. Eighteen (18) spaces are currently required; eighteen (18) exist.

The R-48 district permits all uses allowed in Section 30-416.1 of the City's Zoning Ordinance. Multi-Family Dwellings are permitted as a principal use in the R-48 zoning district, provided that when more than ten dwelling units are to be located on a lot, a Plan of Development (POD) approval is required; no POD was required at the time of construction.

Under current R-48 zoning district regulations, multi-family dwellings shall be located on lots of not less than 2,200 square feet in area for each dwelling unit and the permitted usable open space shall be not less than fifty percent (50%) of the area of the lot. The parcels do not meet the current lot area or usable open space requirement and these requirements are deemed nonconforming, as they pre-dated current regulations.

Current regulations permit buildings in the R-48 district to not exceed thirty-five feet (35') in height; this requirement is met.

An inspection on October 28, 2021, documented that the properties are not in compliance with zoning regulations as they does not meet parking improvement and trash collection requirements. The on-site parking area for the apartments is not well maintained; potholes and faded delineation (striping) exists. In addition, outdoor areas used for the deposit and collection of trash are not correctly enclosed or screened with opaque structural or vegetative materials in such a manner as not to be visible from adjacent properties or from any public street or other public space.

The properties are not subject to any proffered conditions, Special Use Permits or other special limitations imposed by the City of Richmond in connection with the zoning and re-zoning or in connection with any subdivision approval.

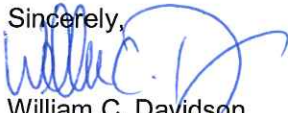
Please be advised that this office does not issue opinions with respect to compliance with building codes, fire codes or other health and safety regulations that may pertain. For building code issues, contact Dave Alley, Building Commissioner (Acting) at 646-7483. For fire and safety questions, contact Fire and Emergency Services at 646-6640. The October 28th inspection did note that there was a boarded-up unit.

Genesis Properties
ATTN: Ed Solarz
RE: 3600/3601-15 East Broad Rock Road
October 29, 2021
Page 3

You are hereby advised that you have thirty (30) days from this notice in which to appeal this decision to the Board of Zoning Appeals, in accordance with §15.2-2311 of the Code of Virginia and §17.19 of the Richmond City Charter, or this decision shall be final and unappealable. Such appeal must be in writing and must be filed with the Secretary to the Board of Zoning Appeals. Said appeal shall indicate in specific terms the grounds for the appeal and must be accompanied by a filing fee of two hundred and fifty dollars (\$250.00).

I hope this information is sufficient. If you have additional questions, please contact me by telephone at: (804) 646-6340 or by E-mail at: William.Davidson@Richmondgov.com.

Sincerely,



William C. Davidson
Zoning Administrator

cc: SWANSBORO LLC
101 W COMMERCE RD - FL 2
RICHMOND, VA 23224

SWANSBORO LLC
11511 ALLECINGIE PKWY
RICHMOND, VA 23235

Tab H:

Attorney's Opinion (MANDATORY)

March 7, 2022

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

RE: 2022 Tax Credit Reservation Request

Name of Development: Swansboro Apartments
Name of Owner: VST Swansboro 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 7, 2022 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary in order to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs 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 information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.
5. It is more likely than not that the representations made in the Rehab Information section of the

Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

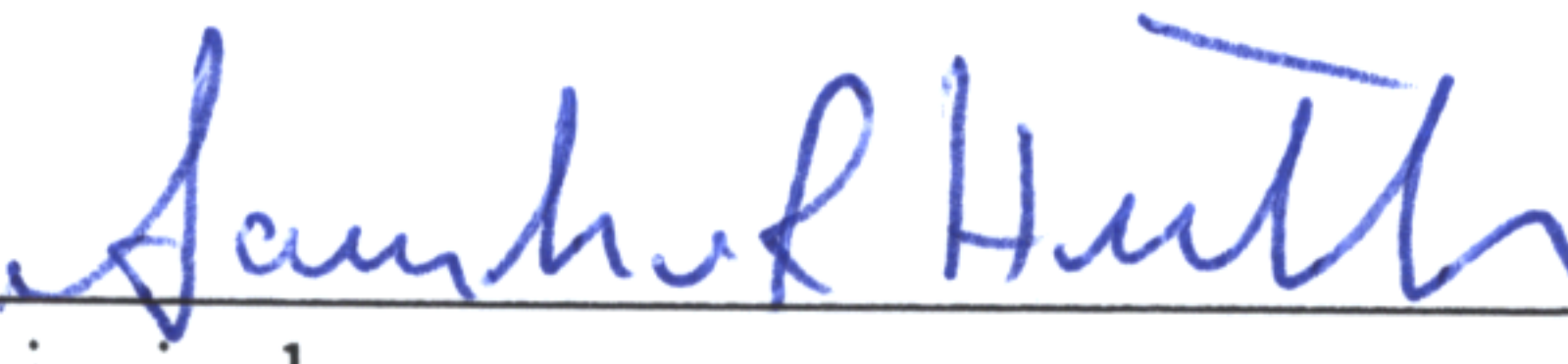
6. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code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

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

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

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

SRH LAW PLLC

By: 
Its: Principal

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: 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)

N/A

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)



*101 W. Commerce Road, 2nd Floor
Richmond, VA 23224
804-230-1220 Fax 804-230-7220*

Swansboro Apartments Tenant Relocation Plan

January 5, 2022

Dear Resident,

We are excited to announce that VST Swansboro LLC will be purchasing The Swansboro Apartments. The new owners have an extensive renovation plan for the property. This document serves as an outline of the upcoming renovation and the impact it will have on the residents. Further notices will be sent out before the construction starts.

1. Management Company Contact Information

- a. Property Management Company: Genesis Properties
- b. Contact: Del Smalls, Property Manager
- c. Address: 801 Holly Springs Ave, Richmond, VA 23224
- d. Phone: 804-977-0791
- e. Email: delsmalls@genesisproperties.com

2. Scope of Work:

- a. The construction at Swansboro Apartments is planned to start on **March 15, 2022** and be completed in **December 2022**. The new owner is purchasing the property and has planned significant upgrades using the Virginia 4% Low-Income Housing Tax Credit in conjunction with Tax-Exempt Bonds issued by RRHA. The funds will be used to renovate the existing complex in three ways: upgrading individual units, creating new property amenities, and addressing any and all structural and civil deficiencies. The owner has commissioned Johannes Design Group based in Richmond, VA, as the project architect. The project will be completed in phases to minimize the impact on the residents. Below is an overview of the work that is going to be completed.

General:

- b. Grading and redesign of site at all areas not draining properly
- c. Repair of all damaged siding
- d. Repair of all damaged sidewalks

- e. New, comprehensive landscaping plan
- f. New roof and gutters for each building
- g. Fixing any and all structural issues

In Each Unit:

- a. New high-efficiency HVAC systems (new heat pump, air handler, thermostat, and grilles)
- b. New hot water heater.
- c. Installation of washer and dryer hookups, located in closets, with dedicated plumbing and direct vents
- d. Finishing the wood floors and replace the carpet with new Luxury vinyl tile.
- e. All new painting throughout
- f. All new hardware
- g. New kitchens, including a new stove, new dishwasher, new refrigerator, new disposal new cabinets, countertops, sink and faucet
- h. New receptacles as necessary
- i. New bathrooms, including new bathroom fixtures, sinks, vanities, toilets, and bathroom accessories
- j. Replacement of doors and windows as necessary

3. Impact on Occupied units:

- a. The developer and contractor will take proactive steps to minimize the impact on residents. The project will be completed in phases to limit the number of residents who will have to be relocated at one time. The developer and contractor will limit exposure to tenants on the property by confining work only to buildings which have been cleared of tenants in advance, using proper notice. The owner will follow the VHDA Tax Credit Manual regulations for any and all required tenant notices. Tenants will be temporarily relocated to another unit or apartment complex if they choose, until the work is complete. All noise ordinances from the City of Richmond will be followed in the process. If any of the tenants have special situations that need to be addressed, the management team will work closely with them to ensure a smooth transition.

4. Projected Rent schedule post-renovation

- a. 2 BR: \$950
- b. Note: all units will require income verification for tenants to make less than or equal to 60% of Richmond VA MSA AMI.

5. Advisory services

- a. Please see property management for any questions or concerns about the renovation. The property management team will work with you as best as possible to ensure a smooth transition. Any and all documentation related to the tenant's relocation will be kept in the tenant's file. Genesis Properties will offer a Tenant Advisory Services to any tenant who made need assistance throughout the process. Examples of Advisory Services include:

- i. Providing referrals for tenants to replacement properties.
 - ii. Relocating tenants to other properties managed by Genesis Properties.
 - iii. Provide appropriate counseling for tenants who are unable to read and understand notices.
 - iv. Provide contact information for questions and access to phone if needed to make contact.
6. Estimated reimbursements per unit, per month:
 - a. Rental voucher of \$815
 - b. Moving Reimbursement of \$250.00
7. Construction Schedule / Phasing
 - a. The project is going to be completed in phases over a two-year period. Each phase will consist of 20-30 units and take 90 days to complete. Due to the expansive scope of work, the units will have to be vacated by the tenant. Current residents will need to relocate during the construction.

Ninety days before construction starts in each phase, the property manager will send out notices to residents to let them know about the upcoming construction and the impact it will have. The tenant will have three options: locate to another unit inside the community, temporarily relocate outside the community until their apartment is renovated and move back into their original apartment, or permanently move to another apartment community. The first priority is to work with current residents to locate them inside the community to a vacant unit. If the tenant does not want to relocate inside the community, then their lease will be terminated. If tenants do decide to relocate to another apartment community than the property manager will provide any necessary tenant advisory services to assist in the process. The goal throughout the process is to work with each resident and be accommodating as possible.

Phase	# of Units Per Phase	Address	Number Of Units	Start Date
1	8	3601 - 3615 E Broad Rock	8	3/15/2022
2	10	705 - 723 E 36th	10	6/15/2022
3	20	801 - 809 E Broad Rock	20	9/15/2022
4	24	811 - 907, 3600 E Broad Rock	24	12/15/2022

Tab K:

Documentation of Development Location:

Tab K.1

Revitalization Area Certification

Tab K.1

Revitalization Area Certification Information



Revitalization Area

General Instructions

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

Designation

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

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

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

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

Census Tract

Census Tract Information

The address entered is situated in Census Tract 607 in Richmond city.

Is this address eligible for (only one may apply):

Points associated with being in a tract with less than 12% poverty? No

Points associated with being in a tract with less than 10% poverty? No

Points associated with being in a tract with less than 3% poverty? No

The tract's poverty is 35.6%

This location falls within Richmond MSA geographic pool. It is also subject to current square footage cost limits of \$275 for new construction or adaptive reuse and \$197 for acquisition/rehabilitation developments.

Additional information regarding this site:

Is it located within the New Construction pool? No

Is it located within a Difficult to Develop Area (DDA)? No

It is located in Congressional District: 4

It is located in Planning District: 15

It is located in State Senate District: 16

It is located in State House District: 69

Revitalization Reference

Is it located within a Qualified Census Tract (QCT)? Yes

Is it located within a tract where 70% or more of families have incomes which are 80% or less of statewide median income? Yes

3600 e broad rock

Show search results for 3600 e ...



Census Tract Information

The address entered is situated in Census Tract 604 in Richmond city.

Is this address eligible for (only one may apply):

Points associated with being in a tract with less than 12% poverty? No

Points associated with being in a tract with less than 10% poverty? No

Points associated with being in a tract with less than 3% poverty? No

The tract's poverty is 30.1%

This location falls within Richmond MSA geographic pool. It is also subject to current square footage cost limits of \$275 for new construction or adaptive reuse and \$197 for acquisition/rehabilitation developments.

Additional information regarding this site:

Is it located within the New Construction pool? No

Is it located within a Difficult to Develop Area (DDA)? No

It is located in Congressional District: 4

It is located in Planning District: 15

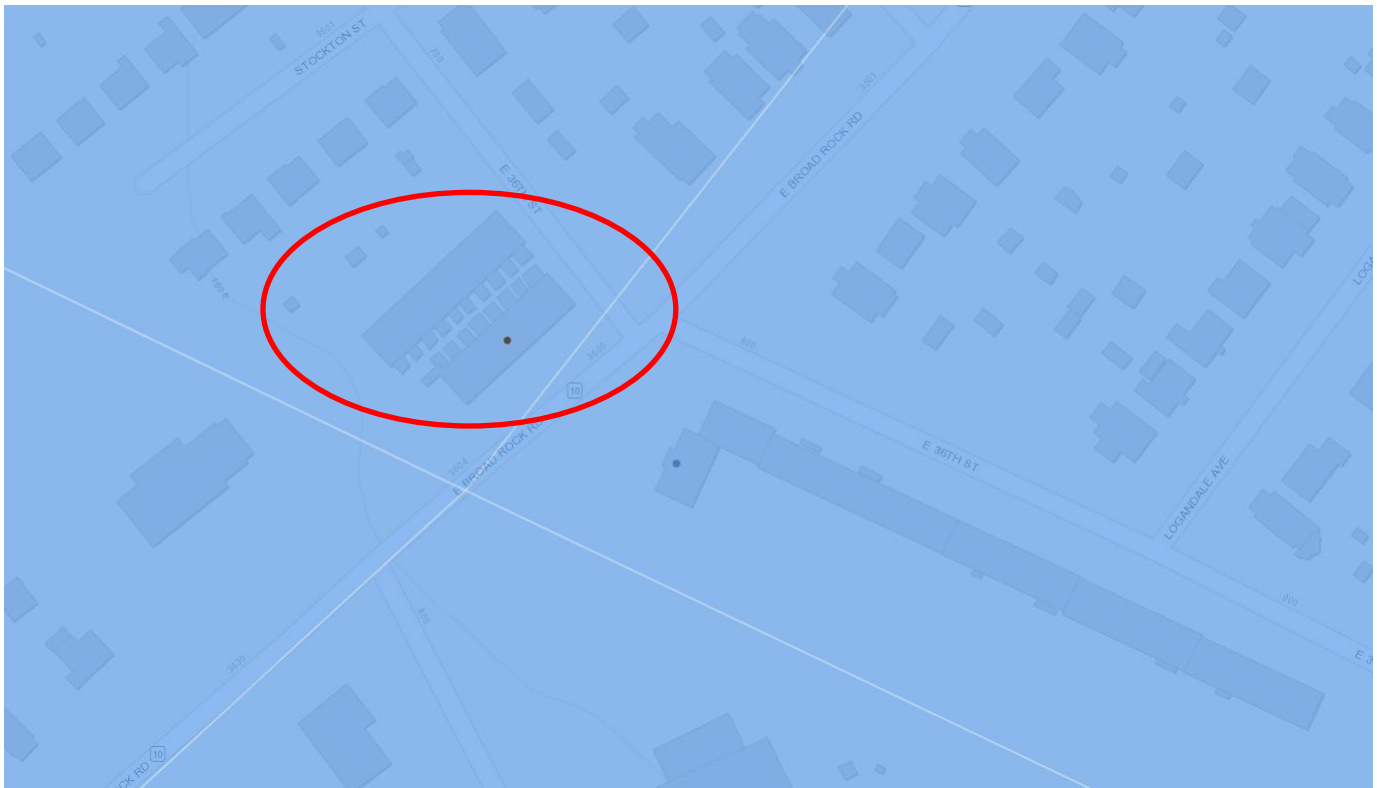
It is located in State Senate District: 16

It is located in State House District: 69

Revitalization Reference

Is it located within a Qualified Census Tract (QCT)? Yes

Is it located within a tract where 70% or more of families have incomes which are 80% or less of statewide median income? Yes



2022 IRS SECTION 42(d)(5)(B) QUALIFIED CENSUS TRACTS
 (2010 Census and 2013-2017, 2014-2018, and 2015-2019 American Community Survey (ACS) Data; OMB Metropolitan Area Definitions, August 15, 2017)
 *Effective Date January 1, 2022

METROPOLITAN AREA: Reading, PA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Berks County	1.00	2.00	3.00	4.00	5.00	8.00	9.00	10.00	11.00	12.00	13.00	14.00
	15.00	16.00	17.00	18.00	19.00	20.00	21.00	22.00	23.00	25.00	26.00	

METROPOLITAN AREA: Redding, CA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Shasta County	101.00	102.00	107.04	109.00	112.09	120.00	121.02	122.00	125.00			

METROPOLITAN AREA: Reno, NV MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Washoe County	1.01	1.02	2.01	2.02	7.00	9.00	10.08	10.09	12.02	14.00	15.02	17.01
	18.01	18.02	19.01	19.02	21.07	22.11	22.12	27.03	30.00	9402.00		

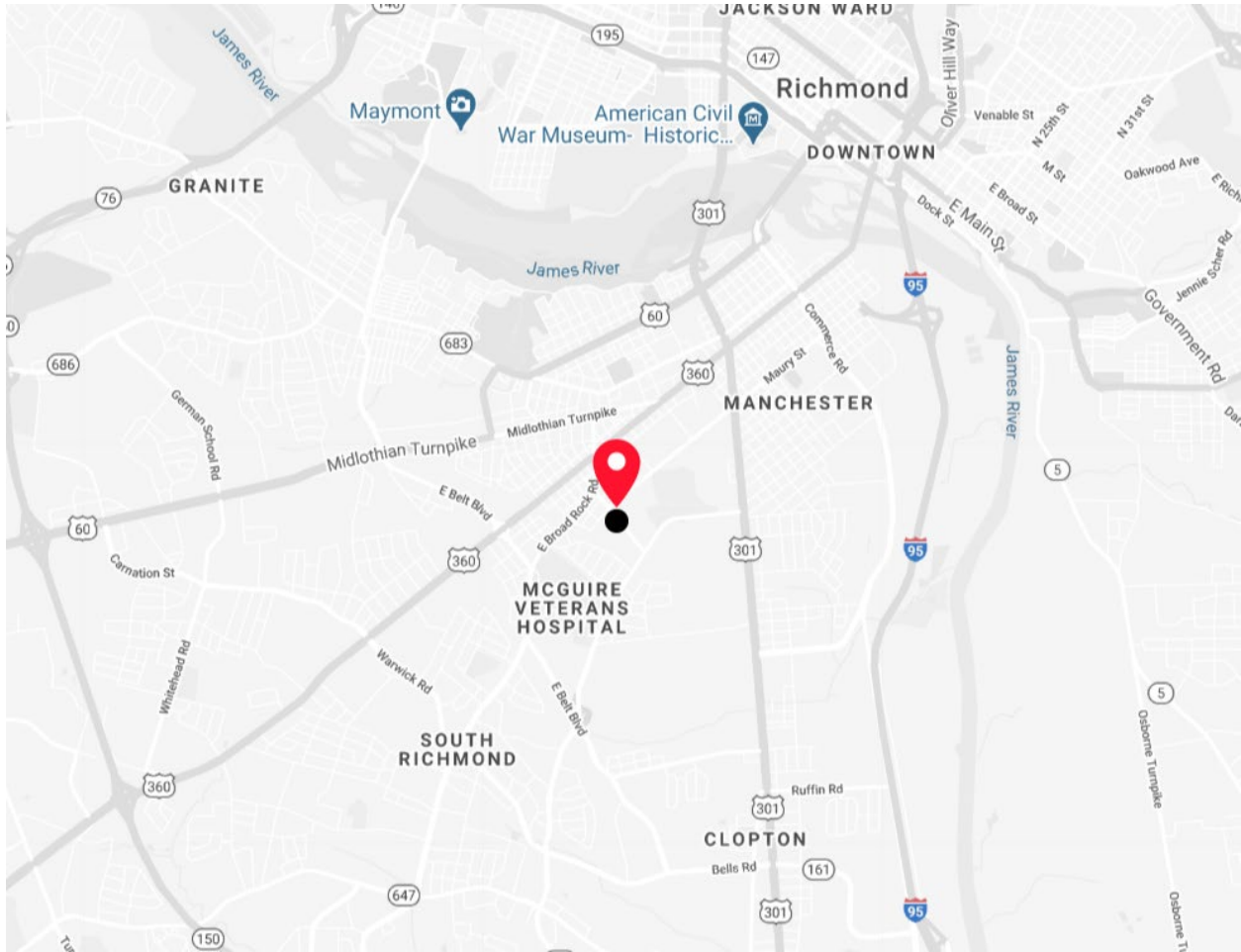
METROPOLITAN AREA: Richmond, VA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Chesterfield County	1002.05	1003.00	1004.04	1004.05	1004.06							
Dinwiddie County	8405.00											
Henrico County	2004.10	2004.12	2007.00	2008.04	2008.05	2010.03	2011.01	2012.02	2014.01			
Sussex County	8704.00											
Colonial Heights city	8304.00											
Hopewell city	8201.00	8203.00	8205.00	8206.00	8207.00							
Petersburg city	8101.00	8104.00	8105.00	8106.00	8107.00	8109.00	8112.00	8113.00				
Richmond city	103.00	107.00	108.00	109.00	110.00	201.00	202.00	203.00	204.00	207.00	209.00	210.00
	211.00	212.00	301.00	302.00	305.00	402.00	403.00	404.00	411.00	412.00	413.00	602.00
	604.00	607.00	608.00	609.00	610.00	706.01	706.02	707.00	708.01	708.02	709.00	710.01

METROPOLITAN AREA: Riverside-San Bernardino-Ontario, CA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Riverside County	301.03	303.00	304.00	305.01	305.02	305.03	310.02	402.03	402.04	403.01	410.01	411.01
	414.10	416.00	417.03	417.04	420.10	422.09	422.10	424.04	425.05	425.11	425.15	425.20
	428.00	429.04	430.06	433.07	433.08	433.09	433.10	433.13	434.01	434.03	434.04	434.05
	435.05	435.07	436.01	436.02	438.13	440.00	441.01	441.02	442.00	444.03	445.07	445.09
	445.10	445.15	445.16	445.18	445.21	445.22	447.02	449.07	449.15	449.26	450.00	452.07
	453.02	453.03	455.02	456.04	456.05	456.09	457.03	457.04	457.05	457.06	457.07	461.02
	462.00	465.00	467.00	472.01	489.02	495.00	9404.00					
San Bernardino County	3.01	9.03	13.05	15.03	15.04	16.00	28.03	28.04	30.00	31.02	33.02	34.04
	34.05	35.05	35.10	37.00	40.03	41.03	41.04	42.01	42.02	43.02	44.04	45.07
	45.10	46.03	47.00	48.00	49.00	53.00	54.00	55.00	56.00	57.01	58.00	62.03
	62.04	63.01	63.02	64.01	64.02	65.00	66.04	70.00	71.07	73.03	73.05	74.07
	74.08	74.10	76.01	76.03	80.02	84.04	87.10	89.01	91.12	91.14	91.16	91.17
	94.00	95.00	97.10	97.12	97.16	98.00	99.04	99.05	99.12	99.13	100.11	100.14
	100.19	100.20	104.11	104.16	104.20	104.21	104.23	104.24	107.00	117.00	120.02	121.03
	124.00	125.00	251.00	9401.00								

METROPOLITAN AREA: Roanoke, VA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Franklin County	202.00											
Roanoke city	1.00	5.00	9.00	10.00	12.00	24.00	25.00	26.00				

Tab K.2

Location Map



Census Tract

Census Tract Information

The address entered is situated in Census Tract 607 in Richmond city.

Is this address eligible for (only one may apply):

Points associated with being in a tract with less than 12% poverty? No

Points associated with being in a tract with less than 10% poverty? No

Points associated with being in a tract with less than 3% poverty? No

The tract's poverty is 35.6%

This location falls within Richmond MSA geographic pool. It is also subject to current square footage cost limits of \$275 for new construction or adaptive reuse and \$197 for acquisition/rehabilitation developments.

Additional information regarding this site:

Is it located within the New Construction pool? No

Is it located within a Difficult to Develop Area (DDA)? No

It is located in Congressional District: 4

It is located in Planning District: 15

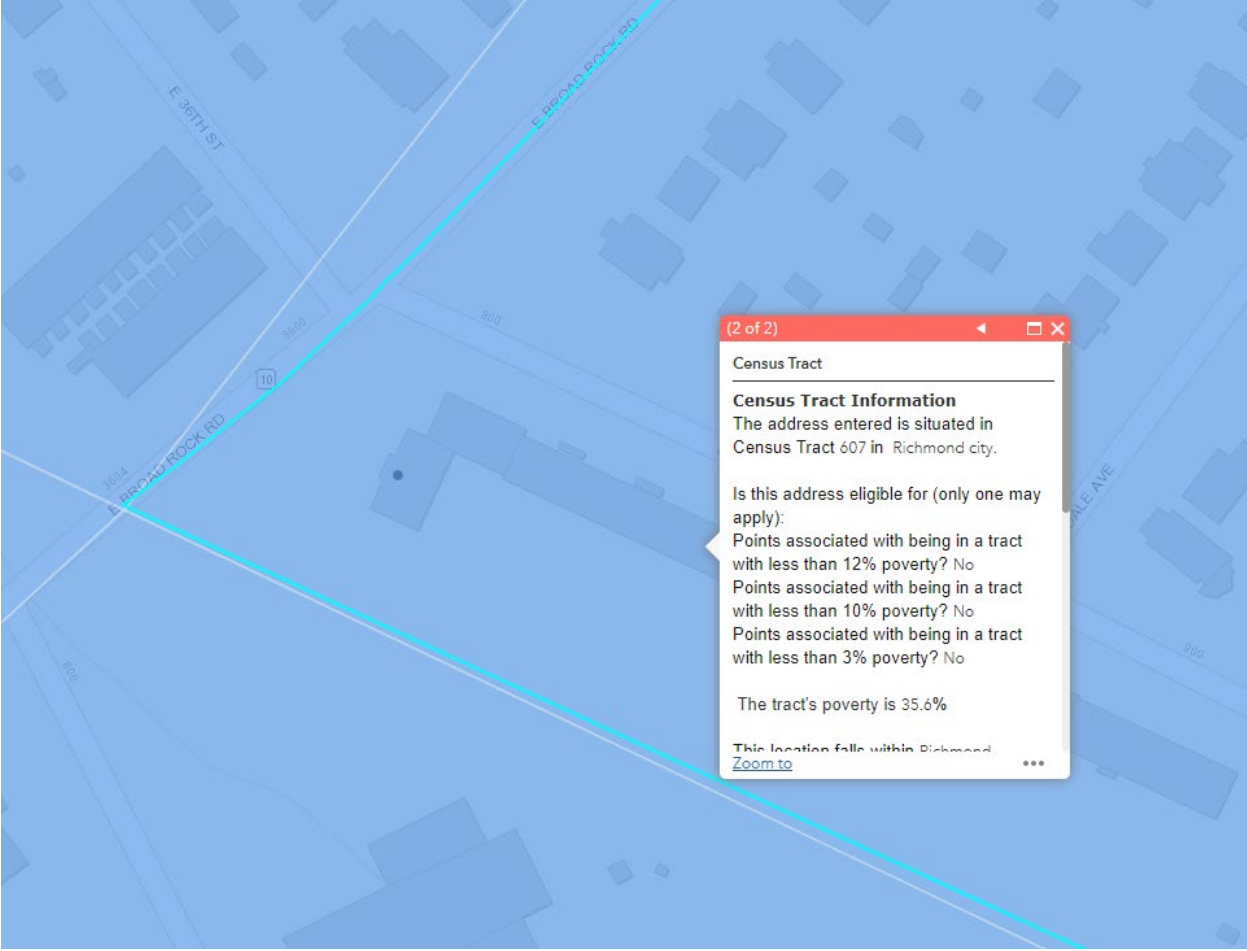
It is located in State Senate District: 16

It is located in State House District: 69

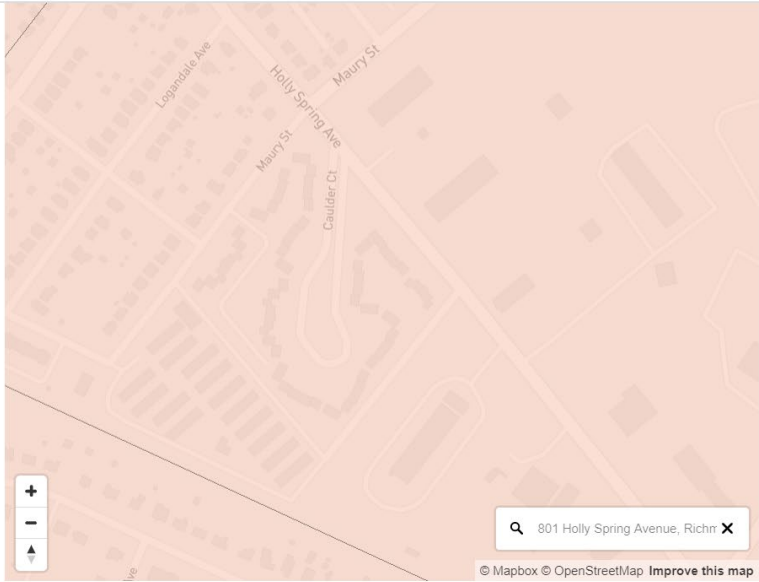
Revitalization Reference

Is it located within a Qualified Census Tract (QCT)? Yes

Is it located within a tract where 70% or more of families have incomes which are 80% or less of statewide median income? Yes







- LIHTC Mapping Tool
 - QCTs and DDAs
 - Novogradac DDA and QCT Mapping Tool**
 - LIHTC Pricing Trends
 - Applicable Federal Rates
 - Tax Credit Percentages
 - Monthly Bond Factor Amounts
 - Utility Allowances
 - Interest Rates for Tax Credit Recapture
 - Annual LIHTC Utilization Charts
 - GSE Reform
-
- Legislation and Court Rulings
-
- Research and Resources
-
- Related Programs
-
- Working Group
-
-  My Account



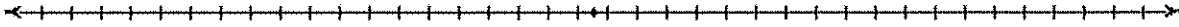
Key

2019-2020 QCT and DDA Changes

 Lost QCT Designation	 Lost DDA Designation
 Remained QCT	 Remained DDA

Tab K.3

Surveyor's Certification of Proximity To Public
Transportation



Surveyor's Certification of Proximity to Transportation

DATE: 7-10-2020

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

RE: 2019 Tax Credit Reservation Request

Name of Development: 3416 Maury Street

Name of Owner: VST Holly Springs 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.

McKnight & Associates P.C.

Firm Name

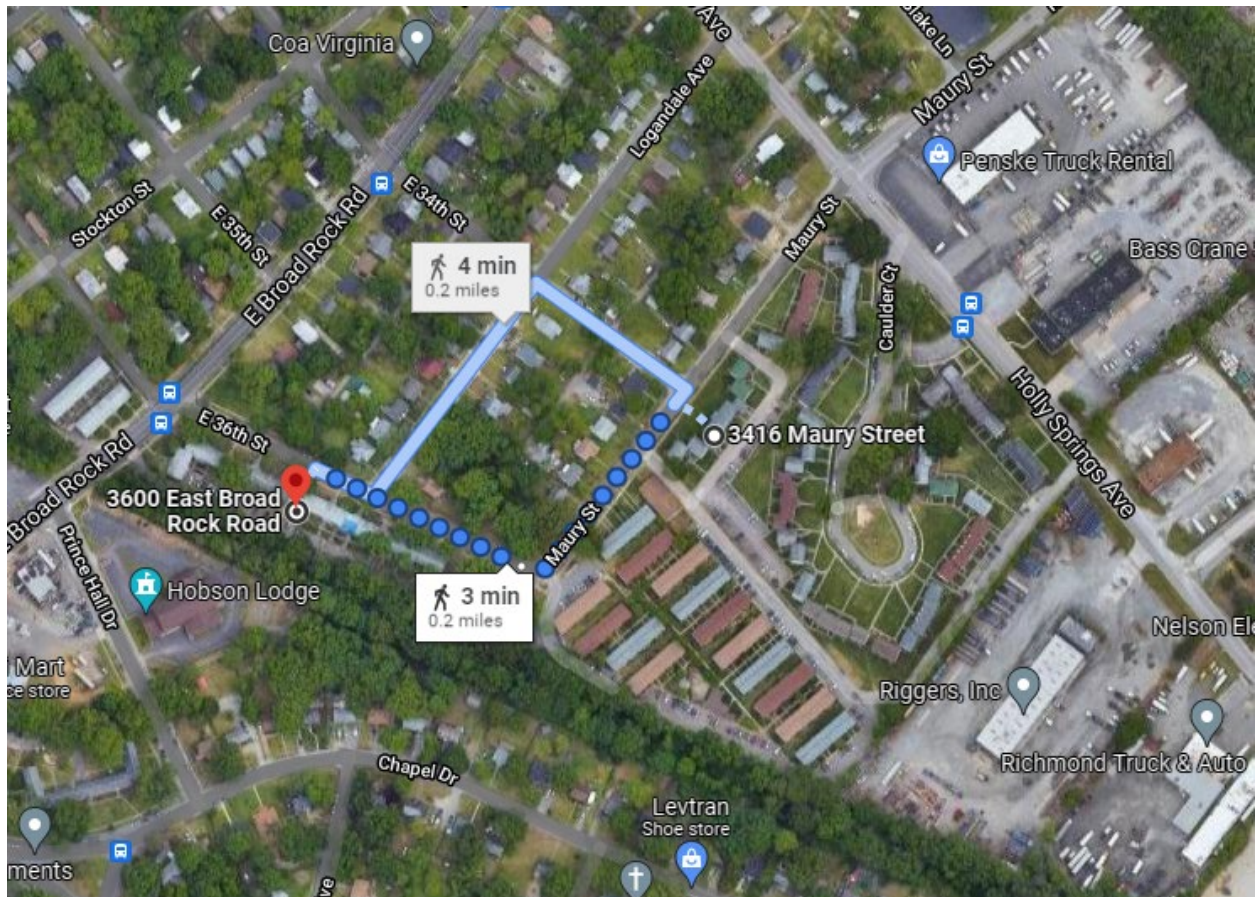
By: 

Its: President

Title

Note concerning the Surveyor's Certification of Proximity to Transportation:

The attached Surveyor's Certification of Proximity to Transportation was written for the property adjacent to the subject property. The map below shows the distance of the subject property to the property certified by the surveyor, as well as additional nearby bus stops.



Tab L:

PHA / Section 8 Notification Letter



PHA or Section 8 Notification Letter

Development Name: Swansboro

Tracking #: 2022-TEB-10

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 (or proof of delivery to the correct PHA/ Section 8 Administrator) 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: 2/4/2022

TO: Stacey Daniels-Fayson
Chief Executive Officer
RRHA

RE: PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Swansboro
Name of Owner: VST Swansboro 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 5/29/2023 (date).

The following is a brief description of the proposed development:

Development Address:
3600 and 3601 E Broad Rock Road
Richmond, VA 23224

Proposed Improvements:

<input type="checkbox"/> New Constr.:	_____ # units	_____ # Bldgs
<input type="checkbox"/> Adaptive Reuse:	_____ # units	_____ # Bldgs
<input checked="" type="checkbox"/> Rehabilitation:	<u>62</u> # units	<u>3</u> # Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ _____ / month
<input type="checkbox"/> 1 Bedroom Units:	\$ _____ / month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>950</u> / month
<input type="checkbox"/> 3 Bedroom Units:	\$ _____ / month
<input type="checkbox"/> 4 Bedroom Units:	\$ _____ / month

Other Descriptive Information:

Swansboro Apartments is a 62-unit existing apartment complex located in Richmond. The applicant proposes to acquire and significantly renovate the apartments using 4% LIHTC credits and tax-exempt bonds.
The property is located on two separate parcels. One parcel is located in the QCT 607, and the other one

PHA or Section 8 Notification Letter

is in QCT 604.

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (802)977-0765.

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

Sincerely yours,



Jessica Stevenson

Name

Genesis Properties Development Analyst

Title

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

Seen and Acknowledged By: _____

Printed Name: _____

Title: _____

Phone: _____

Date: _____

Genesis Properties, Inc.
101 W. Commerce Rd., 2nd Floor
Richmond, VA 23224

CERTIFIED MAIL



7016 1830 0001 1733 8308

FIRST-CLASS



US POSTAGE TM PITNEY BOWES
ZIP 23224 \$ 004.28⁰
02 7H FEB 04 2022
0006006493

RRHA, ATTN: Stacey Daniels Fayson
901 Chamberlayne Pkwy
Richmond, Va. 23220

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RRHO, KATHN. Stacey Taylor
901 Chamberlayne Flury
Richmond, Va. 23290



9590 9402 5284 9154 1965 94

2. Article Number (Transfer from service label)

7018 1830 0001133 8308

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Agent
 Addressee

B. Received by (Printed Name)

C. Date of Delivery
8-4-02

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
- Adult Signature
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery
 - Insured Mail
 - Insured Mail Restricted Delivery (over \$500)
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Return Receipt for Merchandise
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RRHA, Attn: Stacey Taylor
901 Chamberlayne Ave
Richmond, Va. 23220



9590 9402 5284 9154 1965 94

2. Article Number (Transfer from service label)

7018 1830 0001 133 8308

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*

- Agent
- Addressee

B. Received by (Printed Name)

D. Vines

C. Date of Delivery

2-4-22

- D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

Tab M:

Locality CEO Response Letter

City of Richmond



CHIEF ADMINISTRATIVE OFFICE

"SIC ITUR AD ASTRA"
SUCH IS THE WAY TO THE STARS

November 22, 2019

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

VHDA Tracking Number: TBD
Name of Development: Village South Apartments
Name of Owner/Applicant: Village South Genesis LLC

The construction or rehabilitation of Village South Apartments and the allocation of federal housing tax credits available under IRC Section 42 for that development will help meet the housing needs and priorities of the City of Richmond. Accordingly, the City of Richmond supports the allocation of federal housing tax credits requested by Village South Genesis LLC for that development.

Sincerely,

Lenora G. Reid
Acting Chief Administrative Officer

2019

Tab N:

Homeownership Plan

N/A

Tab O:

Plan of Development Certification Letter



CITY OF RICHMOND

DEPARTMENT OF
PLANNING AND DEVELOPMENT REVIEW
ZONING ADMINISTRATION

Plan of Development Certification

DATE: 5/10/2021

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development:	<u>Swansboro Apartments</u>
Name of Owner/Applicant:	<u>VST Swansboro LLC</u>
Name of Seller/Current Owner:	<u>Swansboro & Associates LLC</u>

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

DEVELOPMENT DESCRIPTION:

Development Address:

3600 East Broad Rock Road, Richmond, VA 23224

901.E. 36th Street, Richmond, VA 23224

Legal Description:

See Exhibit B

Plan of Development Number: TBD

Proposed Improvements:

<input type="checkbox"/> New Construction:	_____ # Units	_____ # Buildings	_____ Total Floor Area
<input type="checkbox"/> Adaptive Reuse:	_____ # Units	_____ # Buildings	_____ Total Floor Area
<input checked="" type="checkbox"/> Rehabilitation:	62 # Units	3 # Buildings	45646 Total Floor Area

Other Descriptive Information:

This is an existing apartment complex that will undergo renovations. Any and all renovation work will comply with the VHDA LIHTC Minimum Design Program.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

The proposed development described above has an approved final plan of development or site plan (as applicable to the site). No further plan of development or site plan approval is required before issuance of a building permit.

The proposed development is an existing development with proposed renovations and no additional plan of development approval is needed.

The above plan of development approval is in effect until: _____

William Davidson
 Signed _____
 Printed Name *William Davidson*
 Title *Zoning Administrator*
 Phone *(804) 646-6353*
 Date *August 20, 2021*

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 a reduction of points under the scoring system. If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.

Tab P:

Developer Experience documentation and Partnership agreements

**OPERATING AGREEMENT
OF
NORMANDY CONSULTING LLC**

A single-member, member-managed Virginia Limited Liability Company.

RECITAL:

The party to this agreement (the "Member") is signing this agreement for the purpose of forming a limited liability company under the Limited Liability Company Act of the state of Virginia, Va. Code 13.1-1000 et seq., as amended and in force from time to time (the "Act").

AGREEMENTS:

1. FORMATION

1.1 Name. The name of this limited liability company (the "Company") is Normandy Consulting LLC.

1.2 Articles of Organization. Articles of organization for the Company were filed with the Commonwealth of Virginia State Corporation Commission on the 28th day of December, 2011.

1.3 Duration. The Company will exist until dissolved as provided in this agreement.

1.4 Principal Office. The Company's principal office will initially be at 1206 Normandy Drive, Richmond, VA 23229, but may be relocated by the Member at any time.

1.5 Designated Office and Agent for Service of Process. The Company's initial designated office will be at 1206 Normandy Drive, Richmond, VA 23229, and the name of its initial agent for service of process at that address will be Edward K. Solarz. The Company's designated office and its agent for service of process may only be changed by filing notice of the change with the Commonwealth of Virginia State Corporation Commission.

1.6 Purposes and Powers. The Company is formed for the purpose of engaging in business consulting, and may also engage in any lawful business that a limited liability company may engage in under the Act. The Company has the power to do all things necessary, incident, or in furtherance of that business.

1.7 Title to Assets. Title to all assets of the Company will be held in the name of the Company. The Member does not have any right to the assets of the Company or any ownership interest in those assets except indirectly as a result of the Member's ownership of an interest in the Company.

2. MEMBER

2.1 Name and Address. The name and address of the sole member of the Company is:

Edward K. Solarz
1206 Normandy Drive
Richmond, VA 23229
SSN# 209-62-5664

2.2 Termination of Member's Interest. The Member will cease to be a member of the Company upon the Member's death, incompetency, or bankruptcy, or upon assignment of the Member's entire membership interest. Unless there are one or more other members of the Company, the person who is the holder of the Member's interest immediately after the Member ceases to be a member will become a member. If there are one or more other members of the Company at the time the Member ceases to be a member, the person who is the holder of the Member's interest immediately after the Member ceases to be a member will become a member only with the consent of the other member or members.

2.3 Additional Members. Except for the holder of a member's interest who becomes a member under the provisions of the section of this agreement relating to termination of member's interest, additional members of the Company may be admitted only by written agreement of the Member and the additional members.

3. CAPITAL

3.1 Initial Capital Contribution. The initial capital contribution of the Member will be \$1, which will be deposited into a capital account maintained by the Member at the Designated Office, and will account for 100% of the ownership of the Company.

3.2 Additional Contributions. Except as otherwise provided in the Act, the Member is not required to contribute additional capital to the Company. But the Member may make additional capital contributions to the Company from time to time as the Member wishes.

3.3 No Interest on Capital Contributions. No interest will be paid on capital contributions.

3.4 Capital Account. A capital account will be maintained for the Member. The Member's capital account will be credited with all capital contributions made by the Member and with all income and gain (including any income exempt from federal income tax) of the Company, and the Member's capital account will be charged with the amount of all distributions made to the Member and with all losses and deductions (including deductions attributable to tax-exempt income) of the Company.

4. PROFITS AND LOSSES AND DISTRIBUTIONS

4.1 Profits and Losses. The entire net profit or net loss of the Company for each fiscal year will be allocated to the Member and must be reported by the Member on all federal, state, and local income and other tax returns required to be filed by the Member.

4.2 Distributions. Subject to the restrictions governing distributions under the Act, distributions of cash or property may be made from time to time by the Company to the Member, as the Member directs. But the assets of the Company may not be used to pay the separate expenses of the Member, to make personal investments for the account of the Member, or for any other purpose not related to the business of the Company.

5. ADMINISTRATION OF COMPANY BUSINESS

5.1 Management. The Member has the sole right to manage and conduct the Company's business. Actions by the Member relating to the management of the Company may be memorialized in written resolutions signed by the Member, but written resolutions are not required to authorize action by the Member.

5.2 Authority of Member. The Member is the agent of the Company and has authority to bind the Company on all matters. The authority of the Member includes, without limitation, the authority to: (a) sell, lease, exchange, mortgage, pledge, or otherwise transfer or dispose of all or substantially all of the property or assets of the Company; (b) merge the Company with any other entity; (c) amend the articles of organization of the Company or this agreement; (e) change the nature of the business of the Company; or (f) commence a voluntary bankruptcy case for the Company.

5.3 Compensation and Reimbursement. The Member is not entitled to the payment of any salary or other compensation for services provided to the Company. The Member is, however, entitled to reimbursement from the Company for reasonable expenses incurred on behalf of the Company, including expenses incurred in the formation, dissolution, and liquidation of the Company.

6. ACCOUNTING AND RECORDS

6.1 Books and Records. The Company may keep such books and records relating to the operation of the Company as are appropriate and adequate for the Company's business. The books and records are to be available for inspection by the Member at the principal office of the Company.

6.2 Separate Accounts. The funds, assets, properties, and accounts of the Company must be maintained separately, and may not be commingled with those of the Member or any other person.

6.3 Fiscal Year. The fiscal year of the Company will be the calendar year.

7. DISSOLUTION AND WINDING UP

7.1 Events of Dissolution. The Company will dissolve upon the earlier of (a) approval of dissolution by the Member or (b) such time as the Company has no members. Neither the death, incompetency, or bankruptcy of the Member nor the assignment of the Member's entire membership interest will dissolve the Company.

7.2 Winding Up and Liquidation. Upon the dissolution of the Company, the affairs of the Company must be wound up by the Member. If the affairs of the Company are to be wound up, a full account must be taken of the assets and liabilities of the Company, and the assets of the Company must then be promptly liquidated. The proceeds must first be paid to creditors of the Company in satisfaction of all liabilities and obligations of the Company, including, to the extent permitted by law, liabilities and obligations owed to the Member as a creditor. Any remaining proceeds may then be distributed to the Member. Property of the Company may be distributed in kind in the process of winding up and liquidation.

7.3 Negative Capital Account. If the Member has a negative balance in the Member's capital account upon liquidation of the Company, the Member will have no obligation to make any contribution to the capital of the Company to make up the deficit, and the deficit will not be considered a debt owed to the Company or any other person for any purpose.

8. INDEMNIFICATION AND LIABILITY LIMITATION

8.1 Indemnification. The Company must indemnify the Member to the fullest extent permissible under the law of the state in which the articles of organization of the Company have been filed, as the same exists or may hereafter be amended, against all liability, loss, and costs (including, without limitation, attorneys' fees) incurred or suffered by the Member by reason of or arising from the fact that the Member is or was a member of the Company, or is or was serving at the request of the Company as a manager, member, director, officer, partner, trustee, employee, or agent of another foreign or domestic limited liability company, corporation, partnership, joint venture, trust, benefit plan, or other enterprise. The Company may, by action of

the Member, provide indemnification to employees and agents of the Company who are not members. The indemnification provided in this section will not be exclusive of any other rights to which any person may be entitled under any statute, agreement, resolution of the Member, contract, or otherwise.

8.2 Limitation of Liability. The Member is not liable to the Company for monetary damages resulting from the Member's conduct except to the extent that the Act, as it now exists or may be amended in the future, prohibits the elimination or limitation of liability of members of limited liability companies. No repeal or amendment of this section or of the Act will adversely affect any right or protection of the Member for actions or omissions prior to the repeal or amendment.

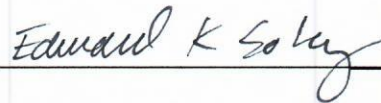
9. MISCELLANEOUS PROVISIONS

9.1 Amendment. The Member may amend or repeal all or part of this agreement by written instrument.

9.2 Governing Law. This agreement will be governed by the law of the state in which the articles of organization of the Company have been filed.

9.3 Severability. If any provision of this agreement is invalid or unenforceable, it will not affect the remaining provisions.

The undersigned, being the sole and managing Member of the Company, hereby agrees, acknowledges and certifies that the forgoing Operating agreement constitutes the sole and entire Operating Agreement of the Company, unanimously adopted by the Member of the Company as of the date first written above.

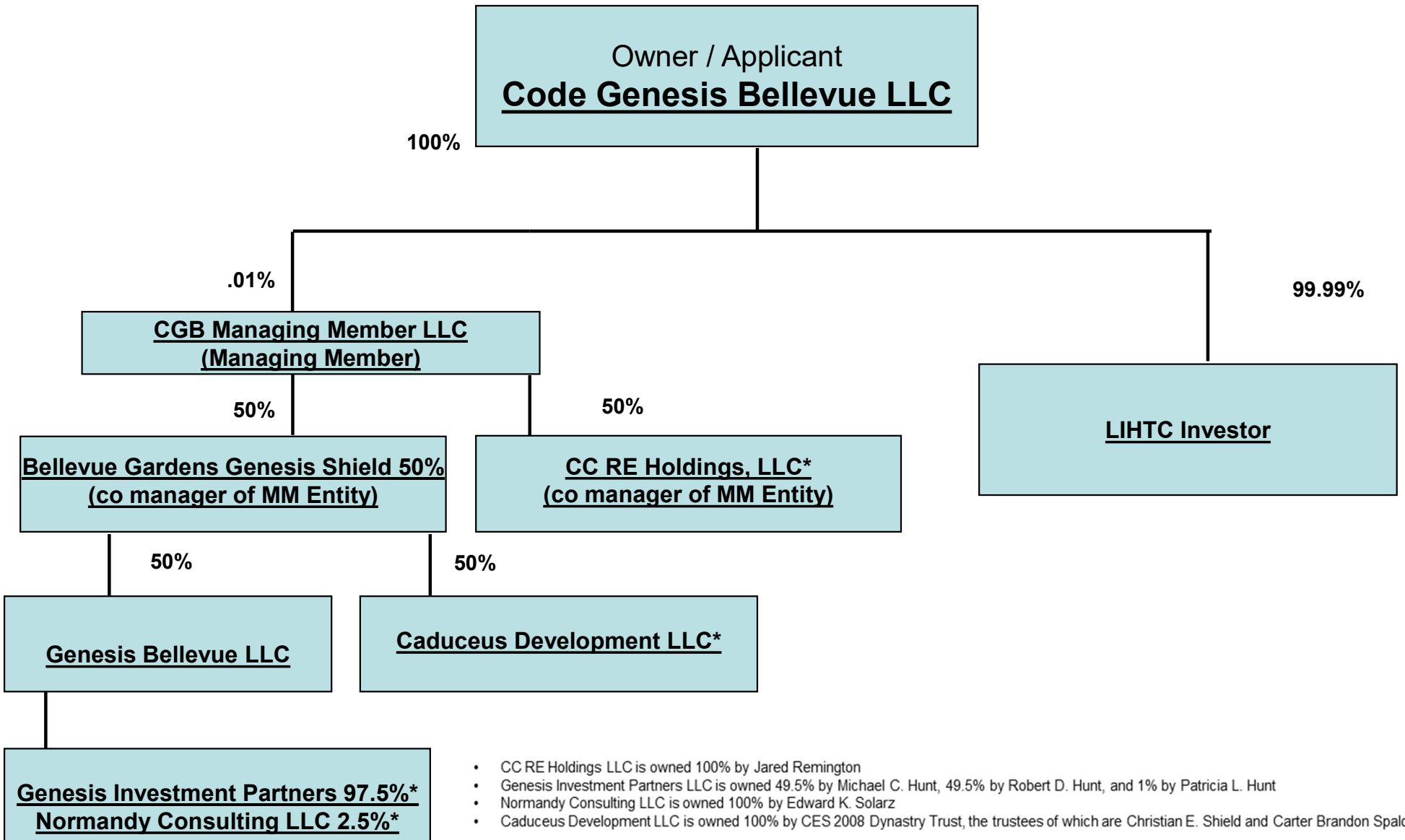


Edward K. Solarz
Managing Member

AT CLOSING

Code Genesis Bellevue LLC

Future Organizational Structure – at Tax Credit Equity Closing



**ADDENDUM TO FIRST AMENDED AND RESTATED OPERATING AGREEMENT
OF CODE GENESIS BELLEVUE LLC**

This Addendum to First Amended and Restated Operating Agreement of Code Genesis Bellevue LLC (“Addendum”) is made as of the 24th day of January 2017 (“Effective Date”), by and among, CGB MANAGING MEMBER LLC, a Virginia limited liability company (the Managing Member”), Fulton Bank, N.A. (“Investor Member”), and CODE GENESIS BELLEVUE SCP LLC, a Virginia limited liability company (the “SCP Member” and together with Managing Member and Investor Member, “Members”), as a member, and CODE GENESIS BELLEVUE LLC, a Virginia limited liability company (the “Company”).

WHEREAS, the Company was formed as a limited liability company under and pursuant to the provisions of the Virginia Limited Liability Company Act pursuant to an Articles of Organization filed with the Virginia State Corporation Commission on December 1, 2015. The Company has been operating pursuant to an Operating Agreement dated as of April 27, 2015, (the “Original Operating Agreement”), having Managing Member and CGB Limited Member LLC, a Virginia limited liability company (the “Withdrawing Member”) as members.

WHEREAS, the Original Operating Agreement is being amended and restated in its entirety by that certain First Amended and Restated Operating Agreement of the Company (the “Operating Agreement”), pursuant to which, among other things, the Withdrawing Member will withdraw as a Member of the Company, and the Investor Member and SCP Member will be admitted as Members of the Company; and

WHEREAS, the parties hereto wish to amend the Operating Agreement as provided herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agree as follows:

1. This Addendum shall take effect and shall become a part of the Operating Agreement immediately upon execution by all parties hereto. SCP Member is admitted as a Member of the Company pursuant to the Operating Agreement in exchange for the SCP Member’s TWO THOUSAND FIVE HUNDRED and 00/100 Dollars (\$2,500.00) capital contribution (the “Initial Capital Contribution”) and its commitments otherwise set forth herein. The parties authorize and direct the Managing Member to update the records of the Company to evidence this admission and to reflect the resulting Interest of the SCP Member, as reflected on Schedule A attached to the Operating Agreement.

2. Voting Rights of Interest. All Interests in the Company shall carry voting rights.

3. State Credits/Capital Contribution.

(a) Pursuant to the Operating Agreement, the Members and the Company confirm that the allocation to SCP Member under the Operating Agreement of all of the Company’s rehabilitation tax credits allowed under Section 58.1-339.2 of the Code of Virginia (the “Virginia Code”) for 2017 (the “2017 Virginia Historic Credits”) and for 2018 (the “2018

Virginia Historic Credits” and, together, the “State Credits”) for the certified rehabilitation (the “Project”) of the real property owned by the Company located at 3905-4213 Chamberlayne Avenue and 4212-4232 Old Brook Road, Richmond, Virginia (the “Property”). The Company and the Members agree to execute all documents necessary to affect the allocation of the State Credits to the SCP Member and to make timely, accurate and complete submissions of federal and state income tax returns necessary to affect such allocation (the “Tax Documents”). The parties hereto covenant and agree that the Managing Member shall confer with the SCP Member regarding the selection of the accountants for the Company for the purpose of preparing the cost certification for the rehabilitation of the Project and such Tax Documents through and for the end of the year in which the State Credits are claimed by the Company (the “Certification Accountants” or the “Accountants”). The Company and the Managing Member hereby agree that they will direct the Certification Accountants to complete an audit of the eligible rehabilitation expenses of the rehabilitation of the Property. The Company and the Managing Member also agree that time is of the essence with regard to the timely submission of the Tax Documents. In addition, each Member appoints the Managing Member as his or its attorney-in-fact to execute and deliver any such documents. The parties hereto covenant and agree that Dixon Hughes Goodman LLP (the “Certification Accountants”, or “Accountants”) shall be the accountants for the Company for the purpose of preparing the cost certification for the rehabilitation of the Project and such Tax Documents through and for the end of the year in which the 2018 Virginia Historic Credits are claimed by the Company. The Company and the Managing Member hereby agree that they will direct the Certification Accountants to complete an audit of the eligible rehabilitation expenses for the Project. The Company and the Managing Member also hereby agree that time is of the essence with regard to the timely submission of the Tax Documents. In addition, each Member appoints the Managing Member as its attorney-in-fact to execute and deliver any such documents.

(b) SCP Member hereby agrees to contribute \$0.80 in cash for each dollar of the State Credits that the Company allocates to SCP Member (the “Price”). The Managing Member and SCP Member anticipate that, over and above the Initial Contribution, the capital commitment to be made by SCP Member to the Company will total \$2,110,871 (the “Additional Contribution” and together with the Initial Contribution, the “SCP Member Contribution”). It is anticipated that State Credits will be certified for both 2017 (“Phase 1”) and 2018 (“Phase 2”) of the Project and that the State Credits to be allocated to SCP Member will total \$2,641,714. Notwithstanding anything contained herein to the contrary, in no event will the SCP Member Contribution exceed or be less than the capital contributions (the “SCP Member’s Investor’s Capital Contributions”) from Preservation 2017, LLC (“P 2017”) under the Amendment to Operating Agreement of the SCP Member made by and among Managing Member, P 2017 and SCP Member (the “SCP Amendment”) less reasonable operating expenses retained by the SCP Member.

(c) The SCP Member Contribution is based on \$1,056,685.60 in 2017 Virginia Historic Credits (the “2017 Projected Threshold”) being allocated to SCP Member in 2017 and \$1,585,028.40 in 2018 Virginia Historic Credits being allocated to SCP Member in 2018 (the “2018 Projected Threshold”).

(i) If the amount of the 2017 Virginia Historic Credits set forth in the Part 3 historic preservation certification of the Property by the Virginia Department of Historic Resources (“DHR”) for Phase 1 exceeds the 2017 Projected Threshold, (a) the Company shall

allocate all of the excess 2017 Virginia Historic Credits over the 2017 Projected Threshold to SCP Member and (b) the portion of the Additional Contribution applicable to Phase 1 will be increased by an amount calculated as the Price multiplied times the amount by which the 2017 Virginia Historic Credits actually allocated to SCP Member (the “2017 Actual Allocation Amount”) exceeds the 2017 Projected Threshold. In the event the amount of the 2017 Actual Allocation Amount is less than the 2017 Projected Threshold, the adjuster provisions set forth in Section 4 below shall apply.

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(ii) If the amount of the 2018 Virginia Historic Credits set forth in the Part 3 historic preservation certification of the Property by the Virginia Department of Historic Resources (“DHR”) for Phase 2 exceeds the 2018 Projected Threshold, (a) the Company shall allocate all of the excess 2018 Virginia Historic Credits over the 2018 Projected Threshold to SCP Member and (b) the portion of the Additional Contribution applicable to Phase 2 will be increased by an amount calculated as the Price multiplied times the amount by which the 2018 Virginia Historic Credits actually allocated to SCP Member (the “2018 Actual Allocation Amount”) exceeds the 2018 Projected Threshold. In the event the amount of the 2018 Actual Allocation Amount is less than the 2018 Projected Threshold, the adjuster provisions set forth in Section 4 below shall apply.

(d) The obligation of SCP Member to invest the portion of the Additional Contribution applicable to Phase 1 or Phase 2, respectively, shall be conditioned on satisfaction of the following conditions in SCP Member’s sole discretion (the “Funding Conditions”):

(i) SCP Member’s receipt of the SCP Member’s Investor’s Capital Contributions from P 2017 pursuant to the SCP Amendment, the funding of such which are conditioned upon satisfaction funding conditions set forth in the SCP Amendment;

(ii) completion of the rehabilitation of (x) Phase 1 on or before December 31, 2017, or (y) Phase 2 on or before December 31, 2018, respectively, as evidenced by the issuance by the inspecting architect and, if issued, by each governmental agency having jurisdiction of certifications of substantial completion or permitting for occupancy with respect to the Property (“Completion”);

(iii) the admission of the SCP Member as a Member of the Company before Completion;

(iv) completion of the DHR Part 3 Application for Phase 1 and Phase 2 with regard to the rehabilitation of the Property and an audit of eligible rehabilitation expenses for Phase 1 and Phase 2 of the rehabilitation of the Property prepared by the Certification Accountants, which audit shall include, among other items reasonably requested by SCP Member, a certification that the rehabilitation meets the “material rehabilitation” requirements pursuant to Section 58.1-339-2 of the Code of Virginia and any rules or regulations issued thereunder (the “Virginia Statute and Regulations”);

(v) the issuance, on or before (x) February 20, 2018, of the Part 3 certification of Phase 1 by DHR designating Phase 1 a “certified historic rehabilitation” pursuant

to the Virginia Statute and Regulations and determining the amount of the 2017 Virginia Historic Credits, or (x) February 20, 2019, of the Part 3 certification of Phase 2 by DHR designating Phase 2 a “certified historic rehabilitation” pursuant the Virginia Statute and Regulations and determining the amount of the 2018 Virginia Historic Credits;

(vi) the submission on or before February 20, 2018, or February 20, 2019, as applicable, by the Company to the Virginia Department of Taxation (“VDT”) of the Virginia Form PTE detailing allocation of the 2017 Virginia Historic Tax Credits and 2018 Virginia Historic Credits to SCP Member pursuant to the terms of this Addendum;

(vii) the absence of a material default under this Addendum or the Operating Agreement that is reasonably expected to have a material adverse impact on the Company, the SCP Member, the Project or the State Credits, as applicable, and which remains uncured past any applicable notice and cure periods;

(viii) the Company shall not have received a notice of threatened or impending foreclosure of the Property;

(ix) the Property shall be owned by the Company;

(x) the Managing Member shall not have failed to comply with any material provision under this Addendum or the Operating Agreement.

(xi) the issuance to the SCP Member of an environmental reliance letter, in form reasonably acceptable to the SCP Member, from each of the firms that have completed environmental reports, assessments or inspections of the Property. The SCP Member reserves the right to require that an update to any environmental report, assessment or inspection be completed at the Company’s expense;

(xii) the Company shall provide an opinion letter of the Company’s counsel which shall address, subject to customary qualifications and conditions: (1) the valid existence of the Company and the Managing Member, (2) the authority of the Company to enter into this transaction contemplated by this Addendum and the authority of the Company to enter into the transaction as contemplated in the Operating Agreement, (3) the availability of the State Credits, (4) the valid entry of the SCP Member into the Company, (5) the continued existence of the Company and the Managing Member, each, as a limited liability company, and (6) the validity of the allocations of the State Credits in the Operating Agreement as confirmed this Addendum.

(xiii) the receipt by the SCP Member of each item reflected in the due diligence documentation checklist, attached hereto as Exhibit B, in form and substance satisfactory to the SCP Member in its sole discretion;

(xiv) the absence of a change in Virginia law that prevents the SCP Member (or any direct or indirect owner of the SCP Member) from receiving an allocation of the State Credits or from being able to fully utilize the State Credits against its Virginia tax liability; and

(xv) the receipt by the SCP Member of such additional items requested by the SCP Member in its reasonable discretion.

(e) The Additional Contribution applicable to either Phase 1 or Phase 2 will be invested by SCP Member on the date (the “Determination Date”) which is ten (10) business days following the date on which the Funding Conditions are satisfied in SCP Member’s reasonable discretion, provided, however, on the Determination Date the Managing Member shall deliver to SCP Member a written statement (the “Funding Certification”) certifying to SCP Member that as of the Determination Date: (i) the representations and warranties of the Company and the Managing Member set forth in this Addendum and the Operating Agreement, remain true, accurate and correct, in all material respects, to the Managing Members’ knowledge, (ii) the covenants and obligations of the Company and the Managing Members set forth in this Addendum and the Operating Agreement, have been performed (including, without limitation, the delivery of all required financial and other reports then required to be delivered pursuant to Section 9 below), (iii) to the best of its knowledge, the cost certification as an audit prepared by the Certification Accountants for both Phase 1 and Phase 2, and submitted to DHR (a copy of which shall be delivered to SCP Member simultaneously with the Funding Certification) includes only expenses paid by the Company which are properly includable as rehabilitation expenses qualifying for rehabilitation tax credits under Section 58.1-339.2 of the Virginia Code, (iv) the Company is still in existence, (v) the Company is still authorized to engage in the activities as set forth in the Operating Agreement, and (vi) except as provided to SCP Member, there have been no changes or amendments to the articles, bylaws, operating agreement, partnership agreement, certificates or other organizational documents, as appropriate, of the Managing Member, the Company or any Guarantor (as hereinafter defined).

(f) In the event that the Funding Conditions are not satisfied on or before February 20, 2018 for Phase 1, or February 20, 2019 for Phase 2, in addition to any other rights or remedies of SCP Member in respect of such event, SCP Member shall have the option, but is not obligated to, by delivery of written notice to the Company (a “Non-Performance Notice”): (i) reduce the Price to \$0.60 or (ii) terminate this Agreement and sell to the Company all of its Membership Interest at ninety-five percent (95%) of the Agreement Price (as hereinafter defined) and on the terms set forth herein, provided, however, the foregoing reduction of Price shall only apply to that particular phase of the Project for which the Funding Conditions are not satisfied. The date of such sale (the “Specified Redemption Date”) shall be the date specified in the Non-Performance Notice, but shall in all events be on or after the later of the date the Non-Performance Notice is sent or the date of the Agreement Price Determination. The parties will execute all documents and certificates necessary to affect the redemption as of the Specified Redemption Date.

(g) The proceeds of the SCP Member Contribution shall be used for the purposes of rehabilitating and operating the Property.

4. Adjustments.

(a) If on the Determination Date for Phase 1 the 2017 Projected Threshold

exceeds the 2017 Actual Allocation Amount, the applicable portion of the Additional Contribution payable under this Addendum shall be reduced by an amount calculated as the product of \$0.80 times the excess of the 2017 Projected Threshold over the 2017 Actual Allocation Amount.

(b) If on the Determination Date for Phase 2 the 2018 Projected Threshold exceeds the 2018 Actual Allocation Amount, the applicable portion of the Additional Contribution payable under this Addendum shall be reduced by an amount calculated as the product of \$0.79 times the excess of the 2018 Projected Threshold over the 2018 Actual Allocation Amount.

(c) Thereafter, if either or both of the 2017 Actual Allocation Amount or the 2018 Actual Allocation Amount are reduced after a Final Determination (as hereinafter defined), then within twenty (20) days after the date of Final Determination (as hereinafter defined) the Company is hereby obligated to distribute cash to SCP Member equal to the Applicable Amount (as hereinafter defined) plus any penalties and interest incurred by SCP Member and/or the constituent or former members of SCP Member. The Applicable Amount shall equal the product of 110% times 80% of the excess of the 2017 Actual Allocation Amount and the 2018 Actual Allocation Amount over the amount of 2017 Virginia Historic Credits and/or the 2018 Virginia Historic Credits actually allocated to SCP Member after a Final Determination. The obligations under this Section will continue through the later of December 31, 2024 or sixty (60) days following the date of Final Determination, as applicable, even if SCP Member is no longer a Member of the Company.

5. Representations of the SCP Member. The SCP Member represents and warrants to the Company that:

(a) The SCP Member is acquiring the Interest for the SCP Member's own account for investment and the benefit of its constituent members and not with a view to resale or distribution. The SCP Member understands that the Interest has not been, and will not be, registered under the Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws by reason of specific exemptions from the registration provisions of the 1933 Act and state securities laws that depend upon, among other things, the bona fide nature of the investment intent and the accuracy of the SCP Member's representations and warranties in this Addendum.

(b) The SCP Member has read this Addendum and understands its terms.

(c) The SCP Member recognizes (i) that ownership of its Interest involves a high degree of risk and has taken full cognizance of and understands such risks and (ii) that all information provided, if any, by the Company relating to its use of proceeds, financial forecasts, and other information which is not of a historical nature represents only the Company's good faith assessment of its future expenses and revenues and is based upon assumptions which the Company believes are reasonable, although no assurance exists that such forecasts and assumptions will be fulfilled.

(d) Other than as provided in any tax opinion that the Company has provided to the SCP Member, the SCP Member acknowledges that the SCP Member must depend entirely upon its own advisors for tax advice concerning an investment in the Company, that the Company

has not provided any information on tax matters, and that any information provided to it by, or on behalf of, the Company is not to be construed as tax advice to it from counsel to the Company.

(e) The SCP Member has been furnished, has carefully read, and has relied solely on the information contained in the Operating Agreement and this Addendum (including all exhibits and all amendments thereto, if any).

(f) The SCP Member fully understands and agrees that it must bear the economic risk of its ownership in the Interest for an indefinite period of time because, among other reasons, the Interest has not been registered under the 1933 Act, or the securities laws of any state, and therefore, cannot be sold, pledged, assigned or otherwise disposed of unless it is subsequently registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available. It further understands and agrees that the Company will not honor any attempt by it to sell, pledge, transfer or otherwise dispose of the Interest, in the absence of an effective registration statement for the Interest under the 1933 Act and applicable state securities laws or an opinion of counsel, satisfactory in form and substance to the Company and its counsel, that an exemption is available therefrom.

(g) Neither SCP Member nor any of its members is a “tax-exempt entity” or “tax-exempt controlled entity” as those terms are used in Section 168(h) of the Internal Revenue Code of 1986, as amended from time to time (“Code”) that has not made the election to be treated as taxable under Section 168(h) of the Code.

6. Restrictions on Transfer. The SCP Member understands and agrees that, in addition to the restrictions under the 1933 Act and state securities laws, it may transfer its Interest only as the Operating Agreement permits or as provided in this Addendum.

7. Representations of the Company/Managing Member Managing Member. The Company and the Managing Member represent and warrant to the SCP Member that the following are true and accurate as of the date of this Addendum and the date of the Additional Capital Contribution:

(a) The execution and delivery by the Managing Member of the Amendment and the transactions contemplated thereby have been duly authorized by all necessary action, and the consummation of any such transactions contemplated hereby with or on behalf of the Company does not constitute a breach or violation of, or a default under, the statutes, regulations, bylaws or other governing instruments of the Managing Member or any agreement by which it or any of its property is bound, nor a violation of any law, administrative regulation or court decree, any of which would have a material adverse effect on the Company.

(b) The Company is a Virginia limited liability company, validly existing and in good standing under the laws of the Commonwealth of Virginia, is authorized to transact business in the Commonwealth of Virginia and has the requisite company power to carry on its business, to enter into and perform its obligations under the Amendment and all other agreements in connection with the Property, and to carry out the transactions contemplated under the

Amendment, and the Company has complied with all filing requirements necessary to preserve the limited liability of the SCP Member.

(c) No Events of Bankruptcy (or events which, in the course of time, would result in Bankruptcy) have occurred with respect to the Company, the Managing Member or any Guarantor of the obligations hereunder (each, a "Person"). As used herein, "Events of Bankruptcy" means: the entry of a decree or order for relief by a court having jurisdiction in respect of such Person in a case under the federal bankruptcy laws, as now or hereafter constituted, or any other similar law, or the issuance of an order for the winding up or liquidation of his affairs and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days; the commencement by such Person of a proceeding under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; the commencement of any such proceeding against such Person which remains undismissed for a period of ninety (90) days, or by any act indicates its consent to, approval of or acquiescence in any such proceeding or the appointment of any receiver of or trustee for it or of any substantial part of its property, or allows any such receivership or trusteeship to continue undischarged for a period of ninety (90) days; the taking of any action to authorize any of the foregoing; the making of an assignment for the benefit of creditors; such Person files a petition in bankruptcy or petitions or applies to any tribunal for any receiver of such Person or for any substantial part of such Person's property; or if either (a) any one or more judgments or orders against such Person with respect to a claim or claims involving in the aggregate liabilities exceeding \$250,000, which judgment or order is not covered in full by insurance and is not stayed, bonded, paid or discharged within sixty (60) days after such judgment or order, or (b) any writ of attachment or execution or any similar process is (I) issued or levied against such Person's property and (II) is not discharged or stayed within sixty (60) days thereof.

(d) No litigation, action, investigation, or proceeding is pending or has occurred or, to the best of the Managing Member's knowledge, is threatened, which would (i) have a material adverse effect on the Company, the SCP Member or the Property; (ii) have a material adverse effect on the ability of the Managing Member (or any Guarantor) to perform its obligations under the Amendment; (iii) have a material adverse effect on the financial condition of the Managing Member or any Guarantor; or (iv) which would constitute or result in, if true, in a material breach of any warranty, representation or agreement set forth in the Amendment.

(e) The Company is and shall be treated as a partnership for federal tax purposes, and the SCP Member is and shall be treated as a partner for federal tax purposes.

(f) The Project Documents are in full force and effect and no default (or event which, with the giving of notice or the passage of time or both, would constitute a default) has occurred thereunder. As used herein, the "Project Documents" means and includes, with respect to the Property, the construction contract, the mortgage(s), note(s), loan agreement(s), management agreement and all instruments delivered to (or required by) the lenders to the Company, or otherwise entered into in connection with the rehabilitation of the Property, to the extent not otherwise listed in this definition.

(g) All material documents relating to the Company, the Project and the Property have been made available to the SCP Member.

(h) The Company has good and marketable title to the Property free and clear of all material liens, charges, encumbrances, security interests or statutory liens (other than the mortgage(s) previously identified by the Managing Member), except (A) for those easements, reservations, restrictions or other matters that (i) would not materially adversely affect the Property or its contemplated use or (ii) have been bonded against in such a manner as to preclude the holder of the lien or claimant from having any recourse to the Company's property and (B) for liens for taxes and assessments which are not yet due and payable, and (C) conveyances or contracts to convey title to such portions of the Property which are to be sold in the ordinary course of business after completion of the rehabilitation thereof and the issuance by DHR of the Part 3 certification of the Project. Title to the Property shall be insured at all times by a reputable title insurance company in an amount equal to at least the lesser of (A) the fair market value of the Property or (B) the sum of the then outstanding debt secured by the Property plus the amount of the SCP Member Contribution and the capital contributions of all other Members.

(i) The Managing Member is not in default in the observance or performance of any provision of the Operating Agreement or any other Project Document to be observed or performed by the Managing Member which would have a material adverse effect on the Company, the SCP Member or the Property.

(j) To the best of the Managing Member's knowledge, the execution and delivery by the Managing Member of the Amendment and the performance of any of the actions of the Managing Member contemplated thereby has not constituted and will not constitute a violation in any material respect of (i) the Operating Agreement, (ii) any other agreement by which the Managing Member is bound or to which any of its property or assets is subject, or (iii) any law, administrative regulation, or court decree.

(k) To the best of its knowledge, no event has occurred which has caused, and neither the Managing Member nor the Company has acted in any manner which will cause (i) the Company to be treated for federal income tax purposes as an association taxable as a corporation, (ii) the Company to fail to qualify as a limited liability company under the laws of the Commonwealth of Virginia, or (iii) the SCP Member to be liable for Company obligations, except as provided in the Act.

(l) The Property is being rehabilitated in a timely manner in conformity with the Project Documents and the Managing Member will use its best efforts to ensure that the portion of the Property consisting of the building and structural components of the building qualifies as a certified historic structure as described in the Virginia Statute and Regulations. To the best of the Managing Member's knowledge, there is no violation by the Company or the Managing Member of any zoning, environmental, or similar regulation applicable to the Property which could have a material adverse effect thereon, and the Company has complied with all applicable municipal and other laws, ordinances and regulations relating to such rehabilitation and use of the Property and has obtained (or will obtain when necessary) all permits and licenses necessary for the construction, use, occupancy, and operation of the Property. All appropriate public roadways,

public utilities, including sanitary and storm sewers, water, gas, and electricity are or will be available and operating properly for the Property at the time of the first use of the Property.

(m) There is and shall be no personal liability of the SCP Member for the repayment of the principal of or interest on any debt of the Company.

(n) Neither the Company nor the Property is in violation of Clean Air Act, Clean Water Act, Resources Conservation and Recovery Act, Toxic Substance Control Act, Safe Drinking Water Control Act, Comprehensive Environmental Response, Compensation and Liability Act and Occupational Safety and Health Act or any other federal, state, or local law relating to hazardous substances (“Hazardous Substances”). Neither the Managing Member nor the Company has received any notice from any governmental agency that the Company, the Property, or land upon which it is located is in violation of any such law. Further, the Company and the Managing Member shall indemnify, defend and hold-harmless the SCP Member from and against any and all claims which may arise or be made with respect to any presence of Hazardous Substances and/or their remediation thereof. The foregoing indemnification shall survive the bankruptcy, insolvency, termination or dissolution of the Company, and/or the death, incompetency, insolvency, bankruptcy or removal or withdrawal from the Company of the Managing Member.

8. Redemption of Interest.

(a) At any time on or after December 31, 2020 the SCP Member shall have the option (the “Put Option”), but not the obligation, to sell to the Company all of its Interest. The sales price for the Interest of the SCP Member shall be determined as the amount equal to the product of a fair market multiple to be agreed-upon by the Company and the SCP Member times earnings before interest, taxes, depreciation and amortization for the Company as of the Closing Date (defined below) then less all liabilities of the Company as of the Closing Date (the “Fair Market Value”) then times 75% then times 95%, and on the terms set forth herein. If the SCP Member desires to exercise such Put Option, it shall deliver written notice (the “Put Notice”) of such desire to the Company and select the date for the redemption (the “Closing Date”) to be any date on or after the date of the Fair Market Value Determination (defined below), but in no event prior to the date that is ten (10) days after the Put Notice is received by the Company.

(b) “Earnings before interest, taxes, depreciation and amortization” and “liabilities” shall be as the Accountant determines in accordance with the Company’s accounting method applied on a consistent basis and any determination of the Accountant shall be binding on all parties absent patent error. Any other terms used but not defined herein, shall have the meaning generally ascribed to them in the accounting industry. The Company will use its commercially reasonable efforts to have the Fair Market Value finally determined (the “Fair Market Value Determination”) as soon as possible but in no event, more than thirty (30) days after the date of the Put Notice. The Company will pay all costs and fees required for any valuation under this Addendum. Under the terms of this Addendum, the Managing Member will pay the purchase price (the “Purchase Price”) in cash within fifteen (15) days after the Fair Market Value Determination. The purchase and sale of the Interest will be effective as of the specified Closing Date. The Purchase Price shall not be less than \$1,000.

(d) The parties will execute all documents and certificates necessary to affect the redemption as of the Closing Date, and the SCP Member will cease being a Member as of that date. The Managing Member shall have the right to act as attorney-in-fact for the SCP Member, to execute all documents and certificates and to do all things necessary and proper to affect such redemption, transfer and withdrawal. The preceding sentence does not abate the obligation of the SCP Member to cooperate timely and fully with any transfer under this Section.

9. Reports. The Member Managing Member shall cause to be prepared and distributed to the SCP Member:

(a) Within sixty (60) days after the close of each fiscal year of the Company, the Tax Documents and such other financial information with respect to each fiscal year of the Company as shall be reportable for federal and state income tax purposes (including Schedules K-1 and VK-1);

(b) Within forty-five (45) days of Completion, the Managing Member shall cause to be prepared and distributed to the Members a worksheet detailing the calculation of the qualified rehabilitation expenses in a form acceptable to the SCP Member.

(c) Within ten (10) business days of receipt, copies of any filings and/or correspondence to or from the DHR or VDT regarding the Property or the Tax Documents and, upon request, all other information which is reasonably requested by the SCP Member regarding the Company and its activities.

(d) (i) In the event that the reports or information provided for in Sections 9(a), (b) or (c) above are, at any time, not provided within ten (10) days of the time frames set forth therein, the Managing Member shall be obligated to pay to SCP Member the sum of \$50 per day, as liquidated damages, for each day beginning on the dates upon which such reports or information is(are) due (the "Due Date") pursuant to the provisions of Sections 10(a), (b) and (c) above until the date upon which such reports or information are received by SCP Member; provided however, that with respect to the information specified in Section 10(a), such liquidated damages shall equal \$100 per day commencing on the seventh day following the Due Date and \$200 per day commencing on the fourteenth day following the Due Date until the date upon which such information is received by SCP Member. Such damages shall be paid forthwith and failure to so pay shall constitute a material default hereunder.

(ii) In the event that the reporting requirements set forth in any of the above provisions of this Section 9 are not met, the SCP Member, in its reasonable discretion, may direct the Managing Member to dismiss the accountants responsible therefor, and to designate successor accountants, subject to the reasonable approval of the SCP Member, and the fees of such successor accountants shall be paid by the Company.

10. Tax Matters Partner/Special Allocations.

(a) The Managing Member is hereby designated as Tax Matters Partner of the Company, and shall engage in such undertakings as are required of the Tax Matters Partner of the

Company, as provided in regulations pursuant to Section 6231 of the Internal Revenue Code of 1986, as amended from time to time (“Code”) or the tax regulations promulgated under the Code. Each Member, by its execution of this Addendum, consents to such designation of the Tax Matters Partner and agrees to execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. When the changes to Subchapter C of Chapter 63 of the Code, as made by the Bipartisan Budget Act of 2015 (the “2015 Budget Act Partnership Audit Rules”), become effective, the Managing Member shall be the “partnership representative,” provided, however, the SCP Member shall have the same rights with respect to the partnership representative and the Company under the 2015 Budget Act Partnership Audit Rules as the SCP Member had with respect to the Tax Matters Partner and the Company before the effective date of the 2015 Budget Act Partnership Audit Rules.

The Tax Matters Partner shall have and perform all of the duties required under the Code, including the following duties:

(i) Furnish the name, address, profits interest, and taxpayer identification number of each Member to the IRS; and

(ii) Within three (3) calendar days after the receipt of any correspondence or communication from the IRS or VDT relating to the Company or a Member, the Tax Matters Partner shall forward to each Member a photocopy of all such correspondence or communication(s). The Tax Matters Partner shall, within three calendar days thereafter, advise each Member in writing of the substance and form of any conversation or communication held with any representative of the IRS, DHR or VDT.

(b) The Tax Matters Partner shall not without the prior written consent of the SCP Member:

(i) Extend the statute of limitations for assessing or computing any federal or state tax liability against the Company (or the amount or character of any Company tax items or allocations);

(ii) Settle any audit with the IRS concerning the adjustment or readjustment of any partnership item(s) (within the meaning of Section 6231(a)(3) of the Code);

(iii) Settle any audit with VDT or take any actions concerning the amount, character, or allocation of the State Credits;

(iv) File a request for an administrative adjustment with the IRS at any time or file a petition for judicial review with respect to any such request;

(v) Initiate or settle any judicial review or action concerning the amount or character of any partnership tax item(s) (within the meaning of Section 6231(a)(3) of the Code);

(vi) Intervene in any action brought by any other Member for judicial review of a final adjustment; or

(vii) Take any other action not expressly permitted by this Section on behalf of the Members of the Company in connection with any administrative or judicial tax proceeding.

In the event of (a) any proceeding instituted by the IRS against the Company pursuant to Sections 6221 through 6233 of the Code, (b) proceeding instituted by VDT or the Company regarding the amount, character, or allocation of the State Credits, the Tax Matters Partner shall consult with the SCP Member regarding the nature and content of all action and defense to be taken by the Company in response to such proceeding. The Tax Matters Partner also shall consult with the SCP Member regarding the nature and content of any proceeding pursuant to Sections 6221 through 6233 of the Code instituted by or on behalf of the Company (including the decision to institute proceedings, whether administrative or judicial, and whether in response to a previous IRS proceeding against the Company or otherwise).

In the event of (a) any Company-level proceeding instituted by the IRS or the Company pursuant to Sections 6221 through 6233 of the Code or (b) proceeding instituted by VDT or the Company regarding the amount, character, or allocation of the State Credits, the SCP Member shall have the right, at its own expense, to consult with its own accountants and attorneys.

The Company shall indemnify and reimburse the Tax Matters Partner for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Members, the amount, character, or allocation of the State Credits. The foregoing indemnification and guarantees shall survive the bankruptcy, insolvency, termination or dissolution of the Company.

(c) The Company will treat the first one percent (1%) of the SCP Member Contribution as a capital contribution to the Company and, accordingly, as a credit to the SCP Member's Capital Account in the year in which that portion of the SCP Member Contribution is paid to the Company. The remainder of the SCP Member Contribution will be treated and reported as federal taxable income to the Company in the year in which that portion of the SCP Member Contribution is paid to the Company (the "Company-Level State Credit Income"). The Company-Level State Credit Income will be deemed to have been generated by the sale, for federal income tax purposes only, of the State Credits by the Company to the SCP Member, which State Credits will have been treated, for federal income tax purposes only, as having been purchased by the SCP Member from Company (i.e., the Company-Level State Credit Income will be net of cost of purchasing the State Credits from the Company). The Company shall allocate eighty-two percent (82%) of the Company-Level State Credit Income to the SCP Member and eighteen percent (18%) of the Company Level State Credit Income to the Managing Member. All such Company-Level State Credit Income shall be reported as gain from a nonrecurring sale of a capital asset. The Members agree to cause the Accountants to prepare and file federal and state income tax returns that are consistent with this special allocation provision.

11. Covenants Relating to the Property and the Company. The Managing Member shall have the following duties and obligations with respect to the Property and the Company, and covenants that:

(a) The Managing Member shall cause the Company to use commercially reasonable efforts to complete the rehabilitation of the Property, or cause the same to be completed, in a good and workmanlike manner, free and clear of all mechanics', materialmen's or similar liens (other than those that are bonded or insured);

(b) While conducting the business of the Company, it shall not act in any manner which it knows or should have known after due inquiry would (i) cause the termination of the Company for federal income tax purposes without the consent of the SCP Member, (ii) cause the Company to be treated for federal income tax purposes as an association taxable as a corporation, (iii) cause the Company to fail to qualify as a limited liability company under the LLC Act or (iv) cause the SCP Member to be liable for Company obligations in excess of its unpaid SCP Member Contribution;

(c) It shall exercise good faith in all activities relating to the conduct of the business of the Company, including the acquisition, operation and maintenance of the Property, and shall take no action in its capacity as Managing Member with respect to the business and property of the Company which is not reasonably related to the achievement of the purpose of the Company;

(d) The Managing Member shall cause the Company to use commercially reasonable efforts to take all actions necessary in order to (i) rehabilitate the Property in accordance with the Virginia Statute and Regulations, (ii) receive all necessary approvals from DHR after the rehabilitation is completed, and (iii) ensure that the qualified rehabilitation expenditures incurred by the Company meet the "material rehabilitation" under the Virginia Statute and Regulations;

(e) Upon Owner's completing rehabilitation, upon written request from the SCP Member and to the extent readily available to Managing Member, Managing Member shall furnish to the SCP Member copies of such documents, reports and surveys that are customarily delivered to a lender as evidence of completion of rehabilitation, or that are otherwise reasonably requested by the SCP Member. Such documentation may include: (i) evidence satisfactory to the SCP Member of the issuance by all appropriate governmental authorities of final unconditional certificates of use and occupancy for the Property (if issued); (ii) a punch list completed and approved by the Company and contractor and all items therein have been completed by contractor to the Company's satisfaction; (iii) inspection report by any lenders as to final completion; (iv) a final ALTA "as-built" survey reasonably satisfactory to the SCP Member and title insurer showing the completed rehabilitation, together with an additional endorsement to the title policy; (v) affidavit of the Company and contractor, and such other evidence reasonably satisfactory to the SCP Member, stating that each person providing any material or performing any work in connection with an advance has been paid in full or bonded to the satisfaction of the SCP Member and that all withholding taxes have been paid and lien waivers have been obtained from all contractors, subcontractors and suppliers who have performed work or supplied materials in connection with the rehabilitation, and covering such other matters as the SCP Member may

require; and (vi) detailed as-built plans and specifications approved and identified as such in writing by Managing Member, architect, contractor. SCP Member shall also have the right to perform background checks on the Managing Member, the Guarantor and each of their owners and affiliates.

(f) It will hire Accountants and provide them with such information in its possession and sign such documents as are necessary for the Company to make timely, accurate and complete submissions of federal and state income taxes.

(g) It will cause the Company to use commercially reasonable efforts to cause the Property to be kept in compliance with all applicable zoning regulations, ordinances, and subdivision laws, rules, and regulations;

(h) The Managing Member shall cause the Company to maintain in full force and effect with reputable licensed insurers (each insurer must have a Standard & Poor's rating of "A" or better or a rating from A.M. Best Co. of A-V or better), such insurance policies, including: (i) fire and extended coverage property insurance, as may be required by any lender; provided that in all events, the Company shall obtain and maintain fire and extended coverage property insurance in an amount equal to at least the full replacement cost of the Property, such coverage amount to be approved by the SCP Member in its reasonable discretion, and with not more than \$10,000 deductible from the loss payable for any casualty; (ii) single limit comprehensive general liability insurance (including coverage for elevators, if any, in a Property) on an "occurrence basis" against claims for personal injury in an amount of at least \$1,000,000 coverage for any single occurrence and \$2,000,000 aggregate coverage for any single year; and (iii) flood insurance if a Property is located in a Special Flood Hazard Area (Zones A and V) as designated by the Federal Emergency Management Agency ("FEMA") in an amount equal to the lesser of: (a) the minimum amount required under the terms of coverage to compensate for any damage or loss on a replacement basis (or the unpaid balance of the Company's outstanding mortgage indebtedness plus the total amount of the SCP Member Contribution obligation if replacement cost coverage is not available for the type of building insured); or (b) the maximum insurance available under the appropriate National Flood Insurance Administration program. Unless a higher minimum amount is required by FEMA or other law, the maximum deductible clause should be no more than \$3,000 per building. All required insurance will be and shall be in effect and will be kept in full force and effect during the Company's ownership of the Property, and the SCP Member shall be added as an additional insured under the Company's general liability insurance policy and as a loss payee under the Company's fire and extended coverage property insurance policy. Each policy will include a provision requiring the insurance company to notify the SCP Member in writing 30 days (10 days for cancellation due to nonpayment of premium) prior to the cancellation of any such policy.

12. Member Managing Member's Indemnification. The Member Managing Member shall indemnify, defend and hold harmless the SCP Member and its affiliates, partners, members, directors, officers, managing members, agents, representatives and employees, and each of their successors and assigns (collectively, the "Indemnitees") from and against, and shall upon demand reimburse Indemnitees for any and all losses, claims, liabilities, damages, injunctive relief, injuries to person, property or natural resources, costs, actions or causes of action, fines, penalties, judgments, taxes, charges, assessments, damages (but specifically excluding consequential damages suffered by a third party claimant), costs and expenses (including reasonable attorneys'

fees and expenses), of every kind and nature whatsoever, whether direct or indirect, realized, suffered or incurred by or imposed upon any of the Indemnitees before or after the withdrawal of or other termination of the status of the SCP Member as a Member, arising, accruing, relating to or in connection with (i) any material default in any covenant, representation, warranty or obligation of Managing Member or the Company under the Operating Agreement, as amended hereby or (ii) any act or omission, negligence, gross negligence or willful misconduct, of the Managing Member. The foregoing indemnification shall survive the bankruptcy, insolvency, termination or dissolution of the Company, and/or the death, incompetency, insolvency, bankruptcy or removal or withdrawal from the Company of Managing Member. The Guarantor hereby guarantees the Managing Member's indemnification obligations under this Section.

13. Limited Assessment. Except as may otherwise be provided under applicable law, the SCP Member shall not be bound by, or personally liable for, the expenses, liabilities or obligations of the Company. Except as may otherwise be provided under applicable law, the SCP Member shall not be required to make any capital contributions other than the SCP Member Contribution required to be made pursuant to this Addendum. The Company and the Guarantor shall indemnify and hold harmless the SCP Member from and against all losses, liabilities, damages, judgments, settlements and expenses (including reasonable attorneys' fees) reasonably incurred as a result of actions against the SCP Member in its capacity as a Member or Special Member of the Company. The indemnification provided herein is in addition to and not a limit on any other right of contribution or indemnity by the Company or the Guarantor which otherwise might exist in favor of any of the SCP Member. The foregoing indemnification shall survive the bankruptcy, insolvency, termination or dissolution of the Company, and/or the death, incompetency, insolvency, bankruptcy or removal or withdrawal from the Company of the Managing Member.

14. Right to Inspect. The SCP Member and its respective employees, agents and consultants, shall have the right at any time upon at least 48 hours prior notice to physically inspect the Property, including all buildings and improvements thereof, and such right of inspection shall include, but shall not be limited to, the SCP Member's right to contact, question and discuss the status of the Project with any contractor, subcontractors, material suppliers, property management agents, architects, engineers, accountants, or employees thereof, tenants, DHR, VDT and parties providing financing to or on behalf of the Company, and the Managing Member specifically consents to all such inspections and contacts by the SCP Member and such inspections and contacts shall not constitute a breach of any fiduciary duty that may be owed by the SCP Member to the Company or to the Managing Member. SCP Member shall also have the right to retain an inspecting architect, engineer or other third-party inspector to review the cost certification, the construction plans, the construction progress, the construction draw requests and such other items to ensure that the rehabilitation of the Property is progressing in accordance with the Part 2 approval(s) of the Project by DHR and the financial model for the Property prepared by the Company. The cost to the SCP Member for any such inspection(s) shall be reimbursed by the Company and/or the Managing Member.

15. Intentionally Deleted.

16. Outside Activities. Nothing herein contained shall be construed to constitute any non-Managing Member hereof the agent of any other Member hereof or to limit in any manner the SCP Member in the carrying on of its own respective business or activities. The SCP Member may engage in and/or possess any interest in other business ventures (including partnerships of whatever kind) of every nature and description, independently or with others, whether existing as of the date hereof or hereafter coming into existence. Neither the Company nor any Member hereof shall have any rights in or to any such independent ventures or the income or profits derived there from and nothing shall be construed to render them members or partners in any such other business ventures.

17. Notices. Any offer, acceptance, election, approval, consent, certification, request, waiver, notice, or other communication required or permitted to be given under the Operating Agreement or this Addendum (hereinafter collectively referred to as a "Notice"), shall be given by enclosing the same in an envelope addressed to the party to whom the Notice is to be given at the appropriate address set forth on the then current Operating Agreement or at such other address as any party hereafter may designate to the others in accordance with the provisions of this Section.

18. Waiver of Jury Trial. (a) Each of the parties hereto hereby knowingly, voluntarily and intentionally, after opportunity for consultation with independent counsel, waives its right to trial by jury in any action or proceeding to enforce or defend any rights or obligations (i) under this Addendum, (ii) arising from the financial relationship between the parties existing in connection with this Addendum or (iii) arising from any course of dealing, course of conduct, statement (verbal or written) or action of the parties in connection with such financial relationship; (b) no party hereto will seek to consolidate any such action in which a jury trial has been waived with any other action in which a jury trial has not been or cannot be waived; (c) the provisions of this Section have been fully negotiated by the parties hereto, and these provisions shall be subject to no exceptions; (d) no party hereto has in any way agreed with or represented to any other party that the provisions of this Section will not be fully enforced in all instances; and (e) this Section is a material inducement for the SCP Member to enter into this Addendum.

19. Entire Agreement. This Addendum and all other written agreements referred to herein constitute the entire agreement among the parties and supersede any prior agreements or understandings among them with respect to the subject matter hereof. Notwithstanding anything in this Addendum or the Operating Agreement of the Company to the contrary, in the event of any conflict between any provision in this Addendum or the Operating Agreement of the Company governing (i) the rights, interest, claims, remedies or powers of SCP Member or (ii) the duties or obligations of any party to the Operating Agreement or this Addendum to SCP Member, the provisions governing such rights, interest, claims, remedies, powers, duties or obligations in the Amendment shall control and shall be in full force and effect. The undersigned are authorized to execute this Addendum on behalf of the Company, and this Addendum will be binding upon the Company and its Members. The Managing Member shall not approve any amendments to the Operating Agreement, or approve, consent or waive any actions under the Operating Agreement, without the prior written consent of SCP Member.

20. Headings. All article and section headings in this Addendum are for convenience of reference only and are not intended to qualify the meaning of any article or section.

21. Separability Provisions. If the operation of any provision of this Addendum would contravene the provisions of the LLC Act or would result in the imposition of general liability on any Member, such provision only shall be void and ineffectual.

22. Burden and Benefit Upon Successors. The SCP Member may assign this Addendum to any person, firm, partnership, corporation or other entity with the prior consent of the Company. Except as expressly otherwise provided herein, this Addendum is binding upon and inures to the benefit of, parties and their respective heirs, executors, administrators, personal and legal representatives, successors, and permitted assigns. The SCP Member agrees not to assign or otherwise transfer its Interest except as permitted pursuant to the terms hereof and only if the transferee (and any successive transferee) is bound by the Operating Agreement, as amended hereby.

23. Third Parties. The agreements, covenants, and representations contained in this Addendum are for the benefit of the parties and are not for the benefit of any third parties, including, without limitation, any creditors of a party.

24. Governing Law; Further Assurances. The applicable laws of the Commonwealth of Virginia, without regard to the principles of conflicts of law, shall govern this Addendum and all questions with respect to the rights and obligations of the parties. Each party shall hereafter execute and deliver such further instruments, provide all information and take or forbear such further acts and things as may be reasonably required to carry out the intent and purpose of this Addendum and as are not inconsistent with the terms hereof.

25. Counterparts/Facsimile/PDF. This Addendum may be executed in any number of counterparts, each of which together shall constitute one instrument, binding upon all parties, notwithstanding that all of such parties may not have executed the same counterpart. Any counterpart of this Addendum, which has attached to it separate signature pages which together contain the signatures of all Members or is executed by an attorney-in-fact on behalf of some or all of the Members, shall for all purposes be deemed a fully executed instrument. This Addendum may be executed as facsimile or PDF originals and each copy of this Addendum bearing the facsimile/PDF transmitted signature of any party's authorized representative shall be deemed to be an original.

26. Amendment. The Operating Agreement and this Addendum shall not be amended without the prior written consent of each Member and P 2017.

27. Limitation on Liability of Investor Member. Notwithstanding any other provision of this Agreement, the liability of the Investor Member to the Company shall be limited to its Capital Contributions at any given time as and when payable under the provisions of the Operating Agreement. Investor Member shall not have any other liability to contribute money to, or in respect of the liabilities, obligations, debts or contracts of the Company, nor shall the Investor Member be personally liable for any liabilities, obligations, debts or contracts of the Company, including, without limitation, the obligations of the Company set forth in Section 8 of this Addendum. The Investor Member shall not be obligated to make loans to the Company.


**Signature page to
Addendum to First Amended and Restated Operating Agreement
of
Code Genesis Bellevue LLC**

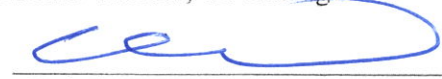
IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date and year first above written.

MEMBER MANAGING MEMBER:

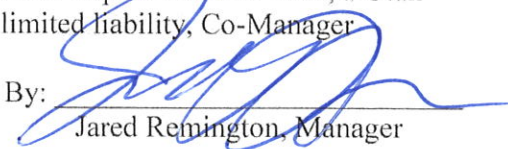
CGB MANAGING MEMBER LLC,
a Virginia limited liability company

By: Bellevue Gardens Genesis
Shield LLC, a Virginia limited liability
company, Co-Manager

By: 
Michael C. Hunt, Co-Manager

By: 
Christian E. Shield, Co-Manager

By: Code Capital Partners LLC, a Utah
limited liability, Co-Manager

By: 
Jared Remington, Manager

**Signature page to
Addendum to First Amended and Restated Operating Agreement
of
Code Genesis Bellevue LLC**


IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date and year first above written.


COMPANY:

CODE GENESIS BELLEVUE LLC

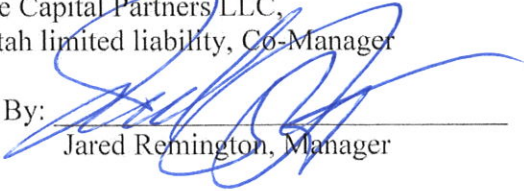
By: CGB MANAGING MEMBER LLC,
a Virginia limited liability company, Managing Member

By: Bellevue Gardens Genesis Shield LLC,
a Virginia limited liability company, Co-Manager

By: 
Michael C. Hunt, Co-Manager

By: 
Christian E. Shield, Co-Manager

By: Code Capital Partners LLC,
a Utah limited liability, Co-Manager

By: 
Jared Remington, Manager

**Signature page to
Addendum to First Amended and Restated Operating Agreement
of
Code Genesis Bellevue LLC**

INVESTOR MEMBER:

Fulton Bank, N.A.

By: _____

Name: _____

Title: _____

**Signature page to
Addendum to First Amended and Restated Operating Agreement
of
Code Genesis Bellevue LLC**


IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date and year first above written.


SCP MEMBER:

CODE GENESIS BELLEVUE SCP LLC,
a Virginia limited liability company

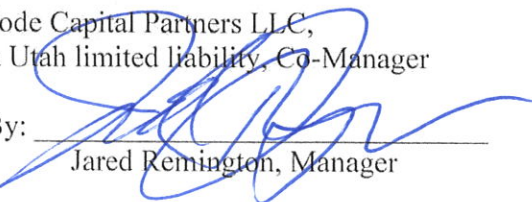
By: CGB MANAGING MEMBER LLC,
a Virginia limited liability company, Manager

By: Bellevue Gardens Genesis
Shield LLC, a Virginia limited liability
company, Co-Manager

By: 
Michael C. Hunt, Co-Manager

By: 
Christian E. Shield, Co-Manager

By: Code Capital Partners LLC,
a Utah limited liability, Co-Manager

By: 
Jared Remington, Manager

SCHEDULE A

<u>Members' Names and Business and Notice Addresses</u>	<u>Interest</u>	<u>Initial Capital Contribution</u>
CGB Managing Member LLC 101 West Commerce, 2 nd Floor Richmond, Virginia 23244	1%	See Operating Agreement
Fulton Bank, N.A. 1 Penn Square Lancaster, PA 17602	98%	See Operating Agreement
CODE GENESIS BELLEVUE SCP LLC 101 West Commerce, 2 nd Floor Richmond, Virginia 23224	1%	2017: \$845,348* 2018: \$1,268,023*
Total	100%	

*Subject to adjustment as set forth in this Addendum. In no event will the capital contributions exceed the amount of the capital contributions of Preservation 2017, LLC contributed to Code Genesis Bellevue SCP LLC.

SCHEDULE B
DUE DILIGENCE DOCUMENTATION CHECKLIST

Due Diligence Documentation Checklist

Project Name:

Project Address:

DHR #

Date:

Completion Date	
QREs per cost certification	\$ -

	Status	Notes
1 Articles of Organization		
2 SCC Certificate of Fact (w/in 30 days of funding)		
3 EIN Confirmation (IRS Form SS-4)		
4 Operating Agreement		
5 Amendment to Operating Agreement		
6 Attorney Opinion Letter		
7 Guaranty Agreement		
8 Financial statements - Guarantors / Authorization		
9 Development Agreement		
10 Property Deed		
11 Owner's title policy w/ date-down endorsement		
12 ALTA Survey		
13 Project Budget / QRE Budget / S&U / Pro forma		
14 Certificate of Liability Insurance w/ endorsement		
15 Certificate of Property Insurance w/ endorsement		
16 Loan documents: Deed of Trust, Note, Guaranty		
17 Appraisal		
18 Zoning Letter		
19 Building Permit		
20 Environmental Site Assessment / Reliance letter		
21 Evidence of Placed-in-Service Status (C.O.)		
22 Part 1 Application		
23 Part 1 Approval Letter		
24 Part 2 Application		
25 Part 2 Approval Letter		
26 Part 3 Application		
27 Cost Certification (audit)		
28 Part 3 Approval Letter		
29 Form PTEs		
30 Project inspection		

This project was a multiple building project.

Address	Address	BIN	Maximum Qualified Basis	Placed in Service Date
4226 Old Brook Road	Richmond, VA 23227	VA1632006	\$ 726,006.00	1/1/2018
4218 Old Brook Road	Richmond, VA 23227	VA1632007	\$ 726,006.00	1/1/2018
4210 Old Brook Road	Richmond, VA 23227	VA1632001	\$ 726,006.00	1/1/2018
4209 Chamberlayne Ave	Richmond, VA 23227	VA1632003	\$ 302,446.00	2/1/2018
4213 Chamberlayne Ave	Richmond, VA 23227	VA1632010	\$ 363,003.00	2/1/2018
4228 Old Brook Road	Richmond, VA 23227	VA1632004	\$ 666,594.00	3/1/2018
4201 Chamberlayne Ave	Richmond, VA 23227	VA1632008	\$ 726,006.00	4/1/2018
3943 Chamberlayne Ave	Richmond, VA 23227	VA1632016	\$ 483,994.00	6/1/2018
4203 Chamberlayne Ave	Richmond, VA 23227	VA1632002	\$ 483,994.00	6/1/2018
3937 Chamberlayne Ave	Richmond, VA 23227	VA1632015	\$ 726,006.00	8/1/2018
3929 Chamberlayne Ave	Richmond, VA 23227	VA1632013	\$ 726,006.00	10/1/2018
3935 Chamberlayne Ave	Richmond, VA 23227	VA1632014	\$ 363,003.00	11/1/2018
3917 Chamberlayne Ave	Richmond, VA 23227	VA1632011	\$ 363,003.00	1/1/2019
3925 Chamberlayne Ave	Richmond, VA 23227	VA1632012	\$ 120,991.00	1/1/2019
3911 Chamberlayne Ave	Richmond, VA 23227	VA1632009	\$ 726,006.00	2/1/2019
3905 Chamberlayne Ave	Richmond, VA 23227	VA1632005	\$ 363,003.00	3/1/2019
Total			\$ 8,592,073.00	

This project was a multiple building project.

Address	Address	BIN	Maximum Qualified Basis	Placed in Service Date
4226 Old Brook Road	Richmond, VA 23227	VA1632006	\$ 726,006.00	1/1/2018
4218 Old Brook Road	Richmond, VA 23227	VA1632007	\$ 726,006.00	1/1/2018
4210 Old Brook Road	Richmond, VA 23227	VA1632001	\$ 726,006.00	1/1/2018
4209 Chamberlayne Ave	Richmond, VA 23227	VA1632003	\$ 302,446.00	2/1/2018
4213 Chamberlayne Ave	Richmond, VA 23227	VA1632010	\$ 363,003.00	2/1/2018
4228 Old Brook Road	Richmond, VA 23227	VA1632004	\$ 666,594.00	3/1/2018
4201 Chamberlayne Ave	Richmond, VA 23227	VA1632008	\$ 726,006.00	4/1/2018
3943 Chamberlayne Ave	Richmond, VA 23227	VA1632016	\$ 483,994.00	6/1/2018
4203 Chamberlayne Ave	Richmond, VA 23227	VA1632002	\$ 483,994.00	6/1/2018
3937 Chamberlayne Ave	Richmond, VA 23227	VA1632015	\$ 726,006.00	8/1/2018
3929 Chamberlayne Ave	Richmond, VA 23227	VA1632013	\$ 726,006.00	10/1/2018
3935 Chamberlayne Ave	Richmond, VA 23227	VA1632014	\$ 363,003.00	11/1/2018
3917 Chamberlayne Ave	Richmond, VA 23227	VA1632011	\$ 363,003.00	1/1/2019
3925 Chamberlayne Ave	Richmond, VA 23227	VA1632012	\$ 120,991.00	1/1/2019
3911 Chamberlayne Ave	Richmond, VA 23227	VA1632009	\$ 726,006.00	2/1/2019
3905 Chamberlayne Ave	Richmond, VA 23227	VA1632005	\$ 363,003.00	3/1/2019
Total			\$ 8,592,073.00	

Tab Q:

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

Board of Commissioners
Veronica G. Blount, Chairman

Neil S. Kessler
Marilyn B. Olds
Elliott M. Harrigan
Samuel S. Young, Jr.
Jonathan Coleman
Robley S. Jones



Interim Chief Executive Officer
Stacey Daniels-Fayson
901 Chamberlayne Parkway
P.O. Box 26887
Richmond, VA 23261-6887
804-780-4200
Fax 804-780-0009
TTY: Dial 7-1-1
www.rrha.com

July 8, 2020

Gray Gilchrist
Village South Genesis, LLC
101 WQ. Commerce Rd.
Richmond, VA 23224
graygilchrist@genesisproperties.com

Dear Mr. Gilchrist:

We received your request dated July 1, 2020 to modify our commitment to Village South Genesis, LLC ("Village South") for Project Based Vouchers ("PBVs"). Village South was awarded 72 PBVs on March 4, 2020. The award was modified to 44 PBVs on April 8, 2020. You requested to have that commitment split into two projects: Holly Springs Apartments for 33 vouchers and **Swansboro Apartments for 11** vouchers with Low Income Housing Tax Credits to be received in 2020.

We agree to modify our commitment as requested. Attached are two updated commitment letters. Should you desire project based vouchers for this or any other future project, you will be required to request PBVs from RRHA by any open available method, i.e. a future RFP for competitive award of PBVs.

If you have any additional questions, you may contact me by e-mail at arthur.walker@rrha.com

Sincerely,

Arthur J. Walker, CPPO
Director of Procurement and Contract Administration



CITY OF RICHMOND
**Housing and Community
Development**

To: Ronald H. Hunt, Genesis Properties
From: Michelle Peters, Deputy Director HCD
CC: Ed Solarz, Genesis Properties
Jessica Stevenson, Genesis Properties

Date: February 17, 2022

RE: **The Affordable Housing Partial Tax Exemption Program
3601 East Broad Rock Road-Application #2021217**

The Department of Housing and Community Development (HCD) is attaching to this memorandum the Base Value Determination Letter for the property at 3601 East Broad Rock Road-application #2021217.

You may now begin the rehabilitation work on this property. All work must be completed within two (2) years of the date of this letter. Normally, it would be two (2) years from the date of your Building Permit. However, because the City had to confer with the City Attorney's Office and the Office of the Assessor, the date for completion is established from the date of this letter which is also the date of the enclosed Base Value Determination Letter.

Remember, you must file the *Qualification Release Form* with HCD when the rehab work has been completed and a final Certificate of Occupancy (CO) has been issued. HCD will send a copy of the form to the Office of the Assessor to schedule the *Final Value Inspection*. The *Rehab Credit* will be determined when the *Final Value Inspection* is completed and verification that minimum qualifications have been met. Only those improvements completed by the expiration date will be considered in determining the *Rehab Credit*.

If your project is completed earlier than the expiration date and you wish to receive early *Rehab Credit*, you must also file the same *Qualification Release Form with HCD*. HCD will send a copy of the form to the Office of the Assessor to schedule the *Final Value Inspection*.

A copy of the *Qualification Release Form* is attached for your convenience. A fillable *Qualification Release Form* will also be sent electronically to the email included in the application.

If you have any questions, please feel free to give Mr. Kelley a call at (804)646-6428 or myself at (804)646-3975.

We wish you great success with your rehabilitation project!

Attachments



Department of Housing and Community Development

February 17, 2022

SWANSBORO LLC
101 W COMMERCE RD FL 2
RICHMOND, VA 23224

Attention: Ronald H. Hunt

RE: Application for Affordable Housing Partial Exemption from Real Estate Taxes
Base Value Determination

Dear Mr. Hunt:

The initial *Base Value* inspection for this property has been completed as per guidelines of the *Application for Affordable Housing Partial Exemption from Real Estate Taxes* you recently filed. The following information applies to this application:

<i>Property Address:</i>	3601 E Broad Rock Road	<i>Base Land Value:</i>	\$90,000.00
<i>Parcel ID:</i>	S0002760006	<i>Base Bldg Value:</i>	\$858,000.00
<i>Rehab Application #:</i>	2021217	<i>Base Total Value:</i>	\$948,000.00
<i>Date of Application:</i>	12/20/2021	<i>Final Land Value:</i>	(TBD)
<i>Date of Base Inspection:</i>	02/16/2022	<i>Final Bldg Value:</i>	(TBD)
<i>Application Expiration Date:</i>	02/17/2024	<i>Final Total Value:</i>	(TBD)

The *Rehab Credit* will be determined when the *Final Value* inspection is completed no later than the *Application Expiration Date*, and verification that minimum qualifications have been met. Only those improvements completed by the expiration date will be considered in determining the *Rehab Credit*. If your project is completed earlier than the expiration date and you wish to receive early *Rehab Credit*, you must notify us by filing the *Qualification Release Form*. Housing and Community Development will then notify the Office of the Assessor.

If you believe this *Base Value* determination is incorrect, you must file a written appeal with documentation supporting your contention of value within 30 days of the date of this letter. Please refer to the rehab application number when making inquiries about this property. This information should be submitted to the Office of the Assessor at 900 E. Broad Street, Room 802 Richmond, VA 23219. You may also reach them by telephone at 804-646-7500. A copy should also be emailed to HCD@RVA.gov.

Sincerely,

Umcheke Peters

Michelle Peters
Deputy Director



**City of Richmond, Virginia
Application for Partial Tax Exemption**

QUALIFICATION RELEASE FORM

This *Qualification Release Form* must be filled by the applicant (a) before the *Application Expiration Date* in order to initiate the *Final Value* inspection process, or (b) no later than December 31st of the prior year should the applicant request early start of the *Rehab Credit*.

Please note the following:

1. Review the *Program Guidelines* of the *Application for Partial Tax Exemption* for compliance;
2. Deadlines and expiration dates are set by city ordinance, extensions will not be considered;
3. Should the property not qualify for *Rehab Credit*, the applicant may submit a new application and a new *Base Value* will be assigned to the property.

CERTIFICATION

I hereby confirm that as of this date the rehabilitation of this property is ready for Final Value Inspection. A City of Richmond appraiser will contact me and set an appointment to complete the mandatory Final Value Inspection. I understand that any work not complete as of the Application Expiration Date will not be considered in the Final Value determination. To assist the appraiser, I am providing contact and other information necessary to complete the Rehab Credit Application.

Property Address: _____ Parcel ID: _____

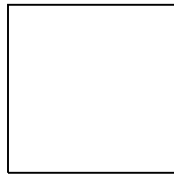
(Day-time Phone #)

(Other Phone #)

(Email Address)

Signature of Owner/Agent

Please Print Name



OFFICE OF THE CITY ASSESSOR

1/13/2022 11:56:20 AM

**SWANSBORO LLC
101 W COMMERCE RD FL 2
RICHMOND , VA 23224**

**RE: Application for Partial Exemption from Real Estate Taxes
Base Value Determination**

Dear Rehab Applicant:

The initial *Base Value* inspection for this property has been completed as per guidelines of the *Application for Partial Exemption from Real Estate Taxes* you recently filed. The following information applies to this application:

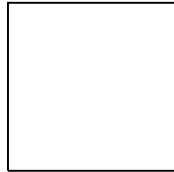
<i>Property Address:</i>	3600 E Broad Rock Road	<i>Base Land Value:</i>	\$169,000.00
<i>Parcel ID:</i>	S0071063006B	<i>Base Bldg Value:</i>	\$1,573,000.00
<i>Rehab Application #:</i>	20200278	<i>Base Total Value:</i>	\$1,742,000.00
<i>Date of Application:</i>	12/20/2020	<i>Final Land Value:</i>	(TBD)
<i>Date of Base Inspection:</i>	12/30/2020	<i>Final Bldg Value:</i>	(TBD)
<i>Application Expiration Date:</i>	12/20/2022	<i>Final Total Value:</i>	(TBD)

The *Rehab Credit* will be determined when the *Final Value* inspection is completed no later than the *Application Expiration Date*, and verification that minimum qualifications have been met. Only those improvements completed by the expiration date will be considered in determining the *Rehab Credit*. If your project is completed earlier than the expiration date and you wish to receive early *Rehab Credit*, you must notify us by filing the *Qualification Release Form*.

If you believe this *Base Value* determination is incorrect, you must file a written appeal with documentation supporting your contention of value within 30 days of the date of this letter. Please refer to the rehab application number when making inquiries about this property.

Respectfully submitted,

Christopher Lynn
Commercial Supervisor



**City of Richmond, Virginia
Application for Partial Tax Exemption**

QUALIFICATION RELEASE FORM

This *Qualification Release Form* must be filled by the applicant (a) before the *Application Expiration Date* in order to initiate the *Final Value* inspection process, or (b) no later than December 31st of the prior year should the applicant request early start of the *Rehab Credit*.

Please note the following:

1. Review the *Program Guidelines* of the *Application for Partial Tax Exemption* for compliance;
2. Deadlines and expiration dates are set by city ordinance, extensions will not be considered;
3. Should the property not qualify for *Rehab Credit*, the applicant may submit a new application and a new *Base Value* will be assigned to the property.

CERTIFICATION

I hereby confirm that as of this date the rehabilitation of this property is ready for Final Value Inspection. A City of Richmond appraiser will contact me and set an appointment to complete the mandatory Final Value Inspection. I understand that any work not complete as of the Application Expiration Date will not be considered in the Final Value determination. To assist the appraiser, I am providing contact and other information necessary to complete the Rehab Credit Application.

Property Address: _____ Parcel ID: _____

(Day-time Phone #) (Other Phone #) (Email Address)

Signature of Owner/Agent Please Print Name

Tab R:

Documentation of Operating Budget and Utility Allowances

Swansboro Garden

Virginia Housing | Housing Choice Voucher Program

Allowances for
Tenant-Furnished Utilities
and Other Services

Family Name: _____	_____
Unit Address: _____	_____
Voucher Size*: _____	Unit Bedroom Size*: _____
<i>*Use smaller size to calculate tenant-supplied utilities and appliances.</i>	

		Unit Type: 2 Exposed Walls					Effective Date: 07/01/2021			
Utility	Usage	Monthly Dollar Amount								
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR	
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	
Bottled Gas	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00	
	Home Heating	\$46.00	\$65.00	\$83.00	\$102.00	\$129.00	\$148.00	\$166.00	\$185.00	
	Water Heating	\$19.00	\$27.00	\$34.00	\$41.00	\$53.00	\$61.00	\$68.00	\$76.00	
Electricity	Cooking	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00	
	Cooling (A/C)	\$5.00	\$6.00	\$8.00	\$11.00	\$14.00	\$15.00	\$17.00	\$19.00	
	Home Heating	\$19.00	\$25.00	\$33.00	\$39.00	\$50.00	\$57.00	\$64.00	\$71.00	
	Other Electric	\$10.00	\$14.00	\$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00	
	Water Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00	
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00	
	Home Heating	\$8.00	\$12.00	\$15.00	\$19.00	\$23.00	\$27.00	\$30.00	\$34.00	
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00	
Oil	Home Heating	\$27.00	\$38.00	\$48.00	\$59.00	\$75.00	\$86.00	\$97.00	\$107.00	
	Water Heating	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00	
Sewer	Other	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00	
Trash Collection	Other	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	
Water	Other	\$18.00	\$24.00	\$31.00	\$37.00	\$48.00	\$54.00	\$61.00	\$68.00	
UTILITY ALLOWANCE TOTAL:		\$	\$	\$ 148.-	\$	\$	\$	\$	\$	

Effective 8-1-21



Swanboro Garden

Virginia Housing | Housing Choice Voucher Program

Allowances for
Tenant-Furnished Utilities
and Other Services

Family Name: _____
 Unit Address: _____
 Voucher Size*: _____ Unit Bedroom Size*: _____
**Use smaller size to calculate tenant-supplied utilities and appliances.*

		Unit Type: 3 Exposed Walls				Effective Date: 07/01/2021			
Utility	Usage	Monthly Dollar Amount							
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Bottled Gas	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00
	Home Heating	\$51.00	\$72.00	\$91.00	\$112.00	\$142.00	\$163.00	\$183.00	\$204.00
	Water Heating	\$19.00	\$27.00	\$34.00	\$41.00	\$53.00	\$61.00	\$68.00	\$76.00
Electricity	Cooking	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00
	Cooling (A/C)	\$6.00	\$7.00	\$9.00	\$12.00	\$15.00	\$17.00	\$19.00	\$21.00
	Home Heating	\$21.00	\$28.00	\$36.00	\$43.00	\$55.00	\$63.00	\$70.00	\$78.00
	Other Electric	\$10.00	\$14.00	\$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00
	Water Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00
	Home Heating	\$9.00	\$13.00	\$17.00	\$21.00	\$25.00	\$30.00	\$33.00	\$37.00
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
Oil	Home Heating	\$30.00	\$42.00	\$53.00	\$65.00	\$83.00	\$95.00	\$107.00	\$118.00
	Water Heating	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00
Sewer	Other	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00
Trash Collection	Other	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Water	Other	\$18.00	\$24.00	\$31.00	\$37.00	\$48.00	\$54.00	\$61.00	\$68.00
UTILITY ALLOWANCE TOTAL:		\$	\$	\$ 152.	\$	\$	\$	\$	\$

Effective 8-1-21



Swansboro TH

Virginia Housing | Housing Choice Voucher Program

Allowances for
Tenant-Furnished Utilities
and Other Services

Family Name: _____
 Unit Address: _____
 Voucher Size*: _____ Unit Bedroom Size*: _____
 *Use smaller size to calculate tenant-supplied utilities and appliances.

		Unit Type: 3 Exposed Walls				Effective Date: 07/01/2021			
Utility	Usage	Monthly Dollar Amount							
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Bottled Gas	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00
	Home Heating	\$51.00	\$72.00	\$91.00	\$112.00	\$142.00	\$163.00	\$183.00	\$204.00
	Water Heating	\$19.00	\$27.00	\$34.00	\$41.00	\$53.00	\$61.00	\$68.00	\$76.00
Electricity	Cooking	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00
	Cooling (A/C)	\$6.00	\$7.00	\$9.00	\$12.00	\$15.00	\$17.00	\$19.00	\$21.00
	Home Heating	\$21.00	\$28.00	\$36.00	\$43.00	\$55.00	\$63.00	\$70.00	\$78.00
	Other Electric	\$10.00	\$14.00	\$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00
	Water Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00
	Home Heating	\$9.00	\$13.00	\$17.00	\$21.00	\$25.00	\$30.00	\$33.00	\$37.00
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
Oil	Home Heating	\$30.00	\$42.00	\$53.00	\$65.00	\$83.00	\$95.00	\$107.00	\$118.00
	Water Heating	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00
Sewer	Other	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00
Trash Collection	Other	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Water	Other	\$18.00	\$24.00	\$31.00	\$37.00	\$48.00	\$54.00	\$61.00	\$68.00
UTILITY ALLOWANCE TOTAL:		\$	\$	\$ 133.5	\$	\$	\$	\$	\$

Effective 8-1-21



Swansboro TH

Virginia Housing | Housing Choice Voucher Program

Allowances for
Tenant-Furnished Utilities
and Other Services

Family Name: _____
 Unit Address: _____
 Voucher Size*: _____ Unit Bedroom Size*: _____
**Use smaller size to calculate tenant-supplied utilities and appliances.*

		Unit Type: 2 Exposed Walls				Effective Date: 07/01/2021			
Utility	Usage	Monthly Dollar Amount							
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Bottled Gas	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00
	Home Heating	\$46.00	\$65.00	\$83.00	\$102.00	\$129.00	\$148.00	\$166.00	\$185.00
	Water Heating	\$19.00	\$27.00	\$34.00	\$41.00	\$53.00	\$61.00	\$68.00	\$76.00
Electricity	Cooking	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00
	Cooling (A/C)	\$5.00	\$6.00	\$8.00	\$11.00	\$14.00	\$15.00	\$17.00	\$19.00
	Home Heating	\$19.00	\$25.00	\$33.00	\$39.00	\$50.00	\$57.00	\$64.00	\$71.00
	Other Electric	\$10.00	\$14.00	\$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00
	Water Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00
	Home Heating	\$8.00	\$12.00	\$15.00	\$19.00	\$23.00	\$27.00	\$30.00	\$34.00
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
Oil	Home Heating	\$27.00	\$38.00	\$48.00	\$59.00	\$75.00	\$86.00	\$97.00	\$107.00
	Water Heating	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00
Sewer	Other	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00
Trash Collection	Other	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Water	Other	\$18.00	\$24.00	\$31.00	\$37.00	\$48.00	\$54.00	\$61.00	\$68.00
UTILITY ALLOWANCE TOTAL:		\$	\$	\$ 130.-	\$	\$	\$	\$	\$

Effective 8-1-21



M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$6,200
2. Office Salaries			\$35,650
3. Office Supplies			\$4,391
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$29,930
<u>4.18%</u> of EGI	<u>\$482.74</u>	Per Unit	
6. Manager Salaries			\$0
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$4,391
9. Auditing			\$4,391
10. Bookkeeping/Accounting Fees			\$4,391
11. Telephone & Answering Service			\$4,391
12. Tax Credit Monitoring Fee			\$2,500
13. Miscellaneous Administrative			\$1,895
Total Administrative			\$98,130

Utilities

14. Fuel Oil			\$0
15. Electricity			\$3,720
16. Water			\$34,100
17. Gas			\$0
18. Sewer			\$34,100
Total Utility			\$71,920

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$0
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$0
23. Trash Removal			\$8,060
24. Security Payroll/Contract			\$8,680
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$13,020
28. Maintenance/Repairs Payroll			\$29,450
29. Repairs/Material			\$0
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$0
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$6,200
36. Decorating Supplies			\$6,200
37. Miscellaneous			\$12,710
Totals Operating & Maintenance			\$84,320

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$68,712
39. Payroll Taxes	\$10,850
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$24,800
42. Fidelity Bond	\$0
43. Workman's Compensation	\$0
44. Health Insurance & Employee Benefits	\$0
45. Other Insurance	\$0
Total Taxes & Insurance	\$104,362

Total Operating Expense	\$358,732
--------------------------------	------------------

Total Operating Expenses Per Unit	\$5,786	C. Total Operating Expenses as % of EGI	50.09%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$18,600
---	-----------------

Total Expenses	\$377,332
-----------------------	------------------

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

Tab S:

Supportive Housing Certification

N/A

Tab T:

Funding Documentation

N/A

Tab U:

Acknowledgement by Tenant of the availability of Renter
Education provided by Virginia Housing



*101 W. Commerce Road, 2nd Floor
Richmond, VA 23224
804-230-1220 Fax 804-230-7220*

This letter is to inform tenants that free renter education is available through Virginia Housing's website at <https://www.virginiahousing.com/renters/education>. This information includes a Renter eBook guide, Fair Housing Resources, Renter Rights and Responsibilities, and an Online Learning Center.

Topics included in the Renter eBook guide include:

1. Financial readiness
2. Credit explained
3. Finding an apartment or house
4. The application process
5. Understanding the lease agreement
6. Security deposits
7. Rights and Responsibilities
8. Housekeeping, maintenance, & repairs
9. Terminating a lease

By signing below, I acknowledge that Genesis Properties has informed me of these free resources.

Sincerely,

Name

Date

Our Mission: To manage and develop real estate for the benefit of the resident, employee, and investor in an environment based on trust, excellence, integrity and teamwork.

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

N/A

Tab W:

Internet Safety Plan and Resident Information Form (if internet amenities selected)



*101 W. Commerce Road, 2nd Floor
Richmond, VA 23224
804-230-1220 Fax 804-230-7220*

Swansboro Apartments Internet Safety Plan

Dear Resident,

The Wi-Fi at Swansboro Apartments is provided by SkyWire. All internet support, including issues, education, and security, will be handled by SkyWire. Upon move in, you will be provided with a contact sheet for Skywire and a user guide for your Wi-fi. Below, we have provided a sample list of support services provided by SkyWire and Security Features. We have also provided the Wireless Connections Security Tips provided by the Federal Communication Commission. Most importantly, follow any Wi-Fi Security protocol issued by the electronics manufacturer.

SkyWire Services

- Individualized SSID/ Password per unit.
- WIFI Password reset assistance.
- Wifi performance education, training, and channel tweaking.
- Reset Router Settings to factory default at each unit turn.
- Performance monitoring and assistance.
- Device connectivity issues.
- Access to certain services issues.
- Copyright issues such as downloading or sharing illegal content

WIFI Security Features

- Network segregation / port isolation.
- MAC based network authentication.
- Customizable firewall security levels.
- Intrusion detection and prevention.
- Multilevel access policy.
- Security and service segregation per SSID.
- Parental control - device time and access control.
- 24/7 Network and Device Stability and Performance Monitoring.

SkyWire Contact Information

For any questions or issues, please contact SkyWire at (804)591-0500 ext 2. Or send an email to support@vaskywire.com

Sincerely,

Swansboro Apartments Management

Resident Acknowledgement Form

I, _____ (Resident Name) hereby confirm that I have received a copy of the Holly Springs Apartments Internet Security Plan. I understand who to contact if I have any questions.

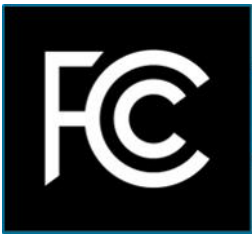
Tenant Signature

Date

Property Manager Signature

Date

CC
Tenant File



Wireless Connections and Bluetooth Security Tips

Wi-Fi networks and Bluetooth connections can be vulnerable points of access for data or identity theft. Fortunately, there are many ways to decrease your chances of becoming a victim.

Encryption is the best way to keep your personal data safe. It works by scrambling the data in a message so that only the intended recipients can read it. When the address of a website you're visiting starts with "https" instead of "http," that indicates encryption is taking place between your browser and site.

The two most common types of encryption are Wired Equivalent Privacy (WEP), and Wi-Fi Protected Access (WPA). The strongest one commonly available is WPA2, so use that if you have the option. Home Wi-Fi systems and public Wi-Fi access points, or "hotspots," usually will inform you of the encryption they use.

Public Wi-Fi Access

Many Wi-Fi users prefer choose to use public networks instead of their devices' data plans for accessing the internet remotely. But the convenience of public Wi-Fi does not come without risk. If you're not careful, a hacker can access your connection in a matter of seconds, and potentially put sensitive information stored on your device and in online accounts at risk. Here are some steps you can take to minimize the risk:

- Check the validity of available Wi-Fi hotspots. If more than one hotspot appears claiming to belong to an establishment that you're in, check with the staff to avoid connecting to an imposter hotspot.
- Make sure all websites you exchange information with have "https" at the beginning of the web address. If so, your transmitted data will be encrypted.
- Install an app add-on that forces your web browsers to use encryption when connecting to websites -- even well-known sites that may not normally encrypt their communications.
- Adjust your smartphone's settings so it does not automatically connect to nearby Wi-Fi networks. This gives you more control over where and when you connect.
- If you use public Wi-Fi hotspots on a regular basis, consider using a virtual private network, which will encrypt all transmissions between your device and the internet. Many companies offer VPNs to their employees for work purposes, and individuals may subscribe to VPNs on their own.
- When transmitting sensitive information, using your cellphone data plan instead of Wi-Fi may be more secure.

Bluetooth Security

Bluetooth connections to your mobile devices can be very useful, from connecting a wireless headset to transferring files to enabling hands-free calling while you drive. Most of the time, a user must allow a Bluetooth connection to occur before data is shared – a process called “pairing” – which provides a measure of data security. But just like Wi-Fi connections, Bluetooth can put your personal data at risk if you are not careful. Here are some steps you may wish to take when using Bluetooth:



- Turn Bluetooth off when not in use. If you keep Bluetooth active, a hacker may be able to discover what other devices you connected to before, spoof one of those devices, and gain access to your device.
- If you connect your mobile phone to a rental car, a good deal of data from your phone may get shared with the car. Be sure to unpair your phone from the car and clear any personal data, such as call logs and saved numbers, from the car before you return it. Take the same steps when selling a car that has Bluetooth.
- Use Bluetooth in “hidden” mode rather than “discoverable” mode. This prevents other unknown devices from finding your Bluetooth connection.

Home Wireless Network Security

Home wireless networks are exceedingly popular, in large part because they enable computers and mobile devices to share one broadband connection to the internet without having to use up minutes on a cellular data plan. They also provide the convenience of not having to connect all these devices with wires to do so. But like all other wireless network technologies, home wireless networks present vulnerabilities that could be exploited by hackers to obtain sensitive data and commit other crimes. To help protect your home wireless network from unwanted users, consider the following steps:

- Turn the encryption on. Wireless routers often come out of the box with the encryption feature disabled, so be sure to check that encryption is turned on shortly after you or your broadband provider installs the router.
- Change the network’s default network name, also known as its service set identifier or “SSID.” When a computer with a wireless connection searches for and displays the wireless networks nearby, it lists each network that publicly broadcasts its SSID. Manufacturers usually give all of their wireless routers a default SSID, which is often the company’s name. It is a good practice to change your network’s SSID, but to protect your privacy do not use personal information such as the names of family members.
- Change the network’s default password. Most wireless routers come with preset passwords for administering a device’s settings (this is different from the password used to access the wireless network itself). Unauthorized users may be familiar with the default passwords, so it is important to change the router device’s password as soon as it is installed. Again, longer passwords made up of a combination of letters, numbers and symbols are more secure.
- Consider using the MAC address filter in your wireless router. Every device that can connect to a Wi-Fi network has a unique ID called the “physical address” or “MAC” (Media Access Control) address. Wireless routers can screen the MAC addresses of all devices that connect to them, and users can set their wireless network to accept connections only from devices with MAC addresses that the router will recognize. To create another obstacle to unauthorized access, consider activating your wireless router’s MAC address filter to include your devices only.
- Turn off your wireless router when it will not be in use for any extended period of time.
- Use anti-virus and anti-spyware software on your computer, and use similar apps on your devices that access your wireless network.

Passwords

Remembering all of your assorted passwords can be a pain. Web browsers and other programs may offer to remember passwords for you, which can be a significant timesaver. However, certain password shortcuts can leave you less safe secure. The following best practices may help keep your personal information safer:

- Don't use the same password for multiple accounts, especially for the most sensitive ones, such as bank accounts, credit cards, legal or tax records and files containing medical information. Otherwise, someone with access to one of your accounts may end up with access to many others.
- Don't have your web browser remember passwords and input them for you, particularly for your most important financial, legal and medical accounts. If an unauthorized person gains access to your computer or smartphone, they could access any account that your browser automatically logs into.
- Don't use passwords that can be easily guessed, such as common words and birthdays of family members. Instead, use a combination of letters, numbers and symbols. The longer and stronger the password, the safer your information.

Consumer Help Center

For more information on consumer issues, visit the FCC's Consumer Help Center at www.fcc.gov/consumers.

Alternate formats

To request this article in an alternate format - braille, large print, Word or text document or audio - write or call us at the address or phone number at the bottom of the page, or send an email to fcc504@fcc.gov.

Last Reviewed: 10/08/19



Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

N/A

Tab Y:

Inducement Resolution for Tax Exempt Bonds

February 16, 2022

City Council
City of Richmond
Richmond, Virginia

**Richmond Redevelopment and Housing Authority
Proposed Financing for VST Swansboro LLC**

VST Swansboro LLC, a Virginia limited liability company (the "Borrower"), has requested that the Richmond Redevelopment and Housing Authority (the "Authority"), issue up to \$10,000,000 of its revenue bonds (the "Bonds") to assist the Borrower or an affiliated entity in financing or refinancing a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of three buildings containing approximately 62 units representing approximately 45,635 net rentable square feet to be known as Swansboro Apartments (the "Project") located at 3600 and 3601 East Broad Rock Road in the City of Richmond, Virginia and the costs of issuance incurred in connection with the issuance of the Bonds (together with the Project, the "Plan of Finance").

As set forth in the resolution of the Authority attached hereto (the "Resolution"), the Authority has agreed to issue the Bonds as requested. The Authority has conducted a public hearing (the "Public Hearing") on the proposed financing of the Plan of Finance and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code"), and Section 36-19(9) of the Virginia Code.

Attached hereto is (1) a copy of the Resolution, (2) a certificate evidencing the conduct of the Public Hearing, (3) a summary of the comments expressed at the Public Hearing, (4) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities, and (5) the form of resolution suggested by counsel to evidence your approval.


Secretary, Richmond Redevelopment and
Housing Authority

CERTIFICATE

The undersigned Secretary of the Richmond Redevelopment and Housing Authority (the "Authority") certifies as follows:

1. A telephonic public hearing of the Authority was duly called and held at 6:00 p.m. on January 26, 2022 before staff of and co-bond counsel to the Authority. The meeting was open to the public. The time of the meeting and the electronic means by which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.


2. Co-bond counsel announced the commencement of a public hearing on the application of VST Swansboro LLC and a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the City of Richmond, Virginia (the "Notice"), with the second publication appearing not less than six days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the records of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution (the "Resolution") adopted at a meeting of the Authority duly called and held on February 16, 2022 pursuant to proper notice given to each Commissioner of the Authority by a majority of the Commissioners present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to the matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

5. Attached as Exhibit D is the applicant's Fiscal Impact Statement.

WITNESS my hand and the seal of the Authority, this 16th day of February, 2022.


Secretary, Richmond Redevelopment and
Housing Authority

[SEAL]

Exhibits:

A – Copy of Certified Notice

B – Summary of Statements

C – Resolution

D – Fiscal Impact Statement

EXHIBIT A

NOTICE OF PUBLIC HEARING

[See Attached]

Richmond Times-Dispatch

Advertising Affidavit

Account Number

3577809

300 E. Franklin Street
 Richmond, Virginia 23219
 (804) 649-6208

Date

January 20, 2022

MCGUIREWOODS LLP
 Attn Susan Ford
 GATEWAY PLAZA
 800 EAST CANAL STREET
 RICHMOND, VA 23219-3916

Date	Category	Description	Ad Size	Total Cost
01/29/2022	Meetings and Events	NOTICE OF PUBLIC HEARING BEFORE THE RICHMOND R	2 x 45 L	772.60

NOTICE OF PUBLIC HEARING BEFORE THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR SWANSBORO APARTMENTS MULTIFAMILY HOUSING FACILITY

Notice is hereby given that the Richmond Redevelopment and Housing Authority (the "Authority"), the address for which is 901 Chamberlayne Parkway, Richmond, Virginia 23228, will hold a public hearing on the request of VST Swansboro LLC, a Virginia limited liability company (the "Borrower"), whose address is 101 West Commerce Road, Richmond, Virginia 23224, for the issuance by the Authority of up to \$10,000,000 of its revenue bonds to finance or reimburse a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of three buildings containing approximately 62 dwelling units representing approximately 45,635 net rentable square feet to be known as Swansboro Apartments (the "Project") located on approximately 2.295 acres at 3609 and 3601 East Broad Rock Road in the City of Richmond, Virginia. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project will be owned by the Borrower or an affiliate of the Borrower.

The proposed private activity bonds will not pledge the credit or the taxing power of the Authority or the City of Richmond, Virginia, but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing, which may be continued or adjourned, will be held at 6:00 p.m. on January 28, 2022, before representatives of the Authority. Due to the ongoing COVID-19 Pandemic, in accordance with applicable federal and Virginia law, the public hearing will be conducted through conference call. Members of the public may witness and participate in the public hearing by using the dial-in number and conference code set forth below.

DIAL-IN NUMBER: 1-415-655-0001
 CONFERENCE CODE: 24364501577#

The public hearing will provide an opportunity for interested persons to be heard. Interested persons wishing to express their views on the issuance of the proposed private activity bonds may also submit written comments prior to the time of the hearing to the Authority's co-bond counsel, Michael W. Drail, Jr., Esq., 1750 Tysons Boulevard, Suite 1800, Tysons, Virginia 22107 and Nancy Griffin Chambers, Esq., 707 East Main Street, Suite 1000, Richmond, Virginia 23219. The hearing shall provide the fullest opportunity for the expression of opinion and for argument on the merits of the issuance of the proposed private activity bonds.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

**Publisher of the
 Richmond Times-Dispatch**

This is to certify that the attached NOTICE OF PUBLIC HEARING was published by the Richmond Times-Dispatch, Inc. in the City of Richmond, State of Virginia, on the following dates:

01/13, 01/20/2022

The First Insertion being given ... 01/13/2022

Newspaper reference: 0001297250

Sworn to and subscribed before me this Thursday, January 20, 2022

[Signature]
 Notary Public

[Signature]
 Billing Representative

State of Virginia
 County of Hanover
 My Commission expires



THIS IS NOT A BILL. PLEASE PAY FROM INVOICE. THANK YOU

Richmond Free Press

A Paradigm Communications, Inc. Publication
422 East Franklin Street • Richmond, VA 23219
Mailing: P.O. Box 27709 • Richmond, VA 23261
Telephone 804/644-0496 • FAX 804/643-5436

January 20, 2022

This is to certify that the attached LEGAL NOTICE was published by Richmond Free Press, in the City of Richmond, State of Virginia, on the following dates:

- Lawyer/Firm/Client McGuireWoods LLP
- Description Notice of Public Hearing
- Case/Chancery No.
- First Insertion 1/20/2022

of Lines/Size
3c x 5.5"

Sworn to and subscribed before this 20th day of January

Tracey L. Oliver

Notary Public
Commonwealth of Virginia
City of Richmond
Notary Registration No. 223445

Cynthia Downing
Advertising Traffic Coordinator

My Commission Expires

December 31, 2023

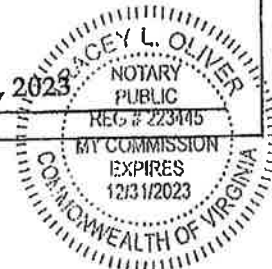


EXHIBIT B

SUMMARY OF STATEMENTS

Representatives of VST Swansboro LLC, the applicant, and McGuireWoods LLP, co-bond counsel to Authority, appeared at the public hearing to explain the proposed plan of financing. No one else appeared or made any statements concerning the proposed bond issue.

EXHIBIT C

RESOLUTION

[See Attached]

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date: February 16, 2022

Agenda Item No. _____

TITLE: RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 62-UNIT SWANSBORO APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA

RESOLUTION:

WHEREAS, the Richmond Redevelopment and Housing Authority (the "Authority") is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the "Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"), to issue its bonds for the purpose, among others, of financing the Plan of Finance (as hereinafter defined), located within the territorial boundaries of the City of Richmond, Virginia (the "City"); and

WHEREAS, VST Swansboro LLC (the "Borrower") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an amount not to exceed \$10,000,000 (the "Bonds"), the proceeds of which will be used to finance or refinance a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of three buildings containing approximately 62 units representing approximately 45,635 net rentable square feet to be known as the Swansboro Apartments (the "Project") located at 3600 and 3601 East Broad Rock Road in the City of Richmond, Virginia (the "City") and the costs of issuance incurred in connection with the issuance of the Bonds (together with the Project, the "Plan of Finance") as permitted under the Act; and

WHEREAS, the Authority and the City Council previously approved the Plan of Finance in November 2020 and January 2021, respectively, but those approvals expired in January, 2022 in accordance with applicable law; and

WHEREAS, the Project shall be established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, plans for the Plan of Finance have been described to the Authority and a public hearing (the "Public Hearing") has been held on January 26, 2021 with respect to the Plan of Finance and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906, as applicable to housing authorities, of the Virginia Code; and

WHEREAS, due to the ongoing COVID-19 Pandemic, the Public Hearing described in the immediately preceding paragraph was held telephonically in accordance with Internal Revenue

Service Revenue Procedure 2020-21 and the state and local laws of the Commonwealth of Virginia, including City Council's ongoing declaration of a state of emergency; and

WHEREAS, the Borrower has indicated that it will work in good faith with the Authority, subject to applicable procurement rules, to accept Housing Choice Vouchers at the Project for at least 10% of the units (the "Borrower's Special Commitment"); and

WHEREAS, the Bonds will be issued in one or more series to the purchasers thereof pursuant to one or more Bond Financing Agreements to be prepared by co-bond counsel to the Authority and to be dated as of a date on or prior to the date of the execution thereof (the "Bond Financing Agreements") among the Authority, the Borrower and the purchasers to be named therein; and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance the Plan of Finance, and in connection therewith to obtain tax credits for the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY THAT:

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.

2. It is hereby found and determined that the Plan of Finance will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.

3. It is hereby found and determined that the Project will constitute a "residential building" as that term is defined in the Act.

4. To induce the Borrower to undertake the Plan of Finance and maintain the Project as a "qualified residential rental project" within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrower in financing the Plan of Finance, including the financing of reserve funds as permitted by applicable law, by undertaking the issuance of (and hereby declares its official intent to issue) its tax-exempt multifamily housing revenue bonds therefor in the maximum principal amount not to exceed \$10,000,000 upon the terms and conditions to be mutually agreed upon between the Authority and the Borrower. The Bonds shall be issued in form and pursuant to terms to be set by the Authority. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.

5. All previous acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Plan of Finance are hereby ratified, approved and confirmed.

6. The Authority hereby re-designates McGuireWoods LLP, Tysons, Virginia, and Harrell & Chambliss LLP, Richmond, Virginia, to serve as co-bond counsel ("Bond Counsel") and hereby appoints such firms to supervise the proceedings and approve the issuance of the Bonds.

7. The issuance of the Bonds in the aggregate principal amount of up to \$10,000,000 pursuant to the Bond Financing Agreements is hereby authorized and approved. The Chair, Vice Chair, Secretary-Treasurer, Interim Chief Executive Officer and any other officer of the Authority, any of whom may act alone (the "Authorized Official"), are each hereby authorized and directed to execute the Bonds, which shall bear interest at the rates (which may be variable or fixed), shall mature on such dates and shall be subject to redemption at such times as are set forth in the Bond Financing Agreements. The Authorized Official is hereby authorized to approve the final terms of the Bonds; provided that the interest rates borne by the Bonds shall not exceed 8% per annum, the final maturities of the Bonds shall not be later than forty (40) years after the date of the initial issuance of the Bonds, and the aggregate principal amount of the Bonds shall not exceed \$10,000,000. Such approvals shall be evidenced conclusively by the execution and delivery of the Bonds.

8. The Bond Financing Agreements shall be in substantially the same forms as prepared by Bond Counsel and submitted to the Authority, which are hereby authorized, with such completions, omissions, insertions and changes (including, without limitation, changes of the dates thereof and the captions of the Bonds) as may be approved by the Authorized Official executing them, his or her execution to constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes. The Bond Financing Agreements contain and shall contain upon their execution and delivery provisions obligating the Borrower to comply with the Borrower's Special Commitments with respect to the Project. The execution, delivery and performance by the Authority of the Bond Financing Agreements are hereby authorized and directed.

9. The Authorized Official is hereby authorized and directed to execute on behalf of the Authority and to deliver the Bonds, the Bond Financing Agreements, the related documents to which the Authority is a party and such other agreements, certificates, documents and instruments (collectively, the "Documents"), and to do and perform such things and acts, as are authorized hereby or contemplated by the Documents, and, if required, the Secretary-Treasurer or any other officer of the Authority is authorized and directed to affix the seal of the Authority to the Bonds and the other Documents and to attest such seal. The signatures of the Authorized Official and the seal of the Authority on the Bonds may be by facsimile.

10. The Borrower agrees to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.

11. All costs and expenses in connection with the financing and the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, any application fee and/or origination fee), Bond Counsel, counsel for the Authority and any placement agent or underwriter for the sale of the Bonds shall be paid from the proceeds of the Bonds (but only to the

extent permitted by applicable law) or by the Borrower. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

12. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

13. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrower and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the Authority to issue the Bonds for any reason. Any obligation of the Authority to exercise its powers in the City to issue the Bonds as requested by the Borrower is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrower for any damages, direct or consequential, resulting from the Authority's failure to issue Bonds for the Plan of Finance for any reason, including but not limited to, the failure of the City Council to approve the issuance of the Bonds.

14. The Authority recommends that the City Council re-approve the issuance of the Bonds.

15. The Secretary of the Authority is authorized and directed to deliver to the City Council (1) a reasonably detailed summary of the comments, if any, expressed at the public hearing, (2) a fiscal impact statement concerning the Plan of Finance and (3) a copy of this resolution.

16. The Chair or Secretary of the Authority, or the designee of either of them, is hereby authorized to request an allocation or allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceedings shall be paid for by the Borrower.

17. No Bonds may be issued pursuant to this resolution until such time as (a) the issuance of the Bonds has been re-approved by the City Council, and (b) the Bonds have received an allocation or allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder.

18. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Plan of Finance or of the Borrower.

19. The Authority confirms the findings and determinations contained in the recitals to this Resolution setting forth the reason for the need to meet by electronic means during the current declared state of emergency by the City of Richmond City Council arising from COVID-19.

20. This resolution shall take effect immediately upon its adoption.

Adopted: February 16, 2022

EXPLANATION: This is a resolution giving the Richmond Redevelopment and Housing Authority's ("RRHA") approval to the proposed revenue bond financing of the Swansboro Apartments. The revenue bond financing was previously approved by RRHA Resolution on November 18, 2020 and City Council Resolution 2020-R070 on January 11, 2021. The financing was delayed and those approvals expired for state law and federal tax law purposes one year following the previous City Council approval in January 2021. This resolution is substantially similar to the prior RRHA resolution of November 18, 2020 and allows the Borrower once again to go forward with the proposed revenue bond financing project; however, no bonds can be issued before the City Council re-approval and the obtaining of volume cap allocation from the state ceiling administered by the Virginia Department of Housing and Community Development. This resolution also authorizes bond documents prepared by co-bond counsel to the Authority and the overall parameters of the bond issue (i.e. the maximum principal amount, maximum term to maturity and maximum interest rate of the bonds and terms with respect to the Borrower's Special Commitment described in the resolution) and authorizes RRHA officers to execute and deliver closing documents in consultation with RRHA's co-bond counsel and proceed to settlement.

CERTIFICATE OF VOTES

Record of the roll-call vote by the Richmond Redevelopment and Housing Authority, upon reading on a resolution titled **"RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 62-UNIT SWANSBORO APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA"** taken at a meeting of the Authority held on February 16, 2022:

	AYE	NAY	ABSTAIN	ABSENT
Basil I. Gooden, Chair	x			
M. Barrett Hardiman, Vice Chair	x			
Veronica G. Blount	x			
Jonathan E. Coleman	x			
William R. Johnson, Jr.	x			
Robley S. Jones	x			
Neil S. Kessler	x			
Charlene Pitchford	x			
Patrice Shelton, CCHWSr	x			

Dated: February 16, 2022

The undersigned Secretary of the Richmond Redevelopment and Housing Authority hereby certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Authority's commissioners present and voting at a meeting duly called and held on February 16, 2022, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

WITNESS my hand and the seal of the Authority this 16th day of February, 2022.

**RICHMOND REDEVELOPMENT
AND HOUSING AUTHORITY**

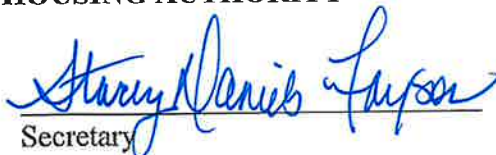
By: 
Secretary

EXHIBIT D

FISCAL IMPACT STATEMENT

[See Attached]

FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING

Date: February 16, 2022

Applicant: VST Swansboro LLC

Facility: Multifamily Housing Facility in the City of Richmond, Virginia to be known as the Swansboro Apartments

1.	Maximum amount of financing sought.	\$10,000,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality.	\$6,057,000
3.	Estimated real property tax per year using present tax rates.	\$50,866
4.	Estimated personal property tax per year using present tax rates.	\$947.94
5.	Estimated merchants' capital tax per year using present tax rates.	\$0
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.	\$39,998
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$3,874
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$58,509
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality.	\$2,926
7.	Estimated number of regular employees on year round basis.	2
8.	Average annual salary per employee.	\$50,000

/s/

Chair, Richmond Redevelopment
and Housing Authority

**RESOLUTION APPROVING THE ISSUANCE BY THE
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY OF ITS
MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION,
CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING
OF THE APPROXIMATELY 62-UNIT SWANSBORO APARTMENTS
MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND,
VIRGINIA**

WHEREAS, the Richmond Redevelopment and Housing Authority (the "Authority") is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority has considered the application of VST Swansboro LLC, a Virginia limited liability company (the "Borrower"), requesting that the Authority issue up to \$10,000,000 of its revenue bonds (the "Bonds") to assist the Borrower or an affiliated entity in financing or refinancing a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of three buildings containing approximately 62 units representing approximately 45,635 net rentable square feet to be known as the Swansboro Apartments (the "Project") located at 3600 and 3601 East Broad Rock Road in the City of Richmond, Virginia (the "City") and the costs of issuance incurred in connection with the issuance of the Bonds (together with the Project, the "Plan of Finance") and the Authority has held a public hearing in connection therewith on January 26, 2022 (the "Public Hearing"); and

WHEREAS, the Authority and the City Council of the City of Richmond, Virginia (the "Council") previously approved the Plan of Finance on November 18, 2020 and January 11, 2021 (2020-R070), respectively, but those approvals expired on January 11, 2022 in accordance with applicable law; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), provides that the applicable elected representatives of the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of such bonds; and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the Council constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds, a certificate of the Public Hearing, a summary of the statements expressed at the Public Hearing and the fiscal impact statement concerning the Plan of Finance have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHMOND, VIRGINIA:

1. The Council approves the issuance of the Bonds by the Authority for the benefit of the Borrower, as required by Section 147(f) of the Code, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code"), and Section 36-19(9) of the Virginia Code to permit the Authority to assist in the financing of the Plan of Finance.

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Plan of Finance or the Borrower.

3. The Bonds shall provide that neither the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that neither the faith and credit nor the taxing power of the City or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. In adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, and hereby disclaim all liability for, any damages to any person, direct or consequential, resulting from the Authority's failure to issue the Bonds for any reason.

5. This resolution shall take effect immediately upon its adoption.

Adopted by the City Council of the City of Richmond, Virginia this ____ day of March, 2022.

CERTIFICATE

Record of the roll-call vote by the City Council of the City of Richmond, Virginia, upon reading on a resolution titled "**RESOLUTION APPROVING THE ISSUANCE BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 62-UNIT SWANSBORO APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA,**" taken at a meeting of the City Council held on March ___, 2022:

	AYE	NAY	ABSTAIN	ABSENT
Hon. Cynthia I. Newbille, President				
Hon. Andreas D. Addison				
Hon. Katherine Jordan				
Hon. Ann-Frances Lambert				
Hon. Kristen Nye Larson				
Hon. Stephanie A. Lynch				
Hon. Ellen F. Robertson				
Hon. Reva M. Trammell				
Hon. Michael J. Jones				

Dated: March ___, 2022

CITY COUNCIL OF THE CITY OF RICHMOND, VIRGINIA

The undersigned Clerk of the City Council of the City of Richmond, Virginia, hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the City Council at its meeting duly called and held on March ___, 2022, in accordance with law, and that such resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

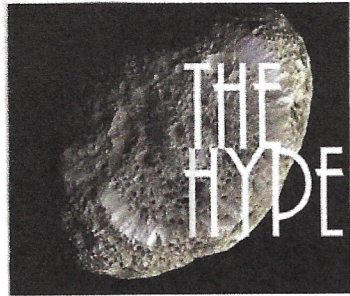
WITNESS my hand and the seal of the City of Richmond, Virginia this ____ day of March, 2022.

[SEAL]

Clerk, City Council of the City of
Richmond, Virginia

Tab Z:

Documentation of team member's Diversity, Equity and
Inclusion Designation



THE HYPERION GROUP

A Certified MBE Firm

P.O. Box 24206
Richmond, Virginia 23224
P (804) 714-2543
F (804) 714-2483
www.thehyperiongroup.net

Class "A" Contractor

~~January 4th, 2021~~
February 22nd, 2021

Minority Business Enterprise

PROPOSAL rev. 2

Attn: Ed Solarz
Genesis Properties
Richmond, VA

Mr. Solarz:

The Hyperion Group is pleased to provide consulting services to Genesis Properties for the following:

RE: Village South

Diversity & Section 3 Inclusion Services:

THG strives to provide our clients with distinctive solutions to all projects we are fortunate enough to participate on. We customize our diversity inclusion strategies to your specific needs, to help you meet your goals. For this project, our approach is as follows:

- Provide feedback and insight to Owner as it relates to Section 3 / Diversity Inclusion
- ~~Assistance with scope development for qualified MBE firms and Section 3 business concerns~~
- ~~Analysis of GC and trade contractor proposals and policies to encourage participation of MBE and Section 3 firms~~
- ~~Communications with Residents via Community Meet n' Greets~~
- ~~MWBE / Section 3 firm capacity assessment~~
- ~~MWBE / Section 3 Spend Tracking~~
- ~~Track and confirm progress payments are being made timely to MWBE / Section 3 firms~~
- ~~Review of MWBE / Section 3 certifications including but not limited to State, Federal and local municipality certifying agencies~~
- ~~Assist qualified MWBE / Section 3 firms with obtaining certifications and tracking~~
- ~~Work with program managers and prime contractor's estimators to assist with sub-tier scope development~~
- ~~"Pass thru" detection and prevention~~
- ~~Assistance with Dispute resolution~~

Our Base Fee of Ninety Thousand Dollars (\$90,000) breaks down as follows:

Preconstruction Phase	\$15,000.00
Construction Phase	\$90,000.00

Total: \$90,000.00



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1/4/2021 rev 1 2/22/201 rev 2

Genesis – Village South - Diversity

Duration of our services is not to exceed fifteen (15) months from date of the contract.

In addition to the Base Fee, reimbursable expenses will be invoiced at our cost plus a ten percent handling charge.

Services outside of the above-listed scope of work are available to you as Additional Services, at our standard hourly billing rates, or at a fixed fee, to be negotiated at such time that additional services are requested.

We understand the need to provide our services in a timely manner so that you can meet project schedule while at the same time engaging the community. **In addition to providing timely input to allow for informed decisions to be made**, we are prepared to work with you by assisting with developing and meeting project goals.

If you need further information or would like to discuss a change to the proposed scope of services and associated fees, please call at any time.

Thank you for the opportunity to submit this proposal. We look forward to working together with you on this project.

Best,



W. Travis Bowers, President

THG

(804) 640-2933 mobile

Attachments

Page 3

~~1/4/2021 rev 1~~ 2/22/201 rev 2

Genesis – Village South - Diversity

SCOPE OF WORK (Detailed items TBD)

Base Fee/Scope is based on the following assumptions:

1. Fifteen (15) Month Duration of Construction Project
2. Access to Project Team’s General Contract and Tier Subcontracts
3. Independent authority to act on behalf of Genesis Properties during construction process

Exclusions:

1. Any work related to certified payroll.
2. Attending GC subcontractor coordination meetings.
3. Attending Owner / Architect / Contractor (OAC) meetings.
4. Any work not specifically listed above.

SCHEDULE A

Genesis Properties - Village South
MBE / Section 3 Consulting Services

SCHEDULE OF HOURLY BILLING RATES

Principal-in-Charge	\$175.00 per hour
Project Manager	\$150.00 per hour
Assistant Project Manager	\$110.00 per hour
Support Staff	\$65.00 per hour

Subconsultants at a rate of one and one-tenth (1.10) times the amount billed to THG by the subconsultant.

Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by THG and THG’s employees and consultants in the interest of the Project.

Reimbursable Expenses are billed at a rate of one and one-tenth (1.10) times the amount expended on behalf of the Project.

Note:

These rates are effective through **March 31st, 2021** THG assumes no liability for overall project outcome.

BREAKDOWN BY PHASE

\$30,000 attributable to Holly Spring

\$30,000 attributable to Swansboro

\$30,000 attributable to South Gate

Tab AA:

Priority Letter from Rural Development

N/A

Tab AB:

Socially Disadvantaged Population
Documentation

N/A