



Tab A:

Signed PDF of the Excel Application(MANDATORY)

2023 Federal Low Income Housing Tax Credit Program

Application For Reservation

Deadline for Submission

9% Competitive Credits

Applications Must Be Received At VHDA No Later Than **12:00 PM**
Richmond, VA Time On **March 16, 2023**

Tax Exempt Bonds

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



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

INSTRUCTIONS FOR THE VIRGINIA 2023 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 16, 2023**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

Please Note:

Applicants should submit all application materials in electronic format only.

There should be distinct files which should include the following:

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

IMPORTANT:

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

Disclaimer:

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

Entering Data:

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

Please Note:

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

Assistance:

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

Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
JD Bondurant	jd.bondurant@virginiahousing.com	(804) 343-5725
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Jonathan Kinsey	jonathan.kinsey@virginiahousing.com	(804) 584-4717
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
Lauren Dillard	lauren.dillard@virginiahousing.com	(804) 584-4729
Pamela Freeth	pamela.swartzenberg-freeth@virginiahousing.com	(804) 343-5563
Jaki Whitehead	jaki.whitehead@virginiahousing.com	(804) 343-5861

TABLE OF CONTENTS

Click on any tab label to be directed to location within the application.

TAB	DESCRIPTION
1. <u>Submission Checklist</u>	Mandatory Items, Tabs and Descriptions
2. <u>Development Information</u>	Development Name and Locality Information
3. <u>Request Info</u>	Credit Request Type
4. <u>Owner Information</u>	Owner Information and Developer Experience
5. <u>Site and Seller Information</u>	Site Control, Identity of Interest and Seller info
6. <u>Team Information</u>	Development Team Contact information
7. <u>Rehabilitation Information</u>	Acquisition Credits and 10-Year Look Back Info
8. <u>Non Profit</u>	Non Profit Involvement, Right of First Refusal
9. <u>Structure</u>	Building Structure and Units Description
10. <u>Utilities</u>	Utility Allowance
11. <u>Enhancements</u>	Building Amenities above Minimum Design Requirements
12. <u>Special Housing Needs</u>	504 Units, Sect. 8 Waiting List, Rental Subsidy
13. <u>Unit Details</u>	Set Aside Selection and Breakdown
14. <u>Budget</u>	Operating Expenses
15. <u>Project Schedule</u>	Actual or Anticipated Development Schedule
16. <u>Hard Costs</u>	Development Budget: Contractor Costs
17. <u>Owner's Costs</u>	Development Budget: Owner's Costs, Developer Fee, Cost Limits
18. <u>Eligible Basis</u>	Eligible Basis Calculation
19. <u>Sources of Funds</u>	Construction, Permanent, Grants and Subsidized Funding Sources
20. <u>Equity</u>	Equity and Syndication Information
20. <u>Gap Calculation</u>	Credit Reservation Amount Needed
21. <u>Cash Flow</u>	Cash Flow Calculation
22. <u>BINs</u>	BIN by BIN Eligible Basis
24. <u>Owner Statement</u>	Owner Certifications
25. <u>Architect's Statement</u>	Architect's agreement with proposed deal
26. <u>Scoresheet</u>	Self Scoresheet Calculation
27. <u>Development Summary</u>	Summary of Key Application Points
28. <u>Efficient Use of Resources (EUR)</u>	Calculates Points for Efficient use of Resources
29. <u>Mixed Use - Cost Distribution</u>	For Mixed Use Applications only - indicates how costs are distributed across the different construction activities

2023 Low-Income Housing Tax Credit Application For Reservation

Please indicate if the following items are included with your application by putting an 'X' in the appropriate boxes. Your assistance in organizing the submission in the following order, and actually using tabs to mark them as shown, will facilitate review of your application. Please note that all mandatory items must be included for the application to be processed. The inclusion of other items may increase the number of points for which you are eligible under Virginia Housing's point system of ranking applications, and may assist Virginia Housing in its determination of the appropriate amount of credits that may be reserved for the development.

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans and Unit by Unit writeup (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input type="checkbox"/> | Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab) |
| <input type="checkbox"/> | Electronic Copy of the Physical Needs Assessment (MANDATORY at reservation for a 4% rehab request) |
| <input type="checkbox"/> | Electronic Copy of Appraisal (MANDATORY if acquisition credits requested) |
| <input checked="" type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested) |
| <input checked="" type="checkbox"/> | Tab A: Scanned Copy of the Signed Tax Credit Application with Attachments (excluding market study, 8609s and plans & specifications) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab F: RESNET Rater Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab I: Nonprofit Questionnaire (MANDATORY for points or pool) |
| | The following documents need not be submitted unless requested by Virginia Housing: |
| | -Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status |
| | -Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable) |
| <input type="checkbox"/> | Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY) |
| <input type="checkbox"/> | Tab K: Documentation of Development Location: |
| <input type="checkbox"/> | K.1 Revitalization Area Certification |
| <input type="checkbox"/> | K.2 Location Map |
| <input type="checkbox"/> | K.3 Surveyor's Certification of Proximity To Public Transportation |
| <input type="checkbox"/> | Tab L: PHA / Section 8 Notification Letter |
| <input checked="" type="checkbox"/> | Tab M: Locality CEO Response Letter |
| <input type="checkbox"/> | Tab N: Homeownership Plan |
| <input type="checkbox"/> | Tab O: Plan of Development Certification Letter |
| <input checked="" type="checkbox"/> | Tab P: Development Experience and Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Operating Budget and Utility Allowances |
| <input checked="" type="checkbox"/> | Tab S: Supportive Housing Certification and/or Resident Well-being |
| <input checked="" type="checkbox"/> | Tab T: Funding Documentation |
| <input checked="" type="checkbox"/> | Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing |
| <input type="checkbox"/> | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal |
| <input checked="" type="checkbox"/> | Tab W: Internet Safety Plan and Resident Information Form (if internet amenities selected) |
| <input checked="" type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504 |
| <input type="checkbox"/> | Tab Y: Inducement Resolution for Tax Exempt Bonds |
| <input checked="" type="checkbox"/> | Tab Z: Documentation of team member's Diversity, Equity and Inclusion Designation |
| <input type="checkbox"/> | Tab AA: Priority Letter from Rural Development |
| <input type="checkbox"/> | Tab AB: Social Disadvantage Certification |

VHDA TRACKING NUMBER

[Redacted]

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 2/28/2023

1. Development Name: Lexington Senior Apartments
2. Address (line 1): 1 Lexington Drive
 Address (line 2): [Redacted]
 City: Portsmouth State: VA Zip: 23701
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: 36.82038 Latitude: -76.32652
 (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 Portsmouth 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?..... [Redacted]
6. Development is located in the census tract of: 2118.00
7. Development is located in a **Qualified Census Tract**..... TRUE *Note regarding DDA and QCT*
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%
<u>FALSE</u>	<u>FALSE</u>	<u>FALSE</u>

Enter only Numeric Values below:

13. Congressional District: 3
- Planning District: 23
- State Senate District: 18
- State House District: 80

14. **ACTION:** Provide Location Map (**TAB K2**)

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

Lexington Senior completes a multi phased redevelopment plan replacing the former Lincoln Park community. Originally built in 1960, the Lincoln Park community contained 178 public housing rental units. Lexington Family, the Phase I family development, was completed approximately three years ago and provides 72- townhome style units for families. Lexington Senior will complete the redevelopment plan which will feature 105 units of age-restricted housing for seniors on the site of former public housing units. The units will be receiving Project Based vouchers for 100% of the units for a term of 20 years. The project will be developed and owned jointly by TRG Community Development and the Portsmouth Redevelopment & Housing Authority.

VHDA TRACKING NUMBER

[Redacted]

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

2/28/2023

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: Mimi Terry
 Chief Executive Officer's Title: City Manager Phone: (757) 393-8641
 Street Address: 801 Crawford Street
 City: Portsmouth State: VA Zip: 23704

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

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

Chief Executive Officer's Name: [Redacted]
 Chief Executive Officer's Title: [Redacted] Phone: [Redacted]
 Street Address: [Redacted]
 City: [Redacted] State: [Redacted] Zip: [Redacted]

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

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, 2023.

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, 2023, 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. 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.

If true, provide 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 split of units cannot be changed or 9% Credits will be cancel**

Total Units within 9% allocation request?	0
Total Units within 4% Tax Exempt allocation Request?	0
Total Units:	0

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

6. Extended Use Restriction

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

Must Select One:

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 2023, Virginia Housing began using a new Rental Housing Invoicing Portal to allow easy payments via secure ACH transactions. An invoice for your application fee along with access information was provided in your development's assigned Procorem work center.

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: Richman Lexington Senior Apartments, LP

Developer Name: TRG Community Development, LLC

Contact: M/M Mr. First: Andre MI: D. Last: Blakley

Address: 777 W. Putnam Avenue

City: Greenwich St. CT Zip: 06830

Phone: (773) 910-0732 Ext. Fax:

Email address: BlakleyA@Richmancapital.com

Federal I.D. No. 920448127 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: Limited Partnership Formation State: DE

Additional Contact: Please Provide Name, Email and Phone number.
Alisa Winston, Deputy Executive Director, awinston@prha.org, (757) 391-2903

- 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.

Names **	Phone	Type Ownership	% Ownership
TRG Lexington Member, LLC, owned by TRG affiliates		GP	49.000%
Portsmouth Development Corporation, owned by PR		Managing Member	51.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%

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:

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

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 select one or more of the following choices:

FALSE a. 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)**

TRUE b. 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 c. 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: Option

Expiration Date: 12/31/2023

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..... 12/31/2023 .

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: Portsmouth Redevelopment & Housing Authority
 Address: 3116 South Street
 City: Portsmouth St.: VA Zip: 23707
 Contact Person: Edward Bland Phone: (757) 399-5261

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>
<u>Lexington Senior Apartments GP,</u>			<u>99.99%</u>
<u>LLC</u>		<u>General Partner</u>	<u>99.99%</u>
<u>its members are:</u>			<u>99.99%</u>
<u>Portsmouth Development Corporati</u>		<u>Managing Member</u>	<u>0.51%</u>
<u>owned 100% by PRHA</u>			<u>0.51%</u>
<u>TRG Lexington Member, LLC</u>		<u>Member</u>	<u>0.49%</u>
<u>owned by TRG affiliates</u>			<u>0.49%</u>

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:	<u>Delphine Carnes</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u>Delphine Carnes Law Group, PLC</u>	DEI Designation?	<u>FALSE</u>
Address:	<u>101 W. Main Street Ste 440, Norfolk, VA 23510</u>		
Email:	<u>dcarnes@delphinecarneslaw.com</u>	Phone:	<u>(757) 614-1056</u>
2. Tax Accountant:	<u>Don Bernards</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u>Baker Tilly US, LLP</u>	DEI Designation?	<u>FALSE</u>
Address:	<u>4807 Innovate Lane, PO Box 7398, Madison WI 53701</u>		
Email:	<u>donald.bernards@bakertilly.com</u>	Phone:	<u>(608) 240-2643</u>
3. Consultant:	<u>Glenn Hudson</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u>Hudson Real Estate Advisory Group</u>	DEI Designation?	<u>TRUE</u>
Address:	<u>PO Box 326, Richmond, VA 23218</u>		
Email:	<u>gfhud1@gmail.com</u>	Role:	<u>SWaM Consultant</u>
		Phone:	<u>(804) 677-3302</u>
4. Management Entity:	<u>Theresa Eastwood-Davis</u>	This is a Related Entity.	<u>TRUE</u>
Firm Name:	<u>Richman Property Services, Inc.</u>	DEI Designation?	<u>FALSE</u>
Address:	<u>4350 W. Cypress St., Suite #340, Tampa, FL 33607</u>		
Email:	<u>eastwooddavid@richmanmgmt.com</u>	Phone:	<u>(813) 262-0404</u>
5. Contractor:	<u>TBD</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u></u>	DEI Designation?	<u>FALSE</u>
Address:	<u></u>		
Email:	<u>TBD</u>	Phone:	<u></u>
6. Architect:	<u>William Abrahamson</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u>Grimm + Parker, PC</u>	DEI Designation?	<u>FALSE</u>
Address:	<u>11720 Beltsville Drive Suite 600, Calverton, MD 20705</u>		
Email:	<u>wabrahamson@gparch.com</u>	Phone:	<u>(434) 270-0139</u>
7. Real Estate Attorney:	<u>Anitra Androh</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u>Nelson Mullins Riley & Scarborough LLP</u>	DEI Designation?	<u>FALSE</u>
Address:	<u>101 Constitution Avenue, NW, Suite 900, Washington, D.C., 20001</u>		
Email:	<u>anitra.androh@nelsonmullins.com</u>	Phone:	<u>(202) 689-2904</u>
8. Mortgage Banker:	<u>Charles W. Wilson</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u>Virginia Capital Advisors, Inc</u>	DEI Designation?	<u>TRUE</u>
Address:	<u>103 Archers Court, Williamsburg, VA 23185</u>		
Email:	<u>cwilson@virginiacapitaladvisors.com</u>	Phone:	<u>(757) 434-9002</u>
9. Other:	<u>Delphine Carnes and Lynn Morgan</u>	This is a Related Entity.	<u>FALSE</u>
Firm Name:	<u>Delphine Carnes Law Group, PLC</u>	DEI Designation?	<u>FALSE</u>
Address:	<u>101 W. Main Street Ste 440, Norfolk, VA 23510</u>		
Email:	<u>lmorgan@delphinecarneslaw.com</u>	Role:	<u>Local Counsel</u>
		Phone:	<u>(757) 614-1056</u>

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... **FALSE**
Action: If true, provide an electronic copy of the Existing Condition Questionnaire and Appraisal
- b. This development has received a previous allocation of credits..... **FALSE**
 If so, when was the most recent year that this development received credits? **0**
- 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..... **FALSE**
- b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i),..... **FALSE**
 - i. Subsection (I)..... **FALSE**
 - ii. Subsection (II)..... **FALSE**
 - iii. Subsection (III)..... **FALSE**
 - iv. Subsection (IV)..... **FALSE**
 - v. Subsection (V)..... **FALSE**
- c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6)..... **FALSE**
- d. There are different circumstances for different buildings..... **FALSE**
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

b. Minimum Expenditure Requirements

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

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

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

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

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

There is nonprofit involvement in this development..... TRUE (If false, skip 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..... TRUE

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: ▶ Owner

Name: Portsmouth Development Corporation

Contact Person: Alisa Winston

Street Address: 3116 South Street

City: Portsmouth State: ▶ VA Zip: 23707

Phone: (757) 391-2903 Contact Email: awinston@prha.org

G. NONPROFIT INVOLVEMENT

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 51.0%

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

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

or indicate true if Local Housing Authority..... TRUE

Name of Local Housing Authority Portsmouth Redevelopment & Housing Authority

B. 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	105	bedrooms	112
Total number of rental units in development	105	bedrooms	112
Number of low-income rental units	105	bedrooms	112
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	105	bedrooms	112
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....			96,025.00 (Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			1,650.00 (Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			94,375.00 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i. Exact area of site in acres	7.200		
j. Locality has approved a final site plan or plan of development.....			FALSE
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....			FALSE

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	883.00	SF	98	98
2BR Elderly	1192.00	SF	7	7
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			105	105

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

3. Structures

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

H. STRUCTURE AND UNITS INFORMATION

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

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

h. Development contains an elevator(s). TRUE
 If true, # of Elevators. 2
 Elevator Type (if known) Otis

i. Roof Type ▶ Combination
 j. Construction Type ▶ Frame
 k. Primary Exterior Finish ▶ Fiber Cement Siding

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Common areas will include a leasing office, computer room, and library

m. Number of Proposed Parking Spaces 130
 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	8.70%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	8.70%
Project Wide Absorption Period (Months)	7

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:**

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 27.50% b1. Percentage of brick covering the exterior walls.
- 72.50% 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.
- FALSE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- TRUE d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- FALSE e. 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
- FALSE 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.
- TRUE k. Cooking surfaces are equipped with fire prevention features
- or
- FALSE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- TRUE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- 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.
- 0% r. Percentage of development's on-site electrical load that can be met by a renewable energy electric system (for the benefit of the tenants)
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

J. ENHANCEMENTS

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

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

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

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

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

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

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

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

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

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

If not, please explain:



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

I. UTILITIES

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	13	15	0	0
Air Conditioning	0	9	12	0	0
Cooking	0	6	8	0	0
Lighting	0	28	36	0	0
Hot Water	0	13	17	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$69	\$88	\$0	\$0

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

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

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

K. SPECIAL HOUSING NEEDS

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

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

Action: Provide appropriate documentation (Tab X)

TRUE

- a. Any development in which (i) the greater of 5 units or 10% of units will be assisted by HUD project-based vouchers... (ii) will conform to HUD regulations... (iii) above must include roll-in showers...

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...

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:

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

Action: Provide Permanent Supportive Housing Certification (Tab S)

K. SPECIAL HOUSING NEEDS

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

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

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

3. Leasing Preferences

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

Organization which holds waiting list: Portsmouth Redevelopment & Housing Authority

Contact person: Alisa Winston

Title: Deputy Executive Director

Phone Number: (757) 391-2903

Action: Provide required notification documentation (TAB L)

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

(Less than or equal to 20% of the units must have of 1 or less bedrooms).

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

% of total Low Income Units 0%

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

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

4. 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: Theresa

Last Name: Eastwood-Davis

Phone Number: (813) 262-0404

Email: eastwooddavist@richmanmgt.com

K. SPECIAL HOUSING NEEDS

5. Resident Well-Being **Action:** Provide appropriate documentation for any selection below (**Tab S**)

- FALSE a. Development has entered into a memorandum of understanding (approved by DBHDS) with a resident service provider for the provision of resident services (as defined in the manual).
- FALSE b. Development will provide licensed childcare on-site with a preference and discount to residents or an equivalent subsidy for tenants to utilize licensed childcare of tenant's choice.
- FALSE c. Development will provide tenants with free on-call, telephonic or virtual healthcare services with a licensed provider.

6. Rental Assistance

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

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

- FALSE Rental Assistance Demonstration (RAD) or other PHA conversion to based rental assistance.
- FALSE Section 8 New Construction Substantial Rehabilitation
- FALSE Section 8 Moderate Rehabilitation
- FALSE Section 811 Certificates
- TRUE Section 8 Project Based Assistance
- FALSE RD 515 Rental Assistance
- FALSE Section 8 Vouchers
*Administering Organization: _____
- FALSE State Assistance
*Administering Organization: _____
- FALSE Other: _____

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: 105
 How many years in rental assistance contract? 20.00
 Expiration date of contract: 8/1/2044
 There is an Option to Renew..... TRUE

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

e. How many of the units in this development are already considered Public Housing? 0

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 three 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), (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), or (iii) 40% or more of the units are both rent-restricted and occupied by persons whose income does not exceed the imputed income limitation designated in 10% increments between 20% to 80% of the AMI, and the average of the imputed income limitations collectively does not exceed 60% of the AMI (this is called the Average Income Test (AIT)). All occupancy tests are 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		
# of Units	% of Units	
0	0.00%	20% Area Median
6	5.71%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
99	94.29%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
105	100.00%	Total


Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
6	5.71%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
99	94.29%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
105	100.00%	Total

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

2. Unit Detail

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID

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

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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	60% AMI	93	10	638.00	\$1,181.00	\$109,833
Mix 2	2 BR - 2 Bath	60% AMI	6	1	932.00	\$1,373.00	\$8,238
Mix 3	1 BR - 1 Bath	30% AMI	5		638.00	\$1,181.00	\$5,905
Mix 4	2 BR - 2 Bath	30% AMI	1		932.00	\$1,373.00	\$1,373
Mix 5							\$0
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0

L. UNIT DETAILS

Mix 13								\$0
Mix 14								\$0
Mix 15								\$0
Mix 16								\$0
Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
Mix 30								\$0
Mix 31								\$0
Mix 32								\$0
Mix 33								\$0
Mix 34								\$0
Mix 35								\$0
Mix 36								\$0
Mix 37								\$0
Mix 38								\$0
Mix 39								\$0
Mix 40								\$0
Mix 41								\$0
Mix 42								\$0
Mix 43								\$0
Mix 44								\$0
Mix 45								\$0
Mix 46								\$0
Mix 47								\$0
Mix 48								\$0
Mix 49								\$0
Mix 50								\$0
Mix 51								\$0
Mix 52								\$0
Mix 53								\$0
Mix 54								\$0
Mix 55								\$0
Mix 56								\$0
Mix 57								\$0
Mix 58								\$0
Mix 59								\$0
Mix 60								\$0
Mix 61								\$0
Mix 62								\$0
Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0
Mix 68								\$0
Mix 69								\$0

L. UNIT DETAILS

Mix 70								\$0
Mix 71								\$0
Mix 72								\$0
Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			105	11				\$125,349

Total Units	105	Net Rentable SF:	TC Units	69,048.00
			MKT Units	0.00
			Total NR SF:	69,048.00

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$5,000
2. Office Salaries			\$17,875
3. Office Supplies			\$5,000
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$72,047
	<u>5.00%</u> of EGI	<u>\$686.16</u>	Per Unit
6. Manager Salaries			\$60,000
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$15,000
9. Auditing			\$12,000
10. Bookkeeping/Accounting Fees			\$10,000
11. Telephone & Answering Service			\$7,750
12. Tax Credit Monitoring Fee			\$3,675
13. Miscellaneous Administrative			\$3,000
	Total Administrative		\$211,347

Utilities

14. Fuel Oil			\$0
15. Electricity			\$30,000
16. Water			\$40,000
17. Gas			\$0
18. Sewer			\$37,625
	Total Utility		\$107,625

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$10,000
21. Janitor/Cleaning Contract			\$15,000
22. Exterminating			\$5,000
23. Trash Removal			\$15,000
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$3,025
27. Grounds Contract			\$10,000
28. Maintenance/Repairs Payroll			\$50,000
29. Repairs/Material			\$5,000
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$5,000
32. Heating/Cooling Repairs & Maintenance			\$5,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,500
35. Decorating/Payroll/Contract			\$5,000
36. Decorating Supplies			\$5,000
37. Miscellaneous			\$0
	Totals Operating & Maintenance		\$134,525

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$25,725
39. Payroll Taxes	\$0
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$89,250
42. Fidelity Bond	\$0
43. Workman's Compensation	\$17,500
44. Health Insurance & Employee Benefits	\$20,000
45. Other Insurance	\$0
Total Taxes & Insurance	\$152,475

Total Operating Expense	\$605,972
--------------------------------	------------------

Total Operating Expenses Per Unit	\$5,771	C. Total Operating Expenses as % of EGI	42.05%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$31,500
---	-----------------

Total Expenses	\$637,472
-----------------------	------------------

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	6/1/2023	Andre Blakley
b. Site Acquisition	6/1/2023	Andre Blakley
c. Zoning Approval	7/12/2022	Andre Blakley
d. Site Plan Approval	5/1/2023	Andre Blakley
2. Financing		
a. Construction Loan		
i. Loan Application	10/3/2022	Andre Blakley
ii. Conditional Commitment	4/19/2023	Andre Blakley
iii. Firm Commitment	4/19/2023	Andre Blakley
b. Permanent Loan - First Lien		
i. Loan Application	10/3/2022	Andre Blakley
ii. Conditional Commitment	4/19/2023	Andre Blakley
iii. Firm Commitment	4/19/2023	Andre Blakley
c. Permanent Loan-Second Lien		
i. Loan Application	10/3/2022	Andre Blakley
ii. Conditional Commitment	4/19/2023	Andre Blakley
iii. Firm Commitment	4/19/2023	Andre Blakley
d. Other Loans & Grants		
i. Type & Source, List	DHCD NHTF, VHTE, HIEE	Andre Blakley
ii. Application	10/31/2022	Andre Blakley
iii. Award/Commitment	2/28/2023	Andre Blakley
2. Formation of Owner	9/21/2022	Andre Blakley
3. IRS Approval of Nonprofit Status		Alisa Winston
4. Closing and Transfer of Property to Owner	5/1/2023	Andre Blakley
5. Plans and Specifications, Working Drawings	11/16/2022	Grimm + Parker, PC
6. Building Permit Issued by Local Government	5/31/2023	Andre Blakley
7. Start Construction	6/1/2023	Andre Blakley
8. Begin Lease-up	10/1/2024	Andre Blakley
9. Complete Construction	10/1/2024	Andre Blakley
10. Complete Lease-Up	4/1/2025	Andre Blakley
11. Credit Placed in Service Date	10/1/2024	Andre Blakley

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.

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"
Must Use Whole Numbers Only!				
1. Contractor Cost				
a. Unit Structures (New)	15,952,031	0	15,952,031	0
b. Unit Structures (Rehab)	0	0	0	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	15,952,031	0	15,952,031	0
f. Earthwork	0	0	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	3,625,226	0	3,625,226	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	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	0	0	0	0
q. Other Site work	0	0	0	0
Total Land Improvements	3,625,226	0	3,625,226	0
Total Structure and Land	19,577,257	0	19,577,257	0
r. General Requirements	1,174,635	0	1,174,635	0
s. Builder's Overhead (2.0% Contract)	391,545	0	391,545	0
t. Builder's Profit (6.0% Contract)	1,174,635	0	1,174,635	0
u. Bonds	209,343	0	209,343	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: <input type="checkbox"/>	0	0	0	0
z. Other 2: <input type="checkbox"/>	0	0	0	0
aa. Other 3: <input type="checkbox"/>	0	0	0	0
Contractor Costs	\$22,527,415	\$0	\$22,527,415	\$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	100,000	0	100,000	0
b. Architecture/Engineering Design Fee \$7,220 /Unit)	758,108	0	758,108	0
c. Architecture Supervision Fee \$2,999 /Unit)	314,850	0	314,850	0
d. Tap Fees	0	0	0	0
e. Environmental	25,000	0	25,000	0
f. Soil Borings	20,000	0	20,000	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	10,000	0	10,000	0
i. Market Study	10,000	0	10,000	0
j. Site Engineering / Survey	200,000	0	200,000	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	49,386	0	49,386	0
n. Construction Interest (5.2% for 24 months)	1,584,909	0	908,909	0
o. Taxes During Construction	0	0	0	0
p. Insurance During Construction	200,000	0	200,000	0
q. Permanent Loan Fee (3.0%)	243,083	0	0	0
r. Other Permanent Loan Fees	230,138	0	0	0
s. Letter of Credit	17,190	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	35,000	0	35,000	0
v. Title and Recording	99,000	0	99,000	0
w. Legal Fees for Closing	305,000	0	218,000	0
x. Mortgage Banker	100,000	0	0	0
y. Tax Credit Fee	109,270			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	150,000	0	150,000	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	667,842	0	0	0
ad. Contingency	1,126,371	0	1,126,371	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

ag. Servicing Reserve	45,000			
(1) Other* specify: Plan & Cost Review	45,000	0	45,000	0
(2) Other* specify: Landscape Architect	50,550	0	50,550	0
(3) Other* specify: Zoning	26,400	0	26,400	0
(4) Other* specify: Traffic Design	15,000	0	15,000	0
(5) Other* specify: Parking Study	5,000	0	5,000	0
(6) Other* specify: Consultants	250,000	0	0	0
(7) Other* specify: Soft Cost Contingency	100,000	0	50,000	0
(8) Other* specify: Marketing/Lease-Up	50,000	0	0	0
(9) Other* specify: Lease-Up Reserve	161,595	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$7,103,692	\$0	\$4,416,574	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)	\$29,631,107	\$0	\$26,943,989	\$0
3. Developer's Fees	2,800,488	0	2,800,488	0
Action: Provide Developer Fee Agreement (Tab A)				
4. Owner's Acquisition Costs				
Land	0			
Existing Improvements	0	0		
Subtotal 4:	\$0	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$32,431,595	\$0	\$29,744,477	\$0

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$2,800,489

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

\$338 **Proposed Cost by Sq Ft exceeds limit**
\$328

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

\$308,872 **Meets Limits**
\$315,423

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	32,431,595	0	29,744,477	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)

0	29,744,477	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>	8,923,343	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	38,667,820	0
--------------------------------------	-------------------	----------

5. Applicable Fraction

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

6. Total Qualified Basis (Eligible Basis x Applicable Fraction)

0	38,667,820	0
---	------------	---

7. Applicable Percentage

4.00%	4.00%	9.00%
-------	-------	-------

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

8. Maximum Allowable Credit under IRC §42

\$0	\$1,546,713	\$0
-----	-------------	-----

(Qualified Basis x Applicable Percentage)

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

\$1,546,713
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. Long-Term TE Loan & REA	10/03/22	04/19/23	\$13,864,000	Dale Wittie
2. Short-Term TE Loan	10/03/22	04/19/23	\$1,910,000	Dale Wittie
3. Bridge Loan			\$9,877,160	
Total Construction Funding:			\$25,651,160	

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. VHDA First Mortgage - TE	10/3/2022	4/19/2023	\$2,835,000	\$195,741	6.08%	35	35
2. VHDA REACH	10/3/2022	4/19/2023	\$9,829,000	\$450,638	2.95%	35	35
3. VHDA Match	2/28/2023		\$1,200,000	\$47,333	1.95%	35	35
4. DHCD VA HTF	5/31/2022	9/9/2022	\$900,000	\$4,500	0.50%	1000000	35
5. Portsmouth RHA Loan		10/18/2022	\$500,000		0.00%	1000000	35
6. Hampton Roads Planning District Comm		8/24/2022	\$400,000		0.00%	1000000	35
7. City of Portsmouth Loan			\$1,200,000		0.00%	1000000	35
8.							
9.							
10.							
Total Permanent Funding:			\$16,864,000	\$698,212			

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. Standby Fee Refund	10/3/2022	4/19/2023	\$230,138	Dale Wittie
2.				
3.				
4.				
5.				
6.				
Total Permanent Grants:			\$230,138	

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	DHCD VA HTF	9/9/2022	\$900,000
2.	Portsmouth RHA Loan	10/18/2022	\$500,000
3.	Portsmouth Planning Commission Loan	8/24/2022	\$400,000
4.	City of Portsmouth Loan		\$1,200,000
5.			
Total Subsidized Funding			\$3,000,000

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$15,774,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$9,829,000
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$900,000
k.	Other: Portsmouth RHA & HRPDC & City of	\$2,100,000
l.	Other: VHDA Match Loan	\$1,200,000

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: Standby Fee	\$230,138

*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: **53.03%**

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

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

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

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

c. **FALSE** Other _____

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

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit					
Amount of Federal historic credits	\$0	x Equity \$	\$0.000	=	\$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	=	\$0

b. Equity that Sponsor will Fund:					
i. Cash Investment	\$0				
ii. Contributed Land/Building	\$0				
iii. Deferred Developer Fee	\$2,267,733	(Note: Deferred Developer Fee cannot be negative.)			
iv. Other:	\$0				

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

Equity Total	<u>\$2,267,733</u>
---------------------	--------------------

2. Equity Gap Calculation

a. Total Development Cost	\$32,431,595
b. Total of Permanent Funding, Grants and Equity	- <u>\$19,361,871</u>
c. Equity Gap	\$13,069,724
d. Developer Equity	- <u>\$1,309</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$13,068,415

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	▶ <u>The Richman Group</u>		
Contact Person:	<u>Randy Lonstein</u>	Phone:	<u>203-413-0334</u>
Street Address:	<u>777 W Putnam Ave</u>		
City:	<u>Greenwich</u>	State:	<u>CT</u>
		Zip:	<u>06830</u>

b. Syndication Equity	
i. Anticipated Annual Credits	<u>\$1,546,713.00</u>
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	<u>\$0.845</u>
iii. Percent of ownership entity (e.g., 99% or 99.9%)	<u>99.99000%</u>
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	<u>\$0</u>
v. Net credit amount anticipated by user of credits	<u>\$1,546,558</u>
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	<u>\$13,068,415</u>

c. Syndication:	<u>Private</u>
d. Investors:	<u>Corporate</u>

4. Net Syndication Amount

Which will be used to pay for Total Development Costs	<u>\$13,068,415</u>
---	---------------------

5. Net Equity Factor

Must be equal to or greater than 85%	<u>84.4999813941%</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>\$32,431,595</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$19,361,871</u>
3. Equals Equity Gap		<u>\$13,069,724</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>84.4999813941%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$15,467,133</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,546,713</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,546,713</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$1,546,713</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$14,730.6000</u>	
Credit per LI Bedroom	<u>\$13,809.9375</u>	
	Combined 30% & 70% PV Credit Requested	<u>\$1,546,713</u>

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

T. CASH FLOW

1. Revenue

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

Total Monthly Rental Income for LIHTC Units		\$125,349
Plus Other Income Source (list):	Laundry	\$1,050
Equals Total Monthly Income:		\$126,399
Twelve Months		x12
Equals Annual Gross Potential Income		\$1,516,788
Less Vacancy Allowance	5.0%	\$75,839
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$1,440,949

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$1,440,949
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,440,949
d. Total Expenses	\$637,472
e. Net Operating Income	\$803,477
f. Total Annual Debt Service	\$698,212
g. Cash Flow Available for Distribution	\$105,265

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	1,440,949	1,469,768	1,499,163	1,529,146	1,559,729
Less Oper. Expenses	637,472	656,596	676,294	696,583	717,480
Net Income	803,477	813,171	822,869	832,563	842,249
Less Debt Service	698,212	698,212	698,212	698,212	698,212
Cash Flow	105,265	114,959	124,657	134,351	144,037
Debt Coverage Ratio	1.15	1.16	1.18	1.19	1.21

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,590,924	1,622,742	1,655,197	1,688,301	1,722,067
Less Oper. Expenses	739,005	761,175	784,010	807,530	831,756
Net Income	851,919	861,567	871,187	880,770	890,311
Less Debt Service	698,212	698,212	698,212	698,212	698,212
Cash Flow	153,707	163,355	172,975	182,558	192,099
Debt Coverage Ratio	1.22	1.23	1.25	1.26	1.28

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,756,508	1,791,638	1,827,471	1,864,021	1,901,301
Less Oper. Expenses	856,709	882,410	908,883	936,149	964,234
Net Income	899,799	909,228	918,589	927,872	937,067
Less Debt Service	698,212	698,212	698,212	698,212	698,212
Cash Flow	201,587	211,016	220,377	229,660	238,855
Debt Coverage Ratio	1.29	1.30	1.32	1.33	1.34

Estimated Annual Percentage Increase in Revenue 2.00% (Must be ≤ 2%)
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be ≥ 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: 1

Total Qualified Basis should equal total on Elig Basis Tab

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS	Street Address 1	Street Address 2	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		105	0	1 Lexington Drive		Portsmouth	VA	23701				\$0	\$1,546,713	10/01/24	100.00%	\$1,546,713				\$0
2.												\$0				\$0				\$0
3.												\$0				\$0				\$0
4.												\$0				\$0				\$0
5.												\$0				\$0				\$0
6.												\$0				\$0				\$0
7.												\$0				\$0				\$0
8.												\$0				\$0				\$0
9.												\$0				\$0				\$0
10.												\$0				\$0				\$0
11.												\$0				\$0				\$0
12.												\$0				\$0				\$0
13.												\$0				\$0				\$0
14.												\$0				\$0				\$0
15.												\$0				\$0				\$0
16.												\$0				\$0				\$0
17.												\$0				\$0				\$0
18.												\$0				\$0				\$0
19.												\$0				\$0				\$0
20.												\$0				\$0				\$0
21.												\$0				\$0				\$0
22.												\$0				\$0				\$0
23.												\$0				\$0				\$0
24.												\$0				\$0				\$0
25.												\$0				\$0				\$0
26.												\$0				\$0				\$0
27.												\$0				\$0				\$0
28.												\$0				\$0				\$0
29.												\$0				\$0				\$0
30.												\$0				\$0				\$0
31.												\$0				\$0				\$0
32.												\$0				\$0				\$0
33.												\$0				\$0				\$0
34.												\$0				\$0				\$0
35.												\$0				\$0				\$0

105 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings	\$0	\$0	\$1,546,713	\$0	\$1,546,713	\$0
---------------------------	-----	-----	-------------	-----	-------------	-----

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

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

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: Richman Lexington Senior Apartments, LP
By: Lexington Senior Apartments GP, LLC
By: TRG Lexington Member, LLC

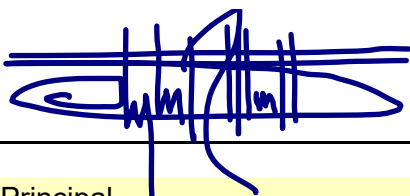
By: Andre Blakley
 Its: Executive Vice President
 (Title)

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:	Stephen R Mundt AIA
Virginia License#:	VA 30094194
Architecture Firm or Company:	Grimm + Parker Architects

By: 

Its: Principal (Title)

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

W. LIHTC SELF SCORE SHEET

Self Scoring Process

This Self Scoring Process is intended to provide you with an estimate of your application's score based on the information included within the reservation application. Other items, denoted below in the yellow shaded cells, are typically evaluated by Virginia Housing's staff during the application review and feasibility process. For purposes of self scoring, we have made certain assumptions about your application. Edit the appropriate responses (Y or N) in the yellow shaded cells, if applicable. 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, 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
- d. Location in a revitalization area based on Qualified Census Tract
- e. Location in a revitalization area with resolution
- f. Location in a Opportunity Zone

Y	0 or -50	0.00
N	0 or -25	0.00
N	0 to 10	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

N	0 or up to 5	0.00
N	0 or 20	0.00
9.25%	Up to 40	18.50
N	0 or 5	0.00
N	0 or 10	0.00
0%	0, 20, 25 or30	0.00
N	0 or 15	0.00
Y	Up to 20	20.00
Total:		38.50

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			52.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 50	50.00
or c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Provides approved resident services or eligible childcare services	N	0 or 15	0.00
e. Provides telephonic or virtual health services	N	0 or 15	0.00
f. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
g. Development will be Green Certified	N	0 or 10	0.00
h. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
i. Developments with less than 100 low income units	N	up to 20	0.00
j. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			<u>112.00</u>

4. TENANT POPULATION CHARACTERISTICS:

	Locality AMI	State AMI		
	\$93,500	\$71,300		
a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00	
b. <plus> Percent of Low Income units with 3 or more bedrooms	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)	5.71%	Up to 10	5.71	
e. Units with rent and income at or below 50% of AMI	5.71%	Up to 50	5.71	
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	5.71%	Up to 25	0.00	
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	5.71%	Up to 50	0.00	
Total:			<u>11.42</u>	

5. SPONSOR CHARACTERISTICS:

a. Experienced Sponsor - 1 development in Virginia	N	0 or 5	0.00
b. Experienced Sponsor - 3 developments in any state	Y	0 or 15	15.00
c. Developer experience - life threatening hazard	N	0 or -50	0.00
d. Developer experience - noncompliance	N	0 or -15	0.00
e. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
f. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	0.00
g. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
h. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
i. Socially Disadvantaged Principal owner 25% or greater	N	0 or 5	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
k. Experienced Sponsor partnering with Local Housing Authority pool applicant	N	0 or 5	0.00
Total:			<u>15.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	89.00
b. Cost per unit		Up to 100	4.16
Total:			<u>93.16</u>

7. BONUS POINTS:

a. Extended compliance	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	Y	0 or 60	60.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 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:			<u>70.00</u>

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

TOTAL SCORE: 350.08

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	31.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	0.00
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	0.00
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	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	5.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. % of renewable energy electric systems	10	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>50.00</u>
All elderly units have:		
t. Front-control ranges	1	1.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	1.00
w. Shelf or Ledge at entrance within interior hallway	2	0.00
		<u>2.00</u>
Total amenities:		<u>52.00</u>

X. Development Summary

Summary Information 2023 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Lexington Senior Apartments

Cycle Type: 4% Tax Exempt Bonds Credits **Requested Credit Amount:** \$1,546,713
Allocation Type: 0 **Jurisdiction:** Portsmouth City
Total Units: 105 **Population Target:** Elderly
Total LI Units: 105 **Owner Contact:** Andre Blakley
Project Gross Sq Ft: 96,025.00
Green Certified? FALSE

Total Score 350.08

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$16,864,000	\$160,610	\$176	\$698,212
Grants	\$230,138	\$2,192		
Subsidized Funding	\$3,000,000	\$28,571		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$19,577,257	\$186,450	\$204	60.36%
General Req/Overhead/Profit	\$2,740,815	\$26,103	\$29	8.45%
Other Contract Costs	\$209,343	\$1,994	\$2	0.65%
Owner Costs	\$7,103,692	\$67,654	\$74	21.90%
Acquisition	\$0	\$0	\$0	0.00%
Developer Fee	\$2,800,488	\$26,671	\$29	8.64%
Total Uses	\$32,431,595	\$308,872		

Total Development Costs	
Total Improvements	\$29,631,107
Land Acquisition	\$0
Developer Fee	\$2,800,488
Total Development Costs	\$32,431,595

Proposed Cost Limit/Sq Ft: \$338
Applicable Cost Limit/Sq Ft: \$328
Proposed Cost Limit/Unit: \$308,872
Applicable Cost Limit/Unit: \$315,423

Income		
Gross Potential Income - LI Units		\$1,516,788
Gross Potential Income - Mkt Units		\$0
Subtotal		\$1,516,788
Less Vacancy %	5.00%	\$75,839
Effective Gross Income		\$1,440,949

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	98
# of 2BR	7
# of 3BR	0
# of 4+ BR	0
Total Units	105

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$211,347	\$2,013
Utilities	\$107,625	\$1,025
Operating & Maintenance	\$134,525	\$1,281
Taxes & Insurance	\$152,475	\$1,452
Total Operating Expenses	\$605,972	\$5,771
Replacement Reserves	\$31,500	\$300
Total Expenses	\$637,472	\$6,071

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	6	6
40% AMI	0	0
50% AMI	0	0
60% AMI	99	99
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$1,440,949
Total Expenses	\$637,472
Net Income	\$803,477
Debt Service	\$698,212
Debt Coverage Ratio (YR1):	1.15

Income Averaging? FALSE

Extended Use Restriction? 30

Y. Efficient Use of Resources

Credit Points for 9% Credits:

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.

Tax Exempt Deals are granted a starting point value greater than zero to allow for the nature of these deals.

Combined Max	\$1,546,713
Credit Requested	\$1,546,713
% of Savings	0.00%
Sliding Scale Points	89

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	\$32,431,595	
Total Square Feet	96,025.00	
Proposed Cost per SqFt	\$337.74	
Applicable Cost Limit per Sq Ft	\$328.00	
% of Savings	-2.97%	
Total Units	105	
Proposed Cost per Unit	\$308,872	
Applicable Cost Limit per Unit	\$315,423	
% of Savings	2.08%	
Max % of Savings	2.08% Sliding Scale Points	4.16

Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

Richman Lexington Senior Apartments, LP, a limited partnership formed under the laws of Delaware is registered to transact business in Virginia. The limited partnership obtained a certificate of registration to transact business in Virginia from the Commission on September 29, 2022.

As of the date set forth below, the certificate of registration to transact business in the Commonwealth issued by the Commission to Richman Lexington Senior Apartments, LP, a(n) Delaware limited partnership, has not been canceled.

That the limited partnership is current in the payment of all registration fees assessed against it by the Commission pursuant to the Virginia Revised Uniform Limited Partnership Act as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

September 30, 2022

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

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

Appendices continued

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
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

Appendices continued

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: Lexington Senior Apartments
 Name of Applicant: Richman Lexington Senior Apartments, LP

INSTRUCTIONS:

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2007 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

The Richman Group Development Corporation

Controlling GP (CGP) or 'Named' Managing Member of N
 Proposed property? * Y or N

Principal's Name:	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the Time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823s? (Y/N) Explain "Y"
	1 The Retreat Apartments 1137 B Street, Merced, CA	Merced CA Apartments, Ltd. (203) 869-0900 FOR ALL PROJECTS LISTED BELOW	N	119	119	Under Construction	Not Yet Available	N
	2 La Cima 6109 Ben White Boulevard, Austin, TX	Montopolis Apartments, LLC	N	260	260	Under Construction	Not Yet Available	N
	3 Bryson II HHH Affordable Apartments 2701 Wilshire Boulevard, Los Angeles, CA	Bryson II Partners LP	N	64	64	Under Construction	Not Yet Available	N
	4 Slate Miami Apartments 2137 NW 36th Street, Miami, FL	Slate Miami Apartments, Ltd.	Y	105	105	Under Construction	Not Yet Available	N
	5 The Shores Apartments 26th Ave & 31st Street, St. Petersburg, FL	Shores Apartments, Ltd.	Y	51	51	Under Construction	Not Yet Available	N
	6 Avalon 1355 1355 N. Avalon Boulevard, Los Angeles, CA	Avalon 1355 Partners, LP	N	54	54	Under Construction	Not Yet Available	N
	7 The Landings at Homestead 201 NE 11th Street, Homestead, FL	Landings at Homestead, Ltd.	Y	101	101	7/13/2022	Not Yet Available	N
	8 125th Street Parcel B West 2319 Third Avenue, New York, NY	East Harlem MEC Parcel B West LLC	Y	404	101	3/4/2022	Not Yet Available	N
	9 Willow Creek Apartments Phase III 8 Maple Street, Hartford, CT	Overlook Village Associates III LLC	N	30	24	4/28/2022	Not Yet Available	N
	10 Windward Apartments 20 Johnson Street, Bridgeport, CT	Windward Development Associates, LLC	N	54	43	9/28/2021	6/27/2022	N
	11 Lucida Apartments 15800 NW 77th Court, Miami Lakes, FL	Lucida Apartments LP	Y	108	108	4/29/2021	Not Yet Available	N
	12 Allenwood Terrace Apartments 2101 Allenwood Road, Wall, NJ	Allenwood Terrace Partners, LP	Y	85	85	1/20/2021	3/8/2022	N
	13 Carson Terrace Senior Apartments 632 East 219th Street, Los Angeles, CA	Carson Terrace Partners LP	N	63	63	10/28/2020	5/12/2022	N
	14 Willow Creek Apartments Phase II 15 Berkeley Drive, Hartford, CT	Overlook Village Associates II, LLC	N	43	38	10/18/2019	10/9/2020	N
	15 Willow Creek Apartments Phase I 427 Granby Street, Hartford, CT	Overlook Village Associates, LLC	N	62	62	2/8/2019	12/24/2019	N
	16 Crescent Crossings Phase IB 581 Waterview Avenue, Bridgeport, CT	Crescent Crossing 1B, LLC	N	84	66	9/19/2017	9/14/2018	N
	17 Meadow Green Apartments 2257 Massachusetts Avenue, Toms River, NJ	Meadow Green Partners LP	Y	80	80	6/27/2017	6/13/2018	N
	18 Crescent Crossings Phase I 240 Hallett Street, Bridgeport, CT	Crescent Crossings LLC	N	93	93	12/15/2016	12/5/2017	N
	19 Allapattah Trace 3401 NW 17th Avenue, Miami, FL	Allapattah Trace Apts Ltd.	Y	77	77	11/21/2016	11/6/2017	N
	20 West Brickell View 114 SW 8th Street, Miami, FL	West Brickell View, Ltd.	Y	64	64	2/6/2014	2/11/2015	N
	21 Vista Grande Apartments 860 SW 2nd Avenue, Miami, FL	Vista Grande Apartments Ltd.	Y	89	89	12/30/2013	2/4/2015	N
	22 West Brickell Tower 1026 SW 2nd Avenue, Miami, FL	West Brickell Tower, Ltd.	Y	32	32	12/19/2013	11/19/2014	N
	23 Santos Isle 107 E. Martin Luther King Drive, Tarpon Springs, FL	Santos Isle, Ltd.	Y	50	50	11/27/2013	9/12/2014	N
	24 Meadowbrook II 1200 Wayside Road, Tinton Falls, NJ	Meadowbrook II Partners LP	Y	64	64	10/11/2013	6/18/2015	N
	25 St. Nicholas Park Apartments 306 West 128th Street, New York, NY	St. Nicholas Park Apartments LP	Y	30	30	8/23/2013	8/15/2014	N
	26 Colonial Lakes Apartments 4234 Milner Circle, Lake Worth, FL	Colonial Lakes Apartments, Ltd.	Y	120	120	12/21/2012	11/15/2013	N
	27 Kensington Gardens Phase II 6204 Culver Crest Place, Riverview, FL	Progress Boulevard II, Ltd.	Y	96	96	7/18/2012	8/30/2013	N
	28 Cristina Woods Apartments 9838 Lychee Loop, Tampa, FL	Cristina Woods Apartments, Ltd.	Y	108	108	1/5/2012	8/17/2012	N
	29 Landings at Timberleaf 5497 Timberleaf Boulevard, Orlando, FL	Timberleaf Apartments, Ltd.	Y	240	240	11/23/2011	9/3/2012	N
	30 Sabal Ridge Apartments Phase II 9105 Hilltop Meadow, Tampa, FL	Sabal Ridge Apartments II, Ltd.	Y	108	108	11/21/2011	8/10/2012	N
	31 Meeting House at Zephyrhills 38512 Valley Oaks Circle, Zephyrhills, FL	Grand Reserve Apartments, Ltd.	Y	160	160	11/15/2011	9/7/2012	N
	32 Grant Park 5 Whelan Place, Yonkers, NY	Mulford I, LP	N	100	100	10/28/2011	5/8/2012	N
	33 Ashburton Avenue 110 Ashburton Avenue, Yonkers, NY	Ashburton Avenue I, LP	N	49	49	10/11/2011	8/31/2012	N
	34 Fort King Colony Apartments 6830 Vista Lago Loop, Zephyrhills, FL	Fort King Colony, Ltd.	Y	120	120	9/8/2011	7/25/2012	N
	35 The Balton 311 West 127th Street, New York, NY	The Balton LLC	Y	155	39	9/8/2011	9/5/2013	N
	36 125th Street Parcel C 2293 Third Avenue, New York, NY 10035	East Harlem MEC Parcel C, L.P.	Y	49	49	8/25/2011	7/23/2013	N
	37 Valley Oaks II 351 N. West Street, Tulare, CA	Tulare II Family Housing Partners, L.P.	N	70	70	8/1/2011	7/15/2013	N
	38 Wickham Park 3020 Bennett Lane Melbourne, FL	Wickham Park, LLC	Y	96	96	3/31/2011	3/27/2012	N
	39 The Douglas 200 West 128th Street, New York, NY	Site 8 Apartments LP	Y	69	69	3/30/2011	9/12/2012	N
	40 Kensington Gardens 9822 Brookfield Farm Court, Riverview, FL	Progress Boulevard, Ltd.	Y	180	180	1/7/2011	8/25/2011	N

* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE
 TOTAL: 3,986 3,527

LIHTC as % of
 88% 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)
46	Cross Creek Apartments 6950 Emery Mill Dr., Tampa, FL	Sligh Avenue Apartments, Ltd.	Y	192	192	9/11/2010	4/26/2011	N
47	Booker Creek Apartments 2468 13th Avenue North Street, Petersburg, FL	Booker Creek Apartments, Ltd.	Y	156	63	6/7/2010	6/21/2011	N
48	Sabal Ridge Apartments 9230 Sabalridge Grove Place, Tampa, FL	Sabal Ridge Apartments, Ltd.	Y	108	108	4/23/2010	2/23/2011	N
49	Corcoran Apartments 1830 Dairy Avenue, Corcoran, CA	Corcoran Family Housing Partners, LP	N	69	69	11/24/2009	4/14/2011	N
50	Mariner's Cay Apartments 4253 Central Park Drive, Spring Hill, FL	Lamson Avenue Apartments, Ltd.	Y	160	160	8/23/2009	10/6/2010	N
51	Hudson Ridge Apartments 12200 Hudson Ridge Drive, Port Richey, FL	Hudson Ridge, Ltd.	Y	168	168	5/29/2009	11/17/2010	N
52	Autumn Place Apartments 10310 Davis Road Tampa, FL	Foxtail Acres, Ltd.	Y	120	120	4/20/2009	8/18/2010	N
53	Hunt Club Apartments 9540 Lazy Lane, Tampa, FL	Sunset View, Ltd.	Y	96	96	4/10/2009	8/25/2010	N
54	Croton Heights 193 Ashburton Avenue, Yonkers, NY	Croton Heights I LP	N	60	54	2/20/2009	3/9/2010	N
55	Anaheim Apartments 9541 W. Ball Rd., Anaheim, CA	Anaheim Family Housing Partners, LP	N	49	49	1/13/2009	7/7/2010	N
56	Spanish Trace Apartments 1480 Villena Avenue, Tampa, FL	Spanish Trace Housing, Ltd.	Y	120	120	1/2/2009	10/19/2009	N
57	Santa Fe Oaks II 8203 NW 31st Avenue, Gainesville, FL	Sant Fe Apartments II, Ltd.	Y	129	129	9/1/2008	9/7/2010	N
58	Laurel Oaks Apartments II 2700 Laurel Hollow Drive, Leesburg, FL	Sleepy Hollow Apartments II, Ltd.	Y	108	108	7/17/2008	5/5/2010	N
59	Savannah Springs Apartments 6945 Morse Avenue, Jacksonville, FL	Savannah Springs Apartments, Ltd.	Y	234	234	7/15/2008	8/28/2009	N
60	Laurel Oaks Apartments I 2700 Laurel Hollow Drive, Leesburg, FL	Sleepy Hollow Apartments, Ltd.	Y	144	144	7/4/2008	7/26/2010	N
61	Lindsay Apartments - Phase II 328 S. Harvard Avenue, Lindsay, CA	Lindsay II Family Housing Partners	N	40	40	6/30/2008	11/3/2009	N
62	Timber Trace Apartments 628 Timber Trace Lane, Titusville, FL	Timber Trace Apartments, Ltd.	Y	204	204	6/13/2008	4/7/2010	N
63	Clear Harbor Apartments 11240 US Highway 19, Clearwater, FL	Clear Harbor, Ltd.	Y	84	84	5/15/2008	5/7/2009	N
64	Weed Apartments 272 E. Lake Street, Weed, CA	Weed Family Housing Partners, Ltd.	N	61	61	2/27/2008	10/29/2009	N
65	Brook Haven 7781 Crystal Brook Circle, Brooksville, FL	Brook Haven, Ltd.	Y	160	160	9/6/2007	7/21/2009	N
66	Brandywine 5029 North 40th Street, Tampa, FL	Brandywine Housing, Ltd.	Y	144	144	5/18/2007	10/21/2009	N
67	Claymore Crossings 4610 Claymore Drive, Tampa, FL	Claymore Housing, Ltd.	Y	260	260	4/6/2007	7/6/2009	N
68	Spring Haven Apartments II 305 Glenn Ivy Terrace, Spring Hill, FL	SHA Associated II, Ltd.	Y	88	88	4/2/2007	9/10/2008	N
69	Lake Kathy 2231 Kendall Springs Court, Brandon, FL	Lake Kathy, Ltd.	Y	360	360	3/6/2007	3/28/2008	N
70	Summer Lakes Apartments II 5600 Jonquil Circle, Naples, FL	Summer Lakes Apartments II, Ltd.	Y	276	276	2/27/2007	8/26/2008	N
71								
72								
73								
74								
75								
76								
77								
78								
79								
80								
81								
82								
83								
84								
85								
86								
87								
88								
89								
90								
91								
92								
93								
94								
95								
96								
97								
98								
99								
100								

2nd PAGE TOTAL: 3,590 3,491

GRAND TOTAL: 7,576 7,018

LIHTC as % of
93% Total Unit

List of LIHTC Developments (Schedule A)



Development Name: Lexington Senior Apartments
 Name of Applicant: Richman Lexington Senior Apartments
 Controlling General Partner or Managing Member: TRG Lexington Member, 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 A resume is required for each principal of the General Partnership or Limited Liability Company (LLC).
- 3 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.
- 4 List only tax credit development experience since 2002 (i.e. for the past 15 years)
- 5 Use separate pages as needed, for each principal.

Edward Bland, Portsmouth Development Corporation Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N
 Principal's Name: Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? ² (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	Shea Terrace Senior Apartments-Portsmouth, VA	Yes	31	31	11/14/2001	3/14/2002	No
2	Chase View-Portsmouth, VA	Yes	80	80	10/31/2001	5/13/2003	No
3	Pine Street Village-Portsmouth, VA	Yes	58	58	12/5/2002	3/27/2003	No
4	Westbury Phase 3A-Portsmouth, VA	Yes	59	59	12/27/2005	10/19/2006	No
5	Kings Square-Portsmouth, VA	Yes	57	57	8/29/2007	7/14/2008	No
6	Phoebus Square-Portsmouth, VA	Yes	122	122	10/16/2009	7/13/2010	No
7	Effingham Plaza-Portsmouth, VA	Yes	178	178	6/30/2009	8/16/2010	No
8	Hamilton Place-Phase I-Portsmouth, VA	Yes	84	84	8/31/2010	6/17/2011	No
9	Seaboard Square-Phase I	Yes	121	121	8/26/2011	4/11/2012	No
10	Seaboard Square-Phase II	Yes	100	100	11/4/2011	2/13/2013	No
11	Hamilton Place-Phase II-Portsmouth, VA	Yes	84	84	10/3/2012	7/16/2013	No
12	Hope Village-Portsmouth, VA	Yes	48	48	11/4/2014	10/7/2015	No
13	Westbury Cottages-Portsmouth, VA	Yes	16	16	6/5/2015	1/20/2016	No
14	Dale Homes-Phase I-Portsmouth, VA	Yes	146	146	Complete		No
15	Dale Homes-Phase II-Portsmouth, VA	Yes	150	150	Complete		No
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE
 TOTAL: 1,334 1,334 100% LIHTC as % of Total Units
 v.01.01.18

ADD ADDITIONAL PROPERTIES USING NEXT TAB

EDWARD L. BLAND, JR.
3166 Sterling Way
Portsmouth, VA 23703
(217) 369-6891 (H)
(757) 391-2904 (w)

**WORK EXPERIENCE: PORTSMOUTH REDEVELOPMENT AND HOUSING
AUTHORITY, Portsmouth, Virginia**

07-19-17 to Present:

Executive Director

Essential Responsibilities:

- ❖ Serve as the Chief Executive Officer of the Authority. Stay abreast of all changes in laws and regulations affecting operations. Work in conjunction with the Board of Commissioners and management staff to affect necessary changes.
- ❖ Establish and maintain all official records of the Authority. Execute contracts and other documents on behalf of the Housing Authority, as required by HUD.
- ❖ Provide effective leadership to the Authority and its employees.
- ❖ Interpret and enforce the Authority's personnel policy. Approve personnel actions as described in the policy.
- ❖ Certify annual performance evaluations on all subordinates.
- ❖ Establish departmental performance goals to help the Authority meet its mission and achieve HUD's performance goals. Monitor each department's strategies to improve performance.
- ❖ Oversee the sound financial management of the Authority. Confer with the Finance Director on budget preparation and approve budgets for presentation to the Board of Commissioners and HUD. Delegate necessary budget authority to Department directors and review monthly financial expenditures and contracts for goods and services as required by the Procurement Policy.
- ❖ Approve plans for effective management and maintenance programs designed to preserve the Authority's housing stock and improve living conditions for residents. Monitor the success of the programs through routine review of data and reports, and regular visits through the public housing developments
- ❖ Oversee all legal matters on behalf of the Authority, with technical assistance and guidance from the Authority's Legal Counsel. Report to HUD on the status of all pending and threaten suits to which the Authority is a party.
- ❖ Review all financial audit and management review findings and is ultimately responsible for correcting deficiencies.
- ❖ Review and approve applications for funding for physical rehabilitation and management improvements under HUD's Modernization Program.
- ❖ Engage in immediate and long range planning to assure sound administration of all Authority programs and address the housing needs of the community.

- ❖ Establish and maintain positive working relationships with government officials, elected representatives, HUD staff, interest groups, and the general public. Attend meetings and provide information on the status of the Authority activities, as appropriate.
- ❖ Represent the Authority in the community and served as the primary spokesperson. Provide a positive image for the Authority and its tenants.
- ❖ Oversee the preparation of press releases and other publications informing the public of the Authority's activities.
- ❖ Establish and maintain good working relationships with residents and resident groups.
- ❖ Prepare and present reports to HUD.
- ❖ Effectively interact with all city, federal and state officials.
- ❖ Act as a liaison between the Board of Commissioners and management to keep each inform on day-to-day operations, new developments, and relevant policy changes.
- ❖ Serve as principle advisor to the Board of Commissioners on all administrative matters. Routinely provide the Board of Commissioners with comprehensive reports relating to the budget, projects, and overall operations.
- ❖ Advise and consult with the Board of Commissioners on management and administrative problems.
- ❖ Establish an understanding of all construction programs and contracts.
- ❖ Familiar with the Authority's Resident Initiative Programs. Work in cooperation with resident service employees to ensure resident needs were met.
- ❖ Focus on initiatives to develop operational approaches that better meet changing needs and strategic planning of the Authority.
- ❖ Take a leadership role in developing new funding opportunities, partnerships with other organizations (public and private) that provide services to the community and other new initiatives that will enhance families with self-sufficiency opportunities.
- ❖ Determine the appropriate staffing structure to enable the Authority to accomplish its mission in an effective, efficient and professional manner.
- ❖ Implement a strategic long-term vision for the Authority.
- ❖ Implement appropriate strategic plan to increase cross training and improve skills of staff.
- ❖ Develop, recommend, and operate within an annual budget.
 1. **Over \$14 million Section 9 annual budget (2018).**
 2. **Over \$1.4 million Capital Fund Program (2018.)**
 3. **Over \$14.5 million Housing Choice Voucher Program (2018).**
 4. **Over \$700 Thousand non HUD funds.**
- ❖ Responsible for 742 public housing units, 56 tax credit units, 296 RAB units, 339 PBV units, 178 Section 8 units, and over 1,900 Housing Choice Vouchers.
- ❖ Responsible for full time staff of over 100 plus employees.

11-10-03 to 7-18-17

Executive Director
Housing Authority of Champaign County
Champaign, Illinois

2-03-03 to 11-03-03

Assistant Section 8 Director
Newark, New Jersey

7-26-99 to 2-1-03

Executive Director
Housing Authority of the City of Gary
Gary, Indiana

1-9-98 to 7-25-99

Executive Director
Housing Authority of the City of New Haven
New Haven, Connecticut

7-9-90-12-31-97

Director of Housing Operations
Alexandria Redevelopment and Housing Authority
Alexandria, Virginia

7-89 to 2-90

Director, Housing Management
Columbus Metropolitan Housing Authority
Columbus, Ohio

10-71 to 7-89

Management Operation Supervisor
Housing Authority of Baltimore City
Baltimore, Maryland

U.S. ARMY – Honorable Discharge

EDUCATION:

MORGAN STATE UNIVERSITY
Baltimore, Maryland
Twelve (12) graduate credits towards Masters in Urban Planning

UNIVERSITY OF MARYLAND-EASTERN SHORE
Princess Ann, Maryland
B.A. Degree

ACCOMPLISHMENTS:

1. **Moving-To-Work (MTW) Authority effective October 2010 to present (Housing Authority of Champaign County). One of only 39 Housing Authorities that have this designation.**
2. **Increased** proficiency of management/maintenance staff output.
3. Working knowledge of PHAS, SEMAP and the Capital Grant Program.
4. Received grants from United States Golf Association Foundation for over \$20,000.00.
5. Opened CISCO Academy with a grant from CISCO Systems (2001).
6. Created an Education to Work program for youth age 15-18 (2007-2013).
7. \$19 million Hope VI Grant and \$25 million in tax credit and other source of funds (2000-2002).

8. Working knowledge of union negotiations.
9. Redevelopment of three (3) communities from Public Housing to mix income communities (2004-2015) over \$50 million.
10. **HIGH PERFORMER (2008-present).**
11. Experience creating and managing affordable housing redevelopment and rehabilitation projects via conventional and innovative mechanisms including but not limited to **PBV, RAD, Tax Credits, Mixed-use.**
12. Understand both non-profit and for-profit subsidiary management.
13. Building and strengthening key relationships with state and local officials, not-for-profit partners, local corporations, foundations and other funding sources (public and private) in order to enhance Authority's visibility in the community.
14. Skills in building and leveraging community relationships.

GREEK FRATERNITY:

Past President Zeta XI Lambda Alumni Chapter of Alpha Phi Alpha Fraternity Champaign-Urbana, Illinois

AFFILIATIONS:

Public Housing Authorities Directors Association Executive Education Program Center for Government Service Rutgers, the State University of New Jersey

National Association of Housing and Redevelopment Officials Certified as Housing Manager (PHM)

Past Trustee Member Bethel African Methodist Episcopal Church, Champaign, Illinois

Past Board Member Champaign County Regional Planning Commission

Past Member of Metropolitan Intergovernmental Council Champaign County

Past Member of City of Champaign Community and Police Partnership Committee

Past Board Member Champaign County Workforce Development

Past Member of Federal Home Loan Bank of Chicago Community Investment Advisory Council for the States of Illinois and Wisconsin

Past Member Community Services Block Grant Small Business Loan Committee for the Champaign County Regional Planning Commission

Past Board Member Champaign County Health Careers Advisory Initiative Grand Victoria Foundation

Past Executive Board Member Urban League of Champaign County

Past Executive Board Member of the Prairielands Council Boy Scouts of America

Past President of the Illinois State Chapter of the National Association of Housing and Redevelopment Officials (NAHRO)

Past Usher Member Bethel African Methodist Episcopal Church, Champaign, Illinois

Past Member of the Land Resource Management Plan Steering Committee Champaign County

REFERENCES:

Furnished Upon Request

Tab E:

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

**FIRST AMENDMENT TO AGREEMENT
TO ENTER INTO GROUND LEASE**
between
Portsmouth Redevelopment & Housing Authority
and
Lexington Senior Apartments, LP

This First Amendment to Agreement to Enter Into Ground Lease (this “**Amendment**”) is made as of the 20th day of December, 2022 (the “**Effective Date**”) by and between the Portsmouth Housing and Redevelopment Authority, a political subdivision of the Commonwealth of Virginia (the “**Authority**”), and TRG Community Development, LLC a Delaware limited liability company, its successors, affiliates or assigns (the “**Developer**”).

RECITALS

WHEREAS, Authority and Developer entered into that certain Agreement to Enter Into Ground Lease, dated as of April 1, 2022 (the “**Agreement**”), wherein Authority agreed to grant the Developer the exclusive right and option to lease the Property described therein;

WHEREAS, Authority and Developer now desire to amend the Agreement upon the terms and conditions set forth herein; and

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the mutual receipt and sufficiency of which are hereby acknowledged and the parties intending to be legally bound, agree to amend the Agreement as follows:

1. Recitals. The foregoing recitals are true and correct as of the Effective Date, and are hereby incorporated into this Amendment as if fully set forth herein.

2. Amendment to Agreement. Section 2 (ii) of the Agreement is hereby amended by extending the termination deadline to December 31, 2023.

3. Incorporation and Ratification. Each and every provision of this Amendment are hereby incorporated into the Agreement, so that each and every provision hereof and thereof shall constitute a part of the Agreement. Except to the extent expressly modified hereby, each and every term and condition of the Agreement shall remain in full force and effect, unmodified in any way. To the extent the provisions of this Amendment conflict with the provisions of the Agreement, the provisions of this Amendment shall govern and control.

4. Counterparts. This Amendment may be executed in any number of counterparts, including, without limitation, counterparts received via facsimile or other electronic transmission, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument


5. Full Force and Effect. All other terms and conditions of the Agreement shall continue in full force and effect without modification and all capitalized terms as used herein shall be as defined in the Agreement unless specifically defined herein.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, and intending to be legally bound herby, the Portsmouth Redevelopment & Housing Authority and the Developer have executed this as of the date first set forth above.

AUTHORITY:

PORTSMOUTH REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision duly organized and existing under the laws of the Commonwealth of Virginia

By: 
Name: Edward Bland
Title: Executive Director

DEVELOPER:

TRG Community Development, LLC, a Delaware limited liability company

By: _____
Name: Andre Blakley
Title: President

IN WITNESS WHEREOF, and intending to be legally bound herby, the Portsmouth Redevelopment & Housing Authority and the Developer have executed this as of the date first set forth above.

AUTHORITY:

PORTSMOUTH REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision duly organized and existing under the laws of the Commonwealth of Virginia

By: _____
Name: Edward Bland
Title: Executive Director

DEVELOPER:

TRG Community Development, LLC, a Delaware limited liability company

By: *Andre Blakley* _____
Name: Andre Blakley
Title: President

**AGREEMENT
TO
ENTER INTO GROUND LEASE
between
Portsmouth Redevelopment & Housing Authority
and
Lexington Senior Apartments, LP**

This Agreement to enter into a Ground Lease (the “**Agreement**”) is entered into this 1st day of April, 2022, by and between Portsmouth Housing and Redevelopment Authority, a political subdivision of the Commonwealth of Virginia (the “**Authority**”), and TRG Community Development, LLC, a Delaware limited liability company, its successors, affiliates or assigns (the “**Developer**”).

WHEREAS, the Authority and the Developer have identified a plan for the development of a proposed newly constructed 106-unit senior multifamily development, to-be-named, Lexington Senior Apartments (the “**Project**”).

WHEREAS, the Developer intends to apply to Virginia Housing (formerly known as “**VHDA**”) for an allocation of four percent (4%) low-income housing tax credits (“**LIHTC**”) and other funds, and to the Virginia Department of Housing and Community Development (“**Virginia DHCD**”) for other funds to finance the cost of developing the Project;

WHEREAS, the real estate that will be developed by the Developer in connection with the Project (the “**Property**”) and the improvements to be constructed thereon will be leased by the Authority to a limited partnership or limited liability company of which the Authority will be the managing member or general partner, as the case may be, (collectively, the “**Partnership**”) under a long-term ground lease (the “**Ground Lease**”);

WHEREAS, in connection with the process of applying for LIHTC, Virginia Housing and Virginia DHCD Funds, the Developer must demonstrate that it has sufficient “site control” over the Property; and

WHEREAS, the Authority and the Developer desire to enter into this Agreement describing their mutual intention to enter into the Ground Lease.

NOW, THEREFORE, in consideration of these premises and for other good and valuable consideration, the mutual receipt and sufficiency of which are hereby acknowledged and the parties intending to be legally bound, the Authority hereby grants to the Developer the exclusive right and option to lease the Property on the following terms and conditions:

1. The Property that will be the subject of the Ground Lease shall be comprised of the land described in Exhibit A attached hereto and made a part hereof and the improvements to be constructed thereon.

2. Subject to Section 8 of this Agreement, the Authority and the Partnership will enter into the Ground Lease in accordance with applicable regulations and laws of the

Commonwealth of Virginia, in a form to be mutually agreed upon by the parties. This Agreement will automatically terminate upon the earlier of (i) execution of the Ground Lease; (ii) December 31, 2022, unless the parties agree to extend this date; (iii) failure to obtain and required approvals from the U.S. Department of Housing and Urban Development (“**HUD**”), (iv) upon a date certain when the Partnership is notified that it will not receive an allocation of LIHTC and/or DHCD Funds, or (v) failure to obtain other financing to complete the Project.

3. The material terms of the Ground Lease shall be as follows:

- (a) The term shall be ninety-nine (99) years
- (b) Ground Lease Initial Payment. TBD
- (c) Ground Lease Annual Payments: TBD
- (d) Title to the Property shall be good and marketable, and free and clear of all liens, charges, encumbrances, encroachments, leases, tenancies, occupancies or similar agreements or matters affecting title other than any mortgages placed upon the Property in connection with the financing of the Project.
- (e) Upon execution of the Ground Lease, the Partnership will be responsible for all operating expenses of the Property, including taxes and insurance.
- (f) All costs and expenses of title examination and preparation and recording of the Ground Lease, or memorandum thereof, shall be the sole responsibility of the Partnership upon execution of the Ground Lease.

4. The Partnership will be permitted to assign or encumber its leasehold interest under the Ground Lease as security for debt financing for the Project. Such assignments or encumbrances must be approved in advance by the Authority, such approval not to be unreasonably withheld, conditioned, or delayed.

5. This Agreement shall not be recorded.

6. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia and all applicable federal housing requirements. Any action or proceeding arising hereunder shall be brought in the State courts of Virginia serving the City of Portsmouth; provided, that if any such action or proceeding arises under the Constitution, laws or treaties of the United States of America, or if there is a diversity of citizenship between the parties thereto, so that it is to be brought in a United States District Court, it shall be brought in the United States District Court for the Eastern District of Virginia or any successor federal court having original jurisdiction.

7. This Agreement shall not be assignable by the Developer, except upon written consent of the Authority. Notwithstanding the foregoing, the Authority authorizes the assignment of this Agreement by the Developer to its successors, affiliates and/or assigns.

8. The parties to this Agreement recognize that the Developer must act pursuant to HUD's regulations with respect to all matters concerning the disposition of the Property and that this Agreement is subject to those regulations and required approvals. Such approvals may include, but are not limited to, disposition approval, environmental clearance under 24 CFR Part 58, and any approvals required under a federal subsidy program. The Developer agrees to cooperate with the Authority and provide all information requested by the Authority in connection with obtaining such approvals. The parties further acknowledge and agree that this Agreement is contingent upon securing all necessary HUD approvals.

9. This Agreement may be executed in counterparts and all such counterparts shall be deemed to be originals and together shall constitute one and the same instrument. This Agreement may be executed by facsimile or other electronic communication format (e.g., .pdf, .tif, or .jpeg formats, with digital or original signatures), or by duplicate originals, and the parties agree that their electronically transmitted signatures shall have the same effect as manually signed and transmitted signatures.

10. This Agreement may not be altered, modified, rescinded, or extended orally. This Agreement may be amended, supplemented or changed only by a writing signed or authorized by or on behalf of the party to be bound thereby.

11. All notices, requests, demands, approvals, or other communications given hereunder or in connection with this Agreement shall be in writing and shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, addressed as follows:

If to Authority:

Portsmouth Redevelopment and Housing Authority
3116 South Street
Portsmouth, VA 23707
Attn: Alisa Winston, Deputy Executive Director
Facsimile: (757) 399-8697
Email: awinston@prha.org

Portsmouth Redevelopment and Housing Authority
3116 South Street
Portsmouth, VA 23707
Attn: Karen James, Esq., General Counsel
Facsimile: (757) 399-8697
Email: kjames@prha.org

With a copy to: Reno & Cavanaugh, PLLC
455 Massachusetts Avenue, N.W., Suite 400
Washington, DC 20001
Attn: Julie McGovern, Esq.
Facsimile: (202) 349-2455
Email: JMcGovern@renocavanaugh.com

If to Developer:

TRG Community Development, LLC
Attn: Joanne Flannigan, Esq.
The Richman Group of Companies
777 West Putnam Avenue
Greenwich, CT 06830
flanigan@jdfllaw.com

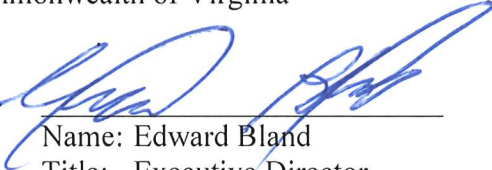
12. This Agreement constitutes the entire agreement and understanding between the Authority and the Developer regarding the Property.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Portsmouth Redevelopment & Housing Authority and the Developer have executed this Agreement as of the date first set forth above.

AUTHORITY:

PORTSMOUTH REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision duly organized and existing under the laws of the Commonwealth of Virginia

By: 
Name: Edward Bland
Title: Executive Director

DEVELOPER:

TRG Community Development, a Delaware limited liability company


By: 
Name: Andre Blakeley
Title: President

Exhibit A

Property Description

All that certain lot of parcel of land together with all improvements thereon located and being in the City of Portsmouth, Virginia, and being more particularly described as follows:

BEING KNOWN AND DESIGNATED AS PARCELS 1A, 2A, 3A, AND 4A as shown on a Plat of Subdivision known as "PARCELS 1A, 2A, 3A, 4A AND PARCEL B 1 Lexington Street, Portsmouth, Virginia" and recorded among the land records of the City Portsmouth, Virginia at MB 25, pages 194-197, Instrument No. 190005895.

And being further described by metes and bounds description pursuant to an ALTA/NSPS Land Title Survey entitled "Lexington Homes Subdivision Phase 1 (Parcels 1A, 2A, 3A and 4A) dated September 27, 2018, and last revised on December 3, 2019, as performed by Pennoni Associates, Inc. and designated Job No. PROSE18001.

PARCEL 1A

FROM A POINT ON THE WEST SIDE OF THE COLUMBUS AVENUE RIGHT-OF-WAY, IT BEING THE SOUTHEAST CORNER OF DALE HOMES (TAX MAP 167, PARCEL 46); THENCE S 03°26'35" E A DISTANCE OF 110.74' TO A POINT; THENCE S 38°36'17" E A DISTANCE OF 213.97' TO THE TRUE POINT OF BEGINNING AT THE NORTHEAST CORNER OF PARCEL 1A AND THE SOUTHWEST CORNER OF THE INTERSECTION OF COLUMBUS AVENUE AND PAUL REVERE DRIVE, THENCE CONTINUING ALONG THE SAID COLUMBUS AVENUE S 38°36'17" E A DISTANCE OF 14.29' TO A POINT; THENCE S 38°36'38" E A DISTANCE OF 142.23' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 36.07', WITH A RADIUS OF 25.00', WITH A CHORD BEARING OF S 02°43'12" W, WITH A CHORD LENGTH OF 33.02' TO A POINT; THENCE S 44°03'02" W A DISTANCE OF 222.71' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 19.64', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF S 89°03'31" W, WITH A CHORD LENGTH OF 17.68' TO A POINT; THENCE N 45°55'26" W A DISTANCE OF 166.44' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 19.64', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF N 00°55'26" W, WITH A CHORD LENGTH OF 17.68' TO A POINT; THENCE N 44°04'34" E A DISTANCE OF 255.05' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 21.42', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF S 86°50'29" E, WITH A CHORD LENGTH OF 18.89' TO A POINT; WHICH IS THE POINT OF BEGINNING, HAVING AN AREA OF 51,364 SQUARE FEET, 1.179 ACRES.

Property Address: 2816 Deep Creek Boulevard, Portsmouth, VA 23704.

PARCEL 2A

FROM A POINT ON THE WEST SIDE OF THE COLUMBUS AVENUE RIGHT-OF-WAY, IT BEING THE SOUTHEAST CORNER OF DALE HOMES (TAX MAP 167, PARCEL 46); THENCE N 76°19'19" W A DISTANCE OF 950.03' TO A POINT; THENCE S 31°40'18" E A

DISTANCE OF 1,138.05' TO THE TRUE POINT OF BEGINNING AT THE NORTHWEST CORNER OF PARCEL 2A AND THE SOUTHEAST CORNER OF THE INTERSECTION OF GRAHAM STREET AND PAUL REVERE DRIVE,

FROM SAID POINT OF BEGINNING THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 19.63', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF N 13°19'42" E, WITH A CHORD LENGTH OF 17.68' TO A POINT; THENCE N 58°12'39" E A DISTANCE OF 6.79' TO A POINT; THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 27.75', WITH A RADIUS OF 112.50', WITH A CHORD BEARING OF N 51°08'37" E, WITH A CHORD LENGTH OF 27.68' TO A POINT; THENCE N 44°04'34" E A DISTANCE OF 267.18' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 19.64', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF N 89°04'34" E, WITH A CHORD LENGTH OF 17.68' TO A POINT; THENCE S 45°55'26" E A DISTANCE OF 166.47' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 19.63', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF S 00°55'54" E, WITH A CHORD LENGTH OF 17.67' TO A POINT; THENCE S 44°03'02" W A DISTANCE OF 325.51' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 54.60', WITH A RADIUS OF 30.00', WITH A CHORD BEARING OF N 83°48'44" W, WITH A CHORD LENGTH OF 47.37' TO A POINT; THENCE N 31°40'18" W A DISTANCE OF 155.03' TO A POINT; WHICH IS THE POINT OF BEGINNING, HAVING AN AREA OF 67,181 SQUARE FEET, 1.542 ACRES.

Property Address: 2904 Deep Creek Boulevard, Portsmouth, VA 23704

PARCEL 3A

FROM A POINT ON THE WEST SIDE OF THE COLUMBUS AVENUE RIGHT-OF-WAY, IT BEING THE SOUTHEAST CORNER OF DALE HOMES (TAX MAP 167, PARCEL 46); THENCE N 76°19'19" W A DISTANCE OF 950.03' TO A POINT; THENCE S 31°40'18" E A DISTANCE OF 902.54' TO THE TRUE POINT OF BEGINNING ON THE NORTHWEST CORNER OF PARCEL 3A AND THE EASTERLY SIDE OF GRAHAM STREET, FROM SAID POINT OF BEGINNING THENCE N 58°02'01" E A DISTANCE OF 62.71' TO A POINT; THENCE N 31°57'59" W A DISTANCE OF 66.01' TO A POINT; THENCE N 58°03'22" E A DISTANCE OF 108.57' TO A POINT; THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 51.19', WITH A RADIUS OF 225.00', WITH A CHORD BEARING OF S 54°02'15" E, WITH A CHORD LENGTH OF 51.08' TO A POINT; THENCE WITH A REVERSE CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 62.76', WITH A RADIUS OF 125.00', WITH A CHORD BEARING OF S 46°10'21" E, WITH A CHORD LENGTH OF 62.10' TO A POINT; THENCE S 31°47'21" E A DISTANCE OF 77.22' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 16.55', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF S 06°08'24" W, WITH A CHORD LENGTH OF 15.37' TO A POINT; THENCE S 44°04'34" W A DISTANCE OF 167.39' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 15.42', WITH A RADIUS OF 62.50', WITH A CHORD BEARING OF S 51°08'37" W, WITH A CHORD LENGTH OF 15.38' TO A POINT; THENCE S 58°12'39" W A DISTANCE OF 6.64' TO A POINT; THENCE

WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 19.64', WITH A RADIUS OF 12.50, WITH A CHORD BEARING OF N 76°47'14" W, WITH A CHORD LENGTH OF 17.68' TO A POINT; THENCE N 31°40'18" W A DISTANCE OF 160.54' TO A POINT; WHICH IS THE POINT OF BEGINNING, HAVING AN AREA OF 39,526 SQUARE FEET, 0.907 ACRES.

Property Address: 280 Paul Revere Drive, Portsmouth, VA 23704

PARCEL 4A

BEGINNING AT A POINT ON THE WEST SIDE OF THE COLUMBUS AVENUE RIGHT-OF-WAY, IT BEING THE SOUTHEAST CORNER OF DALE HOMES (TAX MAP 167, PARCEL 46); THENCE S 03°26'35" E A DISTANCE OF 110.74' TO A POINT; THENCE S 38°36'17" E A DISTANCE OF 42.84' TO THE TRUE POINT OF BEGINNING AT THE NORTHEAST CORNER OF PARCEL 4A AND THE WEST SIDE OF COLUMBUS AVENUE,

FROM SAID POINT OF BEGINNING THENCE S 38°36'17" E A DISTANCE OF 95.33' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 17.85', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF S 02°18'16" W, WITH A CHORD LENGTH OF 16.37' TO A POINT; THENCE S 44°04'34" W A DISTANCE OF 362.35' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 22.72', WITH A RADIUS OF 12.50', WITH A CHORD BEARING OF N 83°51'23" W, WITH A CHORD LENGTH OF 19.72' TO A POINT; THENCE N 31°47'21" W A DISTANCE OF 58.33' TO A POINT; THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 87.86', WITH A RADIUS OF 175.00', WITH A CHORD BEARING OF N 46°10'19" W, WITH A CHORD LENGTH OF 86.94' TO A POINT; THENCE WITH A REVERSE CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 28.59', WITH A RADIUS OF 175.00', WITH A CHORD BEARING OF N 55°52'26" W, WITH A CHORD LENGTH OF 28.56' TO A POINT; THENCE N 58°11'38" E A DISTANCE OF 68.50' TO A POINT; THENCE N 39°09'11" E A DISTANCE OF 67.14' TO A POINT; THENCE N 49°04'39" E A DISTANCE OF 71.42' TO A POINT; THENCE N 52°14'29" E A DISTANCE OF 68.54' TO A POINT; THENCE S 76°21'13" E A DISTANCE OF 70.10' TO A POINT; THENCE N 13°38'47" E A DISTANCE OF 14.69' TO A POINT; THENCE N 18°31'23" E A DISTANCE OF 17.83' TO A POINT; THENCE N,49°46'07" E A DISTANCE OF 23.32' TO A POINT; THENCE N 06°16'49" E A DISTANCE OF 16.39' TO A POINT; THENCE N 89°11'02" E A DISTANCE OF 24.34' TO A POINT; WHICH IS THE POINT OF BEGINNING, HAVING AN AREA OF 59,492 SQUARE FEET, 1.366 ACRES.

Property Address: 230 Paul Revere Drive, Portsmouth, VA 23704

The above land being the same as leased to Lexington I, LP, a Virginia limited partnership by virtue of a Ground Lease dated February 23, 2015, by and between Portsmouth Redevelopment and Housing Authority and Lexington I, LP, a Virginia limited partnership and recorded October 27, 2015 in the Clerk's Office of the City of Portsmouth, Virginia (the "Clerk's Office") as Instrument No. 150010282 as evidenced by the Memorandum of Lease dated December 4, 2019, by and between Portsmouth Redevelopment and Housing Authority and Lexington I, LP, a Virginia limited partnership, and recorded in the Clerk's Office as Instrument No.190012845.



City's Home Page
Assessor Home

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

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

Click Here to Restart Your Search
Print in landscape mode or select "Shrink to fit"

Search Results

Sales History for the past 5 years

There is no sales information available for this property for the past 5 years.

Assessment History for the past 3 years

Year	Land	Building	Total
2020	\$ 572,020	\$ 4,571,400	\$ 5,143,420
2021	\$ 572,020	\$ 4,571,400	\$ 5,143,420
2022	\$ 715,030	\$ 0	\$ 715,030

Click here to View the 0145 Tax Map Click here for the Tax Map Legend
Click here to View the GIS Map of this property in a new window.

General Information

Address:	1 LEXINGTON DR	Property Type:	EXEMPT COMMERCIAL
Zip Code:	237046249	Building Type:	MULTIPLE BUILDINGS
Map & Parcel:	01450010	Land Assessment:	\$ 715,030
Zoning:	UR-M	Bldg Assessment:	\$
Neighborhood:	COMMERCIAL DISTRICT 3	Total Assessment:	\$ 715,030

Deed Information

Current:			
Book:	0000	Deed Date:	11-11-11
Page:	0000	Sale Amount:	\$
Instrument #:			
Previous:			
Book:		Deed Date:	
Page:		Sale Amount:	\$
Instrument #:			

Land Information

Zoning:	UR-M	Acres:	7.309
Legal Description	PAR B LEXINGTON SUBDIV		
Waterfront:	N	Lakefront:	N
Tidal Marsh:	N	Golf Course:	N
Sewer:	Y		

Structure Information

Number of Units:	178	Date Constructed:	1961
Exterior Finish:	FACE BRICK VENEER	Total Square Feet (All Bldgs):	208227
# of Stories:	2	# of Bathrooms:	178
Remodeled:	Y	# of Half Baths:	5
Heat Type:	HOT AIR	Air Conditioning:	Y
Basement:	N	Accessory Structures:	N
Site Improvement:	N	More Specific Information:	See the Assessor's Office

Tab F:

RESNET Rater Certification (MANDATORY)

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

TRUE **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.

FALSE **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.

FALSE **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.

TRUE **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.

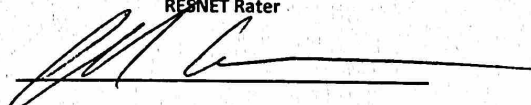
*****Please Note Raters must have completed 500+ ratings in order to certify this form**

Signed: RunBrook - Green Building & Energy Testing

Date: 2/1/23

Printed Name: Frank Costagliola

Resnet Provider Agency
Florida Solar Energy Center

RESNET Rater

Signature _____

Provider Contact and Phone/Email

Tei Kucharski - tkucharski@fsec.ucf.edu

Date: 10/27/2022

Re: Lexington Senior Apartments – Portsmouth, VA
Housing innovations in Energy Efficiency (HIEE) Funding Program Narrative

Attn: Andre Blakley
Richman Group

About RunBrook

RunBrook Green Building and Energy Testing is a full-service sustainable construction consulting firm with decades of experience in the built environment. RunBrook's consultants, energy modeling professionals, energy raters and field inspectors add more value per square foot to every project by optimizing the sustainable design and construction process. Our extensive expertise, strategic guidance and streamlined approach help clients secure green building certifications; comply with building codes; commission building energy systems; and lower costs. We work with forward-looking multifamily developers, production home builders, architects, engineers, building owners and landowners to improve building initiatives, environmental performance, and bottom line.

RunBrook's Role on This Project

RunBrook has been contracted to serve as sustainable construction consultant on this project in the project team's pursuit of certification under the National Green Building Standard, ENERGY STAR, Indoor AirPLUS, and DOE Zero Energy Ready Homes standards. RunBrook has reviewed the plans provided for this project and conducted preliminary energy modeling for compliance with the HIEE program requirements. Our findings are reported in this document.

Introduction to HIEE

The Virginia Department of Housing and Community Development's (DHCD) Housing Innovations in Energy Efficiency (HIEE) program makes energy efficiency upgrades to new and existing residential buildings to reduce energy bills for low-income Virginians. HIEE is funded through Regional Greenhouse Gas Initiative (RGGI) proceeds.

HIEE Program Requirements Summary

- ENERGY STAR Homes/Multi-Family 3.0 Certification
- DOE Zero Energy Ready Home (ZERH)
- Green Building Certification (NGBS, LEED, Enterprise, etc.)
- Dehumidification System
- Projects must also achieve fundable score from Virginia Housing Trust Fund (VHTF), National Housing Trust Fund (NHTF), or HUD's HOME funds to be eligible

ENERGY STAR Program Summary

To earn ENERGY STAR certification, a new home or apartment must meet strict energy efficiency requirements established by EPA’s ENERGY STAR Residential New Construction program. An ENERGY STAR Verifier is retained to consult the project team throughout the design and construction phase in the pursuit of certification. The Verifier also visually inspects and conducts diagnostic testing of all dwelling units. A series of checklists are used to document compliance.

DOE ZERH Program Summary

The Zero Energy Ready Home (ZERH) program was designed by the Department of Energy as the “next step” in energy efficiency for residential buildings. Many leading ENERGY STAR Certified Home builders were looking to the next step for superior home performance and market differentiation. ZERH can take the homeowner experience to a new level of affordability, comfort, health, and durability.

Preliminary Energy Modeling Results

A preliminary HERS Rating was performed based on the envelope, mechanical, electrical, and plumbing specs provided. Each unit type within the building is represented in the tables below. Preliminary ratings certificates are provided via “Attachment A.”

<u>Unit Type:</u>	<u>Area (sq. ft.)</u>	<u>Projected HERS Index</u>	<u>Energy Star Target</u>	<u>ZERH Target</u>	<u>Passes ENERGY STAR & DOE ZERH?</u>
1A	635	48	60	61	Yes
1B	698	54	64	65	Yes
1C	610	54	63	64	Yes
1D	668	49	63	64	Yes
1E	629	47	62	62	Yes
1F	631	49	60	61	Yes
2A	924	44	59	62	Yes
2B	990	48	59	63	Yes

Measures Taken to Comply with HIEE Requirements

Below is a list of the items to be implemented on this project to achieve the ENERGY STAR, ZERH, Indoor airPLUS, and thus HIEE funding.

Mechanical System Efficiency (ZERH)

- 11 EER, 3.3 COP VTHPs
- Dehumidification system set to 40-60% Relative Humidity
- Programmable thermostat provided.

Building Envelope (ENERGY STAR & ZERH)

- Advanced Framing Techniques (ENERGY STAR)
- Ceiling/Roof will be insulated to R-49 (ZERH)
- R-13, Grade I Insulation installation (ENERGY STAR)
- Infiltration minimized to 3.0 ACH50 (ZERH)
- Glazing values:
 - U-Value: 0.30
 - SHGC: 0.25

Mechanical Ventilation (ENERGY STAR & ZERH)

- Whole House Ventilation in accordance with ASHRAE 62.2
- Exhaust kitchens to the outdoors.
- Bathroom exhaust fans ENERGY STAR Certified

Ductwork (ENERGY STAR & ZERH):

- Ducts will be in conditioned space (ZERH)
- Duct installation will be tested at or below 4 CFM of leakage per 100 sq. ft. (ENERGY STAR)

Domestic Hot Water & Plumbing Fixtures (ZERH):

- Electric DHW system to ENERGY STAR Energy Factor in attached dwellings.
- WaterSense fixtures throughout.
- Builder will comply with ENERGY STAR Water Management Checklist

Low VOC Wood (Indoor airPLUS)

- Products will be selecting to meet the following:
 - Particleboard and MDF Products: use only products certified compliant with:
 - CARB ATCM Phase II to Reduce Formaldehyde Emissions from Composite Wood Products; OR EPA Toxic Substances Control Act (TSCA) Title VI certified; **OR**
 - Formaldehyde emissions requirements of ANSI A208.1 (particleboard) and A208.2 (MDF); **OR**
 - ECC Sustainability Standard by the Composite Panel Association; **OR**
 - GREENGUARD or GREENGUARD GOLD Certification.
 - Cabinetry: Made with component materials (plywood, particleboard, MDF) compliant with:
 - The appropriate standards above; **OR**
 - Registered brands or products produced in plants certified under the Kitchen Cabinet Manufacturers Association's (KCMA) Environmental Stewardship Certification Program (ESP 05-12);

Low VOC Carpets, Paddings, and Sealants (Indoor airPLUS)

- Products will be selecting to meet one of the following Indoor airPLUS Requirements:
 - At least 90 percent of the interior surface area covered by carpet and carpet adhesives must use products labeled with, or otherwise documented as meeting, the Carpet and Rug Institute (CRI) Green Label Plus testing program criteria.
 - For carpet cushion (i.e., padding), use only products certified to meet the CRI Green Label Plus testing program criteria.

Sincerely,



Daniel J. Denis, President
RunBrook, LLC
LEED AP (BD+C) & Homes Green Rater
RESENET HERS Energy Rater
ENERGY STAR Verifier
FGBC Certifying Agent

Model Results:

HERS® Index Score:

48

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

\$651

*Relative to an average U.S. home

Home:

1 Lexington Dr - 1A
 Portsmouth, VA 23704

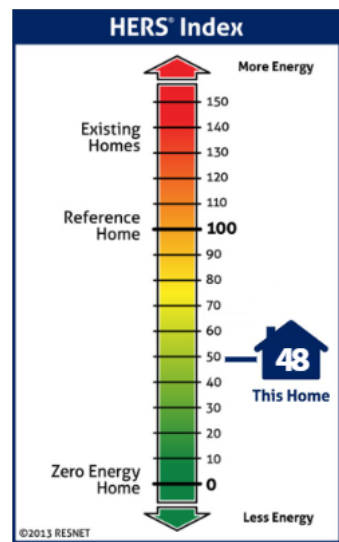
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.5	\$20
Cooling	1.6	\$60
Hot Water	4.2	\$43
Lights/Appliances	10.6	\$398
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	16.9	\$521

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
 ENERGY STAR MF v1.0



Home Feature Summary:

- Home Type: Apartment, inside unit
- Model: N/A
- Community: N/A
- Conditioned Floor Area: 635 ft²
- Number of Bedrooms: 1
- Primary Heating System: Air Source Heat Pump • Electric • 3.3 COP
- Primary Cooling System: Air Conditioner • Electric • 11 EER
- Primary Water Heating: Residential Water Heater • Natural Gas • 0.95 Energy Factor
- House Tightness: 3 ACH50
- Ventilation: 41 CFM • 41 Watts (Default)
- Duct Leakage to Outside: 22 CFM @ 25Pa (3.46 / 100 ft²)
- Above Grade Walls: R-36
- Ceiling: Attic, R-47
- Window Type: U-Value: 0.3, SHGC: 0.25
- Foundation Walls: N/A
- Framed Floor: R-19

Rating Completed by:

Energy Rater: Bryan Amos
 RESNET ID: 6136573

Rating Company: SustainaBase
 313 Datura St. Suite #200
 321-266-8400

Rating Provider: Southface Energy Rated Homes
 241 Pine Street NE
 4046042001



Bryan Amos, Certified Energy Rater
 Date: 10/26/22 at 1:44 PM

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr - 1A
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 1A
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	60
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>60</u>
As Designed Home HERS	48
As Designed Home HERS w/o PV	48

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	2.0	0.6
Cooling	3.1	3.3
Water Heating	3.4	0.7
Lights and Appliances	10.6	10.6
Total	19.1	15.2



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.4

Energy Cost Savings

	\$/yr
Heating	30
Cooling	3
Water Heating	48
Lights & Appliances	2
Generation Savings	0
Total	83

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads



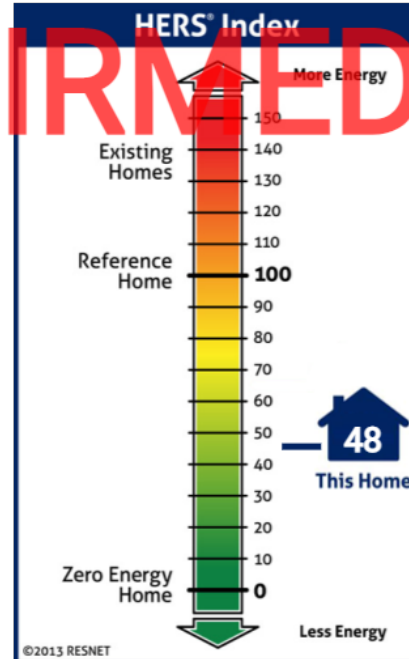
YOUR HOME WAS DESIGNED, ENGINEERED, AND
CONSTRUCTED IN CONFORMANCE TO U.S
DEPARTMENT OF ENERGY (DOE) GUIDELINES
FOR EXTRAORDINARY LEVELS OF EXCELLENCE
AND QUALITY.

Address:
1 Lexington Dr - 1A, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 48
ZERH Target Score: 61

UNCONFIRMED

THIS HOME MEETS OR EXCEEDS THE MINIMUM
CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

Ekotrope RATER - Version 4.0.2.3017

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

HERS® Index Score:

54

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

\$599

*Relative to an average U.S. home

Home:

1 Lexington Dr - 1B
 Portsmouth, VA 23704

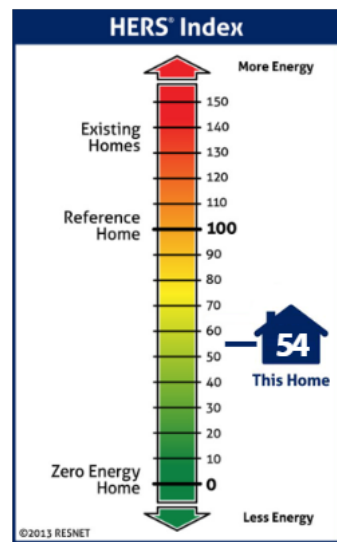
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.2	\$9
Cooling	1.6	\$61
Hot Water	4.4	\$45
Lights/Appliances	10.8	\$407
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	17.1	\$522

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
 ENERGY STAR MF v1.0



Home Feature Summary:

- Home Type: Apartment, inside unit
- Model: N/A
- Community: N/A
- Conditioned Floor Area: 698 ft²
- Number of Bedrooms: 1
- Primary Heating System: Air Source Heat Pump • Electric • 3.3 COP
- Primary Cooling System: Air Conditioner • Electric • 11 EER
- Primary Water Heating: Residential Water Heater • Natural Gas • 0.95 Energy Factor
- House Tightness: 3 ACH50
- Ventilation: 41 CFM • 41 Watts (Default)
- Duct Leakage to Outside: 22 CFM @ 25Pa (3.15 / 100 ft²)
- Above Grade Walls: R-36
- Ceiling: Adiabatic, R-47
- Window Type: U-Value: 0.3, SHGC: 0.25
- Foundation Walls: N/A
- Framed Floor: N/A

Rating Completed by:

Energy Rater: Bryan Amos
 RESNET ID: 6136573

Rating Company: SustainaBase
 313 Datura St. Suite #200
 321-266-8400

Rating Provider: Southface Energy Rated Homes
 241 Pine Street NE
 4046042001



Bryan Amos, Certified Energy Rater
 Date: 10/26/22 at 1:46 PM

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr - 1B
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 1B
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	64
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>64</u>
As Designed Home HERS	54
As Designed Home HERS w/o PV	54

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	1.5	0.9
Cooling	3.3	3.5
Water Heating	3.4	0.7
Lights and Appliances	10.9	10.8
Total	19.1	15.9



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.4

Energy Cost Savings

	\$/yr
Heating	16
Cooling	4
Water Heating	45
Lights & Appliances	3
Generation Savings	0
Total	69

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

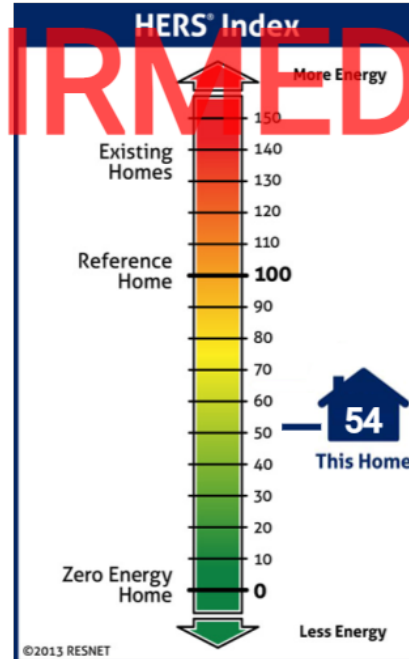


YOUR HOME WAS DESIGNED, ENGINEERED, AND
CONSTRUCTED IN CONFORMANCE TO U.S
DEPARTMENT OF ENERGY (DOE) GUIDELINES
FOR EXTRAORDINARY LEVELS OF EXCELLENCE
AND QUALITY.

Address:
1 Lexington Dr - 1B, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 54
ZERH Target Score: 65

THIS HOME MEETS OR EXCEEDS THE MINIMUM
CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

Ekotrope RATER - Version 4.0.2.3017

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: q2RgXjDL

HERS® Index Score:

54

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

\$507

*Relative to an average U.S. home

Home:

1 Lexington Dr - 1C
Portsmouth, VA 23704

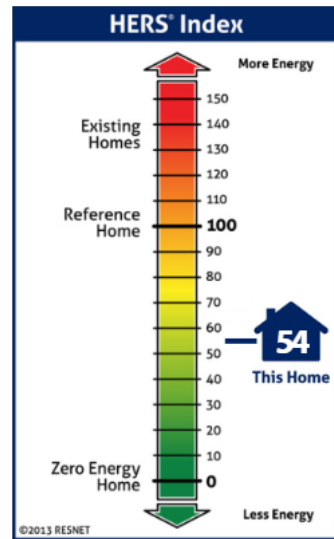
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.2	\$9
Cooling	2.5	\$88
Hot Water	4.2	\$43
Lights/Appliances	10.5	\$368
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	17.4	\$508

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	610 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 3.3 COP
Primary Cooling System:	Air Conditioner • Electric • 11 EER
Primary Water Heating:	Residential Water Heater • Natural Gas • 0.95 Energy Factor
House Tightness:	3 ACH50
Ventilation:	41 CFM • 41 Watts (Default)
Duct Leakage to Outside:	22 CFM @ 25Pa (3.61 / 100 ft ²)
Above Grade Walls:	R-36
Ceiling:	Adiabatic, R-47
Window Type:	U-Value: 0.3, SHGC: 0.25
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Bryan Amos
RESNET ID: 6136573

Rating Company: SustainaBase
313 Datura St. Suite #200
321-266-8400

Rating Provider: Southface Energy Rated Homes
241 Pine Street NE
4046042001



Bryan Amos, Certified Energy Rater
Date: 10/26/22 at 1:49 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:4.0.2.3017
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
This report does not constitute any warranty or guarantee.

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr - 1C
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 1C
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	63
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>63</u>
As Designed Home HERS	54
As Designed Home HERS w/o PV	54

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	1.5	0.8
Cooling	3.1	3.4
Water Heating	3.4	0.7
Lights and Appliances	10.5	10.5
Total	18.4	15.3



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.2

Energy Cost Savings

	\$/yr
Heating	16
Cooling	-32
Water Heating	47
Lights & Appliances	1
Generation Savings	0
Total	32

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads



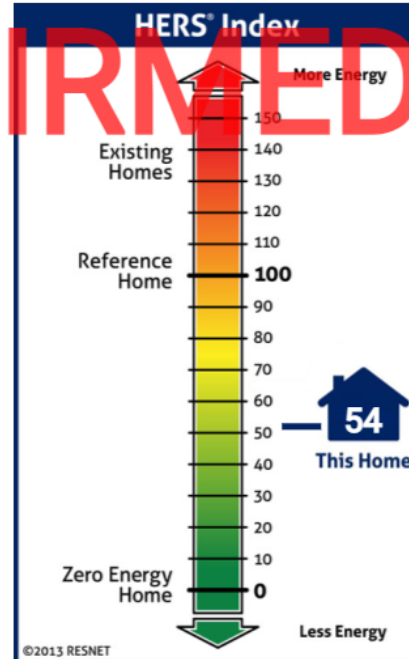
YOUR HOME WAS DESIGNED, ENGINEERED, AND
CONSTRUCTED IN CONFORMANCE TO U.S
DEPARTMENT OF ENERGY (DOE) GUIDELINES
FOR EXTRAORDINARY LEVELS OF EXCELLENCE
AND QUALITY.

Address:
1 Lexington Dr - 1C, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 54
ZERH Target Score: 64

UNCONFIRMED

THIS HOME MEETS OR EXCEEDS THE MINIMUM
CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

Ekotrope RATER - Version 4.0.2.3017

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

HERS® Index Score:

49

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

\$614

*Relative to an average U.S. home

Home:

1 Lexington Dr - 1D
 Portsmouth, VA 23704

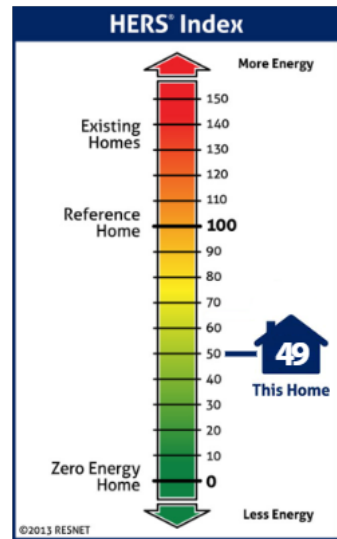
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.3	\$10
Cooling	1.4	\$52
Hot Water	4.2	\$43
Lights/Appliances	10.7	\$403
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	16.5	\$507

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
 ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	668 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 3.3 COP
Primary Cooling System:	Air Conditioner • Electric • 11 EER
Primary Water Heating:	Residential Water Heater • Natural Gas • 0.95 Energy Factor
House Tightness:	3 ACH50
Ventilation:	41 CFM • 41 Watts (Default)
Duct Leakage to Outside:	22 CFM @ 25Pa (3.29 / 100 ft ²)
Above Grade Walls:	R-36
Ceiling:	Attic, R-47
Window Type:	U-Value: 0.3, SHGC: 0.25
Foundation Walls:	N/A
Framed Floor:	R-19

Rating Completed by:

Energy Rater: Bryan Amos
 RESNET ID: 6136573

Rating Company: SustainaBase
 313 Datura St. Suite #200
 321-266-8400

Rating Provider: Southface Energy Rated Homes
 241 Pine Street NE
 4046042001



Bryan Amos, Certified Energy Rater
 Date: 10/26/22 at 1:59 PM

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr - 1D
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 1D
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	63
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>63</u>
As Designed Home HERS	49
As Designed Home HERS w/o PV	49

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	1.8	0.2
Cooling	2.8	2.8
Water Heating	3.4	0.7
Lights and Appliances	10.8	10.7
Total	18.8	14.4



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.4

Energy Cost Savings

	\$/yr
Heating	20
Cooling	4
Water Heating	47
Lights & Appliances	2
Generation Savings	0
Total	73

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

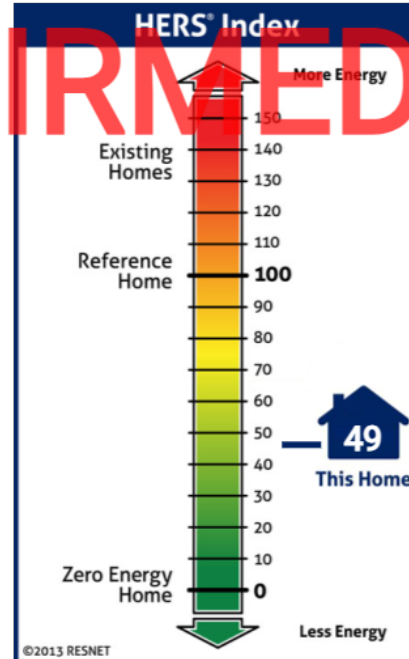


YOUR HOME WAS DESIGNED, ENGINEERED, AND
CONSTRUCTED IN CONFORMANCE TO U.S
DEPARTMENT OF ENERGY (DOE) GUIDELINES
FOR EXTRAORDINARY LEVELS OF EXCELLENCE
AND QUALITY.

Address:
1 Lexington Dr - 1D, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 49
ZERH Target Score: 64

THIS HOME MEETS OR EXCEEDS THE MINIMUM
CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

Ekotrope RATER - Version 4.0.2.3017

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: AvjpB0GL

HERS® Index Score:

47

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

\$604

*Relative to an average U.S. home

Home:

1 Lexington Dr - 1E
Portsmouth, VA 23704

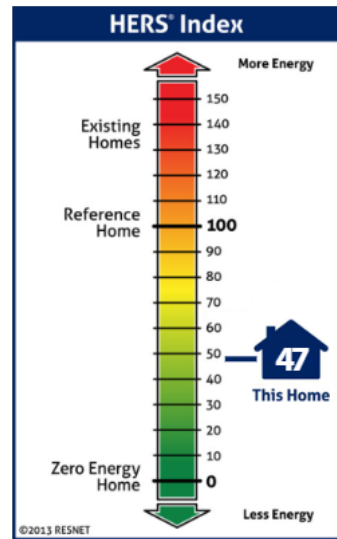
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.3	\$10
Cooling	2.8	\$105
Hot Water	4.2	\$43
Lights/Appliances	10.5	\$397
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	17.8	\$555

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	629 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 3.3 COP
Primary Cooling System:	Air Conditioner • Electric • 11 EER
Primary Water Heating:	Residential Water Heater • Natural Gas • 0.95 Energy Factor
House Tightness:	3 ACH50
Ventilation:	41 CFM • 41 Watts (Default)
Duct Leakage to Outside:	22 CFM @ 25Pa (3.5 / 100 ft ²)
Above Grade Walls:	R-36
Ceiling:	Attic, R-47
Window Type:	U-Value: 0.3, SHGC: 0.25
Foundation Walls:	N/A
Framed Floor:	R-19

Rating Completed by:

Energy Rater: Bryan Amos
RESNET ID: 6136573

Rating Company: SustainaBase
313 Datura St. Suite #200
321-266-8400

Rating Provider: Southface Energy Rated Homes
241 Pine Street NE
4046042001



Bryan Amos, Certified Energy Rater
Date: 10/26/22 at 2:15 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:4.0.2.3017
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
This report does not constitute any warranty or guarantee.

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr - 1E
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 1E
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	62
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>62</u>
As Designed Home HERS	47
As Designed Home HERS w/o PV	47

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	2.4	0.2
Cooling	3.2	3.1
Water Heating	3.4	0.7
Lights and Appliances	10.6	10.5
Total	19.6	14.6



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.3

Energy Cost Savings

	\$/yr
Heating	37
Cooling	-43
Water Heating	48
Lights & Appliances	1
Generation Savings	0
Total	44

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

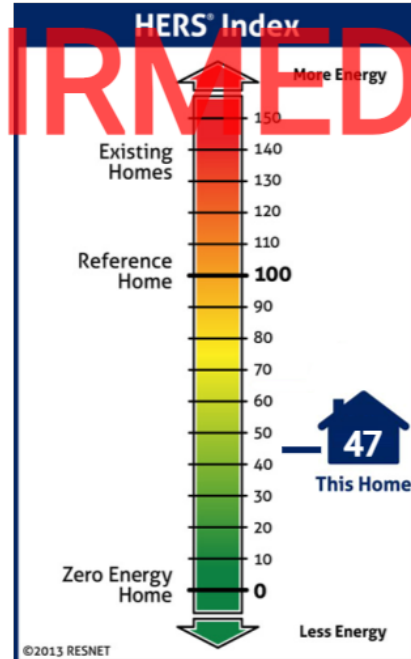


YOUR HOME WAS DESIGNED, ENGINEERED, AND
CONSTRUCTED IN CONFORMANCE TO U.S
DEPARTMENT OF ENERGY (DOE) GUIDELINES
FOR EXTRAORDINARY LEVELS OF EXCELLENCE
AND QUALITY.

Address:
1 Lexington Dr - 1E, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 47
ZERH Target Score: 62

THIS HOME MEETS OR EXCEEDS THE MINIMUM
CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

Ekotrope RATER - Version 4.0.2.3017

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

HERS® Index Score:

49

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

\$600

*Relative to an average U.S. home

Home:

1 Lexington Dr - 1F
 Portsmouth, VA 23704

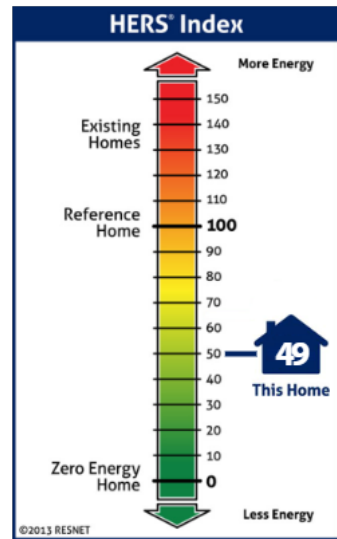
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.5	\$21
Cooling	2.9	\$109
Hot Water	4.2	\$43
Lights/Appliances	10.5	\$398
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	18.2	\$570

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
 ENERGY STAR MF v1.0



Home Feature Summary:

- Home Type: Apartment, end unit
- Model: N/A
- Community: N/A
- Conditioned Floor Area: 631 ft²
- Number of Bedrooms: 1
- Primary Heating System: Air Source Heat Pump • Electric • 3.3 COP
- Primary Cooling System: Air Conditioner • Electric • 11 EER
- Primary Water Heating: Residential Water Heater • Natural Gas • 0.95 Energy Factor
- House Tightness: 3 ACH50
- Ventilation: 41 CFM • 41 Watts (Default)
- Duct Leakage to Outside: 22 CFM @ 25Pa (3.49 / 100 ft²)
- Above Grade Walls: R-36
- Ceiling: Attic, R-47
- Window Type: U-Value: 0.3, SHGC: 0.25
- Foundation Walls: N/A
- Framed Floor: R-19

Rating Completed by:

Energy Rater: Bryan Amos
 RESNET ID: 6136573

Rating Company: SustainaBase
 313 Datura St. Suite #200
 321-266-8400

Rating Provider: Southface Energy Rated Homes
 241 Pine Street NE
 4046042001



Bryan Amos, Certified Energy Rater
 Date: 10/26/22 at 2:16 PM

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr - 1F
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 1F
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	60
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>60</u>
As Designed Home HERS	49
As Designed Home HERS w/o PV	49

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	2.0	0.6
Cooling	3.2	3.6
Water Heating	3.4	0.7
Lights and Appliances	10.6	10.5
Total	19.2	15.4



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.2

Energy Cost Savings

	\$/yr
Heating	30
Cooling	-45
Water Heating	48
Lights & Appliances	1
Generation Savings	0
Total	34

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads



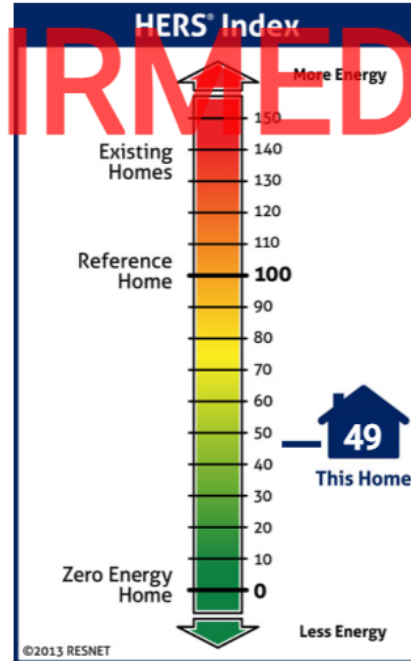
YOUR HOME WAS DESIGNED, ENGINEERED, AND CONSTRUCTED IN CONFORMANCE TO U.S DEPARTMENT OF ENERGY (DOE) GUIDELINES FOR EXTRAORDINARY LEVELS OF EXCELLENCE AND QUALITY.

Address:
1 Lexington Dr - 1F, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 49
ZERH Target Score: 61

UNCONFIRMED

THIS HOME MEETS OR EXCEEDS THE MINIMUM CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

HERS® Index Score:

44

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

\$840

*Relative to an average U.S. home

Home:

1 Lexington Dr - 2A
 Portsmouth, VA 23704

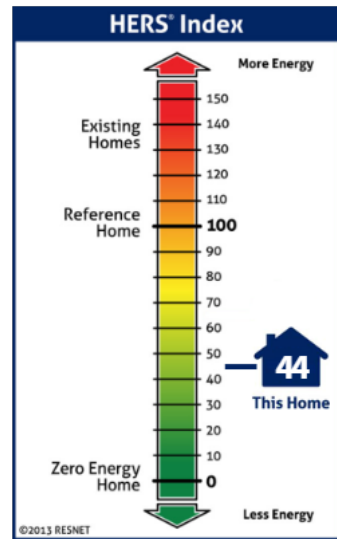
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.5	\$19
Cooling	2.9	\$111
Hot Water	5.5	\$56
Lights/Appliances	12.6	\$474
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	21.6	\$660

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
 ENERGY STAR MF v1.0



Home Feature Summary:

- Home Type: Apartment, inside unit
- Model: N/A
- Community: N/A
- Conditioned Floor Area: 924 ft²
- Number of Bedrooms: 2
- Primary Heating System: Air Source Heat Pump • Electric • 3.3 COP
- Primary Cooling System: Air Conditioner • Electric • 11 EER
- Primary Water Heating: Residential Water Heater • Natural Gas • 0.95 Energy Factor
- House Tightness: 3 ACH50
- Ventilation: 41 CFM • 41 Watts (Default)
- Duct Leakage to Outside: 22 CFM @ 25Pa (2.38 / 100 ft²)
- Above Grade Walls: R-36
- Ceiling: Attic, R-47
- Window Type: U-Value: 0.3, SHGC: 0.25
- Foundation Walls: N/A
- Framed Floor: R-19

Rating Completed by:

Energy Rater: Bryan Amos
 RESNET ID: 6136573

Rating Company: SustainaBase
 313 Datura St. Suite #200
 321-266-8400

Rating Provider: Southface Energy Rated Homes
 241 Pine Street NE
 4046042001



Bryan Amos, Certified Energy Rater
 Date: 10/26/22 at 2:17 PM

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr - 2A
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 2A
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	59
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>59</u>
As Designed Home HERS	44
As Designed Home HERS w/o PV	44

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	2.7	0.5
Cooling	4.2	3.6
Water Heating	4.7	1.1
Lights and Appliances	12.9	12.6
Total	24.5	17.8



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.4

Energy Cost Savings

	\$/yr
Heating	43
Cooling	-26
Water Heating	55
Lights & Appliances	11
Generation Savings	0
Total	84

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

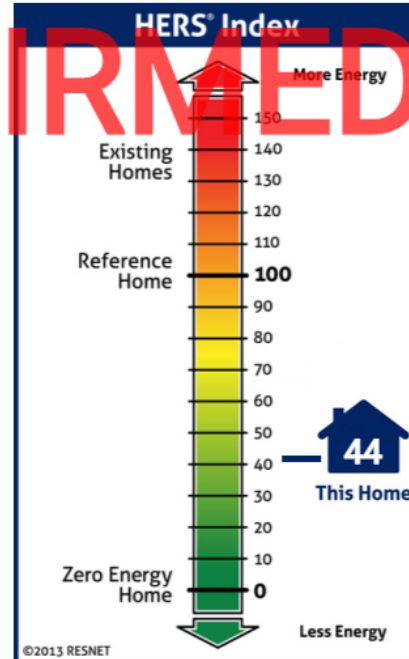


YOUR HOME WAS DESIGNED, ENGINEERED, AND
CONSTRUCTED IN CONFORMANCE TO U.S
DEPARTMENT OF ENERGY (DOE) GUIDELINES
FOR EXTRAORDINARY LEVELS OF EXCELLENCE
AND QUALITY.

Address:
1 Lexington Dr - 2A, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 44
ZERH Target Score: 62

THIS HOME MEETS OR EXCEEDS THE MINIMUM
CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

Ekotrope RATER - Version 4.0.2.3017

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: ILV8jOBv

HERS® Index Score:

48

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

\$848

*Relative to an average U.S. home

Home:

1 Lexington Dr - 2B
Portsmouth, VA 23704

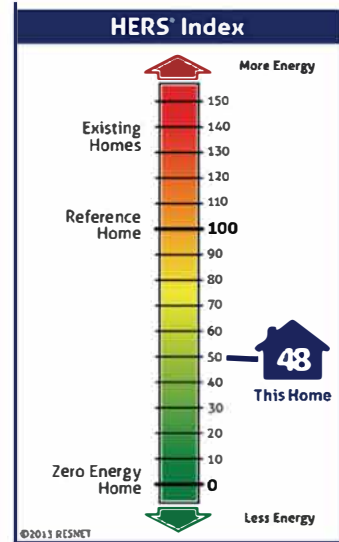
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	0.8	\$28
Cooling	3.3	\$124
Hot Water	5.5	\$56
Lights/Appliances	12.8	\$483
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	22.4	\$692

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	990 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 3.3 COP
Primary Cooling System:	Air Conditioner • Electric • 11 EER
Primary Water Heating:	Residential Water Heater • Natural Gas • 0.95 Energy Factor
House Tightness:	3 ACH50
Ventilation:	41 CFM • 41 Watts (Default)
Duct Leakage to Outside:	22 CFM @ 25Pa (2.22 / 100 ft ²)
Above Grade Walls:	R-36
Ceiling:	Adiabatic, R-47
Window Type:	U-Value: 0.3, SHGC: 0.25
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Bryan Amos
RESNET ID: 6136573

Rating Company: SustainaBase
313 Datura St. Suite #200
321-266-8400

Rating Provider: Southface Energy Rated Homes
241 Pine Street NE
4046042001



Bryan Amos, Certified Energy Rater
Date: 10/26/22 at 2:18 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:4.0.2.3017
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
This report does not constitute any warranty or guarantee.

ENERGY STAR MF V1.1 Home Report

Property
1 Lexington Dr 2B
Portsmouth, VA 23704

Organization
SustainaBase
Bryan Amos

Inspection Status
Results are projected

Lex Sr - Worst Case 2B
Initial House Design

Builder

Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

HERS Index Target

Reference Home HERS	59
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>59</u>
As Designed Home HERS	48
As Designed Home HERS w/o PV	48

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	2.8	0.9
Cooling	4.9	5.3
Water Heating	4.7	1.1
Lights and Appliances	13.2	12.8
Total	25.6	20.1



This home **MEETS** or **EXCEEDS** the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO ₂) - tons/yr	0.4

Energy Cost Savings

	\$/yr
Heating	37
Cooling	-27
Water Heating	55
Lights & Appliances	13
Generation Savings	0
Total	78

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes HERS Index Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

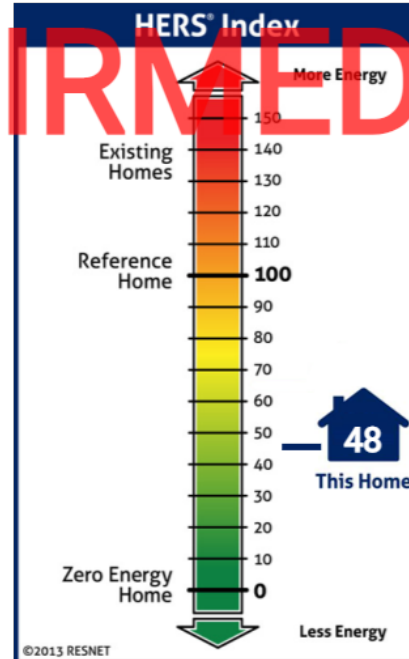


YOUR HOME WAS DESIGNED, ENGINEERED, AND
CONSTRUCTED IN CONFORMANCE TO U.S
DEPARTMENT OF ENERGY (DOE) GUIDELINES
FOR EXTRAORDINARY LEVELS OF EXCELLENCE
AND QUALITY.

Address:
1 Lexington Dr - 2B, Portsmouth, VA 23704
Builder:
Inspector: SustainaBase
Date:

HERS Score: 48
ZERH Target Score: 63

THIS HOME MEETS OR EXCEEDS THE MINIMUM
CRITERIA FOR THE FOLLOWING:
ENERGY STAR V3
ENERGY STAR V3.1



SAM RASHKIN, CHIEF ARCHITECT
BUILDING TECHNOLOGIES
U.S. DEPARTMENT OF ENERGY

Ekotrope RATER - Version 4.0.2.3017

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Tab G:

Zoning Certification Letter (MANDATORY)

T. Zoning Certification

Zoning Certification

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

General Instructions:

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

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

Zoning Certification

Date _____

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

RE: ZONING CERTIFICATION

Name of Development _____

Name of Owner/Applicant _____

Name of Seller/Current Owner _____

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

Development Description:

Development Address

Legal Description

Proposed Improvements

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

Appendices continued

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

Other Descriptive Information

Local Certification

Check one of the following as appropriate:

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

Date _____

Signature



Printed Name John I Bloom III, P.E.

Title of Local Official or Civil Engineer Senior Project Manager

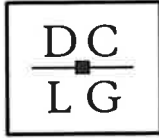
Phone (757) 905-5477

Notes to Locality

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

Tab H:

Attorney's Opinion (MANDATORY)



Delphine Carnes Law Group, PLC
Affordable Housing ■ Project Finance

February 28, 2023

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

RE: 2023 Tax Credit Reservation Request
Name of Development: Lexington Senior Apartments
Name of Owner: Richman Lexington Senior Apartments, LP

Gentlemen:

The undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package (of which this opinion is a part) dated February 28, 2023 (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs

section of the Application form, complies with all applicable requirements of the Code and Regulations.

2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.
6. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include fostering of low-income housing.
7. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

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

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

This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding

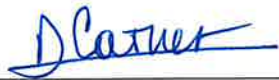
Virginia Housing Development Authority

Page 3

February 28, 2023

U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.

DELPHINE CARNES LAW GROUP, PLC

By: 

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)

**Documentation
Forthcoming**

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

Not Applicable

Tab K:

Documentation of Development Location:

Not Applicable

Tab K.1

Revitalization Area Certification

Not Applicable

Tab K.2

Location Map

Not Applicable

Tab K.3

Surveyor's Certification of Proximity To Public
Transportation

Not Applicable

Tab L:

PHA / Section 8 Notification Letter

Not Applicable

Tab M:

Locality CEO Response Letter



Locality CEO Letter

2/27/2023

Date

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

Virginia Housing Tracking Number:

Development Name:

Richman Lexington Senior Apartments, LP

Name of Owner/Applicant:

Portsmouth Redevelopment & Housing Authority

Dear Mr. Bondurant:

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

Yours truly,

Signature

Mimi Terry

[CEO Name]

Interim City Manager

[Title]

Office of the City Manager

801 Crawford St • Portsmouth, Virginia 23704-3822
Office: (757) 393-8641 • Fax: (757) 393-5241

Tab N:

Homeownership Plan

Not Applicable

Tab O:

Plan of Development Certification Letter

Not Applicable

Tab P:

Developer Experience documentation and
Partnership agreements Developer Fee Agreement
(Please submit this TAB as a separate stand alone
document)

Richman Lexington Senior Apartments, LP

LIMITED PARTNER
TRG Community Development, LLC
99.99%

GENERAL PARTNER
Lexington Senior Apartments GP, LLC
0.01%

Managing Member
TRG Lexington Member, LLC
49%

Member
Portsmouth Development Corporation
51%

Kristin M. Miller
Ownership Percentage – 5.10%

Richard P. Richman 2020 Family Trust
Ownership Percentage – 22.86%

2020 E&G Family Trust #2
Ownership Percentage – 14.9%

Richard P. Richman
Ownership Percentage – 5.10%

Richman Family 2009 Irrevocable Trust I U/A Dated December 28, 2009
Ownership Percentage – 17.8%

David Salzman 2012 Irrevocable Trust Dated November 30, 2012
Ownership Percentage – 4.67%

Richman Family 2009 Irrevocable Trust II U/A Dated December 28, 2009
Ownership Percentage – 14.9%

Abby Salzman 2012 Irrevocable Trust Dated November 30, 2012
Ownership Percentage – 4.67%

Andre Blakely
Ownership Percentage – 10.00%

Portsmouth Redevelopment and Housing Authority
Ownership Percentage – 100%

List of LIHTC Developments (Schedule A)



Development Name: Lexington Senior Apartments
 Name of Applicant: Richman Lexington Senior Apartments, LP

INSTRUCTIONS:

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2007 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

The Richman Group Development Corporation

Controlling GP (CGP) or 'Named' Managing Member of N
 Proposed property? * Y or N

Principal's Name:	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the Time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823s? (Y/N) Explain "Y"
	1 The Retreat Apartments 1137 B Street, Merced, CA	Merced CA Apartments, Ltd. (203) 869-0900 FOR ALL PROJECTS LISTED BELOW	N	119	119	Under Construction	Not Yet Available	N
	2 La Cima 6109 Ben White Boulevard, Austin, TX	Montopolis Apartments, LLC	N	260	260	Under Construction	Not Yet Available	N
	3 Bryson II HHH Affordable Apartments 2701 Wilshire Boulevard, Los Angeles, CA	Bryson II Partners LP	N	64	64	Under Construction	Not Yet Available	N
	4 Slate Miami Apartments 2137 NW 36th Street, Miami, FL	Slate Miami Apartments, Ltd.	Y	105	105	Under Construction	Not Yet Available	N
	5 The Shores Apartments 26th Ave & 31st Street, St. Petersburg, FL	Shores Apartments, Ltd.	Y	51	51	Under Construction	Not Yet Available	N
	6 Avalon 1355 1355 N. Avalon Boulevard, Los Angeles, CA	Avalon 1355 Partners, LP	N	54	54	Under Construction	Not Yet Available	N
	7 The Landings at Homestead 201 NE 11th Street, Homestead, FL	Landings at Homestead, Ltd.	Y	101	101	7/13/2022	Not Yet Available	N
	8 125th Street Parcel B West 2319 Third Avenue, New York, NY	East Harlem MEC Parcel B West LLC	Y	404	101	3/4/2022	Not Yet Available	N
	9 Willow Creek Apartments Phase III 8 Maple Street, Hartford, CT	Overlook Village Associates III LLC	N	30	24	4/28/2022	Not Yet Available	N
	10 Windward Apartments 20 Johnson Street, Bridgeport, CT	Windward Development Associates, LLC	N	54	43	9/28/2021	6/27/2022	N
	11 Lucida Apartments 15800 NW 77th Court, Miami Lakes, FL	Lucida Apartments LP	Y	108	108	4/29/2021	Not Yet Available	N
	12 Allenwood Terrace Apartments 2101 Allenwood Road, Wall, NJ	Allenwood Terrace Partners, LP	Y	85	85	1/20/2021	3/8/2022	N
	13 Carson Terrace Senior Apartments 632 East 219th Street, Los Angeles, CA	Carson Terrace Partners LP	N	63	63	10/28/2020	5/12/2022	N
	14 Willow Creek Apartments Phase II 15 Berkeley Drive, Hartford, CT	Overlook Village Associates II, LLC	N	43	38	10/18/2019	10/9/2020	N
	15 Willow Creek Apartments Phase I 427 Granby Street, Hartford, CT	Overlook Village Associates, LLC	N	62	62	2/8/2019	12/24/2019	N
	16 Crescent Crossings Phase IB 581 Waterview Avenue, Bridgeport, CT	Crescent Crossing 1B, LLC	N	84	66	9/19/2017	9/14/2018	N
	17 Meadow Green Apartments 2257 Massachusetts Avenue, Toms River, NJ	Meadow Green Partners LP	Y	80	80	6/27/2017	6/13/2018	N
	18 Crescent Crossings Phase I 240 Hallett Street, Bridgeport, CT	Crescent Crossings LLC	N	93	93	12/15/2016	12/5/2017	N
	19 Allapattah Trace 3401 NW 17th Avenue, Miami, FL	Allapattah Trace Apts Ltd.	Y	77	77	11/21/2016	11/6/2017	N
	20 West Brickell View 114 SW 8th Street, Miami, FL	West Brickell View, Ltd.	Y	64	64	2/6/2014	2/11/2015	N
	21 Vista Grande Apartments 860 SW 2nd Avenue, Miami, FL	Vista Grande Apartments Ltd.	Y	89	89	12/30/2013	2/4/2015	N
	22 West Brickell Tower 1026 SW 2nd Avenue, Miami, FL	West Brickell Tower, Ltd.	Y	32	32	12/19/2013	11/19/2014	N
	23 Santos Isle 107 E. Martin Luther King Drive, Tarpon Springs, FL	Santos Isle, Ltd.	Y	50	50	11/27/2013	9/12/2014	N
	24 Meadowbrook II 1200 Wayside Road, Tinton Falls, NJ	Meadowbrook II Partners LP	Y	64	64	10/11/2013	6/18/2015	N
	25 St. Nicholas Park Apartments 306 West 128th Street, New York, NY	St. Nicholas Park Apartments LP	Y	30	30	8/23/2013	8/15/2014	N
	26 Colonial Lakes Apartments 4234 Milner Circle, Lake Worth, FL	Colonial Lakes Apartments, Ltd.	Y	120	120	12/21/2012	11/15/2013	N
	27 Kensington Gardens Phase II 6204 Culver Crest Place, Riverview, FL	Progress Boulevard II, Ltd.	Y	96	96	7/18/2012	8/30/2013	N
	28 Cristina Woods Apartments 9838 Lychee Loop, Tampa, FL	Cristina Woods Apartments, Ltd.	Y	108	108	1/5/2012	8/17/2012	N
	29 Landings at Timberleaf 5497 Timberleaf Boulevard, Orlando, FL	Timberleaf Apartments, Ltd.	Y	240	240	11/23/2011	9/3/2012	N
	30 Sabal Ridge Apartments Phase II 9105 Hilltop Meadow, Tampa, FL	Sabal Ridge Apartments II, Ltd.	Y	108	108	11/21/2011	8/10/2012	N
	31 Meeting House at Zephyrhills 38512 Valley Oaks Circle, Zephyrhills, FL	Grand Reserve Apartments, Ltd.	Y	160	160	11/15/2011	9/7/2012	N
	32 Grant Park 5 Whelan Place, Yonkers, NY	Mulford I, LP	N	100	100	10/28/2011	5/8/2012	N
	33 Ashburton Avenue 110 Ashburton Avenue, Yonkers, NY	Ashburton Avenue I, LP	N	49	49	10/11/2011	8/31/2012	N
	34 Fort King Colony Apartments 6830 Vista Lago Loop, Zephyrhills, FL	Fort King Colony, Ltd.	Y	120	120	9/8/2011	7/25/2012	N
	35 The Balton 311 West 127th Street, New York, NY	The Balton LLC	Y	155	39	9/8/2011	9/5/2013	N
	36 125th Street Parcel C 2293 Third Avenue, New York, NY 10035	East Harlem MEC Parcel C, L.P.	Y	49	49	8/25/2011	7/23/2013	N
	37 Valley Oaks II 351 N. West Street, Tulare, CA	Tulare II Family Housing Partners, L.P.	N	70	70	8/1/2011	7/15/2013	N
	38 Wickham Park 3020 Bennett Lane Melbourne, FL	Wickham Park, LLC	Y	96	96	3/31/2011	3/27/2012	N
	39 The Douglas 200 West 128th Street, New York, NY	Site 8 Apartments LP	Y	69	69	3/30/2011	9/12/2012	N
	40 Kensington Gardens 9822 Brookfield Farm Court, Riverview, FL	Progress Boulevard, Ltd.	Y	180	180	1/7/2011	8/25/2011	N

* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE
 TOTAL: 3,986 3,527

LIHTC as % of
 88% 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)
46	Cross Creek Apartments 6950 Emery Mill Dr., Tampa, FL	Sligh Avenue Apartments, Ltd.	Y	192	192	9/11/2010	4/26/2011	N
47	Booker Creek Apartments 2468 13th Avenue North Street, Petersburg, FL	Booker Creek Apartments, Ltd.	Y	156	63	6/7/2010	6/21/2011	N
48	Sabal Ridge Apartments 9230 Sabalridge Grove Place, Tampa, FL	Sabal Ridge Apartments, Ltd.	Y	108	108	4/23/2010	2/23/2011	N
49	Corcoran Apartments 1830 Dairy Avenue, Corcoran, CA	Corcoran Family Housing Partners, LP	N	69	69	11/24/2009	4/14/2011	N
50	Mariner's Cay Apartments 4253 Central Park Drive, Spring Hill, FL	Lamson Avenue Apartments, Ltd.	Y	160	160	8/23/2009	10/6/2010	N
51	Hudson Ridge Apartments 12200 Hudson Ridge Drive, Port Richey, FL	Hudson Ridge, Ltd.	Y	168	168	5/29/2009	11/17/2010	N
52	Autumn Place Apartments 10310 Davis Road Tampa, FL	Foxtrail Acres, Ltd.	Y	120	120	4/20/2009	8/18/2010	N
53	Hunt Club Apartments 9540 Lazy Lane, Tampa, FL	Sunset View, Ltd.	Y	96	96	4/10/2009	8/25/2010	N
54	Croton Heights 193 Ashburton Avenue, Yonkers, NY	Croton Heights I LP	N	60	54	2/20/2009	3/9/2010	N
55	Anaheim Apartments 9541 W. Ball Rd., Anaheim, CA	Anaheim Family Housing Partners, LP	N	49	49	1/13/2009	7/7/2010	N
56	Spanish Trace Apartments 1480 Villena Avenue, Tampa, FL	Spanish Trace Housing, Ltd.	Y	120	120	1/2/2009	10/19/2009	N
57	Santa Fe Oaks II 8203 NW 31st Avenue, Gainesville, FL	Sant Fe Apartments II, Ltd.	Y	129	129	9/1/2008	9/7/2010	N
58	Laurel Oaks Apartments II 2700 Laurel Hollow Drive, Leesburg, FL	Sleepy Hollow Apartments II, Ltd.	Y	108	108	7/17/2008	5/5/2010	N
59	Savannah Springs Apartments 6945 Morse Avenue, Jacksonville, FL	Savannah Springs Apartments, Ltd.	Y	234	234	7/15/2008	8/28/2009	N
60	Laurel Oaks Apartments I 2700 Laurel Hollow Drive, Leesburg, FL	Sleepy Hollow Apartments, Ltd.	Y	144	144	7/4/2008	7/26/2010	N
61	Lindsay Apartments - Phase II 328 S. Harvard Avenue, Lindsay, CA	Lindsay II Family Housing Partners	N	40	40	6/30/2008	11/3/2009	N
62	Timber Trace Apartments 628 Timber Trace Lane, Titusville, FL	Timber Trace Apartments, Ltd.	Y	204	204	6/13/2008	4/7/2010	N
63	Clear Harbor Apartments 11240 US Highway 19, Clearwater, FL	Clear Harbor, Ltd.	Y	84	84	5/15/2008	5/7/2009	N
64	Weed Apartments 272 E. Lake Street, Weed, CA	Weed Family Housing Partners, Ltd.	N	61	61	2/27/2008	10/29/2009	N
65	Brook Haven 7781 Crystal Brook Circle, Brooksville, FL	Brook Haven, Ltd.	Y	160	160	9/6/2007	7/21/2009	N
66	Brandywine 5029 North 40th Street, Tampa, FL	Brandywine Housing, Ltd.	Y	144	144	5/18/2007	10/21/2009	N
67	Claymore Crossings 4610 Claymore Drive, Tampa, FL	Claymore Housing, Ltd.	Y	260	260	4/6/2007	7/6/2009	N
68	Spring Haven Apartments II 305 Glenn Ivy Terrace, Spring Hill, FL	SHA Associated II, Ltd.	Y	88	88	4/2/2007	9/10/2008	N
69	Lake Kathy 2231 Kendall Springs Court, Brandon, FL	Lake Kathy, Ltd.	Y	360	360	3/6/2007	3/28/2008	N
70	Summer Lakes Apartments II 5600 Jonquil Circle, Naples, FL	Summer Lakes Apartments II, Ltd.	Y	276	276	2/27/2007	8/26/2008	N
71								
72								
73								
74								
75								
76								
77								
78								
79								
80								
81								
82								
83								
84								
85								
86								
87								
88								
89								
90								
91								
92								
93								
94								
95								
96								
97								
98								
99								
100								

2nd PAGE TOTAL: 3,590 3,491

GRAND TOTAL: 7,576 7,018

LIHTC as % of
93% Total Unit

List of LIHTC Developments (Schedule A)



Development Name: Lexington Senior Apartments
 Name of Applicant: Richman Lexington Senior Apartments
 Controlling General Partner or Managing Member: TRG Lexington Member, 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 A resume is required for each principal of the General Partnership or Limited Liability Company (LLC).
- 3 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.
- 4 List only tax credit development experience since 2002 (i.e. for the past 15 years)
- 5 Use separate pages as needed, for each principal.

Edward Bland, Portsmouth Development Corporation Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N
 Principal's Name: Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Shea Terrace Senior Apartments-Portsmouth, VA	Yes	31	31	11/14/2001	3/14/2002	No
2	Chase View-Portsmouth, VA	Yes	80	80	10/31/2001	5/13/2003	No
3	Pine Street Village-Portsmouth, VA	Yes	58	58	12/5/2002	3/27/2003	No
4	Westbury Phase 3A-Portsmouth, VA	Yes	59	59	12/27/2005	10/19/2006	No
5	Kings Square-Portsmouth, VA	Yes	57	57	8/29/2007	7/14/2008	No
6	Phoebus Square-Portsmouth, VA	Yes	122	122	10/16/2009	7/13/2010	No
7	Effingham Plaza-Portsmouth, VA	Yes	178	178	6/30/2009	8/16/2010	No
8	Hamilton Place-Phase I-Portsmouth, VA	Yes	84	84	8/31/2010	6/17/2011	No
9	Seaboard Square-Phase I	Yes	121	121	8/26/2011	4/11/2012	No
10	Seaboard Square-Phase II	Yes	100	100	11/4/2011	2/13/2013	No
11	Hamilton Place-Phase II-Portsmouth, VA	Yes	84	84	10/3/2012	7/16/2013	No
12	Hope Village-Portsmouth, VA	Yes	48	48	11/4/2014	10/7/2015	No
13	Westbury Cottages-Portsmouth, VA	Yes	16	16	6/5/2015	1/20/2016	No
14	Dale Homes-Phase I-Portsmouth, VA	Yes	146	146	Complete		No
15	Dale Homes-Phase II-Portsmouth, VA	Yes	150	150	Complete		No
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE
 TOTAL: 1,334 1,334 100% LIHTC as % of Total Units
 v.01.01.18

ADD ADDITIONAL PROPERTIES USING NEXT TAB

**AGREEMENT
OF LIMITED PARTNERSHIP OF
RICHMAN LEXINGTON SENIOR APARTMENTS, LP,
a Delaware limited partnership**

THIS AGREEMENT OF LIMITED PARTNERSHIP (this “Agreement”) is dated as of September 21, 2022, by and among **LEXINGTON SENIOR APARTMENTS GP, LLC**, a Delaware limited liability company, as the general partner (the “General Partner”), and **TRG COMMUNITY DEVELOPMENT, LLC**, a Delaware limited liability company, as the limited partner (the “Limited Partner”) with reference to the following facts:

WHEREAS, the General Partner and the Limited Partner desire to set forth their agreement with respect to **RICHMAN LEXINGTON SENIOR APARTMENTS, LP**, a Delaware limited partnership (the “Partnership”).

WHEREAS, the Partnership was formed as a Delaware limited partnership on September 21, 2022, by the filing of a Certificate of Formation with the Secretary of State of the State of Delaware (the “Certificate”).

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

1. **DEFINITIONS.** For purposes of this Agreement, the following capitalized terms shall have the definitions specified below:

(a) **Capital Account.** “Capital Account” shall mean each Partner’s initial Capital Contribution. In addition, each Partner’s Capital Account shall be:

(1) Increased by:

(i) The amount of any additional Capital Contributions by such Partner, including the amount of Partnership liabilities assumed by such Partner or secured by any Partnership property distributed by the Partnership to such Partner;

(ii) The fair market value of any property contributed by such Partner to the Partnership (net of liabilities secured by such property which are considered to be assumed or taken “subject to” by the Partnership); and

(iii) Items of book income and gain which are allocated to such Partner; and

(2) Decreased by:

(i) The amount of cash distributed to such Partner by the Partnership, including the amount of liabilities of such Partner assumed by the Partnership or secured by any property contributed by such Partner to the Partnership;

(ii) The fair market value of any property distributed by the Partnership to such Partner (net of liabilities secured by such property which are considered to be assumed or taken "subject to" by such Partner);

(iii) Items of expense described in Section 705(a)(2)(B) of the Code allocated to such Partner; and

(iv) Items of book loss and deduction which are allocated to such Partner.

The foregoing provisions are intended to comply with the regulations promulgated under Section 704(b) of the Code, and shall be applied and interpreted accordingly. The Capital Accounts shall be adjusted in order to reflect allocations of depreciation, amortization, and gain and loss as computed for book purposes. Upon the transfer of any Partner's interest in the Partnership, the Capital Account of the transferor Partner shall carry over to the transferee Partner.

(b) Capital Contribution. Any money or property, or a promissory note, or other binding obligation to contribute money or property, or to render services as permitted by law, which a Partner contributes to the Partnership as capital in that Partner's capacity as a Partner pursuant to an agreement between the Partners, including an agreement as to value.

(c) Capital Event. Any of the following events with respect to the Partnership: (i) a sale, refinancing or other disposition of all or part of the assets of the Partnership (other than a sale in the ordinary course of business); (ii) a collection in respect of property, hazard or casualty insurance (but not income interruption insurance); or (iii) condemnation proceeds paid to the Partnership for the taking of all or part of the capital assets of the Partnership.

(d) Cash From Capital Event. The net proceeds of a Capital Event after (i) payment of all expenses associated with the Capital Event, (ii) repayment of all Partnership debts to third parties (if any), and (iii) an allowance is made for Reserves. Cash From Capital Event shall not include Cash From Operations.

(e) Cash From Operations. For any period, the excess of (i) cash operating revenues from operation of the Partnership (including interest and fee income) and (ii) amounts, if any, released from Reserves, in each case for such period, over, the sum of (i) cash operating expenses (including fees paid to Partners) of the Partnership, (ii) current debt service of the Partnership (including accrued interest and principal on any Partner loan), (iii) capital expenditures made out of proceeds other than Cash From Capital Events and (iv) amounts if any, allocated to Reserves, in each case for such period. Cash Flow From Operations shall not include Cash From Capital Events, and no deduction shall be made for depreciation, amortization or other non-cash items.

(f) Code. The Internal Revenue Code of 1986, as amended.

(g) Fiscal Year. Each consecutive twelve (12) month period upon which the Partnership maintains its books and records of account, which shall commence on January 1 and end on November 31 of each such twelve (12) month period.

(h) Gain From Capital Event. The gain resulting from a Capital Event determined at the close of the Fiscal Year of the Partnership by the Partnership's accountants.

(i) Net Profits and Net Losses. "Net Profits" and "Net Losses" shall mean the net profits or net losses, respectively, of the Partnership as determined on the basis of the accounting method set forth in paragraph 11 hereof, at the close of the Fiscal Year of the Partnership by the Partnership's accountants in accordance with federal income tax principles, and as set forth on the information return filed by the Partnership for federal income tax purposes. Net Profits and Net Losses shall not include Nonrecourse Deductions, Partner Nonrecourse Deductions or Gain From Capital Event.

(j) Nonrecourse Deductions. The Partnership deductions that are characterized as "nonrecourse deductions" pursuant to the regulations promulgated under Section 704(b) of the Code.

(k) Partner. A General Partner or a Limited Partner. The term "Partners" shall refer collectively to the General Partner and to the Limited Partner.

(l) Partner Nonrecourse Deductions. The Partnership deductions that are characterized as "partner nonrecourse deductions" pursuant to the regulations promulgated under Section 704(b) of the Code.

(m) Reserves. Any amounts reserved by the General Partner (whether from the operating revenues of the Partnership or proceeds derived from a Capital Event) for capital expenditures, working capital, provisions for taxes, future cash distributions or any other Partnership purpose.

2. NAME AND PLACE OF BUSINESS. The business of the Partnership shall be conducted under the name of **RICHMAN LEXINGTON SENIOR APARTMENTS, LP**, a Delaware limited partnership. The principal office of the Partnership is currently 777 West Putnam Avenue, Greenwich, Connecticut 06830.

3. PURPOSES. The purposes of the Partnership are to acquire, own, construct, hold, improve, maintain, operate, develop, sell, mortgage, exchange, finance and lease property and to engage in any and all general business activities related or incidental thereto, including but not limited to the development and operation of a low-income housing project to be located in Virginia (the "Project").

4. TERM OF PARTNERSHIP; AGENT FOR SERVICE OF PROCESS.

(a) Term. The Partnership shall have a perpetual duration, except that the Partnership shall be dissolved and its assets liquidated as provided in Section 10 of this Agreement.

(b) Agent for Service of Process. The agent for service of process of the Partnership will be chosen by the General Partner in accordance with applicable law.

5. PARTNERSHIP CAPITAL CONTRIBUTIONS AND LOANS.

(a) Capital Contributions of the General Partners. The General Partner has made an initial Capital Contribution to the Partnership of Ten Dollars (\$10.00). Additional contributions may be made from time to time without any obligation to do so.

(b) Capital Contributions of the Limited Partner. The Limited Partner has made an initial Capital Contribution to the Partnership of Fifty Dollars (\$50.00). Additional contributions may be made from time to time without any obligation to do so.

(c) Interest on Contributions. No interest shall be paid by the Partnership on any Capital Contribution made by any Partner to the Partnership.

(d) Use of Capital Contributions. The cash portion of the Capital Contributions of each Partner shall be deposited at the General Partners' discretion in a checking, savings and/or money market or similar account, to be established and maintained in the name of the Partnership, or invested in government securities or certificates of deposit issued by any bank. Thereafter, such amounts shall be utilized for the conduct of the Partnership business pursuant to the terms of this Agreement.

6. ALLOCATIONS.

(a) Allocation of Net Profits and Net Losses. Net Profits and Net Losses for each Fiscal Year of the Partnership shall be allocated one hundredth of one percent (0.01%) to the General Partner, and ninety-nine and ninety-nine hundredths of one percent (99.99%) to the Limited Partner.

(b) Allocation of Gain From Capital Event. Gain From Capital Event for each Fiscal Year of the Partnership shall be allocated one hundredth of one percent (0.01%) to the General Partner and ninety-nine and ninety-nine hundredths of one percent (99.99%) to the Limited Partner.

(c) Nonrecourse Deductions. Nonrecourse Deductions for each Fiscal Year of the Partnership shall be allocated in accordance with applicable law.

(d) Partner Nonrecourse Deductions. Partner Nonrecourse Deductions for each Fiscal Year of the Partnership shall be allocated among the Partners as required in Regulations promulgated under Section 704(b) of the Code.

(e) Tax Credits. Tax Credits for each Fiscal Year of the Partnership shall be allocated one hundredth of one percent (0.01%) to the General Partner, and ninety-nine and ninety-nine hundredths of one percent (99.99%) to the Limited Partner.

7. DISTRIBUTIONS AND PAYMENTS. Cash From Operations and Cash From Capital Transactions (as determined by the General Partners) for the preceding Fiscal Year of the Partnership shall be distributed and paid one hundredth of one percent (0.01%) to the General Partner, and ninety-nine and ninety-nine hundredths of one percent (99.99%) to the Limited Partner.

8. COMPENSATION OF PARTNERS. No Partner shall be entitled to any compensation unless such is ordinary and customary and approved by the General Partner. It is acknowledged that the General Partner (and its affiliates) will receive certain fees in connection with the development, construction and operation of the Project.

9. POWERS AND DUTIES OF THE PARTNERS. The General Partner shall devote such time to the Partnership as shall be reasonably necessary to conduct the Partnership business and to operate and manage the Property and the Project in an efficient manner. Subject to the remaining provisions of this Agreement, the General Partner shall be solely responsible for the management of the Partnership business and shall have all rights, authority and powers generally conferred by law or necessary, advisable or consistent, or in connection with accomplishing the purposes of the Partnership as set forth in Paragraph 3 of this Agreement.

10. DISSOLUTION AND WINDING UP OF THE PARTNERSHIP.

(a) Dissolution of Partnership. The Partnership shall be dissolved upon the occurrence of any of the following events:

(i) The vote or written consent of the Limited Partner together with the written consent of the General Partner;

(ii) A sale or other disposition by the Partnership of all, or substantially all, of the Partnership's property;

(iii) The bankruptcy, dissolution, removal or withdrawal in accordance with this Agreement of the last remaining General Partner, unless, within sixty (60) days after the occurrence of any such event, the remaining Partners in writing unanimously elect a successor General Partner and elect to continue the business of the Partnership. In the event of the election of a successor General Partner, an amended Certificate of Limited Partnership shall be filed in the manner required by law; or

(iv) Any event causing dissolution under the Delaware Act.

(b) Continuation of Partnership. If the remaining Partners elect a successor General Partner and elect to continue the business of the Partnership in accordance with the foregoing paragraph, the successor General Partner shall assume the obligations of the predecessor General Partner and shall indemnify the predecessor General Partner and hold it harmless from and against any and all loss, damage, liability and expense, including costs and

reasonable attorneys' fees, to which the predecessor General Partner may be put or which they may incur by reason of or in connection with any of the debts, obligations or liabilities of the Partnership thereafter made, incurred or created.

(c) Winding Up of the Partnership. Upon dissolution of the Partnership, the General Partners shall wind up the affairs and liquidate the assets of the Partnership in accordance with the provisions of this Paragraph. Net Profits, Net Losses, Gain From Capital Event, Nonrecourse Deductions and Partner Nonrecourse Deductions of the Partnership shall be allocated until the liquidation is completed in the same ratio as such items were allocated prior thereto. The proceeds from liquidation of the Partnership when and as received by the Partnership shall be utilized, paid and distributed in accordance with Capital Accounts after payment of all debts.

11. BOOKS AND RECORDS. The General Partner shall, at the Partnership's sole cost and expense, keep adequate books of account of the Partnership wherein shall be recorded and reflected, in accordance with generally accepted accounting principles, all of the Capital Contributions and all of the income, expenses and transactions of the Partnership and a list of the names and addresses, and interests held by the Partners in alphabetical order. The income and expenses of the Partnership shall be accounted for on an accrual basis.

12. MISCELLANEOUS.

(a) Applicable Law. This Agreement shall, in all respects, be governed by the laws of the State of Delaware.

(b) Severability. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail; but the provision of this Agreement which is affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. If any provision of this Agreement shall be held to be invalid, the same shall not affect the validity, legality or enforceability of the remainder of this Agreement.

(c) Further Assurances. Each of the parties hereto shall execute and deliver any and all additional papers, documents and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder to carry out the intent of the parties hereto.

(d) Successors and Assigns. All of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns.

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


[Signatures contained on the following page]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first hereinabove mentioned.

GENERAL PARTNER:

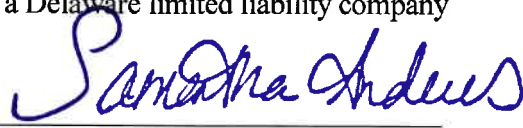
**LEXINGTON SENIOR APARTMENTS GP,
LLC, a Delaware limited liability company**

By: TRG Lexington Member, LLC, a
Delaware limited liability company,
its manager and member

By: 
Samantha Anderes, Treasurer

LIMITED PARTNER:

**TRG COMMUNITY DEVELOPMENT,
LLC, a Delaware limited liability company**

By: 
Name: Samantha Anderes
Title: Treasurer

LIMITED LIABILITY COMPANY AGREEMENT

of

LEXINGTON SENIOR APARTMENTS GP, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this “Agreement”) of **LEXINGTON SENIOR APARTMENTS GP, LLC** (the “Company”) is made and entered into as of the 21st day of September 2022, by the Member of the Company who has executed this Agreement.

RECITALS

WHEREAS, upon the filing of the Certificate of Formation for the Company with the Secretary of State of the State of Delaware on September 21, 2022, the Member was a member of the Company and an oral agreement existed with respect to the organization, management and operation of the Company;

WHEREAS, the parties hereto now desire to enter into this Agreement, as more particularly set forth below; and

NOW, in consideration of the premises and the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE 1

DEFINITIONS

Unless otherwise expressly provided or the context otherwise requires, the following terms used in this Agreement have the following meanings:

“Act” means the Limited Liability Company Act in effect in the State of Delaware.

“Affiliate” means an individual or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, another person, and includes: (1) a spouse, ancestor or lineal descendant of an individual; (2) an officer, director, shareholder or partner of a person which is not an individual, and a spouse, ancestor or lineal descendant of any such person; (3) a spouse of an ancestor or lineal descendant; and (4) any individual or entity controlled by any individual or entity designated above. “Control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity or individual, whether through the ownership of voting securities, by contract, or otherwise.

“Agreement” means this Limited Liability Company Agreement of **Lexington Senior Apartments GP, LLC**, as amended from time to time.

“Capital Contribution” means the total amount of capital contributed to the Company’s capital by the Member pursuant to Section 5.1.

“Company” means **Lexington Senior Apartments GP, LLC**, a Delaware limited liability company.

“Company Capital” means the total amount of all Capital Contributions of the Member.

“Effective Date” means the effective date of the Certificate of Formation of the Company.

“Manager” or “Manager(s)” means the person elected by the Member to manage the Company. The initial manager shall be as designated on the attached Exhibit A.

“Member” means the Member whose name and address is set forth on Exhibit A and other persons who are admitted to the Company as additional or substitute Members. A Member shall be deemed to be the owner of the Percentage Interest assigned to the Member unless and until the assignee of the Percentage Interest has been admitted to the Company as a substitute Member pursuant to the terms and conditions of this Agreement.

“Method of Accounting” means the method of accounting selected by the Member from time to time.

“Operating Proceeds” for the applicable period means all cash receipts of the Company during such period (excluding capital contributions, loan proceeds, insurance proceeds (except to the extent such proceeds were paid on account of a business interruption) and any proceeds from the liquidation of the Company under Article 11) plus the amount of any cash released from Company reserves during such period, less the following costs and expenses paid during such period (to the extent not paid from the reserves): (1) cash operating expenses, (2) interest and principal payments on any indebtedness of the Company, (3) expenditures for guarantees and similar payments, and (4) any additions to Company reserves which the Member, in good faith, shall determine are desirable or reasonably necessary to the conduct of the business and affairs of the Company or which the Company is required to make by any governmental authority or pursuant to any “net worth” or similar requirement applicable to the Company.

“Percentage Interest” means the percentage interest of the Member in certain amounts/matters regarding the Company, which is provided on Exhibit A.

“Principal Place of Business” means 777 West Putnam Avenue, Greenwich, Connecticut 06830, or at such other place as the Managers may designate by notice to the Member.

“Securities Act of 1933” means the Securities Act of 1933, as amended.

“Secretary of State” means the Secretary of State of the State of Delaware.

ARTICLE 2

UNIFORM BUSINESS REPORT; MEMBER ACTION

2.1. Uniform Business Report. The Company shall file a uniform business report with the Secretary of State on or before the required filing date of such report for each calendar year, on the form provided by the Secretary of State.

2.2. Voting. Action on a matter shall be approved by the affirmative vote of the Member.

2.3. Written Action. Any action required or permitted to be taken by the Member may be taken by a written consent describing the action to be taken, dated and signed by the Member.

ARTICLE 3

TERM

The Company shall continue until terminated as provided in Article 10.

ARTICLE 4

MANAGERS; OFFICERS

4.1. Number and Election. The number of Managers shall be fixed from time to time by the Member, within any limits set forth in the Articles of Organization. The Managers shall serve until their death, resignation or removal. In the event of the death, resignation or removal of a Manager, the Member may appoint a successor Manager.

4.2. Removal of a Manager. The Member may remove a Manager, with or without cause any time.

4.3. Powers. The Manager shall have the powers and responsibilities described in Article 8.

4.4. Officers. The Company may have a President, Vice President, a Secretary, a Treasurer, and such other officers, including one or more vice presidents, assistant officers and agents, as the Manager(s) may from time to time deem advisable. Officers shall be elected by the Manager(s) and shall hold office for the term of one (1) year or until their successors are elected and qualified, unless sooner removed by the Manager(s). Any person may hold two or more offices. The failure to elect a President, Vice President, Secretary, or Treasurer or any other office, shall not affect the existence of the Company.

4.5 Vacancies. A vacancy in any office due to death, resignation, removal, disqualification, or any other reason may be filled by the Manager(s) for the unexpired portion of the applicable term.

4.6 Removal. The President, Vice President, Secretary or Treasurer or any such other officer elected by the Manager(s) may be removed from office with or without cause, at any time, by the Manager(s).

ARTICLE 5

CAPITAL CONTRIBUTIONS

5.1. Contributions of Members.

(a) The Member shall contribute to the Company the Capital Contribution, as set forth on Exhibit A.

(b) The Member shall not be required to make any additional capital contributions or loans to the Company or be personally liable for the payment of any debts of the Company. The Member may, in his sole and absolute discretion, make additional capital contributions or loans to pay routine operating expenses incurred by the Company; provided, however, that the Member shall in no event be obligated to make any contributions or loans to the capital of the Company without the prior written consent of the Member, which may be given or withheld in his sole and absolute discretion.

5.2. Company Capital. The initial Company Capital shall be as described on Exhibit A, which shall be contributed by the Member in accordance with Section 5.1 on the Effective Date.

5.3. Limited Liability of Member. The liability of the Member shall be limited to the required Capital Contribution pursuant to Section 5.1. The Member shall not be personally liable for any obligations of the Company.

ARTICLE 6

ALLOCATION OF PROFITS AND LOSSES

All of the Company's income, gains, losses, deductions and credits (and items thereof), for each fiscal year of the Company, shall be reported by the Member for income tax purposes consistent with the provisions of Section 9.6.

ARTICLE 7

DISTRIBUTIONS

Distributions of Operating Proceeds. The Company's Operating Proceeds shall be distributed to the Member at such times as the Member shall determine, but not less than annually.

ARTICLE 8

CONTROL AND MANAGEMENT

8.1. Management and Control of the Company — Managers. The Manager(s) shall have, except as specifically limited in this Agreement, full and exclusive authority in the management and control of the Company, and shall have all the rights and powers which are otherwise conferred by law or are necessary or advisable for the discharge of their duties and the management of the business and affairs of the Company. In the event the Manager(s) elects officers of the Company as provided in Section 4.4, the Manager(s) may delegate some or all of his rights and powers to one or more such officers. If there is more than one Manager, any one Manager shall have authority to act alone (without any other Managers) on behalf of the Company and to bind the Company with respect to any matter.

8.2. Expressly Authorized Rights and Powers. Without limiting the generality of Section 8.1, but subject to the provisions of this Section 8.2, the Manager(s) (or one or more officers, if so authorized in writing by the Manager) is expressly authorized on behalf of the Company to:

(a) procure and maintain with responsible companies such insurance as may be advisable in such amounts and covering such risks as are deemed appropriate by the Managers;

(b) take and hold any assets of the Company in the Company name, or in the name of a nominee of the Company;

(c) execute and deliver on behalf of and in the name of the Company, or in the name of a nominee of the Company, all instruments necessary or incidental to the conduct of the Company's business;

(d) protect and preserve the assets of the Company and incur indebtedness in the ordinary course of business;

(e) will, dispose of, trade, exchange, convey, quitclaim, surrender, release or abandon, upon terms and conditions which the Managers may negotiate and deem appropriate, personal property of the Company in the ordinary course of business;

(f) execute and deliver documents and instruments on behalf of the Company in connection with the acquisition and disposition of its assets, and to execute, terminate, modify, enforce, continue or otherwise deal with any Company indebtedness and security interests, to sell Company assets, and to take any other action with respect to agreements made between the Company and a lender or any affiliate thereof, all subject to the limitations of Section 8.3;

(g) open Company bank accounts in which all Company funds shall be deposited and from which payments shall be made; and

(h) invest Company funds and working capital reserves.

8.3. Certain Limitations. Notwithstanding the generality of the foregoing, and in addition to other acts expressly prohibited by this Agreement or by law, the Manager shall not have the authority to do any of the following without the consent of the Member:

- (a) do any act in contravention of this Agreement;
- (b) do any act which would make it impossible to carry on the ordinary business of the Company, except as expressly provided in this Agreement;
- (c) confess a judgment against the Company or otherwise settle or compromise any litigation or other adversarial proceeding;
- (d) execute or deliver any general assignment for the benefit of the creditors of the Company;
- (e) assign rights in specific Company property for other than a Company purpose;
- (f) knowingly or willingly do any act (except an act expressly required by this Agreement) which would cause the Company to become an association taxable as a corporation;
- (g) sell all or substantially all of the assets of the Company or cause the Company to merge with another entity;
- (h) increase any salary by more than twenty percent (20%) annually or pay any bonuses or commissions in excess of \$10,000 to any employee, specifically including the Manager;
- (i) enter into or amend any contracts with a Manager or any Affiliate of a Manager;
- (j) enter into any contract or bind the Company to any debt, obligation, or liability that obligates the Company to spend in excess of \$50,000 or that may not be terminated at the will of Company on thirty (30) days or less notice; or
- (k) encumber, pledge, or allow a lien to be created against any assets of the Company.

ARTICLE 9

BOOKS OF ACCOUNT, FINANCIAL REPORTS, RECORDS, FISCAL YEAR, BANKING AND ACCOUNTING DECISIONS

9.1. Books of Account. The Company shall keep adequate books and records of the Company wherein shall be recorded and reflected all of the Member's capital contributions to the Company and all of the income, expenses and transactions of the Company. The books and records shall be kept at the principal place and business of the Company and the Member and its authorized representatives shall have, at reasonable times during normal business hours, free

access to and the right to inspect and, at its expense, copy such books and records of the Company.

9.2. Bank Accounts, Funds and Assets. The funds of the Company shall be deposited in such bank or banks as shall be deemed appropriate. Such funds shall be withdrawn only by such authorized persons as may be designated by the Member.

9.3. Tax Returns and Reports. Appropriate tax returns and reports for the Company, if any, shall be prepared and timely filed with the proper authorities. The Company shall also cause to be prepared and timely filed, with appropriate federal and state regulatory and administrative bodies, all reports required to be filed with such entities under then current applicable laws, rules and regulations. The Member shall be provided with a copy of any such report upon request, without expense to the Member.

9.4. Reports and Financial Statements. The Company shall provide the following reports and financial statements to the Member:

(a) by March 1 of each fiscal year a balance sheet as of the end of such fiscal year, together with related statements of income, Member's equity, and a statement of cash flows; and

(b) as soon as practical after the end of each fiscal year but not later than March 15, all information necessary for the preparation of the Member's federal income tax return.

9.5. Fiscal Year. The fiscal year of the Company for both reporting and federal income tax purposes shall begin with the 1st day of January and end on the 31st day of December in each calendar year.

9.6. Tax Status. Notwithstanding any provision of this Agreement to the contrary, it is the intention of the Member that the Company be disregarded solely for federal, state and local income tax purposes. Accordingly, unless otherwise approved by the Member or required by law, the Company shall not apply for any tax identification number or prepare or file any federal, state or local income tax return. The Company shall, as soon as is practicable after the end of each fiscal year, prepare a statement setting forth each item of income, gain, loss, deduction and credit and forward the same to the Member who shall report each such item on its income tax return as required by applicable law. Nothing in this Section shall not be construed to extend the purposes or expand the obligations or liabilities of the Company or the Member.

ARTICLE 10

DISSOLUTION AND TERMINATION

10.1. Dissolution of Company. The term of the Company shall begin on the Effective Date and shall be dissolved and its business shall terminate upon the earliest occurrence of any of the following events (each a "Dissolution Event"):

- (a) delivery to the Company of a written notice in which the Member approves of the dissolution of the Company;
- (b) the sale, exchange, forfeiture or other disposition of all or substantially all the properties of the Company, unless the Member determines otherwise; or
- (c) any event described in the Act (or successor provision of the Act) for a limited liability company with perpetual life.

The Company shall continue to exist after the happening of any of the foregoing events solely for the purpose of winding up its affairs in accordance with the Act.

10.2. Procedure on Liquidation.

(a) Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, satisfying the claims of its creditors and liquidating its assets, and the Member and Manager shall not take any action that is inconsistent with or unnecessary to the winding up of the Company's business and affairs. To the extent not inconsistent with the foregoing, all covenants and obligations in this Agreement shall continue in full force and effect until such time as the Dissolution Proceeds (as defined below) have been distributed pursuant to this Section and the Company has filed articles of dissolution with the Secretary of State.

(b) A Manager chosen by the Member or the Member (the "Winding-Up Person") shall be responsible for overseeing the winding up and liquidation of the Company. As soon as reasonably practical after the occurrence of a Dissolution Event, the Winding-Up Person shall take such other actions as are required under the Act to dispose or make provision for the known and unknown claims against the Company. The Winding-Up Person shall take full account of the Company's liabilities and its property, cause the property to be liquidated as promptly as is consistent with obtaining the fair value thereof, and shall cause the proceeds therefrom and any other assets and funds of the Company (collectively, the "Dissolution Proceeds"), to the extent sufficient therefor, to be applied and distributed in the following order:

(1) First, to the payment of the Company's known debts and liabilities, but if the amount available therefore shall be insufficient, then pro rata on account thereof; and

(2) Then, the balance, if any, less such reserves ("Dissolution Reserves") as the Winding-Up Person reasonably determines are necessary or appropriate for anticipated or contingent expenses of the Company, shall be distributed to the Member.

(c) To the extent the Winding-Up Person subsequently determines Dissolution Reserves (or any part thereof) to be unnecessary for the Company expenses, it shall cause such amounts to be distributed or paid to the Member.

When all of the Company's property and assets have been applied and/or distributed as provided in this Section, the Winding-Up Person shall file articles of dissolution as provided in the Act and take such other actions as may be necessary to cause the Company to withdraw from all jurisdictions where the Company is then authorized to transact business. The Winding-Up Person shall not receive any compensation for any services performed pursuant to this Section, except as specifically authorized by the Member.

ARTICLE 11

INDEMNIFICATION

11.1. Right to Indemnification. Each person (including the heirs, executors, administrators, and estate to each person) (1) who is or was a Member of the Company, (2) who is or was a Manager of the Company, or (3) who is or was serving at the request of the Company in the position of a director, officer, trustee, partner, agent, or employee of another corporation, partnership, joint venture, trust or other enterprise and as to whom the Company has agreed to grant an indemnity hereunder, shall be indemnified by the Company as of right to the fullest extent permitted or authorized by the Act or future legislation or by current or future judicial or administrative decision (but, in the case of future legislation or decision, only to the extent that it permits the Company to provide broader indemnification rights than permitted prior to the legislation or decision), against all fines, liabilities, settlements, losses, damages, costs and expenses, including attorneys' fees, asserted against him or incurred by him in his capacity as a Member, Manager, director, officer, trustee, partner, agent or employee, or arising out of his status as a Member, Manager, director, officer, trustee, partner, agent or employee. The foregoing right of indemnification shall not be exclusive of other rights to which those seeking indemnification may be entitled. The Company may maintain insurance, at its expense, to protect itself and the indemnified persons against all fines, liabilities, costs and expenses, including attorneys' fees, whether or not the Company would have the legal power to indemnify him directly against such liability.

11.2. Advances. Costs, charges and expenses (including attorneys' fees) incurred by a person referred to in Section 11.1 of this Article in defending a civil or criminal suit, action or proceeding shall be paid by the Company in advance of the final disposition thereof upon receipt of an undertaking to repay all amounts advanced if it is ultimately determined that the person is not entitled to be indemnified by the Company as authorized by this Article and upon satisfaction of other conditions established from time to time by the Managers or as required by current or future legislation (but, with respect to future legislation, only to the extent that it provides conditions less burdensome than those previously provided).

ARTICLE 12

MISCELLANEOUS

12.1. Notices. All notices, payments, demands and communications required or permitted to be given by this Agreement shall be in writing and shall be deemed to have been delivered and given for all purposes (a) if delivered personally to the party or to an officer of the party to whom the same is directed or (b) whether or not the same is actually received, if sent by

registered or certified mail, postage and charges prepaid, addressed to the addresses set forth on the signature page of this Agreement or to such other address as the Member from time to time specifies by written notice to the Company. Any notice shall be deemed to have been given as of the date delivered if delivered personally, or three (3) days after the date on which it was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as aforesaid. Any notice may be waived by the person entitled to receive the notice.

12.2. Section/Captions. Section and other captions contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of any part of this Agreement.

12.3. Severability. Every provision of this Agreement is intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, the illegality or invalidity shall not affect the validity of the remainder of this Agreement.

12.4. Amendments. The Member may amend this Agreement in his sole discretion. In the event that, in addition to the Member, another person or entity acquires a Percentage Interest in the Company, this Agreement shall be amended and restated to add provisions relating to the taxation of an entity that is classified as a partnership for federal income tax purposes.

12.5. Governing Law. This Agreement and the rights of the Member shall be governed by and construed and enforced in accordance with the laws of the State of Delaware and the Act as now in effect or as amended in the future shall govern and supersede any provision of this Agreement which would otherwise be in violation of the Act.

12.6. Counterpart Execution. This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together and shall constitute one Agreement.

12.7. Parties in Interest. Every covenant, term, provision and agreement in this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties.

12.8. Integrated Agreement. This Agreement constitutes the entire understanding and agreement of the parties with respect to its subject matter, and there are no agreements, understandings, restrictions, representations or warranties among the parties other than those set forth in this Agreement.

12.9. Number and Gender. Where the context so indicates, the masculine shall include the feminine and neuter, the singular shall include the plural and "person" shall include a corporation and other entities.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first above written.

ADDRESS:

777 West Putnam Avenue
Greenwich, Connecticut 06830

MEMBER AND MANAGER:

TRG LEXINGTON MEMBER, LLC, a
Delaware limited liability company

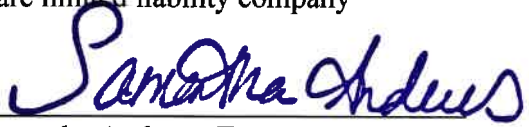
By: 
Samantha Anderes, Treasurer

EXHIBIT A

Description of Capital Contributions

<u>Member</u>	<u>Contribution</u>	<u>Agreed Value</u>	<u>Percentage Interest</u>
TRG Lexington Member, LLC, a Delaware limited liability company	Cash	\$--	100%

The initial manager shall be TRG Lexington Member, LLC.

**LIMITED LIABILITY COMPANY AGREEMENT
OF
TRG LEXINGTON MEMBER, LLC**

THIS LIMITED LIABILITY COMPANY AGREEMENT (this “Agreement”), is dated as of September 22, 2022, by and among the Members of TRG LEXINGTON MEMBER, LLC (the “Company”) who have executed this Agreement.

RECITALS

WHEREAS, upon the filing of the Certificate of Formation with the State of Delaware Secretary of State on September 21, 2022, TRG Community Development, LLC, a Delaware limited liability company, was the sole member of the Company and an oral agreement existed with respect to the organization, management and operation of the Company;

WHEREAS, effective September 22, 2022, Richard P. Richman, Kristin M. Miller, Richman Family 2009 Irrevocable Trust I U/A Dated December 28, 2009, Richman Family 2009 Irrevocable Trust II U/A Dated December 28, 2009, David Salzman and Andre Blakley, became the members of the Company, pursuant to those certain Assignments of Member Interest, each dated effective as of September 22, 2022; and

WHEREAS, the parties hereto now desire to enter into this Agreement, as more particularly set forth below.

NOW, in consideration of the premises and the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

A R T I C L E 1

DEFINITIONS

Unless otherwise expressly provided or the context otherwise requires, the following terms used in this Agreement have the following meanings:

“Act” means the Limited Liability Company Act in effect in the State of Delaware.

“Adjusted Capital Account” means, with respect to any Member for any fiscal year (or other period), an amount equal to such Member’s Capital Account balance as of the beginning of such fiscal year (or other period), adjusted as provided in the definition of Capital Account for all contributions to the Company by, and all distributions by the Company to, such Member during such fiscal year (or other period), and by all special allocations pursuant to Article 7 with respect to such fiscal year (or other period) but before giving effect to any allocations of Profits and Losses with respect to such fiscal year (or other period) pursuant to Section 7.1, and after giving effect to the following adjustments: (a) credit to the Capital Account all amounts such Member is obligated to restore to the

Company pursuant to Section 1.704-1(b)(2)(ii)(b)(3) or Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations or is deemed to be obligated to restore pursuant to the penultimate sentence of Section 1.704-2(g)(ii) of the Treasury Regulations or the penultimate sentence of Section 1.704-2(i)(5) of the Treasury Regulations; and (b) debit to the Capital Account the items described in Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

“Adjusted Capital Account Deficit” means with respect to any Member, the deficit balance, if any, in the Member’s Adjusted Capital Account as of the end of the relevant fiscal year

“Affiliate” means an individual or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, another person, and includes: (1) a spouse, ancestor or lineal descendant of an individual; (2) an officer, director, shareholder, manager, member or partner of a person which is not an individual, and a spouse, ancestor or lineal descendant of any such individual; (3) a spouse of an ancestor or lineal descendant of an individual; and (4) any individual or entity controlled by any individual or entity designated above, “Control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity or individual, whether through the ownership of voting securities, by contract, or otherwise.

“Agreement” means this Limited Liability Company Agreement of TRG LEXINGTON MEMBER, LLC, as amended from time to time.

“Capital Account” means the account described in Section 6.3 of this Agreement.

“Capital Contribution” means the total amount of capital contributed to the Company’s capital by each Member pursuant to Section 6.1(a) of this Agreement, as may be adjusted by the terms hereof.

“Capital Proceeds” means capital distributions received by the Company from third parties in which the Company has an ownership interest and the net cash proceeds received by the Company from or as a result of a Capital Transaction (other than Capital Proceeds from a Refinancing), after deducting: (i) all expenses paid in connection therewith; (ii) all amounts applied by the Company toward the payment of obligations associated with the Capital Transaction, including payments of principal and interest on mortgages or payments to repair or restore assets, and then payment of other indebtedness of the Company (including indebtedness owed to the Members); (iii) the payment of other expenses; and (iv) the establishment of reserves. If the proceeds of a Capital Transaction are paid in more than one installment, each installment shall be treated as a separate Capital Transaction for purposes of this definition.

“Capital Proceeds from a Refinancing” means the net cash proceeds received by the Company from or as a result of a Capital Transaction that constitutes a refinancing transaction, after deducting: (i) all expenses paid in connection therewith; (ii) all amounts applied by the Company toward the payment of obligations associated

with the Capital Transaction, including payments of principal and interest on mortgages or payments to repair or restore assets, and then payment of other indebtedness of the Company (including indebtedness owed to the Members); (iii) the payment of other expenses; and (iv) the establishment of reserves. If such Capital Transaction proceeds are paid in more than one installment, each installment shall be treated as a separate Capital Transaction for purposes of this definition.

“Capital Transaction” means a (i) sale or other disposition of the assets of the Company (other than sales in the ordinary course of business); (ii) financing or refinancing of the assets of the Company; and (iii) receipt of casualty insurance proceeds (other than business interruption insurance) or condemnation awards with respect to the Company’s assets.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or corresponding provisions of subsequent laws.

“Company” means TRG LEXINGTON MEMBER, LLC, a Delaware limited liability company.

“Company Capital” means the total amount of all Capital Contributions of the Members.

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

“Family Member” means, as to any individual, (i) all other individuals who have any of the following relationships to such individual, whether as a result of birth or the legal adoption of any one or more individuals: spouse, grandparent, parent, parent’s brother, parent’s sister, child, child’s lineal descendant, brother, brother’s child, sister and sister’s child, and (ii) any trust whose settlor or grantor is any of the foregoing.

“Gains and Losses from Capital Transactions” means the total of all gains and losses resulting from Capital Transactions and capital gains and losses allocated to the Company from entities in which it has an ownership interest as determined by the Company for that year or other period.

“Gains from Capital Transactions” means the total of all gains resulting from Capital Transactions and capital gains allocated to the Company from entities in which it has an ownership interest as determined by the Company for that year or other period.

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

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

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Company, as of the following times: (i) the acquisition of an additional interest in the Company by a new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member (or an assignee of a Member with respect to the Member’s interest in the Company) of more than a de minimis amount of Company property as consideration for an interest in the Company; (iii) upon the liquidation of the Company within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations; and (iv) upon the grant of an interest in the Company as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a Member capacity or in anticipation of being a Member; provided, however that the adjustments pursuant to clauses (i) and (ii) above shall be made only if the Managers reasonably determine that the adjustments are necessary or appropriate to reflect the relative economic interests of the Members and their assignees (if any) in the Company;

(c) The Gross Asset Value of a Company asset distributed to a Member shall be the gross fair market value of the asset on the date of distribution; and

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect adjustments to the adjusted basis of the assets pursuant to Code Section 732(d), Code Section 734(b) or Code Section 743(b), but only to the extent that the adjustments are taken into account in determining Capital Accounts pursuant to Section 1.704-1(b)(2)(iv)(m) of the Treasury Regulations, provided that Gross Asset Values will not be adjusted under the subparagraph (d) to the extent that the Managers determine that an adjustment under subparagraph (b) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment under this subparagraph (d).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to Clause (a), (b) or (d) of this definition, the Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to the asset for purposes of computing Net Operating Profits and Losses.

The term “fair market value” as used in this Agreement shall mean a value unanimously agreed upon by all of the Members. If, after the Members have negotiated in good faith for a period of ten (10) days and are unable to agree upon the value of the Company’s property, then an independent certified appraiser shall be employed to determine the fair market value of the Company’s property at that time. The Managers shall appoint the appraiser, and the fair market value of the Company’s property shall be the appraised value. An appraisal made pursuant to this paragraph shall be final and binding on all of the

Members. The cost of the appraiser shall be borne equally by all of the Members. All appraisals shall be performed by independent certified appraisers.

“Losses from Capital Transactions” means the total of all losses resulting from Capital Transactions and capital losses allocated to the Company from entities in which it has an ownership interest as determined by the Company for that year or other period.

“Manager” or “Manager(s)” means Kristin M. Miller and Richard P. Richman, or such other persons to be elected by the Members to manage the Company.

“Member Loan” means a loan to the Company as described in Section 6.1(b).

“Members” means any person named as a member of the Company as set forth on Exhibit A hereto, who has executed a counterpart to this Agreement, and such other persons who are admitted as members of the Company in accordance with the terms of this Agreement.

“Method of Accounting” means the method of accounting selected by the Managers from time to time.

“Net Cash Flow” means all cash received by the Company in a quarterly basis from its operations (excluding contributions to Company Capital, the receipt of Capital Proceeds, and the receipt of loan proceeds, including Member Loans) less all disbursements of cash (other than disbursements pursuant to Section 8.1), including payments of operating expenses, payments in reduction of Company indebtedness (other than Member Loans) and payments to reasonable reserve accounts (as set forth in Section 8.2 below). If the Managers determine that the reserves of the Company exceed the amount they deem sufficient for the operation of the Company’s business, the reserves may be reduced by the excess and the excess shall be added to Net Cash Flow.

“Net Operating Losses” means for each fiscal year (or portion thereof), an amount equal to the Company’s taxable net loss, exclusive of any losses from Capital Transactions, for that year or other period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703(a)(1) of the Code shall be included in taxable loss), with the following adjustments:

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

(b) In lieu of depreciation, amortization and other cost recovery deductions, there shall be taken into account Depreciation for the fiscal year or other period, determined in accordance with the definition of “Depreciation.”

(c) If the Gross Asset Value of a Company asset is adjusted pursuant to clause (b) or (c) of the definition of Gross Asset Value, the amount of the adjustment shall

be taken into account as loss from disposition of that asset for purposes of computing Net Operating Losses.

(d) The following items shall be excluded from the computation of Net Operating Losses:

(i) All deduction or losses specially allocated pursuant to Sections 7.1, 7.2 and 7.3 of this Agreement unless the Net Operating Losses are referred to in those sections for purposes of being specially allocated pursuant to one or more of those sections;

(ii) All Nonrecourse Deductions; and

(iii) All Partner Nonrecourse Deductions.

“Net Operating Profits” means for each fiscal year (or portion thereof), an amount equal to the Company’s net taxable income, exclusive of Gain from Capital Transaction, for that year or other period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments:

(a) All income of the Company that is exempt from federal income tax or otherwise described in Section 705(a)(1)(B) of the Code and not otherwise taken into account shall be added to taxable income or loss;

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

(c) In lieu of depreciation, amortization and other cost recovery deductions, there shall be taken into account Depreciation for the fiscal year or other period, determined in accordance with the definition of “Depreciation.”

(d) The following items shall be excluded from the computation of Net Operating Profits and Losses:

(i) All income, gain, deduction or losses specially allocated pursuant to Sections 7.1, 7.2 and 7.3 of this Agreement unless the Net Operating Profits or Losses are referred to in those sections for purposes of being specially allocated pursuant to one or more of those sections;

(ii) All Nonrecourse Deductions; and

(iii) All Partner Nonrecourse Deductions.

“Net Operating Profits and Losses” means the combination of Net Operating Profits and Net Operating Losses.

“Nonrecourse Deductions” has the meaning set forth in Section 1.704-2(b) of the Treasury Regulations. The amount of Nonrecourse Deductions for a Company fiscal year equals the excess, if any, of the net increase, if any, in the amount of Partnership Minimum Gain during the fiscal year over the aggregate amount of all distributions during that fiscal year of proceeds of a Nonrecourse Liability that are allocable to an increase in Partnership Minimum Gain, determined according to the provisions of Section 1.704-2(c) of the Treasury Regulations. If the amount of Nonrecourse Deductions during the Company’s fiscal year exceeds the total amount of items of Company loss, deduction and Section 705(a)(2)(B) expenditures for the year, then the excess shall carry forward and shall be treated as an increase in Partnership Minimum Gain for the immediately succeeding fiscal year for the purpose of determining whether there is a net increase or decrease in Partnership Minimum Gain (and Nonrecourse Deductions) during the succeeding Company fiscal year.

“Nonrecourse Liabilities” has the meaning set forth in Treasury Regulations Section 1.752-1(b)(3).

“Partner Minimum Gain” means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if the Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Treasury Regulations.

“Partner Nonrecourse Debt” has the meaning in Section 1.704-2(b)(4) of the Treasury Regulations.

“Partner Nonrecourse Deductions” has the meaning in Section 1.704-2(i)(2) of the Treasury Regulations, The amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Company fiscal year equals the excess, if any, of the net increase, if any, in the amount of Partner Minimum Gain attributable to the Partner Nonrecourse Debt during that fiscal year over the aggregate amount of all distributions during that fiscal year to the Member that bears the economic risk of loss for the Partner Nonrecourse Debt to the extent the distributions are from the proceeds of the Partner Nonrecourse Debt and are allocable to an increase in Partner Minimum Gain attributed to the Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(2) of the Treasury Regulations.

“Partnership Minimum Gain” has the meaning in Sections 1.704-2(b)(2) and (d) of the Treasury Regulations.

“Partnership Representative” is defined in Section 9.1 of this Agreement.

“Percentage Interest” means the total ownership interest of a Member in the Company, expressed as a fraction the numerator of which is the total number of Units owned by a Member and the denominator of which is the total number of Units owned by all the Members of the Company, which shall be as set forth on Exhibit A hereto. For the avoidance of doubt, the Preferred Interest shall not entitle the holder thereof to a

Percentage Interest, but shall entitle such holder only to the allocations and distributions specifically set forth herein.

“Preferred Equity Contribution” means the Capital Contribution made by a Preferred Equity Contributor Member, if any, as it may increase or decrease over time.

“Preferred Equity Contributor Member” means a person or affiliated entity making a Preferred Equity Contribution.

“Preferred Equity Return” means an annual 11% cumulative but not compounding return on the unreturned amount of any Preferred Equity Contribution.

“Preferred Interest” means the membership interest in the Company issued to a Preferred Equity Contributor Member in exchange for a Preferred Equity Contribution, which shall entitle the holder thereof to receive a Preferred Equity Return on its Preferred Equity Contribution and the return thereof on the terms and conditions set forth in this Agreement.

“Principal Place of Business” means 777 West Putnam Avenue, Greenwich, Connecticut 06830, or at such other place as the Manager(s) may designate by notice to all Members.

“Profits and Losses” means for each fiscal year, an amount equal to the total of the Company’s Net Operating Profits and Losses and the Company’s Gains and Losses from Capital Transactions.

“Project” means the apartment complex located or to be located in Portsmouth, Virginia.

“Related Party Lender” has the meaning set forth in Section 7.2(h) of this Agreement.

“Securities Act of 1933” means the Securities Act of 1933, as amended.

“Selling Member” is defined in Section 10.5 of this Agreement.

“Target Capital Account” means, with respect to a Member in respect of any fiscal year (or portion thereof), the amount (which may be positive or negative) equal to (x) the hypothetical distribution that would be made to the Member if the Company were to sell all of its assets (including cash) at their Gross Asset Value as of the end of such fiscal year or other period (limited, with respect to each Nonrecourse Liability of the Company, to the Gross Asset Value of the asset or assets securing such Nonrecourse Liability), and all remaining cash of the Company (including the net proceeds of such hypothetical transactions and all cash otherwise available after the hypothetical satisfaction of all Company liabilities) were distributed in full on the last day of such fiscal year (or other period) to the Members pursuant to the terms of the Agreement; minus (b) the sum of (i) such Member’s share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain

immediately prior to such deemed sale, plus (ii) the amount, if any, which such Member is obligated to contribute to the capital of the Company pursuant to the terms of this Agreement as of the last day of such period (but only to the extent such capital contribution obligation has not been taken into account in determining such Member's share of Partner Nonrecourse Debt Minimum Gain).

"Transfer" means a sale, assignment, gift, or other disposition, or the pledge, grant of a security interest or lien in, or other encumbrance, whether voluntary or by operation of law, directly or indirectly, of all or part of a Member's interest in the Company.

"Treasury Regulations" means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as amended from time to time.

"TRGD" means The Richman Group Development Corporation.

"TRGD Officer and Director Units" means the TRGD Officer and Director Units issued by the Company to certain members in their capacity as officers and directors of TRGD.

"TRGD Shareholder Units" means the TRGD Shareholder Units issued by the Company to certain members in their capacity as shareholders of TRGD. The TRGD Shareholder Units held by the Members represent a percentage of all TRGD Shareholder Units equal to the percentage that such Member holds of all outstanding shares of TRGD.

"Units" means the units into which the membership interests in the Company are divided and shall include the TRGD Shareholder Units and the TRGD Officer and Director Units.

A R T I C L E 2

UNIFORM BUSINESS REPORT; MEETINGS OF MEMBERS

2.1 Uniform Business Report. The Company shall file a uniform business report with the Secretary of State on or before the required filing date of such report for each calendar year, on the form provided by the Secretary of State.

2.2 Special Meetings. Special meetings of the Members may be called by the Managers or the Members holding not less than ten percent (10%) of the Units entitled to vote on any issue proposed to be considered at the meeting. Special meetings of Members may be held at the times, dates and places, within or without the State of Connecticut, designated by the Managers or Members calling the meeting (provided that such meeting must be in the city of the Company's principal office unless agreed otherwise by the Managers or by Members holding at least fifty one percent (51%) of the Units) and set forth in the notice of meeting required pursuant to Section 2.3 of this Article, provided that such meeting must be in the city of the

Company's principal office unless otherwise agreed by the Managers or Members holding at least 51% of the Units. A meeting properly requested shall be called for a date not less than two (2) nor more than sixty (60) days after the request is properly made.

2.3 Notice of Meeting. A written notice of each meeting of Members shall be given to each Member entitled to vote at the meeting at the Member's last known address, not less than two (2) nor more than sixty (60) days before the date of the meeting by the persons calling the meeting. The notice shall state the date, time and place of the meeting. Neither the business to be transacted at, nor the purpose of, a Members' meeting must be specified in the written notice of the meeting. If a Members' meeting is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new date, time or place is announced at the meeting before an adjournment is taken.

2.4 Waiver of Notice. Members may waive notice of a meeting before or after the date and time specified in the written notice of meeting. All waivers of notice must be in writing, be signed by the Member entitled to the notice and be delivered to the Company for inclusion in the appropriate records. Attendance of a person at a meeting shall constitute a waiver of notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. Action may be taken at any meeting at which proper notice has been given or notice has been waived by Members holding at least a majority of the Units of the Members entitled to vote on such action.

2.5 Voting. At any meeting of the Members at which proper notice has been given or waived, action on a matter shall be approved if the aggregate Percentage Interest of the Members entitled to vote on the subject matter favoring the action exceeds fifty percent (50%).

2.6 Proxies. A Member entitled to vote at a meeting of Members, or an adjournment of it, may vote in person or by proxy. A Member may appoint a proxy to vote or otherwise act for him by signing an appointment form, either personally or by his attorney-in-fact.

2.7 Action Without A Meeting. Any action required or permitted to be taken at a Members' meeting may be taken without a meeting, without prior notice and without a vote if the action is taken by Members holding more than fifty percent (50%) of the Units entitled to vote on such action. To be effective, the action must be evidenced by one or more certificates of authority describing the action to be taken, dated and signed by Members approving such action.

ARTICLE 3

TERM

The Company shall continue until terminated as provided in Article 12.

A R T I C L E 4

MANAGERS; OFFICERS

4.1 Number and Election. The number of Managers shall be two; provided, however, the number may change from time to time by the Members, within any limits set forth in the Articles of Organization. The Managers shall be elected annually by the Members at the Annual Meeting of Members by the holders of at least a majority of the Units. Failure to replace any Manager shall be deemed to be an automatic reelection of the then current Managers for an additional term. In the event of the death, resignation or removal of a Manager, the Members may elect a successor Manager at a special meeting of the Members called for that purpose.

4.2 Removal of a Manager. The Members may remove a Manager, with or without cause, at a special meeting or by action without a meeting under Section 2.7 above.

4.3 Powers. The Manager(s) shall have the powers and responsibilities described in Article 9.

4.4 Officers. The Company may have a President, Vice President, a Secretary, a Treasurer, and such other officers, including one or more vice presidents, assistant officers and agents, as the Manager(s) may from time to time deem advisable. Officers shall be elected by the Manager(s) and shall hold office for the term of one (1) year or until their successors are elected and qualified, unless sooner removed by the Manager(s). Any person may hold two or more offices. The failure to elect a President, Vice President, Secretary, or Treasurer or any other office, shall not affect the existence of the Company.

4.5 Vacancies. A vacancy in any office due to death, resignation, removal, disqualification, or any other reason may be filled by the Manager(s) for the unexpired portion of the applicable term.

4.6 Removal. The President, Vice President, Secretary or Treasurer or any such other officer elected by the Manager(s) may be removed from office with or without cause, at any time, by the Manager(s).

A R T I C L E 5

UNITS

5.1 Units. The membership interests in the Company shall be represented by Units and the Units shall initially be divided between the TRGD Shareholder Units representing in the aggregate 66.5% of all Units in the Company and the TRGD Officer and Director Units representing in the aggregate 33.5% of all Units in the Company, each of which will have equal rights and privileges as set forth in this Agreement.

5.2 Company Units. Except as otherwise provided herein, all Units shall represent an equal right to share in the Profits and Losses of the Company and to receive

Distributions of the Company's assets in accordance with the provisions of this Agreement and applicable law. Upon issuance in accordance with the terms of this Agreement, all Company Units will be validly issued, fully paid and non-assessable. On any matter subject to a vote of the Members holding units, each Unit shall be entitled to one (1) vote.

5.3 Members. The name and the number of Units or other interests of the Company held by each Member shall be set forth on Exhibit A to this Agreement. The Manager(s) shall cause Exhibit A to be amended from time to time to reflect the addition or withdrawal of Members, the issuance of additional Units or other interests of the Company or transfers of Units or other interests, in accordance with the terms of this Agreement. In connection with its admission, and as a precondition thereto, each Member shall execute a counterpart of this Agreement or other writing agreeing to be bound by the terms and conditions hereof. If at any time a Member (other than a Preferred Equity Contributor Member) shall cease to own any Units, such person shall cease to be a Member of the Company.

ARTICLE 6

CAPITAL CONTRIBUTIONS

6.1 Contributions of Members.

(a) Each of the Members shall contribute to the Company the Capital Contribution agreed to by the Members, as set forth on Exhibit A and shall receive the Units (or Preferred Interest) and (in the case of owners of Units) have the Percentage Interest in the Company set forth next to such Member's name on Exhibit A.

(b) In the event the Managers determine that additional capital is needed in order to maintain the current operations of the Company, the Managers shall provide written notice of such capital requirement to each Member (other than the Preferred Equity Contribution Member), which notice shall set forth the total capital requirement, the purpose for which such capital is needed, and each individual Member's share of such capital requirement (which shall be equal to such Member's Percentage Interest). In the event a Member has not contributed its proportionate share of the required capital within five (5) days after receipt of such notice, or such longer period as may be set forth in the notice, the other Members may, on a pro-rated basis among Members desiring to participate (which proration shall be based on relative Percentage Interests), pay such contributions, in which case all such contributions made shall be deemed to be (1) capital and/or (2) loans from such Members to the Company ("Member Loans"). All Member Loans shall bear interest until paid at the prime rate, as announced in the Orlando Sentinel on the date such Member Loans are made, plus two percent (2%) and shall be payable in accordance with Section 8.1 and/or Section 8.3 below; provided, however, that in any event all Member Loans shall be paid in full within ten (10) years after the date such Member Loans are made.

(c) In the event the Company becomes a member or partner in a limited liability company or a partnership, and pursuant to the terms of the

applicable operating agreement and/or partnership agreement the Company has a deficit restoration obligation (“DRO”), then each Member (other than the Preferred Equity Contribution Member) shall be required to make such Capital Contributions as are necessary, each in its pro rata share (equal to each Member’s Percentage Interest), so that the Company can meet its obligations under the applicable DRO.

6.2 Company Capital. The Company Capital shall be as described on Exhibit A.

6.3 Capital Accounts.

(a) Each Member shall have a Capital Account maintained in accordance with the rules in Section 1.704-1(b)(2)(iv) of the Treasury Regulations, which generally require that each Capital Account be increased by (i) the amount of money contributed by the Member to the Company, (ii) the amount of any Company liabilities assumed by the Member (other than liabilities described in subparagraph (x), below), (iii) the initial Gross Asset Value of property contributed by the Member to the Company (net of liabilities secured by the contributed property that the Company is deemed to assume or take subject to under Section 752 of the Code), and (iv) allocations to the Member of Operating Net Profit and Gains from Capital Transactions (or items thereof) and be decreased by (w) the amount of money distributed to the Member by the Company, (x) the Gross Asset Value of property distributed to the Member by the Company (net of liabilities secured by the distributed property that the Member or assignee is considered to assume or take subject to under Section 752 of the Code), (y) allocations to the Member of Operating Net Losses and Losses from Capital Transactions (or items thereof).

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

(c) In determining the amount of any liability for purposes of clause (A) above, there will be taken into account Code Section 752(c) and any other applicable provisions of the Code and Treasury Regulations. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and will be interpreted and applied in a manner consistent with those Treasury Regulations. In the event the Managers determine in good faith and on a commercially reasonable basis that it is prudent to modify the manner in which the Capital Accounts or any debits or credits thereto are computed in order to comply with those Treasury Regulations, the Managers may make such modification; provided that the Managers shall promptly give each other Member written notice of the modification and shall obtain the prior written consent of a Member to such adjustment if such adjustment would adversely affect such Member. The Managers also shall, in good faith and on a commercially reasonable basis, (1) make any adjustments to the Capital Accounts that are necessary or appropriate to maintain equality between the aggregate Capital Accounts of the Members and the amount of capital reflected on the Company’s balance sheet, as computed for book purposes, in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(q) and (2) make any appropriate modifications to the Capital Accounts in the event unanticipated events might otherwise cause this Agreement not to comply with Treasury Regulations Section 1.704-1(b).

6.4 Limited Liability of Members. The liability of the Members shall be limited to the Capital Contributions made by each Member pursuant to Section 6.1. Unless otherwise provided herein, the Members shall not have any other liability to contribute money to, or in respect of the liabilities or obligations of, the Company, nor shall the Members be personally liable for any obligations of the Company.

6.5 No Interest on Capital Contributions. Except as provided herein, no interest or additional share of Net Cash Flow shall be paid or credited to the Members or any assignee on their Capital Accounts or on any undistributed Net Cash Flow or funds left on deposit with the Company.

A R T I C L E 7

ALLOCATION OF PROFITS AND LOSSES

7.1 General. After giving effect to the special allocations set forth in Section 7.2, Profits and Losses for any fiscal year or other period will be allocated among the Members as follows:

(a) Net Operating Profits (and if necessary, gross income) shall be allocated as follows:

1) First, to each Preferred Equity Contributor Member, pari passu, in accordance with any Preferred Equity Return outstanding until each such Preferred Equity Contributor Member has received a cumulative amount pursuant to this Section 7.1(a)(1) and Section 7.1(b)(1) equal to the cumulative amount distributed to date or to be distributed with respect to the current calendar year pursuant to the combination of Section 8.1(a) and Section 8.3(a); and

2) Thereafter, among the Members pari passu in accordance with their Percentage Interests.

(b) Gains from Capital Transactions shall be allocated as follow:

1) First, to each Preferred Equity Contributor Member, pari passu, in accordance with any Preferred Equity Return outstanding until each such Preferred Equity Contributor Member has received a cumulative amount pursuant to this Section 7.1(b)(1) and Section 7.1(a)(1) equal to the cumulative amount distributed to date or to be distributed with respect to the current calendar year pursuant to the combination of Section 8.1(a), Section 8.3(a) and Section 8.4(a); and

2) Thereafter, among the Members pari passu in accordance with their Percentage Interests.

(c) Net Operating Losses and Losses from Capital Transactions shall be allocated as follows:

1) First, pari passu among the Members in proportion to the Members' Adjusted Capital Account Balances until the Adjusted Capital Account Balances of all the Members have been reduced to \$0; and

2) Thereafter, among the Members pari passu in accordance with their Percentage Interests.

7.2 Special Allocations. The following allocations shall be made in the following order:

(a) Minimum Gain Chargeback. If there is a net decrease in Partnership Minimum Gain during a fiscal year, each Member shall be allocated items of income and gain for that year (and, if necessary, for subsequent years) in proportion to, and to the extent of, an amount equal to the Member's share of the net decrease in Partnership Minimum Gain during that year. This Section 7.2(a) is intended to constitute a "minimum gain chargeback" within the meaning of Section 1.704-2(f) of the Treasury Regulations and shall be interpreted consistently with that Section.

(b) Partner Minimum Gain Chargeback. If there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Company fiscal year, each Member who has a share of the Partner Minimum Gain determined in accordance with Section 1.704-2(i)(5) of the Treasury Regulations, shall be specially allocated items of Company income and gain for that year (and if necessary for subsequent years) in an amount equal to that Member's share of the net decrease in Partner Minimum Gain, determined in accordance with Section 1.704-2(i)(4) of the Treasury Regulations. This Section 7.2(b) is intended to comply with the "partner nonrecourse debt minimum gain chargeback" requirement within the meaning of Section 1.704-2(i)(4) of the Treasury Regulations and shall be interpreted consistently with that Section.

(c) Qualified Income Offset. If any Member unexpectedly receives an adjustment, allocation or distribution described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Treasury Regulations that results in the Member having a deficit in their Adjusted Capital Account balance after all other allocations under this Article 7, other than this Section 7.2(c), have tentatively been made, then the Member shall be allocated items of income and gain in an amount and manner sufficient to eliminate the deficit Adjusted Capital Account balance as quickly as possible. This Section 7.2(c) is intended to constitute a "qualified income offset" as defined under Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations.

(d) Gross Income Allocation. In the event that any Member has a deficit in their Adjusted Capital Account balance at the end of any fiscal year or other period, the Member will be allocated items of Company income and gain in the amount of the deficit as quickly as possible; provided that an allocation pursuant to this Section 7.2(d) will be made only if and to the extent that the Member would have a deficit in their Adjusted Capital Account after all other allocations provided for in this Section 7.2 have been tentatively made as if Section 7.2(c) and this Section 7.2(d) were not in this Section 7.2.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other period will be specially allocated to the Members pro-rata in proportion to their relative Percentage Interests.

(f) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Allocation Year will be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which the Member Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i)(1).

(g) Section 754 Adjustment. To the extent an adjustment to the adjusted tax basis of any Company Property pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) or (m)(4), to be taken into account in determining Capital Accounts, the amount of the adjustment to the Capital Accounts will be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis), and the gain or loss will be specially allocated to the Members in accordance with their interests in the Company in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom the distribution was made in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(h) Special Allocation of Interest Deductions from Related Party Loans. In the event a loan is made to the Company from an entity that is beneficially owned by one or more of the Members of the Company (a "Related Party Lender"), the Managers shall specially allocate any interest deductions resulting from such loan among the Members who beneficially own the Related Party Lender in the same proportion as their beneficial ownership of the Related Party Lender.

7.3 General Provisions. Whenever a proportionate part of Company Profit or Loss is credited or debited to a Member's Capital Account, every item of income, gain, loss, deduction or credit entering into the computation of the net Profit or Loss, or applicable to the period during which the net Profit or Loss is realized, shall be considered credited or debited, as the case may be, to the account in the same proportion. As between the Member and a transferee of the Member, unless otherwise agreed by them or with respect to the Members upon the admission of a new Member, net Profits and Losses for the fiscal year (or portion thereof, as the case may be) shall be determined by an interim closing of the Company's books and records, as if the fiscal year had closed on the day prior to the date of Transfer or admission, as the case may be, and the Member(s) who have been admitted shall be allocated net Profits and Losses with respect to the period commencing with the day of Transfer or admission.

7.4 Tax Allocations. All items of Company income, gain, loss and deduction, including Nonrecourse Deductions, shall be allocated for federal, state and local income tax purposes to and among the Members in the same manner that the corresponding items of Company income, gain, loss and deduction are allocated for book purposes, except as otherwise provided in this Article 7.

7.5 Allocation of Inherent Gain in Property.

(a) Pursuant to Section 704 of the Code and the Treasury Regulations thereunder, income, gain, loss and deduction with respect to property contributed to the capital of the Company by the Members (or property whose basis is determined by reference solely to the Member who contributed the property) shall be allocated to take account of any variation between the adjusted basis of the property for federal income tax purposes and its initial Gross Asset Value. Any election or other decision relating to allocations under this Section 7.5(a) will be made in any manner that the Managers determine reasonably reflects the purpose and intent of this Agreement. This Section 7.5(a) is intended to comply with Section 704(c) of the Code and shall be interpreted consistent with that Section. All net Profits and Losses, as the case may be, allocated to the Members pursuant to this Section 7.5(a) shall not increase or decrease the Capital Accounts of the Members.

(b) If the Gross Asset Value of any Company asset is adjusted pursuant to clause (b) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss and deduction regarding that asset shall take account of the variation, if any, between the adjusted basis of the asset for federal income tax purposes and its Gross Asset Value in the same manner as such variations are computed under Section 704(c) of the Code and the Treasury Regulations thereunder. Net Profits and Losses, as the case may be, allocated to the Members pursuant to this Section 7.5(b) shall not increase or decrease the Capital Accounts of the Members.

7.6 Assignees. An assignee shall be treated as a Member with regard to the allocations described in this Article 7.

A R T I C L E 8

DISTRIBUTIONS

8.1 Cash Flow. As directed by the Members, the Manager(s) may make distributions of the Net Cash Flow of the Company within forty-five (45) days after the conclusion of each calendar quarter. Distributions of Net Cash Flow shall be made to the Members at the addresses specified on the signature pages of this Agreement or such other address contained in a written notice from the Member to the Company. Distributions of Net Cash Flow shall be made:

(a) First, to each Preferred Equity Contributor Member, pari passu, until each such Preferred Equity Contributor Member has received a cumulative amount pursuant to Section 8.3(a), Section 8.4(a) and this Section 8.1(a) equal to the Preferred Equity Return on the unreturned portion of each such Preferred Equity Contributor Member's Preferred Equity Contribution;

(b) Thereafter, to each Preferred Equity Contributor Member, pari passu, until each such Preferred Equity Contributor Member has received a cumulative amount pursuant to Section 8.3(b), Section 8.4(b) and this Section 8.1(b) equal to such Preferred Equity Contributor Member's Preferred Equity Contribution;

(c) Thereafter, to the repayment of any note outstanding and issued pursuant to Section 9.4(j);

(d) Thereafter, to pay to Members with outstanding Member Loans, accrued but unpaid interest on all Member Loans on a proportionate basis, in accordance with the relative accrued interest amount owed to such Members;

(e) Thereafter, to pay to Members with outstanding Members Loans, all unpaid principal amounts owed in connection with Members Loans on a proportionate basis, in accordance with the relative outstanding principal amounts owed to such Members; and

(f) Thereafter (and after all Member Loans have been paid in full) to the Members (other than each Preferred Equity Contributor Member) in accordance with their relative Percentage Interests.

Provided, however, that from and after repayment in full of any Preferred Equity Contribution and Preferred Equity Return, the Managers shall be permitted to make distributions to one or more Members from time to time to cause the relative balances of the Members' respective Capital Accounts to conform to the Members' respective Percentage Interests as set forth on Exhibit A.

8.2 Limitation. Except in the case of liquidation of the Company, at the time of a distribution of Net Cash Flow, the Company must have available to it unencumbered cash funds sufficient for the distribution, after taking into account the amounts needed for a reasonable reserve for the continuing conduct of the business of the Company and for normal working capital. In addition, the distribution may not impair the capital of the Company as described in the Act.

8.3 Capital Proceeds. If Capital Proceeds are received by the Company (except in the case of a liquidation of all assets of the Company, in which case the provisions of Section 12.3 shall be applicable), the Capital Proceeds shall be distributed:

(a) First, to each Preferred Equity Contributor Member, pari passu, until each such Preferred Equity Contributor Member has received a cumulative amount pursuant to Section 8.1(a), Section 8.4(a) and this Section 8.3(a) equal to the Preferred Equity Return on the unreturned portion of each such Preferred Equity Contributor Member's Preferred Equity Contribution;

(b) Thereafter, to each Preferred Equity Contributor Member, pari passu, until the Preferred Equity Contributor Member has received a cumulative amount pursuant to Section 8.1(b), Section 8.4(b) and this Section 8.3(b) equal to each such Preferred Equity Contributor Member's Preferred Equity Contribution;

(c) Thereafter, to the repayment of any note outstanding and issued pursuant to Section 9.4(j);

(d) Thereafter, to pay Members with outstanding Member Loans, accrued but unpaid interest on all Member Loans on a proportionate basis, in accordance with the relative accrued interest amounts owed to such Members;

(e) Thereafter, to pay to Members with outstanding Member Loans, all unpaid principal amounts owed in connection with Member Loans on a proportionate basis, in accordance with the relative outstanding principal amounts owed to such Members; and

(f) Thereafter (and after all Member Loans have been paid in full) to the Members in accordance with their Percentage Interests.

Provided, however, that from and after repayment in full of the Preferred Equity Contribution and Preferred Equity Return, the Managers shall be permitted to make distributions to one or more Members from time to time to cause the relative balances of the Members' respective Capital Accounts to conform to the Members' respective Percentage Interests as set forth on Exhibit A.

8.4 Capital Proceeds from a Refinancing. If Capital Proceeds from a Refinancing are received by the Company, such Capital Proceeds from a Refinancing shall be distributed:

(a) First, to each Preferred Equity Contributor Member, pari passu, until each such Preferred Equity Contributor Member has received a cumulative amount pursuant to Section 8.1(a), Section 8.3(a) and this Section 8.4(a) equal to the Preferred Equity Return on the unreturned portion of each such Preferred Equity Contributor Member's Preferred Equity Contribution;

(b) Thereafter, to each Preferred Equity Contributor Member, pari passu, until the Preferred Equity Contributor Member has received a cumulative amount pursuant to Section 8.1(b), Section 8.3(b) and this Section 8.4(b) equal to each such Preferred Equity Contributor Member's Preferred Equity Contribution;

(c) Thereafter, to the repayment of any note outstanding and issued pursuant to Section 9.4(j);

(d) Thereafter, to pay Members with outstanding Member Loans, accrued but unpaid interest on all Member Loans on a proportionate basis, in accordance with the relative accrued interest amounts owed to such Members;

(e) Thereafter, to pay to Members with outstanding Member Loans, all unpaid principal amounts owed in connection with Member Loans on a proportionate basis, in accordance with the relative outstanding principal amounts owed to such Members; and

(f) Thereafter (and after all Member Loans have been paid in full) to the Members in accordance with their Percentage Interests.

Provided, however, that from and after repayment in full of the Preferred Equity Contribution and Preferred Equity Return, the Managers shall be permitted to make distributions to one or more Members from time to time to cause the relative balances of the Members' respective Capital Accounts to conform to the Members' respective Percentage Interests as set forth on Exhibit A.

8.5 Distribution of Assets in Kind. If assets of the Company are distributed in kind, they shall be distributed to the Members entitled to them as tenants in-common in the same proportions in which the Members would have been entitled to cash distributions had there been a sale of these assets.

8.6 Demand for Distribution. No Member shall be entitled to demand and receive a distribution of Company property in return for his Capital Contributions to the Company, except as provided in the Act.

8.7 Assignees. An assignee receiving an interest in accordance with this Agreement shall be treated as a Member with regard to the distributions described in this Article 8; provided that an assignee shall have no voting rights contemplated by Section 8.1 above and no demand rights, as set forth in Section 8.6 above.

A R T I C L E 9

CONTROL AND MANAGEMENT

9.1 Partnership Representative.

(a) A Member appointed by the vote of the Members owning a majority of the Units shall serve as the "partnership representative" of the Company within the meaning of Section 6223(a) of the Code. If any state or local tax law provides for a partnership representative or person having similar rights, powers, authority or obligations, the person designated above shall also serve in such capacity (in any such federal, state or local capacity, the "Partnership Representative"). The Partnership Representative may name a replacement Partnership Representative at any time; provided, however, that the designated Partnership Representative shall serve as the Partnership Representative until resignation, death, incapacity, or removal. In such capacity, the Partnership Representative shall have all of the rights, authority and power, and shall be subject to all of the obligations, of a partnership representative to the extent provided in the Code and the Regulations, and the Members hereby agree to be bound by any actions taken by the Partnership Representative in such capacity. The Partnership Representative shall represent the Company in all Tax matters to the extent allowed by law.

(b) Each Member hereby covenants to cooperate with the Partnership Representative and to do or refrain from doing any or all things reasonably requested

by the Partnership Representative with respect to examinations of the Company's affairs by tax authorities (including, without limitation, promptly filing amended tax returns and promptly paying any related taxes, including penalties and interest) and shall provide promptly and update as necessary at any times requested by the Partnership Representative, all information, documents, self-certifications, tax identification numbers, tax forms, and verifications thereof, that the Partnership Representative deems necessary.

The Partnership Representative shall keep the Members reasonably informed as to the status of any tax investigations, audits, lawsuits or other judicial or administrative tax proceedings and shall promptly copy all other Members on any correspondence to or from the IRS or applicable state, local or foreign tax authority relating to such proceedings

9.2 Intentionally Left Blank.

9.3 Management and Control of the Company — Managers. The Managers shall have, except as specifically limited in this Agreement, full and exclusive authority in the management and control of the Company, and shall have all the rights and powers which are otherwise conferred by law or are necessary or advisable for the discharge of their duties and the management of the business and affairs of the Company. In the event the Managers elect officers of the Company as provided in Section 4.4, the Managers may delegate some or all of his rights and powers to one or more such officers. If there is more than one Manager, any one Manager shall have authority to act alone (without any other Managers) on behalf of the Company and to bind the Company with respect to any matter.

9.4 Expressly Authorized Rights and Powers. Without limiting the generality of Section 9.3, but subject to the provisions of this Section 9.4, the Managers (or one or more officers, if so authorized in writing by the Managers) is expressly authorized on behalf of the Company to:

(a) procure and maintain with responsible companies such insurance as may be advisable in such amounts and covering such risks as are deemed appropriate by the Managers;

(b) take and hold any assets of the Company in the Company name, or in the name of a nominee of the Company;

(c) execute and deliver on behalf of and in the name of the Company, or in the name of a nominee of the Company, all instruments necessary or incidental to the conduct of the Company's business;

(d) protect and preserve the assets of the Company and incur indebtedness in the ordinary course of business;

(e) will, dispose of, trade, exchange, convey, quitclaim, surrender, release or abandon, upon terms and conditions which the Managers may negotiate and deem appropriate, personal property of the Company in the ordinary course of business;

(f) execute and deliver documents and instruments on behalf of the Company in connection with the acquisition and disposition of its assets, and to execute, terminate, modify, enforce, continue or otherwise deal with any Company indebtedness and security interests, to sell Company assets, and to take any other action with respect to agreements made between the Company and a lender or any affiliate thereof, all subject to the limitations of Section 8.6;

(g) open Company bank accounts in which all Company funds shall be deposited and from which payments shall be made;

(h) invest Company funds and working capital reserves;

(i) accept Member Loans in accordance with Section 6.1(b) above; and

(j) borrow funds, including loans from Members and/or affiliates of Members to be utilized by the Company as equity capital in the Project, on such terms as the Managers may approve, and as documented by one or more notes and a loan agreement.

9.5 Certain Limitations. Notwithstanding the generality of the foregoing, and in addition to other acts expressly prohibited by this Agreement or by law, neither the Managers nor any of the officers (if officers have been elected as permitted herein) shall have the authority to do any of the following acts without the consent of the Members owning a majority of the Units:

(a) do any act in contravention of this Agreement;

(b) do any act which would make it impossible to carry on the ordinary business of the Company, except as expressly provided in this Agreement;

(c) confess a judgment against the Company or otherwise settle or compromise any litigation or other adversarial proceeding;

(d) execute or deliver any general assignment for the benefit of the creditors of the Company;

(e) assign rights in specific Company property for other than a Company purpose;

(f) knowingly do any act (except an act expressly required by this Agreement) which would cause the Company to become an association taxable as a corporation;

(g) sell all or substantially all of the assets of the Company, or cause the Company to merge with another entity;

(h) increase any salary by more than twenty percent (20%) annually or pay any bonuses or commissions in excess of \$10,000 to any employee, specifically including the Managers;

(i) enter into or amend any contracts with a Manager or any Affiliate of a Manager;

(j) enter into any contract or bind the Company to any debt, obligation, or liability that obligates the Company to spend in excess of \$50,000 or that may not be terminated at the will of the Company on thirty (30) days or less notice; or

(k) encumber, pledge, or allow a lien to be created against any assets of the Company.

ARTICLE 10

TRANSFER OF UNITS

10.1 General Provision. Except for transfers to and among Family Members, Members may not Transfer all or any part of their Units and no person shall become an assignee or be admitted to the Company as a Member, except as permitted in this Article 10. All Transfers in contravention of this Article 10 shall be null and void ab initio.

10.2 Transfers by Members. Unless a transferee receives the unanimous written consent of the Members that such transferee shall have all rights of a Member hereunder, a transferee of all or any portion of a Member's Units shall merely be an assignee of the transferor Member's right to receive its share of allocations and distributions from the Company (as set forth in Articles 7 and 8 above and Section 12.3(c) below) and shall have no other rights as a Member (including in particular voting rights). The Units held by an assignee shall not be included in the determination of voting requirements. If the Members consent to a transferee attaining to all the rights of a Member (which consent shall be at the sole discretion of the Members), and the transferee executes an instrument reasonably satisfactory to all of the Members accepting and adopting this Agreement and pays all expenses in connection therewith, the transferee may become a Member of the Company. Further, no Transfer may be effected unless in the opinion of counsel satisfactory to the all of the Members, the Transfer (1) complies with the Securities Act of 1933 and applicable securities laws of other jurisdictions, and (2) does not violate any other applicable laws or agreements by which the Company or its assets are bound. All restrictions and obligations imposed on a Member hereunder, in particular, the restrictions described in this Section 10, shall apply to an assignee.

The Preferred Equity Contributor Member shall be deemed to have withdrawn from the Company upon full payment of its Preferred Equity Contribution, at which time, the Preferred Equity Contributor Member shall execute such documents or instruments as the Managers deem necessary to evidence its withdrawal from the Company.

10.3 Acknowledgment of Restrictions. Each Member acknowledges that the Member's interest in the Company has not been registered under the Securities Act of 1933 and transfer or resale of such interest is limited as contained in this Article 10.

10.4 Effectiveness of Transfer.

(a) The Transfer by a Member or an assignee of all or any part of his Units shall become effective on the first day of the month following receipt by the Company of evidence of the Transfer in form and substance reasonably satisfactory to the Company and a Transfer fee sufficient to cover all reasonable expenses of the Company connected with the Transfer.

(b) No Transfer that violates this Article 10 (in particular Section 10.5 below) shall be valid or effective, and the Company shall not recognize the purported Transfer for the purposes of allocating net profits and losses in accordance with Article 7 or making distributions in accordance with Article 8. The Company may enforce the provisions of this Article 10 directly or indirectly or through its agents by entering an appropriate stop transfer order on its books or otherwise refusing to register or transfer or permit the registration or transfer on its books of any proposed Transfers not made in full compliance with this Article 10.

(c) The Company shall, from the time, whenever Units are registered in the name of the transferee on the Company's books in accordance with the above provisions, pay to the transferee all further distributions or other compensation by way of income or return of capital, on account of the Units transferred. Until the Transfer is registered on the Company's books, the Company may proceed as if no Transfer had occurred. A transferee shall assume that portion of the transferor's Capital Account existing as of the effective date of the Transfer that corresponds to the proportion of the transferor's Units transferred to such transferee.

10.5 Right of First Refusal.

(a) In the event that a Member (the "Selling Member") wishes to dispose of all or part of his ownership interest in the Company (the "Offered Interest"), whether voluntarily or involuntarily, the Selling Member shall notify the Company and the other Members of the identity of the Selling Member, the proposed purchaser or purchasers, the Offered Interest; and the proposed price and terms of sale. The notice to the Company and to the other Members shall be in writing.

(b) The Company, upon receiving the notice required in subsection (a), shall have a right of first refusal to distribute cash in liquidation of all of the Offered Interest at the price offered by the proposed purchaser. Any such distributions by the Company shall be on the terms offered by the proposed purchaser. The Company shall exercise its right to liquidate the Offered Interest by the Managers or, if no Manager exists or a Manager is a Selling Member, a designated Member giving notice to the Selling Member, indicating the Offered Interest that the Company will liquidate, within thirty (30) days following receipt of the notice from the Selling Member. The decision to liquidate such

Offered Interest shall be made by the affirmative vote of Members (other than the Selling Member) owning more than fifty percent (50%) of the Units (excluding the Units owned by the Selling Member) of the Company.

(c) If the Company does not exercise its right to liquidate all of the Offered Interest within the thirty (30) day period, the other Members shall have the right to purchase all, but not less than all, of the Offered Interest at the same price and on the same terms as were available to the Company. In order to exercise this right to purchase, the other Member or Members, on or before the tenth (10th) day after receiving notice from the Company that the Company does not intend to liquidate all of the Offered Interest, or, alternatively, on or before the tenth (10th) day after the expiration of the thirty (30) day period during which the Company had the right to liquidate the Offered Interest, whichever is sooner, shall deliver to the Managers a written election to purchase so much of the available Offered Interest as the Member or Members desire to purchase. The written election shall specify the Offered Interest to be purchased, the price, and the terms of purchase. If the total Offered Interest that all other Members desire to purchase exceeds the available Offered Interest, then the Offered Interest shall be allocated to the Members electing to purchase in accordance with the following formula: each "purchasing" Member shall have the priority, up to the Offered Interest set forth in his written election, to that fraction of the available Offered Interest in which the numerator is the Units owned by the Member and the denominator is the Units owned by all other "purchasing" Members. The available Offered Interest not purchased on this priority basis shall be allocated in one or more successive allocations to those Members who have indicated in their written elections that they desire to purchase more than the number of Offered Interest to which they have a priority right. The Offered Interest shall continue to be allocated proportionally using a fraction in which the numerator is the Units owned by the "purchasing" Member and the denominator is the Units owned by all other remaining "purchasing" Members.

(d) If neither the Company nor the other Members together timely exercise their liquidation and purchase rights, respectively, as provided herein with respect to all of the Offered Interest, then the Selling Member shall be free for a period of ninety (90) days thereafter to sell the entire Offered Interest to the purchaser or purchasers indicated on the notice of intended sale; provided that the sale must be at the same price, and on the same terms as were set forth in the notice of intended sale.

(e) A purchaser or purchasers of the Offered Interest hereunder shall be an assignee, subject to the provisions of Section 10.2 above.

ARTICLE 11

BOOKS OF ACCOUNT FINANCIAL REPORTS RECORDS FISCAL YEAR, BANKING AND ACCOUNTING DECISIONS

11.1 Books of Account. The Company shall keep adequate books and records of the Company wherein shall be recorded and reflected all of the capital contributions of the Members to the Company and all of the income, expenses and transactions of the

Company. The books and records shall be kept at the principal place and business of the Company, and each Member and his authorized representative shall have, at reasonable times during normal business hours, free access to and the right to inspect and, at his expense, copy such books and records of the Company, including a list of the names and addresses and interests owned of each of the Members.

11.2 Bank Accounts, Funds and Assets. The funds of the Company shall be deposited in such bank or banks as shall be deemed appropriate by the Manager(s). Such funds shall be withdrawn only by such authorized persons as may be designated by the Manager(s).

11.3 Tax Returns and Reports. Appropriate tax returns and reports for the Company shall be prepared and timely filed with the proper authorities. The Company shall also cause to be prepared and timely filed, with appropriate federal and state regulatory and administrative bodies, all reports required to be filed with such entities under then current applicable laws, rules and regulations. Any Member shall be provided with a copy of any such report upon request without expense to the Member.

11.4 Reports and Financial Statements. The Company shall provide the following reports and financial statements to the Members:

(a) by March 1 of each fiscal year a balance sheet as of the end of the immediately preceding fiscal year, together with related statements of income, Members' equity, and a statement of cash flows; and

(b) as soon as practical after the end of each fiscal year but not later than March 15, all information necessary for the preparation of a Member's federal income tax return.

11.5 Fiscal Year. Unless otherwise determined pursuant to Code section 706(b), the fiscal year of the Company for both reporting and federal income tax purposes shall begin with the 1st day of January and end on the 31st day of December in each calendar year.

A R T I C L E 1 2

DISSOLUTION AND TERMINATION

12.1 Dissolution of Company. The term of the Company began on September 21, 2022, and shall be dissolved and its business shall terminate upon the earliest occurrence of any of the following events;

(a) delivery to the Managers of a written agreement in which all Members approve of the dissolution of the Company;

(b) the sale, exchange, forfeiture or other disposition of all or substantially all the properties of the Company, unless all Members agree otherwise; or

(c) any event described in the Act (or successor provision of the Act) for a limited liability company with perpetual life.

The Company shall continue to exist after the happening of any of the foregoing events solely for the purpose of winding up its affairs in accordance with the Act.

12.2 Procedure on Liquidation. Unless the business of the Company is continued pursuant to the provisions of this Agreement, upon the dissolution of the Company, the person or persons required by law to wind up the Company's affairs shall liquidate the assets of the Company and apply the proceeds of liquidation in the order of priority provided in Section 12.3 for the fiscal year of liquidation. A reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the discharge of its liabilities to minimize losses that might otherwise occur in connection with the liquidation. The Company shall follow the procedures contained in the Act in connection with the liquidation of the Company. Upon liquidation and winding up of the Company, unsold Company property shall be valued to determine the gain or loss that would have resulted if the property were sold, and the Capital Accounts of the Members that have been maintained in accordance with this Agreement shall be adjusted for the gain or loss that would have been allocated if the property had been sold at its assigned values. Upon completion of the liquidation of the Company and distribution of the proceeds, the person supervising the liquidation shall file articles of dissolution with the Secretary of State.

12.3 Liquidation Proceeds. The proceeds from the liquidation of the assets of the Company (including any proceeds from the collection of the receivables of the Company) and the assets distributed in kind shall be distributed in the following order of priority:

(a) first, to the payment of debts and liabilities of the Company which are due and owing, except that expenses or debts that may be deferred in accordance with an agreement providing for deferral may be deferred to the extent that the Company expects to receive proceeds that can be used to satisfy the expenses and debts;

(b) second, to the setting up and disbursement of reserves for payment of contingent liabilities or obligations of the Company, and, at the expiration of the reserve period, the balance of the reserves, if any, shall be distributed as liquidating proceeds received at the end of the reserve period; and

(c) third, in the order and priority set forth in Section 8.3 hereof, first taking into account any allocation of Profits and Losses provided pursuant to Section 7.1 hereof.

(d) All distributions pursuant to clause (c) shall be made no later than the end of the Company's fiscal year during which the liquidation of the Company occurs (or, if later, within 90 days after the date of the liquidation.) An assignee shall be treated as a Member for purposes of Section 12.3(c) only.

12.4 Deficit Make-Up Obligation. If any of the Members have an Adjusted Capital Account Deficit (after giving effect to all contributions, distributions and allocations to be made with respect to such Member) at the time the Company is liquidated (as such term is defined in Treasury Regulations Section 1.704-1(b)(2)(ii)(g)), or such Member's interests in the Company is liquidated, such Member shall contribute to the capital of the Company the amount necessary to restore such deficit balance to zero in compliance with Treasury Regulations Section 1.704-1(b)(2)(ii)(b)(3).

A R T I C L E 1 3

INDEMNIFICATION OF MEMBERS

13.1 Right to Indemnification. Each person (including the heirs, executors, administrators, and estate to each person) (1) who is or was a Member, (2) who is or was a Manager of the Company, or (3) who is or was serving at the request of the Company in the position of a director, officer, trustee, partner, agent, or employee of another corporation, partnership, joint venture, trust or other enterprise and as to whom the Company has agreed to grant an indemnity hereunder, shall be indemnified by the Company as of right to the fullest extent permitted or authorized by the Act or future legislation or by current or future judicial or administrative decision (but, in the case of future legislation or decision, only to the extent that it permits the Company to provide broader indemnification rights than permitted prior to the legislation or decision), against all fines, liabilities, settlements, losses, damages, costs and expenses, including attorneys' fees, asserted against him or incurred by him in his capacity as a Member, Manager, director, officer, trustee, partner, agent or employee, or arising out of his status as a director, officer, trustee, partner, agent or employee. The foregoing right of indemnification shall not be exclusive of other rights to which those seeking indemnification may be entitled. The Company may maintain insurance, at its expense, to protect itself and the indemnified persons against all fines, liabilities, costs and expenses, including attorneys' fees, whether or not the Company would have the legal power to indemnify him directly against such liability.

13.2 Advances. Costs, charges and expenses (including attorneys' fees) incurred by a person referred to in Section 13.1 of this Article in defending a civil or criminal suit, action or proceeding shall be paid by the Company in advance of the final disposition thereof upon receipt of an undertaking to repay all amounts advanced if it is ultimately determined that the person is not entitled to be indemnified by the Company as authorized by this Article and upon satisfaction of other conditions established from time to time by the Managers or as required by current or future legislation (but, with respect to future legislation, only to the extent that it provides conditions less burdensome than those previously provided).

ARTICLE 14

INVESTMENT REPRESENTATIONS AND WARRANTIES

Each Member represents and warrants as follows:

14.1 Each Member has been furnished with all additional documents and information about the Company which such Member has requested and has had access to full and fair disclosure of all material information concerning the Company;

14.2 In determining to purchase an ownership interest in the Company, each Member has relied only on the foregoing information and the documents reviewed during such Member's due diligence investigation of the Company and has not relied on any representations of the Company or its agents other than those contained in this Agreement;

14.3 Each Member is acquiring an ownership interest in the Company for such Member's own account and not on behalf of other persons and such Member is acquiring such interest for investment purposes only and not with a view to the resale or distribution thereof; neither Member has any contract, agreement or arrangement with any person or entity to sell, transfer, or pledge to such person or entity such interest which such Member is acquiring and neither Member has any present plan to enter into any such contract, agreement or arrangement;

14.4 Each Member recognizes that the information furnished by the Company or its agents does not constitute investment, accounting, legal or tax advice, Each Member is relying on such Member's own professional advisors for such advice;

14.5 Each Member is an "accredited investor" as defined in Regulation D of the Securities Act of 1933;

14.6 Each Member has adequate means for providing for such Member's current needs and contingencies, has no need for liquidity in this investment and is able to stand a complete loss of such Member's investment; and

14.7 Each Member has knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Company.

ARTICLE 15

MISCELLANEOUS

15.1 Deadlock. [Intentionally Deleted]

15.2 Notices. All notices, payments, demands and communications required or permitted to be given by this Agreement shall be in writing and shall be deemed to have been delivered and given for all purposes (a) if delivered personally to the party or to an officer of the party to whom the same is directed or (b) whether or not the

same is actually received, if sent by registered or certified mail, postage and charges prepaid, addressed to the addresses set forth on the signature page of this Agreement or to such other address as such Member from time to time specifies by written notice to the Company. Any notice shall be deemed to have been given as of the date delivered if delivered personally, or three days after the date on which it was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as aforesaid. Any notice may be waived by the person entitled to receive the notice.

15.3 Section Captions. Section and other captions contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of any part of this Agreement.

15.4 Severability. Every provision of this Agreement is intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, the illegality or invalidity shall not affect the validity of the remainder of this Agreement.

15.5 Amendments. Subject to the limitations contained in this Section 15.5, the Managers, by unanimous agreement, may amend this Agreement at any time and for any reason. Additionally, the Members may amend this Agreement by the approval of Members who, collectively, hold two-thirds (2/3) of the Units in the Company. Notwithstanding the foregoing, any proposed amendment that would modify provisions relating to Members' economic benefits where certain Members are favored over other Members, must be consented to by the Members being adversely affected. Further, any proposed amendment that would modify provisions relating to Members' economic benefits the result of which would be to dilute the interests of one or more of the Members, must be consented to by the Members whose interests are being diluted.

15.6 Governing Law. This Agreement and the rights of the Members shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, and the Act as now in effect or as amended in the future shall govern and supersede any provision of this Agreement which would otherwise be in violation of the Act.

15.7 Counterpart. Execution This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together and shall constitute one Agreement.

15.8 Parties in Interest. Subject to the provisions contained in Article 10, every covenant, term, provision and agreement in this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties.

15.9 Integrated Agreement. This Agreement constitutes the entire understanding and agreement of the parties with respect to its subject matter, and there are no agreements, understandings, restrictions, representations or warranties among the parties other than those set forth in this Agreement.

15.10 Number and Gender. Where the context so indicates, the masculine shall include the feminine and neuter, the singular shall include the plural and “person” shall include a corporation and other entities.

[Signatures contained on the following pages]

IN WITNESS WHEREOF, this Limited Liability Company Agreement has been executed as of the date first above written.

MEMBERS:



RICHARD P. RICHMAN

KRISTIN M. MILLER



DAVID SALZMAN

**RICHMAN FAMILY 2009 IRREVOCABLE
TRUST I U/A DATED AS OF DECEMBER
28, 2009**

By: _____
Ronald S. Kochman, Trustee

**RICHMAN FAMILY 2009 IRREVOCABLE
TRUST II U/A DATED AS OF DECEMBER
28, 2009**

By: _____
Ronald S. Kochman, Trustee

ANDRE BLAKLEY

IN WITNESS WHEREOF, this Limited Liability Company Agreement has been executed as of the date first above written.


MEMBERS:

RICHARD P. RICHMAN

KRISTIN M. MILLER

DAVID SALZMAN

**RICHMAN FAMILY 2009 IRREVOCABLE
TRUST I U/A DATED AS OF DECEMBER
28, 2009**

By: 
Ronald S. Kochman, Trustee

**RICHMAN FAMILY 2009 IRREVOCABLE
TRUST II U/A DATED AS OF DECEMBER
28, 2009**

By: 
Ronald S. Kochman, Trustee

ANDRE BLAKLEY

IN WITNESS WHEREOF, this Limited Liability Company Agreement has been executed as of the date first above written.

MEMBERS:

RICHARD P. RICHMAN

KRISTIN M. MILLER

DAVID SALZMAN

**RICHMAN FAMILY 2009 IRREVOCABLE
TRUST I U/A DATED AS OF DECEMBER
28, 2009**

By: _____
Ronald S. Kochman, Trustee

**RICHMAN FAMILY 2009 IRREVOCABLE
TRUST II U/A DATED AS OF DECEMBER
28, 2009**

By: _____
Ronald S. Kochman, Trustee

Andre Blakley

ANDRE BLAKLEY

EXHIBIT A

Description of Capital Contributions

<u>Member</u>	<u>Contribution</u>	<u>TRGD Shareholder Units</u>	<u>TRGD Officer and Director Units</u>	<u>Combined Percentage Interest</u>
Richard Paul Richman	\$0	--	--	27.96%
Kristin M. Miller	\$0	--	--	20%
David Salzman	\$0	--	--	9.34%
Richman Family 2009 Irrevocable Trust I U/A Dated as of December 28, 2009	\$0	--	--	17.80%
Richman Family 2009 Irrevocable Trust II U/A Dated as of December 28, 2009	\$0	--	--	14.90%
Andre Blakley	\$0	--	--	10%
TOTAL:	\$0	--	--	100%

DEVELOPMENT RIGHTS AGREEMENT

Between

TRG COMMUNITY DEVELOPMENT LLC

and

PORTSMOUTH REDEVELOPMENT AND HOUSING AUTHORITY

TABLE OF CONTENTS

I. OVERVIEW	6
A. Recitals; Nature of Agreement and Developer’s Role.	6
B. Project Overview.	7
II. OVERVIEW OF RESPONSIBILITIES.....	9
A. Developer Responsibilities	9
B. Authority’s Responsibilities.	10
C. Cooperation and Communication.....	11
III. PROJECT FEASIBILITY AND STANDARDS.....	12
A. Financing.	12
B. Ownership and the Developer Structure.....	16
C. Property Management Structure.....	17
D. Compensation and Fees.	17
E. Minority, Women and Disadvantaged Business Requirements.	19
F. Selection and Approval of Professionals and other Contractors.	
.....	27
G. Reporting.	20
H. Supporting Services	20
IV. SITE PREPARATION ACTIVITIES.....	21
A. Environmental Conditions and Site Investigation.....	21
B. Remediation, Demolition and Site Restoration.	24
V. INFRASTRUCTURE ACTIVITIES.....	25
A. Implementation of Public and Site Improvements.	25
B. Infrastructure Costs.	27
VI. DESIGN AND CONSTRUCTION ACTIVITIES.....	27
A. General.	27
B. Design Process, Documents and Approvals.....	27
C. Construction Services.....	29
VII. RENTAL PROJECT DOCUMENTS AND CLOSING	31
A. HUD Proposal/Financing Plan.	31
B. Closing Documents.	32
C. Closing.....	33
VIII. HUD REQUIREMENTS.....	33
A. HUD Approval.	33
B. No Relationship Created.....	33
C. Compliance with Certain Federal Requirements.	33
D. Compliance with HUD Required Contract Provisions, Certifications and Disclosures.	36
E. Access to Records.....	36
F. Interest of Member, Officer, or Employee and Former Member, Officer, or Employee of the Authority.....	37
IX. EVENTS OF DEFAULT AND TERMINATION.....	37
A. Termination for Cause and Events of Default by Developer.	37
B. Events of Default by the Authority.	38
C. Procedure Upon an Event of Default. Cure; Procedure for Termination for Cause.....	39

D.	Force Majeure.....	39
E.	Termination for Convenience.....	39
F.	Termination or Alteration of Development Due to Infeasibility or Change in Circumstances Not Due to Default of Developer.....	40
X.	REPRESENTATIONS AND WARRANTIES	42
A.	The Developer’s Warranty of Good Standing and Status.....	42
B.	The Authority’s Warranty of Good Standing and Status.....	42
XI.	INDEMNIFICATION AND GUARANTEES	42
XII.	INSURANCE AND LICENSING REQUIREMENTS.....	43
A.	Insurances.....	43
B.	Licensing.....	44
XIII.	MISCELLANEOUS	44
A.	Term.....	44
B.	Decision Standards.....	44
C.	Party Approvals.....	44
D.	Notice Parties.....	44
E.	Form of Notice.....	45
F.	Representatives.....	45
G.	Further Assurances.....	46
H.	Assignment.....	46
I.	Counterparts.....	46
J.	Interpretation.....	46
K.	Severability.....	46
L.	Final Agreement.....	46
M.	Non-Recourse.....	46
N.	Developer Employees, Compliance with Policies and Liabilities.....	47
O.	The Developer Not an Agent.....	47
P.	Inclusion by Reference.....	47
Q.	Confidentiality.....	47
R.	Waivers.....	48
S.	Time is of the Essence.....	48
T.	Right to Joinder.....	48
U.	Successors.....	48
V.	Headings.....	48
W.	Construction.....	48
X.	Cumulative Rights.....	48
Y.	Forum and Jurisdiction.....	48

Exhibits

- Exhibit A – Development Plan**
- Exhibit B – Development Schedule**
- Exhibit C – Development Budget**
- Exhibit D – Operating Budget**
- Exhibit E – LIHTC Application Schedule**

**Exhibit F - HUD-5370-C (01/14), General Conditions for Non-Construction Contracts,
Section I**

**Exhibit G - HUD 50071 (01/14) – Certification of Payments to Influence Federal
Transactions**

Exhibit H – HUD Standard Form LLL (Rev. 01/14) – Disclosure of Lobbying Activities

Exhibit I - Concept Drawings

THIS DEVELOPMENT RIGHTS AGREEMENT (this “**Agreement**”) is entered into and made effective this 21st day of February, 2023 (the “**Effective Date**”) by and between **TRG COMMUNITY DEVELOPMENT LLC**, a Delaware limited liability company (the “**Developer**”), and **PORTSMOUTH REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia (the “**Authority**”) in furtherance of the redevelopment of the Lexington II parcel (the “**Agreement**”) to memorialize certain business terms, conditions and agreements regarding such redevelopment in the City of Portsmouth, Virginia (the “**City**”). The Developer and the Authority may be referred to collectively herein as the “**Parties**” and singularly as a “**Party.**”

RECITALS

A. This Agreement is intended to set forth the basic terms of the contractual agreement between the Authority and the Developer, for the development of an affordable housing community upon the vacant Lexington II parcel (the “**Property**”) located in the City and owned by the Authority and to be known after completion as Lexington Senior Apartments (the “**Project**” or “**Development**”). Upon completion, the Project is anticipated to provide approximately one hundred five (105) units of housing for low and moderate-income seniors. The completion of the Project will not result in an over-concentration of poverty, will not overburden existing infrastructure nor contribute to unsustainable housing. The final unit mix, design, and financing for the Project shall be subject to the review and approval of the Authority. Approval from the U.S. Department of Housing and Urban Development (“**HUD**”) and/or Virginia Housing Development Authority (“**VHDA**”) may also be required for the final unit mix and financing.

B. The Project (as such term is defined below) will be financed from some or all of the following sources: the issuance of tax exempt bonds and low income housing tax credit equity, Fannie Mae, Freddie Mac and/or Federal Housing Administration loans, national trust funds, state and federal historic tax credits, HOME, CDBG and loans provided under the Affordable Housing Program through the Federal Home Loan Bank, HUD insured and/or conventional loans secured by a mortgage (based on rent structures or mortgage payments that can be supported), Authority funds, local sources, and other federal, state, and local governmental and non-governmental sources, whether available now or to be obtained or procured by the Developer on behalf of one or more single purpose entities formed for such purposes and secured by the Project.

C. The Project would benefit from reinvestment in it through comprehensive redevelopment and assistance initiatives offered by HUD that the Parties determine will assist in effectively developing the Project (as such term is defined below) (such HUD subsidy programs shall be referred to generally herein as a “**HUD Subsidy Program**”).

D. The Authority issued a Request for Qualifications 2020-10 (the “**RFQ**”) for one or more developers experienced with development and redevelopment of public, assisted and market-rate housing communities to act as the private developer partner with the Authority in undertaking the rehabilitation or development of certain Authority-owned and operated low-income public housing communities, new construction of mixed-income housing, workforce housing, and senior housing as more fully outlined in Section 2.0 Scope of Services of the RFQ. On or about July 9, 2020, the

Developer submitted its response to the RFQ and related to HUD forms and other submission documents (the “**Qualification Submission**”).

E. On February 5, 2021, in reliance upon the information contained in the Qualification Submission, the Authority provided a letter of intent to the Developer. The Parties entered into that certain Initial Contract for Developer Partners for PRHA Properties (RFQ 2020-10) dated as of August 3, 2021 and that certain Task Order No. 1 was subsequently issued by the Authority (the “**Task Order**”).

F. The redevelopment activities contemplated under this Agreement apply only to the Project. The Authority has further determined that it can best accomplish this goal by engaging a private developer to plan and develop the Project, while the Authority, or one of its affiliates, shall own and manage the Project. The Parties may later amend and restate this Agreement to incorporate additional similarly situated public housing properties owned by the Authority, which public housing properties may be redeveloped under the same or similar terms as the Project.

In consideration of the foregoing promises, covenants and agreements, the sum of Ten U.S. Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Developer intending to be legally bound, agree as follows:

AGREEMENT

I. OVERVIEW

A. Recitals; Nature of Agreement and the Developer’s Role.

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated as a substantive provision of this Agreement.
2. Agreement between the Parties and Applicability of the Agreement. This Agreement sets forth the principal terms agreed to between the Parties with respect to the Project. The Parties are executing this Agreement to memorialize their rights, obligations and agreements with regard to the Project.
3. Applicable Funding Requirements. The Parties anticipate that the Project contemplated by this Agreement will include funding that carries with it various requirements, including the following:
 - a. LIHTC Requirements. Equity derived from the sale of LIHTCs made available in accordance with Section 42 of the Internal Revenue Code of 1986, as amended (“**Section 42**”) or any agreement or condition to receipt of tax credits (the “**LIHTC Funding**”), whether or not such requirement is explicitly stated in Section 42 or regulations thereunder, including the tax credit regulatory agreement that will be recorded against the Project once “placed in service”, as such term is defined in Section 42 (the “**LIHTC Requirements**”), and the applicable federal, state, and local laws, rules and regulations. All units subject to LIHTC Requirements shall be

referred to herein as “**LIHTC Units.**”

- b. HUD Subsidy Requirements. The Developer acknowledges that, if a HUD Subsidy Program is utilized for the redevelopment of the Project, then the Developer shall comply with all applicable HUD regulatory requirements and all applicable federal, state, and local laws, rules and regulations required by such HUD Subsidy Program (the “**HUD Subsidy Requirements**”). Units subject to HUD Subsidy Requirements shall be referred to generally herein as “**HUD Subsidy Units.**”
 - c. Additional Funding Requirements. Additional funding sources to which the Parties agree, and the federal, state, and local laws, rules and regulations which apply to each (“**Additional Funding Requirements**”).
 - d. Applicable Funding Requirements. The LIHTC Requirements, HUD Subsidy Requirements, and the Additional Funding Requirements may be referred to collectively herein as the “**Applicable Requirements.**”
4. Developer’s Role. The Authority hereby confirms the designation of the Developer as the Authority’s development partner in the development of the Project subject to and in accordance with the terms and conditions provided herein. The Developer hereby accepts such designation and shall have the sole and exclusive right to act as the development partner of the Authority with respect to the Project, subject to the termination provisions of Article IX.

B. Project Overview.

1. Overview. Current plans for the Development contemplate approximately ninety-five (95) units, all of which shall be set aside as HUD Subsidy Units and may be LIHTC Units. The Project’s preliminary development plan is detailed in the development description attached hereto as Exhibit A (the “**Development Plan**”). The Project will be developed according to the schedule outlined in Exhibit B (the “**Development Schedule**”). The preliminary development budget for the Project, which is expected to include equity derived from the sale of LIHTCs and development funding provided by other viable sources, which, in the Authority’s sole discretion, may include funding from the Authority, is attached hereto as Exhibit C (the “**Development Budget**”), and as further detailed in Section III(A) “Financing” herein. The operating funding for the Project is projected to be comprised of Section 8 for the HUD Subsidy Units and tenant rents, as further detailed herein and as preliminarily outlined in the operating budget attached hereto as Exhibit D (the “**Operating Budget**”). As development plans proceed, the Parties may mutually agree to supplement and revise such exhibits with more refined information.
2. Applications for Funding the Development. The Developer has determined that, at least initially, the most viable strategy for developing the Project is to combine equity derived from LIHTCs with funds provided by other viable sources, as reflected in the Development Budget attached hereto as Exhibit C. The Developer shall have primary responsibility to prepare the LIHTC application(s) outlined in Section III(A)(1)(a) with

such assistance from the Authority as reasonably requested and required by the Developer from time to time. The Project's LIHTC application shall be prepared according to the schedule outlined in Exhibit E (the "**LIHTC Application Schedule**"). The Developer shall submit to the Authority for review, the substantially completed and assembled LIHTC application, at least one (1) week prior to the applicable 9% LIHTC round submission deadline beginning with the June 2022 9% LIHTC round (or in the case of a 4% LIHTC transaction, one week prior to the intended 4% application submission date), which, based upon objective criteria, score well in the Developer's self-scoring. The Developer shall provide the Authority with monthly updates regarding the LIHTC application on the second Friday of every month during the preparation of any applicable LIHTC applications and be responsive to the Authority's requests for updates on the status of documents, approvals and determinations needed in the interim. In addition to applications for LIHTCs, the Developer, in accordance with Section III(A)(1)(b), as may be mutually agreed upon by the Parties, shall submit applications for Federal Home Loan Bank Affordable Housing Program funds, United States Department of Agriculture Rural Development funds, available VHDA loan funds and any such other funds deemed viable and appropriate by the Authority and the Developer for funding of the Project.

3. Other Funding. The Parties agree that they will explore all viable funding options for the Project as described herein. The Developer shall have primary responsibility for identifying and securing all other financing necessary to complete and operate the Project in an economically feasible manner. The Owner Entity (as defined in Section III (B)(1)) shall incur all costs associated with obtaining such financing.
4. Schedule and Authorization to Proceed with the Project.
 - a. Timeline. The Project shall cause certain activities to be completed in accordance with the development timelines outlined in the Development Schedule and LIHTC Application Schedule. The Authority has approved the initial timelines but acknowledges that such schedules are subject in each instance to the provisions regarding Force Majeure and Termination or Alteration of Development Due to Infeasibility or Change in Circumstances Not Due to Default of the Developer in Sections IX (D) and (F) respectively, herein. The Developer and the Authority acknowledge that the Development Schedule may need to be modified based on information not available on the date hereof, and revised versions of the applicable schedules will be submitted by the Developer in accordance with the aforementioned provisions.
 - b. Authorization to Proceed with Development. Notwithstanding the foregoing or anything else herein to the contrary, as of the Effective Date, the Developer is

authorized to proceed with development activities (referred to as the “**Notice to Proceed**”) for the Project.

II. OVERVIEW OF RESPONSIBILITIES

A. Developer Responsibilities. As more specifically set forth herein, and in the applicable sections of this Agreement, the Developer shall be responsible for securing all funding necessary for the Project, co-managing and overseeing the design, construction and occupancy of the Project, and carrying out all other work for which the Developer is responsible in connection with structuring, planning, design, construction, financing and management activities relating to the Project, including any pre-development work and property management in a co-management structure as such responsibilities are detailed in this Agreement (collectively, the “**Work**”). The actual services delivered shall include all development services reasonably required to complete the planning and development of the Project and, except as otherwise provided herein, to cause the Owner Entity to facilitate the construction and operation of the Project, including, but not limited to:

1. Establishing unit mix and timetables, structuring and securing financing and obtaining necessary city and county approvals, and hiring a general contractor or construction manager. The Developer shall give particular consideration to the style of adjacent housing owned by the Authority, specifically, Lexington Place Apartments (72) units), Dale Homes I & II (296 units), and other single-family homes within a 1-mile radius of the Property;
2. Identifying necessary public improvements and developing a funding plan for the same with the Authority and the City;
3. The Parties acknowledge that the Developer shall be responsible for all third-party predevelopment costs incurred before the Closing (as defined below). All such predevelopment costs that are preapproved by the Authority in a predevelopment budget or otherwise shall be eligible for reimbursement. Should the Developer, with prior approval from the Authority, obtain predevelopment financing from a third party, the interest charged on such financing shall be reimbursed at the Closing.
4. To the extent necessary or advisable, securing, with the Authority’s support, a new payment in lieu of taxes (“**PILOT**”) agreement with the City for the Project;
5. Assisting in preparing required HUD Subsidy Program applications or documentation (including securing all applicable funding commitments and closing on all applicable funds) (the Authority shall have primary responsibility for the preparation of such HUD applications); assisting in preparing and coordinating all documents necessary for closing the construction financing for the Project in accordance with the HUD Subsidy Requirements (the “**Closing**”); collaborating with the Authority to finalize documents and assist in the preparation of the HUD Subsidy Program submissions to HUD; and scheduling and holding the Closing;

6. Conducting site planning, including, unit mix, configuration, and identifying all necessary governmental approvals for such plans;
7. Carrying out pre-construction and construction activities, including design, engineering, and construction of the Project, guaranteeing completion of same, and ensuring compliance with all applicable laws, rules and regulations. The Developer has submitted the concept drawings attached hereto as Exhibit I to the Authority;
8. Maintaining regular communication with the Authority regarding the development activities;
9. Engaging the Authority, or an Authority affiliate, to manage the Project. The Developer shall use best efforts to ensure that the tax credit investor and any permanent lender for the Project agree and acknowledge, in advance of closing, that the Authority, with the assistance as outlined herein, shall have the option to serve as property manager of the Project as described herein;
10. Providing all guarantees or causing its affiliates to provide all guarantees required to complete the Project, including, but not limited to, construction completion guarantees acceptable to both the equity investor and each lender, operating deficit guarantees and LIHTC compliance guarantees. Notwithstanding the foregoing, the Developer's guarantee obligations to the Authority shall end at the Project's conversion to permanent financing;
11. Maintaining, and causing contractors to maintain, all requisite, pursuant to this Agreement, and reasonable insurance for a development effort of the Project's size and type; and
12. Performing such other services necessary to develop the Project, as agreed upon by the Developer and the Authority.

B. Authority's Responsibilities. As more specifically described herein, the Authority is responsible for the following activities related to the Project (such list is not intended to be exhaustive):

1. Review and approve the site plan, budget, schedule, plans and specifications, and change orders which, in any single instance increase or decrease the Development Budget by \$100,000 of the Development Budget, whichever is greater, and cumulative changes which increase or decrease the Development Budget by more than 3%, as well as admissions and occupancy criteria and related property management documents, which approval shall not be unreasonably withheld, delayed or conditioned;
2. Submitting any HUD Subsidy Program proposal or financing plan documents to HUD;
3. Facilitating the HUD Subsidy Requirements;

4. Coordinating with the residents, the City and other stakeholders on Project-related issues;
5. Conveying the Property to the Owner Entity via long term ground lease (the “**Ground Lease**”);
6. Obtaining all necessary HUD approvals, providing reports and maintaining communications with HUD;
7. Providing reasonable assistance to the Developer in its efforts to secure financing and obtain necessary VHDA, City and county approvals, provided that obtaining such financing and approvals remains solely the Developer’s responsibility;
8. Using its reasonable efforts to assist the Developer in completing the requisite documentation for participation in any HUD Subsidy Program;
9. Assisting the Developer, as necessary to determine which households are eligible and qualified under LIHTC rules;
10. Providing such assistance as reasonably requested in writing by the Developer from time to time, and otherwise working cooperatively with the Developer to advance the Development; and
11. Providing property management services as outlined in Section III (C)(1) directly or through an Authority-controlled affiliate.

C. Cooperation and Communication.

1. Communication and Cooperation in General. The Authority and the Developer shall cooperate and communicate with one another in good faith to successfully complete the Project and shall require their contractors and team members to do the same. Such cooperation shall include regular communication between the Parties regarding current development activities, and reasonable efforts to respond to one another as expeditiously as possible to requests for information or approvals required hereby. Neither Party shall take any material action with respect to plans for and implementation of the Project without first communicating those to the other Party, and if that action is being taken by the Developer, receiving the Authority’s prior consent to undertake such action. The Developer shall copy the Authority on all written communications relating to the Project that are material in nature. For materials or documents requiring the approval of one or more Parties, if such materials or documents are not approved as initially submitted, then the Parties shall engage in such communication as may be reasonable and necessary under the circumstances to resolve the issues resulting in such disapproval. A spirit of good faith and a mutual desire for the success of the Project shall govern the Parties’ relationship under this Agreement.

2. Communication with Public and Governmental Entities.

- a. Communication with the City. The Authority shall be primarily responsible for all communication with the City. The Developer shall not communicate with members, employees and/or agents of the City without first informing the Authority of the nature of the communication, and, at the Authority's discretion, either involving the Authority in the communication or receiving the Authority's consent to undertake such communication alone. The aforementioned notwithstanding, the Developer shall have the authority to communicate with the City to undertake various ministerial functions necessary to effectuate the Project, including securing building permits, provided the Authority is aware that such communication is occurring.
 - b. Communication with VHDA. The Developer shall be responsible for communication with VHDA. Developer shall keep the Authority informed regarding material communications and development issues, questions and requirements raised by VHDA, and shall invite the Authority to participate in communications with VHDA, where appropriate.
 - c. Communication with HUD. With respect to any communication with HUD regarding funding provided to, or documentation required from, the Authority, as well as other communication in connection with the Project, the Authority shall be the sole Party authorized to communicate with HUD. The aforesaid notwithstanding, the Developer may, in concert with, or at the express request of the Authority, communicate with HUD on matters related to the Project.
- 3. Communication with the Media.** All responses to media inquiries and releases of information to the media regarding the Project shall be undertaken by the Authority, except as otherwise described below. The Developer shall not contact the media regarding the Project and shall refer all media inquiries to the Authority unless the Authority explicitly authorizes the Developer to engage in such media communication. In addition, the Developer shall not initiate or undertake any other publicity or marketing relating to the Project, including ground breakings and ribbon cutting events, except upon the mutual agreement of the Parties.

III. PROJECT FEASIBILITY AND STANDARDS.

A. Financing. The Developer shall have primary responsibility for identifying, obtaining, negotiating and closing all financing necessary to complete the Project in an economically feasible manner subject to the Applicable Requirements. The Developer shall use best efforts to secure the financing listed in the Development Budget. The Authority shall cooperate fully with the Developer on applications for financing. Should any of the financing become unavailable, it is the Developer's responsibility to use reasonable efforts to identify and obtain reasonably equivalent funds from alternative funding sources in a timely manner to prevent delay in the Development Schedule or cause a material increase in the costs incurred by the Authority. The Authority will cooperate with and assist the Developer in its efforts to replace funding commitments. The Authority acknowledges that sources of financing listed in the Development Budget require award by various governmental agencies during periodic application cycles. The failure by a governmental agency to approve an application shall not

constitute a default by the Developer in its obligations hereunder, provided the Developer used reasonable efforts and pursued such application with diligence and good faith. As used herein, “reasonable efforts” means the reasonable, diligent, good faith, efforts to accomplish the objective as an affordable housing developer would use to accomplish a similar objective under similar circumstances. Notwithstanding any other term or condition in this Agreement, the sources of any funding and any financing necessary to complete the Project in an economically feasible manner shall be on terms and conditions financially acceptable to the Developer, in its sole reasonable discretion, provided those terms do not negatively impact the Authority and/or conflict with the terms outlined in this Agreement. All Project funding is subject to Authority approval which shall not be unreasonably withheld, conditioned or delayed. Prior to any request for funding approval, the Developer shall summarize and explain any Project funding and present such summary to the Authority’s Board of Commissioners. The Developer shall not execute a commitment to provide any financing for the Project until it has received the Authority’s written approval.

1. Potential Funding from Competitive Sources.

- a. **9% Low Income Housing Tax Credits.** The Parties acknowledge that equity derived from 9% low-income housing tax credits made available pursuant to Section 42 of the Internal Revenue Code of 1986 (“**9% LIHTCs**”), as amended, may be a primary source of development funding for the Project. The Developer will submit to VHDA application(s) for 9% LIHTCs (each a “**LIHTC Application**”) during the June 2022 funding round and make reasonable efforts to submit winning LIHTC Application(s). The Authority will work with the Developer to secure necessary documentation for submission of the LIHTC Application(s) to VHDA. If Developer fails to secure 9% LIHTCs from the June 2022 LIHTC Application(s), the Parties shall work cooperatively to identify and agree upon subsequent funding strategies in accordance with VHDA Qualified Allocation Plan (“**QAP**”) governing LIHTC Applications submitted to VHDA after the June 2022 funding round.
- b. **Other Federal, State or Local Funds.** The Developer will investigate other potential sources of competitive funds which may be available to the Development, including HOME funds outlined in 24 CFR Part 92, Federal Home Loan Bank Affordable Housing Program funds, United States Department of Agriculture Rural Development funds, state tax credits and applicable VHDA funds and confer with the Authority prior to pursuing such funding. The Parties shall use their best efforts and cooperate to agree with respect to their respective rights and responsibilities concerning the pursuit of such funding, and the Authority’s approval of the pursuit of such alternative funding shall not be unreasonably withheld, conditioned or delayed.

2. Potential Funding from Non-Competitive Sources.

- a. **Tax Exempt Bond/4% LIHTC Transactions.** The Developer will pursue tax-exempt bond volume cap transactions as it reasonably determines may be feasible and desirable to fund the Project. The Developer shall consult with and gain

approval from the Authority before pursuing such 4% LIHTC and tax-exempt bond applications, which shall be in accordance with VHDA requirements. The Authority's approval regarding pursuing such funds shall not be unreasonably withheld, conditioned or delayed. No such application will contain material representations or commitments inconsistent with the Development Plan unless the Authority has specifically approved such deviations, which approvals shall not be unreasonably withheld, conditioned or delayed. The Parties will update the Development Plan as may be reasonably necessary to reflect agreed upon deviations.

- b. **Construction and Permanent Loans.** Should the Developer determine in its reasonable discretion that hard debt is necessary to fund the Project, it shall solicit letters of intent from at least two construction, and if necessary, permanent, lenders. Prior to selecting a lender, the Developer shall advise the Authority of the preferred choice. Should the Developer believe that it is in the best interest of the Project to utilize a particular lender without soliciting at least one other, it shall advise the Authority and document the reasons the terms of the loan are sufficiently beneficial and commercially reasonable so as not to warrant the solicitation of additional offers. Should the Authority have feedback regarding the Developer's intended choice of lender, the Authority shall, in a timely fashion, provide such feedback to the Developer, which feedback shall be reasonably considered by the Developer. Notwithstanding the foregoing, the choice of lenders shall be reasonably determined by the Developer in its sole discretion, subject to the approval of the Authority.
- c. **HUD Subsidy Program Funding.** It is anticipated that Section 8 project-based funds will be provided to the Project, subject to terms and conditions to be negotiated by the Parties and HUD, but consistent with the applicable HUD Subsidy Requirements.
- d. **Authority Funds.** The Authority may, at the Authority's sole discretion and subject to availability of funding, commit and provide financing to help support development of the Project. Any such financing ("**Authority Financing**") shall take the form of a loan subject to priority repayment via the Project's cash flow waterfall distributions upon terms and conditions as may be mutually agreed upon by the Parties.
- e. **Alternative Sources of Funding.** The Authority and/or the Developer may work to identify grants or other available funding for the Project from various available sources ("**Alternative Sources**"). Unless otherwise agreed upon by the Parties, the Developer shall have primary responsibility for negotiating, obtaining, and closing all financing necessary including any Alternative Sources and discretion as to whether or not to pursue such Alternative Sources, subject to the review and approval by the Authority, which shall not be unreasonably withheld, conditioned or delayed.
- f. **Construction Monitoring and Human Services/Case Management Services**

Funding. The Developer has committed to allocate at least \$100,000 of the Developer's own funds to cover construction monitoring and human services/case management services, as committed to by the Developer in the Developer's response to the Task Order.

3. Equity Investor. The Parties anticipate the Project will be funded in part by LIHTCs. The principal equity interest in the Owner Entity will be owned by a LIHTC investor (the "**Equity Investor**"). To select the Equity Investor, the Developer shall seek equity investment competitively and will prepare an initial draft solicitation request for equity investor proposals and provide that draft document to the Authority for its review and comment. The Developer shall have primary responsibility for identifying and negotiating with any potential equity investors in the Owner Entity or syndicating any equity interests in the Owner Entity with reasonable participation and involvement of the Authority. The Authority and the Developer shall agree on the final terms to be included in the solicitation request prior to its issuance and will jointly compile a list of all equity investors to which the solicitation will be sent. The Developer will negotiate with potential equity investors with a view toward maximizing the amount of equity which the potential equity investor will provide to the Project, while also considering, among other things, the timing of the equity payments, the level of reserves, net worth, liquidity, guarantee requirements, the Authority's option to take over property management responsibilities at the Project, and restrictions on the Right of First Refusal (the "**Considerations**"). The Developer shall not select an investor which seeks to impose guaranty or other obligations on the Authority without the Authority's written consent. Further, the Developer acknowledges the Authority shall have the right to review and comment on any draft letter of intent prior to its execution. The Developer acknowledges that the Authority must approve the final selection of the Equity Investor, which approval shall not be unreasonably withheld, conditioned or delayed.

After receipt of the equity proposals, the Developer shall provide full copies of such proposals to the Authority along with an analysis of the proposals identifying the preferred Equity Investor. The Developer shall negotiate a proposal for the Project which includes (a) a purchase option/right of first refusal on terms acceptable to the Authority, in its sole reasonable discretion, (b) provides for a property management role acceptable to the Authority, such as that outlined in Section III (C)(1), and (c) projects minimal exit taxes paid by the Authority upon exit by the applicable Equity Investor. An affiliate of the Developer will have the right of first refusal to match the best offer from such investors who submit bids, which shall be determined based on a side-by-side analysis of key elements, including the Considerations, of the proposals. The Developer or an affiliate may make or syndicate some or all of the equity contribution required for the Project, so long as the terms of the contribution (net of all transaction costs and avoided costs) are materially equal or superior to those of non-affiliated offers. If the Developer affiliate matches the best offer, such Developer affiliate will be selected as the Equity Investor for the Project. If the Authority determines that the affiliate of the Developer does not match the best offer submitted, the following shall apply to the approval of the unaffiliated Equity Investor: the Authority may disapprove any other LIHTC investor proposed by the Developer in writing stating the grounds of

disapproval which shall be delivered to the Developer not later than ten (10) business days after the Authority's receipt of the Developer's notice of proposed selection; provided, the grounds for such disapproval shall not be arbitrary or capricious. If the Authority and the Developer are unable to resolve the Authority's disapproval of a proposed Equity Investor within ten (10) business days after the Developer's receipt of the Authority's notice of disapproval thereof, the Developer shall select an alternative LIHTC investor, which selection shall be subject to review and disapproval by the Authority in accordance with the foregoing provisions. If the Authority fails to submit written disapproval to the Developer within ten (10) calendar days after the Authority's receipt of the Developer's notice of selection, the Developer shall be permitted to proceed with such investor. If the Developer shall determine that no proposal received in response to its solicitation is acceptable (or, in the event the Authority disapproves all LIHTC investors selected by the Developer, if the Developer determines that no other proposal received in response to its solicitation is acceptable), the Developer shall resolicit proposals from the same or additional potential investors in accordance with the foregoing procedures, including the opportunity for an affiliate of the Developer to match the best offer from the new pool of investors who submit bids, which shall be determined based on a side-by-side analysis of the proposals. As used herein, the term "best offer" shall require consideration of all relevant indicators, including the Considerations.

B. Ownership and the Developer Structure

1. Entity Formation and Participation. The Authority will form one or more entities to own, operate and manage the Project (the "**Owner Entity**"). The Authority expects that an Authority affiliate shall own the sole general partner/ managing member interest in the Owner Entity. The Authority or an Authority-controlled entity may serve as co-developer or sub-developer for the Project. All documents evidencing the formation of the Owner Entity, its rights and obligations with regard to the general and limited partners or members, as applicable, including but not limited to the payment of development fees, guarantees, and pledges, shall be approved by the Authority. Any other term or provision of this Agreement notwithstanding, provided the Project is successful in receiving 9% LIHTC's, to the extent required by VHDA, the Developer will remain involved in the ownership of the Project for at least the fifteen (15) year LIHTC compliance period. To the extent required by VHDA requirements, VHDA shall have the right to approve any changes to the ownership of the Owner Entity.
2. Option and Right of First Refusal. The Authority, directly or through an Authority affiliate, shall have the first right and option to acquire the Project or all interests in the Owner Entity following the end of the low-income tax credit compliance period in accordance with the LIHTC Requirements. Terms and conditions of such right and option shall be negotiated with the Equity Investor and must include a first right price at the lowest amount permitted under Section 42(i)(7) of the Internal Revenue Code of 1986, as amended. The purchase option and right of first refusal for the Authority must reflect minimal exit taxes to be paid by the Authority upon exit by the Equity Investor.
3. Land Acquisition and Conveyance. The Parties agree that the Property will be

transferred to the Owner Entity via a long-term ground lease upon such terms and conditions as may be agreed upon by the Parties and consistent with the purpose and intent of the Project, and which complies with the Applicable Requirements.

C. Property Management Structure.

1. Designation of Property Manager. The Authority, or its affiliate, shall have the option to manage and operate the Project upon its completion (the “**Management Agent**”). The Authority or its affiliate may exercise the right to manage the Project if, and only if, the following conditions have been satisfied: (i) all deferred developer fee is paid to Developer, (ii) all outstanding member loans have been repaid, (iii) all remaining guaranties have been assumed by Authority, (iv) an indemnification agreement has been executed by the Parties and (v) Developer’s interests in the Owner Entity have been purchased by the Authority. The Management Agent shall be responsible for the day-to-day operation of the Project including, but not limited to compliance with the Applicable Requirements, collections, leasing, payment of invoices and maintenance. The Developer shall work to have any selected lender or Equity Investor pre-approve the Authority, or its affiliate, taking over the management and operational duties of the Project subject to the foregoing conditions (i) – (v), as applicable, being met.
2. The specific duties shall be detailed in a management agreement between the Authority (or an affiliate) and the Owner Entity (the “**Management Agreement**”). The Management Agreement and the Owner Entity’s Operating Agreement, provide for the following, as applicable:
 - a. **Community Relations.** The Management Agent shall develop and maintain a positive working relationship with residents of the Project.
 - b. **Management Plan and Management Agreement.** The Management Agent shall develop a Management Plan that are reasonably acceptable to the Authority and complies with the Applicable Requirements.
 - c. **Termination Rights.** The Management Agreement will provide the Authority with an enforceable right to terminate the Management Agreement if the Management Agent fails to meet the Applicable Requirements.
3. Property Management Fee. The Management Agent shall receive a management fee of not less than six percent (6.0%) of gross rents, up to the maximum permitted under applicable VHDA requirements and HUD Subsidy Requirements. Any premiums or incentive fees paid to the Management Agent, when combined with the standard property management fees, shall not exceed applicable HUD Subsidy Requirements.

D. Compensation and Fees.

1. Developer Fee. The total development fee means all development fees due from the Owner Entity for development services relating to the Project until stabilized operations (as defined by applicable lender requirements) are achieved in an amount equal up to

fifteen percent (15%) of the total eligible development cost for the Project (the “**Total Development Fee**” or “**Development Fee**”), but in no event more than any applicable HUD Subsidy Requirements or VHDA requirements. In consideration for the development services performed by the Developer as described in Section III (B)(1), the Developer shall be entitled to one hundred percent (100%) of the Total Development Fee, less the Authority Fee described below (the “**Developer Development Fee**”). The Total Development Fee shall be earned and payable pursuant to a mutually agreeable schedule as set forth in the amended and restated operating agreement of the Owner Entity admitting an investor as a member/partner of the Owner Entity (the “**Operating Agreement**”) and/or the development services agreement between the Owner Entity and the Developer. In all events, the Total Development Fee shall be earned in its entirety as of the date the Project is placed in service for purposes of Section 42 of the Internal Revenue Code. Any earned but Deferred Developer Fee within the first five (5) years of stabilized operations shall be disbursed and paid between the Parties in a manner consistent with the terms negotiated with any funding sources and the Operating Agreement and consistent with any applicable HUD Subsidy Requirements. “**Deferred Development Fee**” means any Development Fee payable to the Developer out of the Project’s cash flow or proceeds from the sale or refinancing of the Project.

2. Authority Developer Fee. The Authority shall earn a fee of not less than forty percent (40%) of the Total Development Fee, for development services rendered by the Authority in connection with the Project (the “**Authority Fee**”), paid pursuant to a subcontract for development services among the Developer, the Owner Entity and the Authority on such terms as may be mutually agreeable to the Parties. The Authority Fee includes payment for the Authority’s overhead in connection with any services provided by the Authority. The Authority acknowledges that pursuant to the terms of the Owner Entity’s Operating Agreement, the managing member/general partner of the Owner Entity may be required to make a capital contribution to the Owner Entity in the amount of any unpaid Development Fee, in which event the Owner Entity would then pay such unpaid Development Fee to the Developer. Notwithstanding anything to the contrary in this Agreement, if the general partner/managing member of the Owner Entity is required to make any capital contribution to the Owner Entity to pay any unpaid Development Fee and such amount is then paid to the Developer, then, provided the Authority Fee is paid in full, the Developer shall not be obligated to pay any portion of such Development Fee to the Authority.
3. Reduction of Total Development Fee. If a lower fee is required for project feasibility or otherwise imposed by governmental authorities, the reduction shall be borne pro-rata between the Parties.
4. Authority Marketing Incentive/Lease-Up Fee. Subject to any required HUD or VHDA approval, the Authority will receive a marketing incentive/lease-up fee equal to \$250 per unit for each unit leased no later than 30 days following issuance of the Project’s certificate of occupancy and a fee of \$100 for each unit leased within ninety (90) days of issuance of the Project’s certificate of occupancy, which fee shall be listed in the Development Budget.

5. Ground Lease Fee. In consideration of its contribution of the Property and other resources to the Project, and in addition to the other fees that will be due to the Authority for the Project provided herein, the Authority shall receive such rent fees (“**Ground Lease Fee**”), as may be mutually agreed upon the Parties based upon the appraised value of the Property, available cash flow and impact on the economic feasibility of the Project. The Ground Lease Fee will be paid in a manner as may be mutually agreed upon by the Parties, with a portion of the Ground Lease Fee shall be paid by the Owner Entity at closing, and the balance paid pursuant to a promissory note issued in favor of the Authority.
6. Cash Flow from the Project. If the Authority provides Authority Financing, the Authority may receive annual cash flow distributions in partial repayment of such funds, as a priority payment via the cash flow waterfall following distributions required for investor asset management fees or deferred developer fees consistent with the terms negotiated with any funding sources and the Operating Agreement.
7. No Other Fees. Except as expressly provided elsewhere herein, the Developer shall not receive any additional payment for providing goods or services to the Project unless it is with the express written consent of the Authority which shall not be unreasonably withheld, conditioned or delayed. The Developer will disclose any such proposed relationship to the Authority as part of the Development Plan and will provide the Authority sufficient terms, information about the terms and conditions of the proposed relationship to enable the Authority to evaluate its propriety and commercial reasonableness.

E. Minority, Women and Disadvantaged Business Requirements.

1. Minority, Women and Disadvantaged Business Provisions.

- a. **Contract Requirements.** The Developer and the Authority have established a goal of awarding twenty percent (20%) of all contracts awarded by the Developer and/or Owner Entity for the Development to minority, women-owned and disadvantaged businesses and women-owned businesses (“**MBE/WBE/DBE**”).
- b. **Compliance and Reporting.** In accordance with III(F)(2) below, the Developer shall cause its third-party contractors to use Good Faith Efforts to achieve the above goals and shall report progress in achieving such goals in the Monthly Reports described in Section III(G) below. The Developer will develop and submit for Authority approval a written MBE/WBE/DBE contracting plan prior to submission of the LIHTC Application. To assist in identifying eligible MBE/WBE/DBE businesses and individuals, the Authority will conduct outreach efforts and establish a database which includes prospective MBE/WBE/DBE enterprises and individuals and shall provide such information to the Developer on an interval basis and within such timeframe as may be reasonably required by the Developer. The term “Good Faith Efforts” mean that the third-party contractor took necessary and reasonable steps to achieve the goal which, by their scope, intensity, and appropriateness, could reasonably be expected to obtain sufficient MBE/WBE/DBE participation, and that the bidder actively sought MBE/WBE/DBE participation.

F. Selection and Approval of Professionals and other Contractors.

1. Selecting Professionals and Other Contractors. The Developer was procured by the Authority in accordance with 2 CFR Part 200. As part of its proposal, the Developer assembled a team of professionals which the Authority approved as part of the Part 200 procurement. In addition, it is anticipated that the Developer will engage other professionals and contractors needed to implement the Project. Although the Developer is not subject to the competitive selection requirements outlined in 2 CFR Part 200, given the significant public investment in the Project, all selection transactions carried out by the Developer shall be conducted in a manner to provide, to the greatest extent practical, maximum benefit to the Project considering the qualifications of the professionals, consultants and contractors, cost and other relevant factors. Furthermore, the Developer acknowledges the importance of open and competitive selection of contractors and agrees, to the greatest extent feasible, to utilize such procedures when contracting for the Project while considering qualifications, prices, MBE/WBE/DBE goals. When selecting contractors, the Developer shall be alert to organizational conflicts of interest as well as noncompetitive practices that may restrict or eliminate competition or otherwise restrain trade. Awards shall be made to the bidder or offeror whose bid or offer is most advantageous to the Project, taking into consideration price, quality and other factors deemed by the Developer to be relevant; the Developer shall not employ or contract with any third-party contractor which has been debarred by HUD; and shall promptly terminate any contracts with any third-party contractor that is subsequently debarred.
2. Approval of Professionals and Other Contractors. Subject to the approval of the Authority, which shall not be unreasonably withheld, conditioned or delayed, the Developer shall have primary responsibility for assisting the Owner Entity in selecting, as applicable, construction managers, design/builders, contractors, architects, engineers, subcontractors and suppliers to design and construct the Development, and assisting the Owner Entity in negotiating all construction, architectural and engineering contracts for the Project.
3. Conflicts of Interest. The Developer covenants that neither it nor any of its directors, officers, partners or employees has any interest, nor shall acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of the services hereunder. The Developer further covenants that in the performance of this Agreement, no person having such interest shall be employed by it. Notwithstanding the foregoing, nothing herein shall prevent the Developer or any of its members from engaging in other development projects in the City area or elsewhere.

G. Reporting. The Developer agrees to keep the Authority reasonable informed the progress on the Project. To that end, Developer shall provide the Authority with a monthly report that details the status of the Project (the “**Monthly Report**”). Such Monthly Reports shall include, at a minimum: a description of the predevelopment and construction work performed at the Project, progress in maintaining the project schedule, status of all applications, certifications and permits necessary for the Project, progress in meeting resident outreach and MBE/WBE/DBE goals, and monthly expenditures as compared to the applicable Development

Budget. The Parties shall also participate in a conference call on a bi-weekly basis to discuss the status of the Project and such matters as may be agreed upon by the Parties from time to time. In addition, the Developer shall provide the Authority with monthly written updates on the status of the Project no later than the second Friday of every month.

H. Supportive Services. The Authority, Developer and/or the Owner Entity may acquire and execute contracts and/or memoranda of understanding, for supportive, social and/or senior services for the Project, as agreed to by the Parties.

IV. SITE PREPARATION ACTIVITIES

A. Environmental Conditions and Site Investigation

1. HUD and State Environmental Review. The Developer shall complete all Federal and State environmental review requirements in accordance with all applicable laws, including the Commonwealth of Virginia, Federal Regulations 24 CFR Parts 50 or 58, as applicable, and the National Environmental Protection Act. The Authority shall be responsible for submitting all required documents to HUD and any other governmental entity, as required by applicable law and regulation, necessary to assess the environmental impact of the Development in accordance with 24 CFR Parts 50 or 58, as applicable, and providing such documentation necessary to secure HUD approval of such review. The Parties shall not carry out any activities with respect to demolition, acquisition, construction and/or any development activity until HUD has provided the requisite environmental assessment approval.
2. Property and Pre-existing Conditions. The Authority holds title to the Property. The use of the Property, will be transferred “as-is” to the Owner Entity pursuant to the terms and conditions of a ground lease allowing for the construction and operation of the Project, or portions thereof. As between the Developer and the Authority, the Developer shall have no liability for Prohibited Substances (as defined below) that arise or exist on the Property prior to Closing. The Developer and Authority acknowledge and agree that the Authority will not be liable for pre-existing conditions on the Property, unless such pre-existing conditions were caused by the Authority’s violation of Section IV(A)(6) below.
3. Disclosure of Existing Conditions. The Authority shall provide to the Developer all test results, information and documentation regarding the Property or such information as may be available and relevant regarding the site conditions at the Property, and any environmental testing, remediation, abatement and related activities completed to date on the Property in its possession and shall advise the Developer of any known hazards on the Property.
4. The Property and Environmental Conditions. As between the Parties, the Authority shall bear no liability for any environmental condition that exists or arises on the Property unless such environmental condition was caused by the gross negligence or

willful misconduct of the Authority, its agents, officers, directors, employees or contractors. Pursuant to this Section, the Developer shall defend and indemnify the Authority against any claims, losses, damages and other acts which arise in connection with the environmental conditions, pursuant to Article XI “Indemnification and Guarantees.”

5. Site Investigation. The Developer shall conduct such testing, investigation and due diligence as necessary to determine the suitability and/or acceptability of the Property, if any, for the Project and to determine whether Prohibited Substances or other environmental conditions exist on the Property, if any, including but not limited to environmental audits, soil samples and test borings to the extent required in accordance with “all appropriate inquiry” requirements, prior to preparing any development plans. The Developer has the right to go onto the Property and conduct such investigations and testing necessary to complete its due diligence provided that the Authority is given reasonable advance notice and a description of any testing. All inspection and testing will be conducted in compliance with the Applicable Requirements. The Developer and its contractors shall carry the insurance required in this Agreement (which insurance shall cover any investigation performed pursuant to this Agreement) and shall provide the Authority with proof of coverage upon reasonable request by the Authority at the time of any request for access. Upon completion of any investigation, the Developer shall use reasonable efforts to return the Property to the condition which existed prior to the testing, and in all instances shall address and/or eliminate any health or safety hazards caused to the Property as a result of such testing, unless otherwise agreed to in writing by the Authority, in which event the Developer agrees to accept the Property at Closing in such resulting condition (subject to any obligations of the Authority agreed to by the Authority in writing). Any investigation for the Developer’s due diligence shall be at the Developer’s sole cost, although it may be provided for as a project cost under Development Budget.
6. Covenant Regarding Prohibited Substances. Neither the Developer nor the Authority shall bring onto the Property, or permit its agents, contractors or employees to bring onto such property any (i) asbestos or asbestos-containing material or polychlorinated biphenyl material, or (ii) hazardous materials, hazardous substances or hazardous waste as defined under any federal, state or local law, that may require remediation under applicable law (other than quantities of such substances, including gasoline, diesel fuel and the like as are customary and necessary to prosecute construction of the Project), or (iii) soil containing volatile organic compounds, or (iv) any radioactive material, including any source, special nuclear or by-product material as defined in federal law (collectively (i)-(iv) are the “**Prohibited Substances**”). Each Party shall be liable for the consequences of, and responsible for proper removal and lawful disposal, at its sole expense, of any Prohibited Substances brought onto the Property resulting from a violation by such Party of this Section IV(A)(6) and shall be responsible for any conditions caused by the negligent failure of such Party or its agents, contractors or employees to protect against any further harm caused by any Prohibited Substances already on the Property. Each Party further covenants and agrees to indemnify, defend and hold the other Party free and harmless from and against any and all losses, liabilities,

penalties, claims, fines, litigation, demands, costs, judgments, suits, proceedings, damages, disbursements or expenses, including reasonable attorneys' fees which may at any time be imposed upon, reasonably incurred by or asserted or awarded against the other Party in connection with or arising from a violation of this Section IV(A)(6). The provisions of this Section IV(A)(6) shall survive the Closing and the termination of this Agreement relative only to any claims that arise from an event that occurs prior to the Closing regardless of when the claim is presented.

7. Remediation Costs and Responsibilities Prior to the Closing. The Parties will work in good faith to modify the Development Budget, as required to budget for any remediation costs, provided that both Parties will reserve the right to consider such costs as giving rise to infeasibility and termination in accordance with this Agreement. The Developer will be responsible for carrying-out those demolition and remediation activities on the Property, which each Party agrees, based upon recommendations from relevant professionals, to be reasonably necessary prior to the Closing, provided that the Authority is consulted by the Developer with regard to the consultants, contractors and specifications for such activities and provided further that the Developer in its sole discretion determines it has adequate funds to pay such remediation costs.
8. Discovery of Prohibited Substances Prior to the Closing. Prior to the Closing, if the Developer or the Authority knowingly encounter any Prohibited Substances which were not previously identified through testing, the discovering Party shall promptly notify the other Party in writing and shall comply with all laws, ordinances, regulations and orders of all governmental, regulatory and other public and quasi-public agencies, authorities and entities having jurisdiction over the same. Unless the Authority is responsible for such Prohibited Substances as a result of application of Section IV(A)(6), the Parties agree to address their presence in accordance with Section IV(A)(7), revise the Development Budget to incorporate such costs, or treat the occurrence as a Development Contingency (as defined in Section IX(F) hereof) in accordance with this Agreement.
9. Authority's Responsibility for Environmental Conditions After the Closing.
 - a. After the Closing, the Authority shall be liable for the following environmental conditions associated with the Property: (i) environmental conditions directly caused by the Authority or its agents, contractors or employees after the Closing; (ii) pre-existing environmental conditions on the Property, of which the Authority had actual knowledge but failed to disclose to the Developer in writing before the Closing; or (iii) Prohibited Substances brought onto the Property by the Authority or any of its agents, contractors or employees at any time, including after the Closing.
 - b. After the Closing, the Authority will work in good faith with the Developer and the Owner Entity to identify third-party funding sources to pay for any unforeseen remediation costs (without limiting the responsibilities of the Authority, the

Developer or the Owner Entity under otherwise applicable provisions of this Section IV).

10. Developer and Owner Entity Responsibility for Environmental Conditions After Closing. The Developer and/or the Owner Entity shall have no liability for any environmental conditions that exist or arise prior to the transfer of the Property to the Owner Entity, except to the extent that the environmental conditions were caused by the negligence of the Developer, its agents, third party contractors or employees. At the Closing, the Owner Entity and the Developer will covenant and agree to indemnify, defend and hold the Authority free and harmless from and against any and all losses, liabilities, penalties, claims, fines, litigation, demands, costs, judgments, suits, proceedings, damages, disbursements or expenses, including reasonable attorneys' fees which may at any time be imposed upon, reasonably incurred by or asserted or awarded against the Authority (excluding those matters for which the Authority is responsible in accordance with Section IV(A)(6)) in connection with or arising from:
 - a. The existence of any Prohibited Substance first placed on, in, or under all or any portion of the Property on or after the Closing by the Developer, the Owner Entity, their affiliates, agents, third party contractors or employees; or
 - b. Any violation of any federal, state or local environmental laws by the Developer, the Owner Entity, their affiliates, agents, third party contractors or employees at or relating to the Property that arises out of their respective negligent acts or omissions after the Closing.
11. Environmental Insurance. To the extent feasible and supportable in the applicable Development Budget, Developer will obtain environmental insurance, the cost of which shall be a Development expense.

B. Remediation, Demolition and Site Restoration.

1. Remediation, Demolition and Site Restoration Work. The Developer shall, on behalf of the Authority, demolish or cause to be demolished and prepare the Property (the "**Site Readiness Work**") in a Clean and Buildable Condition (as defined below).
2. Definition. As used herein, "**Clean and Buildable Condition**" shall mean that:
 - a. All physical improvements and infrastructure have been demolished;
 - b. All demolition debris and all other surface and subsurface physical obstructions that would impede the applicable portion of the Development, including without limitation building foundations, have been removed;
 - c. All underground storage tanks, if any, and any abandoned utility lines have been removed, but only to the extent that third party funding is available;

- d. All Hazardous Materials have been removed or otherwise remediated to the extent required by law, but only to the extent that third party funding is available; and
 - e. Known unsuitable soils have been removed, suitable fill material has been added; and soil has been compacted and rough graded, but only to the extent that third party funding is available.
3. Effect of Latent Conditions. If following completion of the Site Readiness Work, latent conditions are discovered that if known to the Parties would have required additional work to place the applicable portion of the Project in Clean and Buildable Condition, the Authority agrees to support efforts by the Developer to obtain such additional funding as may be required to appropriately remedy such situation.
 4. Timing of Site Readiness Work. Work to place any applicable portion of the Development in Clean and Buildable Condition may be conducted before or after Closing, as the Parties mutually determine is most advantageous to the Project. As discussed herein, the Developer, in consultation with the Authority, shall develop a Development Schedule which incorporates the demolition and other site readiness activities required for the Project.
 5. Costs of Site Readiness Work included in Development Budget. All costs of the Site Readiness Work shall be provided for in the Development Budget. The Developer shall have primary responsibility for identifying, and obtaining, negotiating and closing all financing necessary to complete the Site Readiness Work in an economically feasible manner.
 6. Governmental Funding for Site Readiness Work. If appropriate, the Authority will enter into an intergovernmental agreement with any funding source, including the City, and/or serve as a subgrantee of funds as may be reasonably requested or required by the Developer.
 7. Infeasibility of the Project. The unavailability of sufficient funds for the Site Readiness Component, or the failure of any public body or other third party to provide any funds or accomplish any work which it has committed, shall be considered an Event of Infeasibility under Section IX (F)(2).

V. INFRASTRUCTURE ACTIVITIES

A. Implementation of Public and Site Improvements. Following the Parties' establishment of the Development Plan, any requisite HUD and other governmental approvals, and in coordination with local planning officials, and subject to the availability of funding, and the Development Contingencies, the Developer shall manage each of the following in accordance with the terms of this Agreement: (a) design and development of the Infrastructure Improvements,

(b) the performance of the services and responsibilities with respect to the construction of the Infrastructure Improvements as set forth herein, and (d) the performance of such additional management services as are reasonably within the general scope of such services, subject to the approval of the Authority. “**Infrastructure Improvements**” mean all roads, streets, utility lines and conduits, sewers, detention systems, street lighting, and other infrastructure required by the development plan. The foregoing activities, whether performed by the Developer, itself or through sub-contractors, shall be referred to herein as the “**Infrastructure Work**”. The tasks involved in Developer’s Infrastructure Work may include any of the following:

1. Finalize the scope of the Infrastructure Work including preparation of final plans, specifications and bid documents for parks, roadways, streetscape, water service, storm water, and sanitary sewer improvements as well as a site electrical plan;
2. Prepare and file preliminary and/or definitive subdivision plan applications;
3. Prepare, for the Authority’s approval, any necessary revisions to the Development Budget and Development Schedule to properly provide for the Infrastructure Work;
4. Provide reasonable assistance to the Authority in structuring any funding agreements between the City and the Authority relative to funds previously identified and/or committed by the City for the Infrastructure Work;
5. Negotiate one or more memoranda of understanding and/or easements for construction activities and installation services for the gas, electric, telephone and cable services required for the Project;
6. Obtain, in a timely manner, all permits, approvals, licenses, certificates and consents of all authorities necessary or desirable in connection with the Infrastructure Work, including without limitation zoning, land use, planned unit development (a “**PUD**”), subdivision, re-subdivision, street and alley closings and dedications, historic preservation approvals, and other state and local approvals and interpretations necessary for the Infrastructure Work;
7. Select and negotiate and execute one or more contracts with the contractor performing the Infrastructure Work (the “**Infrastructure Contractor**”);
8. Cause the Infrastructure Contractor to select any necessary subcontractors in accordance with the Applicable Requirements, if any; administer and oversee one or more construction contracts with the Infrastructure Contractor, and provide related construction management and contract administration services;
9. Review and process funding requisitions for the Infrastructure Work pursuant to the terms of this Agreement or relevant funding agreement(s);
10. Review and approve change orders (subject to the reasonable approval of the Authority and/or the City, as required);

11. Implement Infrastructure Contract closeout and acceptance of completed facilities by the City as publicly dedicated; and
12. Coordinate the Infrastructure Work with the design and construction activities associated with, as applicable, the Project.

B. Infrastructure Costs.

1. All costs of designing and implementing the Infrastructure Work shall be provided for in the Development Budget. The Developer shall have primary responsibility for identifying, obtaining, negotiating and closing all financing necessary to complete the Infrastructure Work in an economically feasible manner and in a fashion complimentary to the Project, subject to the approval of the Authority which shall not be unreasonably withheld, conditioned or delayed.
2. If appropriate, the Authority will enter into an intergovernmental agreement with any funding source and/or serve as a subgrantee of funds as may be reasonably requested or required by the Developer.
3. The unavailability of sufficient funds for the Infrastructure Component, or the failure of any public body, utility company or other third party to provide any funds or accomplish any work which it has committed, shall be considered an Event of Infeasibility under Section IX(F)(2).

VI. DESIGN AND CONSTRUCTION ACTIVITIES

A. General. This Article VI shall govern any design and construction activities of the Developer under this Agreement.

B. Design Process, Documents and Approvals. The Developer shall cause Corwil Architects, Inc. and Grimm & Parker (collectively, the “**Architect**”) to proceed diligently to prepare design development and the initial construction documents (the “**Design Documents**”) for the Project within such time as may be reasonably consistent with advancing the Project according to the terms and conditions of this Agreement. The Developer shall submit proposed designs to the Authority for review. The Design Documents shall be subject to approval by the Authority, which shall not be unreasonably withheld, conditioned or delayed.

1. Submittal and Review of Design Documents. Consistent with the timeframes outlined in the Development Schedule, the Developer shall submit to the Authority the following Design Documents during each of the following stages:
 - a. **Scope of Work.** The Developer shall have the Architect prepare a scope of work describing overall basic design requirements of the project (the “**Scope of Work Documents**”). The Developer shall obtain an estimate of the construction cost based upon the Scope of Work Documents and, in consultation with the Authority,

work cooperatively with the Architect to make any necessary adjustments to the Scope of Work Documents so that the cost of construction is economically feasible and consistent with the construction and operation of the Project. The Scope of Work Documents and any adjustments are subject to the approval of the Authority which shall not be unreasonably withheld, conditioned or delayed.

- b. **Design Development Phase.** Based on the approved Scope of Work Documents, and after the award of LIHTC's or other primary funding for the Project, the Developer shall direct the Architect to prepare, documents consisting of drawings, outline specifications and other documents to fix and describe the size and character of the Development as to architectural, and basic structural systems, materials and such other elements as may be appropriate (the "**Design Development Documents**"). The Design Development Documents shall include drawings which shall indicate estimated structural dimensions, and delineation of site features and elevations, materials and colors, landscaping and other features. The drawings shall fix and describe all design features, as well as the size, character, and quality of the Project as to architectural, structural, and mechanical systems. Key details shall be provided in preliminary form. The Design Development Documents shall be subject to the approval of the Authority which shall not be unreasonably withheld, conditioned or delayed.
 - c. **Construction Document Phase.** Based on the approved Design Development Documents, and any further adjustments in the scope or quality of the Development or in the Development Budget, the Developer shall direct the Architect to prepare drawings consisting of drawings and specifications setting forth in detail the requirements for construction of the Project (the "**Final Construction Drawings**") and forward such documents to the Authority for review and approval. The Final Construction Drawings must provide all the detailed information necessary to obtain a building permit for the Project. The Developer shall provide samples identifying the type of material used for each finish, upon the reasonable request of the Authority. The Final Construction Drawings shall be subject to the approval of the Authority which shall not be unreasonably withheld, conditioned or delayed.
2. Review and Finalization of Design Documents. Once the Authority has approved the Final Construction Drawings for the Project, the Developer shall not make any material changes in those documents without the prior written approval of the Authority which approval shall be provided within no less than ten (10) calendar days. Without limitation, a change shall be deemed material if: (a) it materially changes the size, location or elevation of the Project or (b) requires an amendment to any approval or permits obtained from the City or other governmental agencies, or (c) the effect of it would be to increase or decrease any construction budget line item by \$100,000 or the overall budget by more than ten percent (10%). Provided, however, that the Authority may not disapprove any change which is required for compliance with building codes or other laws, codes or regulation. Nothing herein shall authorize the Developer to substitute materials of lesser quality for those previously approved by the Authority, without the Authority's consent.

3. Permits and Approvals. Consistent with the timeframes outlined in the Development Schedule the Developer shall obtain all permits and approvals necessary to construct the Project, including all building permits, and if applicable, demolition approvals, and incur such costs related thereto. All applications for such permits and approvals shall be consistent with the approved Design Documents. The Developer acknowledges that execution of this Agreement by the Authority does not constitute approval by the City of any required permits, applications, or allocations, and it in no way limits the discretion of the City in the permitting, allocation and approval process. The Developer shall, on an ongoing and timely basis, advise the Authority regarding the status of all applications required to obtain the governmental approvals necessary for compliance with the Applicable Requirements. The Developer shall advise the Authority of any hearings regarding matters described in this section with reasonable advance notice of such hearings. The Authority shall cooperate with, and, as necessary, participate in the pursuit of all such permits and approvals by the Developer as may be reasonably requested by Developer from time to time.

4. Zoning of the Development Site. It shall be the responsibility of the Developer to ensure that the zoning of the Project shall be such as to permit the Development to be constructed in accordance with the provisions of this Agreement. The Authority shall cooperate with the Developer in seeking any variances, conditional use permits, parcel maps or other discretionary approvals needed to implement the Development as may be reasonably requested by Developer from time to time.

C. Construction Services.

1. General Contractor and the Construction Contract. When contracting for construction services required hereunder, the Developer, on behalf of Owner Entity, will enter into a fixed-price or guaranteed maximum price construction contract (the "**Construction Contract**") for the Project, with Breeden Construction (the "**General Contractor**"). The Construction Contract will be subject to the Authority's review and approval, which shall not be unreasonably withheld, conditioned or delayed. The Construction Contract shall require the General Contractor to provide, at a minimum: (a) insurance as provided for herein; (b) performance and payment bonds (or alternative security) which is satisfactory to the Authority and all other lenders; (c) a warranty of good title to materials, equipment and supplies incorporated in the work; (d) a warranty that the work performed pursuant to the Construction Contract conforms to the Final Construction Drawings and is free of any defect in equipment, material or workmanship performed by the General Contractor or any subcontractor or supplier in any tier; and (e) a warranty that all material, equipment and supplies are new, of first quality and suitable for the purposes for which they are used. The warranties shall continue for a period of not less than one year from the date of Construction Completion of the work.

a. **Use of an Affiliated General Contractor.** The Parties acknowledge that the Developer may seek to use an affiliate of the Developer as the General Contractor, provided the price, selection and other elements of the construction contract meet

the requirements of all applicable funding sources including those of HUD and VHDA. Use of any other general contractor shall be subject to the Authority's approval.

- b. **Authority and HUD Access to Development Site.** The Authority and HUD, through their officers, agents, or employees, shall be permitted to access the Project on a regularly scheduled basis and otherwise with reasonable notice to review the construction activities to determine that such work conforms with the approved Final Construction Drawings or to inspect the Project for compliance with this Agreement. Any inspection by the Authority shall be for the benefit of the Authority. It shall not be deemed to be acceptance of all or any of the work, nor shall it be deemed to waive any right the Authority may have under this Agreement or any other transaction document, nor shall it be deemed to be involvement by the Authority in the affairs of the Developer or to give the Authority such control over the Developer that the Authority might be considered to be a joint-venturer or partner with the Developer in the performance of the activities described in this Agreement. The Authority will make reasonable efforts to bring to the attention of the Developer and/or the Owner Entity any material work deficiencies, issues regarding construction, or other concerns which it discovers in its inspections.
- c. **Prompt Payment; No Liens.** The Developer shall make, or cause to be made, prompt payment of all monies due and legally owing to all persons, firms and corporations doing any work, furnishing any materials or supplies, or renting any equipment to the Developer, its affiliates or any of their contractors or subcontractors in connection with construction of the Project, except where the Developer is disputing its obligation to so pay or where the Authority or a third party with an obligation to fund a payment has wrongfully failed to do so. The Developer and/or the Owner Entity shall keep the Project free of mechanics', materialmen's and other involuntary liens and encumbrances and shall forthwith take all necessary and appropriate steps to release any such liens.
- d. **Books of Account.** The Developer agrees to keep accurate books of account showing the costs incurred for the Work. Such books and record shall be maintained for a period of not less than three (3) years after the Work has been completed (such obligation to survive the termination of this Agreement) and shall be subject to inspection by the Authority during ordinary business hours upon reasonable request, at its sole cost and expense. The records shall be maintained at the Developer's office in the Commonwealth of Virginia.
- e. **Construction Schedule.** The Developer shall commence or cause to be commenced construction of the Project in accordance with the Development Schedule. The Developer shall diligently prosecute or cause to be prosecuted to completion the construction of the Project (excluding improvements to the interior of buildings in any commercial improvements intended for leasing to tenants) and shall use commercially reasonable efforts to complete or cause to be completed the construction of the Project no later than the time specified in the Development Schedule. The Developer shall keep the Authority informed regarding the

construction progress and shall advise the Authority of any material variance from the construction schedule outlined in the Construction Contract.

- f. **Construction Pursuant to Plans.** The Developer shall construct or cause to be constructed the Project substantially in accordance with the Final Construction Drawings and the terms and conditions of all City and other governmental approvals. The Developer agrees to meet regularly with the Authority (with the Architect and/or General Contractor in attendance as may be useful) and to present reports on the progress of the Work.
- g. **Construction Bonds.** Unless otherwise approved by the Authority, VHDA and HUD, the Developer shall require its General Contractor to procure and deliver to the Authority copies of labor and material (payment) bonds and performance bonds, or a dual bond which covers both payment and performance obligations, in a penal sum each of not less than one hundred percent (100%) of the scheduled cost of construction of the improvements, and one hundred percent (100%) payment bond. Said bonds shall be issued by an insurance company or surety which is licensed to do business in the Commonwealth of Virginia, has a rating equivalent to A+, and is listed in U.S. Treasury Circular 570, or, as otherwise approved by the Authority. The labor and materials (payment) bond shall name the Authority as a co-obligee or assignee.
- h. **Compliance with Agreements and Applicable Law.** The Developer shall cause all work performed in connection with the Project to be performed in compliance with (a) the Applicable Requirements, and (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction and (c) this Agreement. The Work shall proceed only after the Developer has procured each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, as may be required of the Developer and all entities engaged in work on the Project.
- i. **Documents, Drawings and Materials.** The Developer shall furnish the Authority with an electronic copy and one (1) printed set of the final drawings of record and data sheets; results of civil, structural and hydraulic design calculations; loading diagrams, equipment manufacturers' drawings and data, including construction data and parts lists; and final specifications. Upon construction completion, the Developer shall furnish the Authority with an electronic copy and three (3) printed reproductions of the as-built drawings for the Project.

VII. RENTAL PROJECT DOCUMENTS AND CLOSING

A. HUD Proposal/Financing Plan.

If the Project contains any HUD Subsidy Units, the Authority shall have primary responsibility to prepare, with such assistance from the Developer as may be reasonably be requested from

time to time, and the Authority will submit for HUD approval the applications and submissions required by the Other HUD Subsidy Requirements, as well as such proposals, submissions, and documents as is required by the HUD Subsidy Requirements. Each Party shall reasonably agree to any changes required by HUD which do not materially and adversely affect the feasibility of the Project or the scope of obligations or the level of risk and return to the Developer, the Owner Entity or the Authority. The Authority shall diligently pursue HUD's approval of any HUD Subsidy Program submission.

B. Closing Documents.

The Developer will cause the Owner Entity to enter into certain agreements with the Authority which are described in this Section VII(B) in form and substance mutually acceptable to the Developer and the Authority and/or others and which are hereinafter individually referred to, with respect to HUD Subsidy Units, as "**HUD Subsidy Documents.**" The HUD Subsidy Documents listed and described herein constitute the major documents required by the HUD Subsidy Requirements, and each is subject to HUD approval prior to execution, unless otherwise indicated. If necessary in connection with a funding application and as applicable, the Authority will, prior to the Closing, provide such commitments and options as necessary to evidence its commitment of funding and land for the Project. Such commitments and options shall be subject to and conditioned upon HUD approval of the Project and the HUD Subsidy Documents.

1. Ground Leases or Other Property Conveyance Documents. Subject to the terms and conditions to be negotiated by the Authority and the Developer on behalf of the Owner Entity, the Authority shall enter into a long-term Ground Lease or other acceptable property conveyance document, with the Owner Entity for the Property, which instrument will include the right to occupy and operate the Property for a term of at least fifty (50) years, subject to any applicable restrictive covenants agreement in favor of HUD, VHDA, and such other exceptions, easements or encumbrances as do not interfere with the use and enjoyment of the Property.
2. Title and Survey. The Developer shall secure, for the Authority, HUD and VHDA review, title and survey documents for the Project which shall satisfy the Applicable Requirements.
3. HAP Contract. If the Project contains HUD Subsidy Units, the Owner Entity and the Authority shall enter into one or more HAP Contracts providing for Section 8 subsidies to the HUD Subsidy Units consistent with the HUD Subsidy Requirements.
4. Loan Documents. To secure additional financing, the Owner Entity may enter into loans, including but not limited to: private bank financing, loans from VHDA, the Authority Loans (if applicable), loans from the United States Department of Agriculture Rural Development and Federal Home Loan Bank loans, subject to the approval of the Authority, VHDA, if required, and HUD, which may be secured by mortgages and other security interests (collectively, the "**Loan Documents**").
5. Owner Entity Documents. The Owner Entity shall be organized in accordance with

those criteria described at Section III(B)(1) herein. All documents evidencing the formation of the Owner Entity and the receipt of LIHTC equity from the Equity Investor shall be subject to the reasonable approval of the Authority.

6. HUD Subsidy Regulatory Documents. If the Project is developed pursuant to any HUD Subsidy Program, the Owner Entity shall be obligated to cause the HUD Subsidy Units to be operated in accordance with all statutes, rules, and regulations pertaining to the applicable HUD Subsidy Program for the period required by law.
7. Management Documents. The Developer shall prepare all management documents for the Project needed for Closing including a management agreement, management plan, site-based admissions and continued occupancy policies, grievance procedures, and leases for HUD Subsidy Units, as applicable. Such documents shall comply with HUD Subsidy Requirements and must be reviewed and approved by the Authority and HUD prior to implementation, unless HUD does not require such approval.

C. Closing. All of the Loan Documents described in this Article VII, and such other documents as may be reasonably required by the Developer, Equity Investor, the Authority, HUD or other lender for the construction and eventual occupancy of the Project (other than tenant leases) will be executed at the Closing.

VIII. HUD REQUIREMENTS

A. HUD Approval. The Parties hereto acknowledge that this Agreement, the Closing and the consummation of the transactions contemplated by this Agreement are subject to HUD approval. The Developer and the Authority agree to cooperate to obtain all necessary HUD approvals and acknowledge that HUD approvals must be obtained as a condition precedent to certain obligations contained herein. Nothing herein shall be understood to authorize or obligate the Authority to act in the absence of required HUD approvals.

B. No Relationship Created. Nothing contained in this Agreement nor any act of HUD or the Authority, shall be deemed or construed to create any relationship of third-party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving HUD.

C. Compliance with Certain Federal Requirements. The Developer will comply with all applicable requirements of the following, as the same may be amended from time to time, and agrees that any contract that ensues from this Agreement will include the following clauses:

1. The Fair Housing Act, 42 U.S.C. 3601-19, and regulations issued thereunder, 24 CFR Part 100; Executive Order 11063 (Equal Opportunity in Housing) and regulations issued thereunder, 24 CFR Part 107; and the fair housing poster regulations, 24 CFR Part 110.
2. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, and regulations issued thereunder relating to non-discrimination in housing, 24 CFR Part 1.

3. Age Discrimination Act of 1975, 42 U.S.C. 6101-07, and regulations issued thereunder, 24 CFR Part 146.
4. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, and regulations issued thereunder, 24 CFR Part 8; the Americans with Disabilities Act, 42 U.S.C. 12181-89, and regulations issued thereunder, 28 CFR Part 36.
5. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
6. Davis-Bacon Act, as amended (40 U.S.C.3141–3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141–3144, and 3146–3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, the Developer and contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, the Developer and contractors are required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the **Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3**, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Davis-Bacon Act provides that each contractor or sub recipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
7. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708). Where applicable, all contracts awarded by a non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Contract Work Hours and

Safety Standards Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

8. Rights to Inventions Made Under a Contract or Agreement. If a Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or sub recipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or sub recipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
9. Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387), as amended. Contracts and sub grants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
10. Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).
11. Debarment and Suspension (Executive Orders 12549 and 12689). A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), “Debarment and Suspension.” The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
12. §200.322 Procurement of Recovered Materials. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource

Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

13. Lobbying Activities. The Developer and any contractor shall comply with 31 USC 1352, which prohibits the use of Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, loan, or cooperative agreement. The Developer further agrees to comply with, and cause any applicable contractor to comply with, the requirement of such legislation to furnish a disclosure (OMB Standard Form LLL), as required pursuant to Section VIII(D)(2) below, if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with a Federal contract, grant, loan, or cooperative agreement, which payment would be prohibited if made from Federal appropriated funds.

D. Compliance with HUD Required Contract Provisions, Certifications and Disclosures.

1. The Parties agree to comply with all the applicable requirements of form HUD-5370-C (01/14), General Conditions for Non-Construction Contracts, Section I (with or without Maintenance Work), attached hereto as Exhibit F.
2. The Developer will complete and return to the Authority, within thirty (30) days of executing this Agreement, form HUD 50071 (01/14) – Certification of Payments to Influence Federal Transactions, attached hereto as Exhibit G, and comply with all requirement thereunder.
3. The Developer agrees to disclose to the Authority any permitted lobbying activities, within 30 days or commencing such activities, by completing and submitting to the Authority the HUD Standard Form LLL (Rev. 01/14) – Disclosure of Lobbying Activities, attached hereto as Exhibit H, and comply with all requirements thereunder.

E. Access to Records.

1. The Authority, HUD, or the Comptroller General of the United States, or any of their duly authorized representatives, shall, until three (3) years after closeout of any federal grant funds used hereunder, have access to and the right to examine, upon reasonable notice, any of the Developer's directly pertinent books, documents, papers, or other records involving transactions related to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions.
2. The Developer agrees to include in first-tier subcontracts under this contract, i.e., contracts between the Developer or its Affiliates and the Architect, General Contractor and Managing Agent, a clause substantially the same as the preceding paragraph. The term "subcontract" as used in this clause excludes contracts and purchase orders not exceeding \$10,000.
3. The period of access and examination for records relating to (a) litigation or settlements of disputes arising from the performance of this Agreement, or (b) costs and expenses of this Agreement to which the Authority, HUD or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

F. Interest of Member, Officer, or Employee and Former Member, Officer, or Employee of the Authority. No member, officer, or employee of the Authority, no member of the governing body of the locality in which the project is situated, no member of the governing body by which the Authority was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter or such longer time as the Authority's Code of Ethics may require, have any interest, direct or indirect, in this Agreement or the proceeds thereof, unless the conflict of interest is waived by the Authority and by HUD.

IX. EVENTS OF DEFAULT AND TERMINATION.

A. Termination for Cause and Events of Default by the Developer. Upon written notice from the Authority, and the expiration of any cure rights set forth in Section IX(C) hereof, any of the following shall constitute an "**Event of Default**" by the Developer under this Agreement (subject to, in any event, (1) a Force Majeure Event in Section IX(D) or (2) the determination that performance is impossible due to the occurrence or lack of occurrence of Development Contingencies contemplated in Section IX(F)(1):

1. The Developer materially breaches any obligation herein (including, but not limited to, the failure to make "commercially reasonable efforts" where required in this Agreement); or
2. The Developer becomes insolvent, is adjudged as bankrupt, makes a general assignment for the benefit of creditors, or becomes a subject of any proceeding commenced under any statute or law for the relief of debtors; provided that the Developer and/or guarantor, as the case maybe shall have ninety (90) days to effect the dismissal of any such involuntary proceeding; or

3. A receiver, trustee or liquidator of any of the property or income of the Developer or any guarantor of the Developer's performance hereunder shall be appointed; or
4. The Developer unilaterally withdraws from the Project except as expressly allowed by the terms of the Agreement; or
5. The Developer (or the Owner Entity), after written notice and expiration of any applicable cure or grace periods, fails to enforce any material terms, provisions, conditions, covenants or agreements in the Construction Documents and HUD Subsidy Documents, if such failure materially and adversely affects the Authority's interest hereunder; or
6. The actions or omissions of the Developer that are the primary cause of or otherwise result in the revocation of a funding commitment from a third-party funding source; or
7. The Developer fails to make payment to a third-party contractor when due and funds for such payment have been received from the Authority; or
8. The Developer fails to obtain and maintain the insurance coverage required herein; or
9. The Developer fails to enforce the insurance obligations described hereunder on third party contractors; or
10. The Developer fails to abide by or take necessary action to comply with the LIHTC Application Schedule, as attached hereto as Exhibit E, without the prior written approval of the Authority; or
11. The Developer fails to take appropriate efforts or use due diligence to ensure that third party contractors possess the requisite licenses and qualifications necessary for work contracted to them; or
12. The Developer materially breaches any representation, warranties, covenants, or certifications made in this Agreement; or
13. The Developer (or the applicable Owner Entity) materially defaults on any of the HUD Subsidy Documents, and such default is not cured within applicable time periods; or
14. There is an unapproved change in the control of the Developer.

The foregoing provisions shall be incorporated into the Authority's HUD Subsidy Documents executed with the Owner Entity.

B. Events of Default by the Authority. Subject to (1) provision of the notice and cure rights in Section IX(C) herein; (2) excused events pursuant to IX(D) herein; and (3) any determination that performance is impossible due to the occurrence or lack of occurrence of Development Contingencies contemplated in Section IX(F)(1) herein, a breach by the Authority of any obligation in this Agreement having a material adverse impact upon the Project, the Developer,

the Owner Entity, Architect, General Contractor or other third-party shall constitute a Authority Event of Default.

C. Procedure Upon an Event of Default. Cure; Procedure for Termination for Cause.

Upon the occurrence of an Event of Default by either Party, the other Party shall notify the defaulting Party in writing sent by electronic mail and certified mail with a return receipt requested, specifying the nature of such Event of Default. The defaulting Party shall have thirty (30) days following receipt of such notice to cure the Event of Default. If the defaulting Party fails to cure the default within thirty (30) days following receipt, or such longer time as the nature of the cure may require if promptly commenced and expeditiously pursued, the non-defaulting Party may, by written notice in accordance with applicable HUD requirements sent by certified mail return receipt requested, terminate this Agreement, pursue such other remedies as may be available at law or equity, and/or condition its further participation on a change in terms hereunder. Provided, however, upon an Event of Default by Authority and resulting Termination for Cause, the Developer shall not be entitled to any monetary remedy greater than it would be entitled pursuant to any Termination for Convenience. Upon termination of this Agreement due to an Event of Default by the Developer, all of the Developer's interest in all plans, studies, reports, drawings, permits, approvals, and other work product produced or obtained by the Developer in connection with the Project shall, to the extent possible, be assigned to the Authority.

D. Force Majeure. If the Developer is delayed in achieving the Development Schedule or as applicable, due to unforeseeable causes beyond the control or without fault or negligence of the Developer (including, but not limited to, third-party litigation that enjoins implementation of the Project; declarations of public emergency; acts of nature (as to weather-related events, limited to severe and unusual events or natural occurrences such as hurricanes, tornadoes, earthquakes, and floods); acts of the public enemy; acts of terrorism; acts of war; fire; epidemics; quarantine restrictions; blackouts, power failures, or energy shortages; governmental embargoes; and strikes or similar labor action by equipment or material suppliers or transporters, or unavailability of necessary building materials, equipment, services or labor (provided that Developer has no commercially reasonable alternatives to avoid the impact thereof on the progress of the Project) (collectively referred to as a "**Force Majeure Event**"), then the Developer's time for performance under this Agreement shall be extended for a period of time corresponding to the period by which the Developer's performance is delayed due to such Force Majeure Event. Examples of such causes include, by way of illustration but not limitation, (a) acts of God or public enemy, (b) war, (c) fires, (d) floods, (e) epidemics, (f) quarantine restrictions, (g) freight embargoes and (h) labor disputes.

E. Termination for Convenience.

1. Process for Terminating the Agreement for Convenience. The Authority may terminate this Agreement, in whole or in part, for its convenience, whenever the Authority determines it is infeasible or contrary to the Authority's interests to proceed with the Project, or portions thereof. Any such termination shall be effected by delivery to the Project of a written notice, sent by certified mail with a return receipt requested, of termination specifying the date upon which such termination becomes effective, the

clause of this Agreement authorizing such termination, and such other information as required by HUD.

2. Payments Due upon Termination for Convenience. If the Authority terminates the Work for convenience, the Authority shall be liable to the Developer for the Termination Fee (defined below) and such reasonable costs (“**Termination Costs**”) incurred by the Developer through the date of termination and those resulting from such termination which costs shall be paid to the Developer by the Authority following receipt of a properly presented claim setting out in detail: (a) the total cost of all third-party costs incurred to date of termination; (b) the cost of settling and paying claims under subcontracts and material orders for Work performed and materials and supplies delivered to the site, or for settling other liabilities of the Developer properly incurred in performance of its obligations hereunder (and excluding thereby any liability of the Developer incurred through the Developer’s error, omission or wrongful act); (c) the cost of preserving and protecting the Work already performed until the Authority or assignee takes possession thereof or assumes responsibility therefor; and (d) the actual or estimated reasonable cost of legal and accounting services reasonably incurred; (e) any such other amounts reasonably incurred by the Developer and agreed to by the Authority; and (f) compensation to Developer for Work completed and services provided through the date of termination.

F. Termination or Alteration of Development Due to Infeasibility or Change in Circumstances Not Due to Default of the Developer.

1. Development Contingencies. The Parties agree that certain matters are conditions precedent to the Authority’s and the Developer’s ability to proceed with the Project and to fulfill the terms and conditions of this Agreement. The Parties’ ability to perform responsibilities hereunder is substantially contingent upon actions by third parties over whom the Parties have only limited influence, as well as upon the continuation of economic and regulatory circumstances at least as favorable to housing development and marketing as currently exist (“**Development Contingencies**”). Such Development Contingencies shall include, without limitation, the following:
 - a. the successful elimination of Prohibited Substances, or other adverse environmental or geotechnical conditions;
 - b. the timely conveyance by the Authority via ground lease of the Property, free and clear of any title defect that interferes with the Project’s financing;
 - c. the provision of all projected assistance, including grants, Project-Based voucher or rental assistance, loans, equity financing and land transfers, from the Authority or other funders, as applicable;
 - d. the award of LIHTCs or tax-exempt bond financing allocations in substantially the amount projected, following at least two attempts at securing same;
 - e. the availability of construction and permanent financing and other grants and loans required by the Project;

- f. the absence of litigation (including suits filed by third parties concerning or arising from the Agreement);
 - g. the receipt of all required approvals by local authorities including, without limitation, zoning and subdivision approval and issuance of building permits by the City and other required permits;
 - h. the continuation of law, regulations, public policy and economic and market circumstances at least as favorable to affordable housing development in general, and to the Project in particular, as currently exist;
 - i. investor demand for LIHTCs;
 - j. changes in the Qualified Allocation Plan that make it infeasible to apply for LIHTCs; and
 - k. all necessary governmental approvals, commitments and permits necessary for the Developer to construct the Project.
2. Revision or Withdrawal. If a Development Contingency does not occur (after all diligent and reasonable efforts by the Developer and the Authority to cause it to occur, in accordance with their respective obligations hereunder) in a manner generally consistent with the development plan and in a manner which reasonably permits the accomplishment of the Project in accordance with this Agreement, either Party may give notice to the other Party of the failure of such Development Contingency. The Parties shall in good faith, attempt to revise the development plan in a mutually acceptable fashion by extending deadlines, revising budgets or goals, or otherwise. If either (a) the Parties agree that the applicable development plan is infeasible or (b) the Parties cannot, utilizing best efforts, develop an alternate development plan within 60 days, following either Developer or Authority notification to the other Party that a Development Contingency has not occurred, it shall be deemed an “**Event of Infeasibility.**” Upon the occurrence of an Event of Infeasibility, the Developer or the Authority may terminate this Agreement by delivering written notice to the other Party and, following reimbursement by the Authority of all unreimbursed third party costs of producing the information, materials, documents, drawings, applications and other work product (collectively the “**Work Product**”) produced or obtained by the Developer under or in connection with this Agreement or on its behalf, but not anything deemed Developer overhead, as well as Developer’s tender of all such Work Product to the Authority to the extent permitted, this Agreement will be terminated (“**Termination for Infeasibility**”). Upon such Termination for Infeasibility, the Developer shall promptly thereafter vacate the affected portion of the Property and cooperate in good faith with the Authority to achieve an orderly transition of control of the affected area.
3. No Liability Upon Termination for Infeasibility. In the event of a Termination for Infeasibility as provided herein, neither Party shall have any liability to the other pursuant to this Agreement except that (a) the Authority shall remain liable to the

Developer for any unpaid Site Readiness costs and fees and for any other costs for which reimbursement is explicitly provided elsewhere and the Developer can provide evidence that it has incurred, and (b) the Developer shall remain liable to indemnify the Authority with respect to acts or omissions of the Developer which are breaches of this Agreement and which occur prior to termination of this Agreement or portions thereof which result in Authority liability or expense.

X. REPRESENTATIONS AND WARRANTIES

A. The Developer's Warranty of Good Standing and Status. The Developer represents and warrants to the Authority that (a) the Developer is a duly organized, corporation (as described at the beginning of this Agreement), (b) the Developer has all necessary power, authority, licenses and staff resources for the undertaking of its obligations under this Agreement, (c) this Agreement has been duly entered into and is the legally binding obligation of the Developer, (d) this Agreement will not violate any judgment, law, or agreement to which the Developer is a party or is subject to and will not violate the articles of incorporation or limited partnership certificate, and (e) there is no claim pending, or to the best knowledge of the Developer, threatened, that would impede the Developer's ability to perform its obligation hereunto. The Developer shall not hereafter enter into any agreement or consent decree which would impair its ability to perform its obligations hereunder, and will notify the Authority if any suit is threatened or law proposed which would impair its ability to perform its obligations hereunder.

B. The Authority's Warranty of Good Standing and Status. The Authority represents and warrants to the Developer that (a) it has all necessary power and authority under Virginia law for the undertaking of its obligations under this Agreement, (b) this Agreement has been duly entered into and is the legally binding obligation of the Authority, (c) this Agreement will not violate any judgment, law, consent decree, or agreement to which the Authority is a party or is subject to and will not violate any law or ordinance under which the Authority is organized, and (d) there is no claim pending, or to the best knowledge of the Authority, threatened, that would impede the Authority's ability to perform its obligation hereunto. The Authority shall not hereafter enter into any agreement or consent decree which would impair its ability to perform its obligations hereunder, and will notify the Developer if any suit is threatened or law proposed which would impair its ability to perform its obligations hereunder.

XI. INDEMNIFICATION AND GUARANTEES

A. The Developer shall take reasonable precautions to prevent the occurrence of any injury to persons on or to the Property or any Authority property, except to the extent that any such injury is caused solely and directly by the Authority's negligence. The Developer shall indemnify, defend and hold harmless the Authority and its commissioners, officers, employees, and agents from and against any and all losses, costs, damages, claims, causes of action, demands, suits, liabilities, obligations, judgments and expenses (including any reasonable actual attorney fees and other costs of litigation) arising out of or relating to third party claims for any injury, disease or death of persons or damage to or loss of property resulting from or in connection with any breach by the Developer of any provision of this Agreement or resulting from the actions of Developer's contractors, but excluding any claims arising out of or relating to the Authority's negligence or willful misconduct. Furthermore, the Developer shall provide that any contractual

arrangement with a subcontractor shall be in conformance with the terms of this Agreement including the terms of this indemnity provision. The Developer's monetary liability shall not be limited by any provisions or limits of insurance set forth in this Agreement, but shall be limited to the amount of Development Fee earned with respect to the Project. This indemnification obligation shall survive the expiration or termination of this Agreement, but shall expire with the appropriate expiration of the statute of limitations for the underlying contractual or tortious action, subject to equitable or statutory tolling of such limitations period. Nothing in this paragraph shall impose upon the Developer any indemnification or hold harmless obligation with respect to remedies, claims, or enforcement actions asserted by HUD against the Authority.

XII. INSURANCE AND LICENSING REQUIREMENTS

A. Insurances. The Developer shall cause each applicable entity to maintain the following insurance coverage during the effective term(s) of this contract:

1. General Liability Insurance. An original certificate evidencing General Liability coverage, naming the Authority as an additional insured, together with the appropriate endorsement to said policy reflecting the addition of the Authority as an additional insured under said policy (minimum of \$1,000,000 each occurrence, general aggregate minimum limit of \$2,000,000, together with damage to premises and fire damage of \$50,000 and medical expenses any one person of \$5,000), with a commercially reasonable deductible (e.g. "commercially reasonable," meaning not greater than 1% of the "general aggregate minimum" of the policy, with a maximum deductible amount of \$50,000;
2. Professional Liability Insurance. From third parties providing professional services, an original certificate showing the proposer's professional liability and/or "errors and omissions" coverage (minimum of \$1,000,000 each occurrence, general aggregate minimum limit of \$1,000,000), with a commercially reasonable deductible (e.g. "commercially reasonable," meaning not greater than 1% of the "general aggregate minimum" of the policy), with a maximum deductible amount of \$50,000;
3. Automobile Liability Insurance. Automobile Liability coverage in a combined single limit of \$1,000,000. For every vehicle utilized during the term of this Agreement, when not owned by the entity, each vehicle must have evidence of automobile insurance coverage with limits of no less than \$100,000/\$300,000 and medical pay of \$5,000, with a deductible not greater than \$5,000.
4. Worker's Compensation Insurance. Workers' compensation coverage evidencing carrier in an amount not less than the statutory minimum.
5. Certificates/Endorsements. The Developer shall provide to the Authority current certificate(s)/endorsement(s) evidencing the insurance coverage referenced above. Failure to maintain the above-reference insurance coverage, including naming the Authority as an additional insured (where appropriate) during the term(s) of this contract shall constitute a material breach thereof. Insurance certificate(s)/endorsement(s) shall

be delivered to the following person representing the Authority:

Portsmouth Redevelopment
and Housing Authority
3116 South Street
Portsmouth, VA 23707
Attn: Director of Development and
Capital Funds Program

B. Licensing. The Developer shall also provide to the Authority a copy of any required licenses. Failure to maintain these licenses in a current status during the term(s) of this Agreement shall constitute a material breach thereof.

XIII. MISCELLANEOUS

XIV. Term. This Agreement shall commence as of the Effective Date, and, unless sooner terminated in accordance with the provisions herein, shall terminate upon the earlier of the Closing or December 31, 2023 (the “**Term**”); provided that: (i) the Term may be extended by written agreement of the Parties and by Force Majeure.

XV. Decision Standards. In any request, approval, consent or other determination by any Party required under any of this Agreement, the Party shall act reasonably, in good faith and in a timely manner, unless a different standard is explicitly stated.

XVI. Party Approvals. For all actions requiring a Party’s (the “**Approving Party**”) approval, the other Party (the “**Requesting Party**”) shall submit the written request for approval and supporting information which includes a reasonable deadline, given the nature of the action for which approval is sought, by which a response is required. The Approving Party shall employ best efforts to provide a response within the time identified in such notice. The failure to respond within the time identified shall be deemed an approval provided, however, that no deemed approval shall apply to any decision that by its nature requires formal action by the Authority through its Board of Commissioners, or if the notice request did not allow for a reasonable time period, given the circumstances, for a response).

XVII. Notice Parties. Any notice given or made pursuant to a requirement of this Agreement, shall be in writing and shall be deemed given if (a) delivered personally or by courier, (b) telecopied (with confirmation by any of the alternative means of notice listed herein), (c) sent by overnight express delivery, or (d) mailed by registered or certified mail (return receipt requested), postage prepaid, to a Party at its respective address set forth below (or at such other address as shall be specified by the Party by like notice given to the other Party):

If to Authority:	Portsmouth Redevelopment and Housing Authority 3116 South Street Portsmouth, VA 23707 Attn: Executive Director
------------------	--

and a copy to: Portsmouth Redevelopment
and Housing Authority
3116 South Street
Portsmouth, VA 23707
Attn: General Counsel

and a copy to: Reno & Cavanaugh, PLLC
455 Massachusetts Avenue, NW
Suite 400
Washington, DC 20001
Attn: Julie McGovern

If to Developer: TRG Community Development, LLC
c/o The Richman Group of Companies
777 West Putnam Avenue
Greenwich, CT 06830
Attn: Andre Blakley
Joanne Flanigan, Esq.

and a copy to: Delphine Carnes Law Group, PLC
101 W. Main Street, Suite 440
Norfolk, VA 23510
Attn: Delphine Carnes, Esq.

Nelson Mullins Riley & Scarborough LLP
101 Constitution Avenue, Suite 900
Washington, DC 20001
Attn: Anitra Androh, Esq.

E. Form of Notice. All such notices and other communications shall be deemed to have been received (a) in the case of personal or local courier delivery, on the date of such delivery, (b) in the case of delivery by overnight courier or express delivery service, on the date specified in the delivery receipt, and (c) in the case of mailing, on the date specified in the return receipt therefor. With regard to any notice other than Default or Termination Notices, written notice will be deemed to have been given validly if it is sent by electronic mail to the designated representatives at the email addresses provided in Section D above and F below.

F. Representatives. To facilitate communication, the Parties to this Agreement shall designate a representative with responsibility for the routine administration of each Party's obligations under this Agreement. The Parties initially appoint the following as representatives:

For the Authority: Philip Page
ppage@prha.org

For the Developer: Andre Blakley
BlakelyA@Richmancapital.com

G. Further Assurances. Each Party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Agreement.

H. Assignment. This Agreement may not be assigned by any Party without the prior written consent of the other Party. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto pursuant to this Section. Notwithstanding the foregoing, the Authority hereby pre-approves the assignment by Developer of Developer's rights hereunder to a Developer-affiliated Special Purpose Entity.

I. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed original, but all of which, together, shall constitute one instrument.

J. Interpretation. This Agreement shall not be construed against the Party who prepared it but shall be construed as though prepared by both Parties. This Agreement shall be construed, interpreted, and governed by the laws of the Commonwealth of Virginia without regard to the choice of law provisions thereof.

K. Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable such portion shall be deemed severed from this Agreement and the remaining parts shall continue in full force as though such invalid or unenforceable provision had not been part of this Agreement.

L. Final Agreement. This Agreement constitutes the final understanding and agreement between the Parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings and agreements between the Parties, whether written or oral. This Agreement may be amended, supplemented or changed only by a writing signed or authorized by or on behalf of the Party to be bound thereby.

M. Non-Recourse.

1. No member, official, employee, agent, or consultant of the Authority or any Affiliate shall be personally liable to the Developer, or any successor in interest or person claiming by, through or under the Developer the event of any default or breach, or for or on account of any amount which may be or become due, or in any claim, cause or obligation whatsoever under the terms of this Agreement.
2. No partner, member, officer, director, shareholder, employee, agent or consultant of the Developer or any Affiliate thereof shall be personally liable to the Authority, or any successor in interest or person claiming by, through or under the Authority, in the event of any default or breach, or for or on account of any amount which may be or become due, or in any claim, cause or obligation whatsoever under the terms of this Agreement.

N. Developer Employees, Compliance with Policies and Liabilities. It is understood that persons engaged or employed by the Developer as employees, agents, or independent contractors shall be engaged or employed by the Developer and not by the Authority. The Developer alone is responsible for their work, direction, compensation and personal conduct. The Developer acknowledges that the Authority has implemented a “No Smoking” policy on all of its properties. Accordingly, the Developer shall ensure that its employees or other persons brought or allowed onsite by the Developer shall not utilize any smoking materials on the Property, Property or other Authority property at any time. Nothing included in any provision of this Agreement shall impose any liability or duty upon the Authority to persons, firms, or corporations employed or engaged by the Developer in any capacity whatsoever, or make the Authority liable to any such persons, firms, or corporations, or to any government, for the acts, omissions, liabilities, obligations, and taxes, of whatsoever nature, of the Developer or of its employees, agents, or independent contractors.

O. The Developer Not an Agent. Nothing in this Agreement shall be deemed to appoint the Developer as an agent for or representative of the Authority, and the Developer is not authorized to act on behalf of the Authority with respect to any matters except those specifically set forth in this Agreement. The Authority shall not have any liability or duty to any person, firm, corporation, or governmental body for any act of omission or Authority, liability, or obligation of the Developer, whether arising from actions under this Agreement or otherwise.

P. Inclusion by Reference. Included by reference is any document or clause issued as a part of the RFQ, or within the Developer’s proposal submittal, that the Authority may choose to include at any time during the performance of this Agreement or any options exercisable thereto by the Authority. This inclusion shall be the unilateral right of the Authority and not the Developer. Further, any document that may be referenced herein that has not been attached hereto as an Exhibit is hereby incorporated herein by reference.

Q. Confidentiality. The Developer, in connection with performing his/her services hereunder, will have access to or may be provided certain confidential information concerning the Authority and agrees that any information concerning the finances, accounting practices, business, client, client lists, property information, client data, records of the Authority or any other information which a reasonable person could conclude that shall remain confidential (collectively, “**Confidential Information**”), will not be disclosed to any party and without limitation, any employee of the Developer or any client or potential client of the Developer at any time, except for the Developer’s legal counsel, accountants, or financial advisors, who will also hold such Confidential Information in confidence. The Developer acknowledges that the information is being provided with the sole understanding that all Confidential Information will remain confidential and will be held in the strictest confidence. The Developer further acknowledges that any disclosure of the Confidential Information, whether intentional or inadvertent, may harm the Authority. The Authority will have the right to enforce this Agreement by specific performance, as well as hold the Developer liable for any damages caused by any disclosure of any Confidential Information, whether intentional or inadvertent.

This Agreement will be binding on the Developer and any attorney, accountant, financial advisor who also may be provided Confidential Information.

R. Waivers. The failure of either Party to insist in any one or more cases upon the strict performance of any of the other Party's obligations under this Agreement or to exercise any right or remedy herein contained shall not be construed as a waiver or a relinquishment for the future of such obligation, right or remedy. No waiver by either Party of any provision of this Agreement shall be deemed to have been made unless set forth in writing and signed by that Party.

S. Time is of the Essence. Time is of the essence under this Agreement as to each provision in which time of performance is a factor.

T. Right to Joinder. The Developer shall retain the unilateral right to allow or disallow any political subdivision the privilege of joining this Agreement. If the Developer allows another political subdivision to join this Agreement, it is expressly understood that the Agency shall in no way be liable for the joining political subdivision obligations to the Developer in any manner whatsoever. If the Developer so grants such a privilege, the terms and conditions of this Agreement, may be passed on to the joining political subdivision by the Developer.

U. Successors. The terms, covenants, agreements, provisions, and conditions contained herein shall bind and inure to the benefit of the Parties hereto, their successors and assigns.

V. Headings. The headings in this Agreement are inserted for convenience only and shall not be used to define, limit or describe the scope of this Agreement or any of the obligations herein.

W. Construction. Whenever in this Agreement a pronoun is used, it shall be construed to represent either the singular or the plural, either the masculine or the feminine, as the case shall demand.

X. Cumulative Rights. Except as expressly limited by the terms of this Agreement, all rights, powers and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.

Y. Forum and Jurisdiction. Any action or proceeding arising hereunder shall be brought in the Circuit Court for the City of Portsmouth or in the United States District Court for the Eastern District of Virginia, as shall be determined in the sole discretion of the Authority if the Authority is or becomes a party to such action, and as may be permitted by law and their respective rules. The Authority and the Developer agree that the courts located in the Commonwealth of Virginia may exercise personal jurisdiction over them and hereby waive any defenses each of them may have to such exercise of jurisdiction. The Parties agree that any other contract or sub-contract entered into between the Parties or between a Party and another entity pertaining to the revitalization of the Authority's portfolio and any work or services ancillary thereto shall contain the language set forth in this provision related to governing law, jurisdiction and venue.

[REMAINDER OF PAGE LEFT BLANK]

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

AUTHORITY:

**PORTSMOUTH REDEVELOPMENT
AND HOUSING AUTHORITY,**
a political subdivision duly organized and existing
under the laws of the Commonwealth of Virginia

By: 
Name: Edward Bland
Its: Executive Director

DEVELOPER:

**TRG COMMUNITY
DEVELOPMENT, LLC,**
a Delaware limited liability company

By: 
Name: André Blakley
Its: President

EXHIBIT A

Development Plan

[See attached.]

Exhibit A – Development Plan

TRG Community Development has assembled a team of partners with the expertise to create a vibrant and activated affordable senior community with a specific emphasis on high-quality design, flexible space for service amenities and neighborhood-serving amenity spaces, employment opportunities, and artistic expressions, all while leveraging and enhancing the local neighborhood and local assets. Our development plan incorporates a series of disciplines and design tenets that will positively impact the wellbeing and quality of life for Senior Residents.

The proposed development will be a single three-story wood framed elevator building and will feature 105- total senior units with accessibility standards programmed to achieve 10% and 4% for Accessibility and Hearing/Vision, respectively. Of the total 105 units, the unit mix will be comprised of 98- one-bedroom units and 7- two-bedroom units. Modern building materials will deliver supreme exterior appeal attributed to proper site grading, landscaping design, and site lighting. The units will be functional by design, capturing natural light and adequate in overall size. Project amenities will include Fitness Center, Community Clubhouse, Business Center, Collection Area for Mail, Storage for Bikes and Motorized Scooters for those that are physically challenged. The outdoor amenities will include an open courtyard area, gazebo spaces, walking trails, dog park, and other seating areas. See below for a breakdown of the proposed unit mix.

Lexington Senior Proposed Unit Mix	Dwelling Units
One Bedroom/One Bath	98
Two Bedroom/Two Bath	7
Accessibility/Vision & Hearing Set-Asides	10% and 4%
Total Affordable Residential Units (100% of the units at or below 60% or less of AMI):	105 Units

LEXINGTON SENIOR DESIGN TARGETS

LIVABILITY/ACCESSIBILITY

Livability is the sum of the factors that add up to a community's quality of life—including the built and natural environments, economic prosperity, social stability and equity, educational opportunity, and cultural, entertainment and recreation possibilities.

- *Accessibility and Accommodations*
- *More Than Adequate Accessibility Features*
- *Promote Health and Wellness*
- *Vibrant Resident Programming and Project Amenities*

SAFETY AND SECURITY

*In order to strengthen the resilience of communities, an important socio-economic determinant of vulnerability is **SAFETY**.*

- *Addressing Safety Through Design*
- *More than adequate Site Lighting (E.G. Lumens, Brightness in Parking Lot Areas)*
- *Camera Coverage*
- *Strategic Partnership with local Police*
- *Establish a Neighbor Friendly Community*
- *Resident Engagement/Strategic Partners/Activate Resident Advisory Boards*

The design team will continue to focus on making sure this new senior community will be safe and the residents feel secure in their new home. From a site planning perspective, entry and access will be limited with perimeter fencing along the entire site, and gated access entry for resident parking and guests. In addition, the site will limit access from the adjoining family site and require the same mode of pedestrian travel in order to access the senior community. In addition, the site will feature considerable cameras lighting preventing any dark or hidden areas. Other security features include limited access to common areas which will be controlled by key fob security. This is typically applied to all amenity spaces whereas a key fob is required for entry into fitness area, and other common area spaces.

SUSTAINABILITY/ENERGY CONSERVATION

Sustainability focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs. The concept of sustainability is composed of three pillars: economic, environmental, and social.

- *Retention Ponds/Rain Gardens*
- *Responsible Waste Management/Recycling*
- *Back-up Generator*
- *Potential for Ground Mounted Solar Micro-Grid: Common Areas including Life/Safety Systems*
- *Dehumidification System*

EXHIBIT B

Development Schedule

[See attached.]

Exhibit B – Phase I Development Schedule

PROJECT SCHEDULE: PREDEVELOPMENT TO FINANCIAL CLOSING

Milestone	Target Date	Comments
Execute Master Development Agreement	September 2022	
Commence w/ Design & Community Input Process	Ongoing	Completion of Concept Design: 04/05/22; Schematic Design: 06/07/22; Design Development: 07/09/22
Commence Site Plan Review	September 2022	4-6 Month Approval Process
85% Design Completion	October 2022	
Submit 4% & Loan Application to Virginia Housing	October 2022	SEE LIHTC SCHEDULE – EXHIBIT E
Permit Application Submittal	November 2022	
Anticipated Reservation Bond Resolution Date	January 2023	
Commence Investor and Lender Due Diligence	Ongoing	<i>Includes Investor and Lender PNA, Appraisal, Plan and Cost Review, etc.</i>
Initiate Local Contractor's and Project Marketing	October 2022	<i>Coordination with local Contractors, Chamber of Commerce, etc.</i>
Financial Closing	April 18, 2023	<i>Closing timelines are established early with all Debt and Equity providers and will be reflected in financing commitments.</i>
Construction Start	May 2023	<i>Includes 30 days for Site Mobilization</i>
Construction Completion	July 2024	<i>Est'd Placed in Service Date</i>

EXHIBIT C

Development Budget

[See attached.]

**Schedule A-1
Sources and Uses and Tax Credit Calculation**

Property Name: **Lexington Senior Apartments**

Sources of Funds:

		Leverage %	per unit
Tax Credit Equity	86.00	12,282,672	40.30%
1st Mortgage - VA TEB (Status: In Process)		2,690,000	8.83%
VA REACH Loan (Status: In Process)		10,500,000	34.45%
DHCD VA HTF Loan (Status: Committed)		900,000	2.95%
FHLB Atlanta (Status - Mar/Apr 2023 Deadline)		500,000	1.64%
DHCD HIEE Funds (Status: Sept 2022 Application)		900,000	2.95%
PRHA Loan (Status: Committed)		500,000	1.64%
Hampton Road Planning Commission Loan (Status: Con)		400,000	1.31%
Seller's Note (Status: Committed)		450,000	1.48%
VHDA Standby Fee Refund		211,875	0.70%
Deferred Dev. Fee	24.32%	646,063	2.12%
Equity Gap		0	0.00%
Total Sources of Funds		30,480,609	100.00%

	Fund % Share	to Fund	Credits Price	Net Equity	Price w/ Expenses
Total LIHTC Projected:	14,283,605	99.99%	14,282,176	0.8600	12,282,672
Total Historic Credit Projected:	0	99.99%	0	0	0
Total State LIHTC Projected:	0	99.99%	0	0.00	0
Net Equity					12,282,672
Net Equity w/ expenses				0.8600	12,282,672

Uses of Funds:	\$ Amount	\$/Unit	Historic Basis	Real Property Deprec Costs	Personal Property Deprec Costs	Site Improv Deprec Costs	Amortizable Costs	Expensed		Non-Amortizable/Depreciable	Diff Check	LIHTC Basis New Constr 4.00%	LI Housing Credit Base 4.00%
								2024	2025				
Land	450,000	4,286	0	0	0	0	0	0	0	450,000	0	0	0
Residential Hard Costs	21,089,882	17,893,961	170,419	13,638,735	630,000	3,625,226	0	0	0	0	0	17,893,961	0
General Requirements	11.07%	1,980,684	18,864	1,980,684	0	0	0	0	0	0	0	1,980,684	0
Builder's Profit	0.00%	0	0	0	0	0	0	0	0	0	0	0	0
Builder's Overhead	5.60%	1,002,025	9,543	1,002,025	0	0	0	0	0	0	0	1,002,025	0
P&P Bond	1.02%	213,212	2,031	213,212	0	0	0	0	0	0	0	213,212	0
Construction Contingency	5.00%	1,054,494	10,043	1,054,494	0	0	0	0	0	0	0	1,054,494	0
Building Permits		100,000	952	100,000	0	0	0	0	0	0	0	100,000	0
Legal (Lender)		75,000	714	37,500	0	0	37,500	0	0	0	0	37,500	0
Legal (Owner)		150,000	1,429	100,500	0	0	49,500	0	0	0	0	100,500	0
Legal (Local)		50,000	476	50,000	0	0	0	0	0	0	0	50,000	0
Third Party Const. Testing and Inspect.		25,000	238	25,000	0	0	0	0	0	0	0	25,000	0
Construction Period Insurance		200,000	1,905	200,000	0	0	0	0	0	0	0	200,000	0
Construction Bridge Loan Fee	0.50%	43,773	417	43,773	0	0	0	0	0	0	0	43,773	0
VHDA LT Construction Loan Interest		426,320	4,060	111,320	0	0	0	0	315,000	0	0	111,320	0
VHDA ST Construction Loan Interest		90,749	864	90,749	0	0	0	0	0	0	0	90,749	0
Construction Bridge Loan Interest		842,332	8,022	462,332	0	0	0	0	380,000	0	0	462,332	0
Plan and Cost Review		200,000	1,905	200,000	0	0	0	0	0	125,000	0	200,000	0
Civil Engineer		150,000	1,429	150,000	0	0	0	0	0	0	0	150,000	0
Landscape Architect		50,550	481	50,550	0	0	0	0	0	0	0	50,550	0
Zoning		26,400	251	26,400	0	0	0	0	0	0	0	26,400	0
Traffic Design		15,000	143	15,000	0	0	0	0	0	0	0	15,000	0
Appraisal/Mkt Study		20,000	190	20,000	0	0	0	0	0	0	0	20,000	0
Architect		600,000	5,714	600,000	0	0	0	0	0	0	0	600,000	0
Environmental		25,000	238	25,000	0	0	0	0	0	0	0	25,000	0
Survey		50,000	476	50,000	0	0	0	0	0	0	0	50,000	0
Geotech/Construction Testing		20,000	190	20,000	0	0	0	0	0	0	0	20,000	0
Parking Study Fee		5,000	48	5,000	0	0	0	0	0	0	0	5,000	0
VHDA Loan - Standby Fee	3.00%	211,875	2,018	0	0	0	211,875	0	0	0	0	0	0
VHDA Loan - Financing (Constructor)	1.50%	158,125	1,506	0	0	0	158,125	0	0	0	0	0	0
VHDA Loan - Processing	0.50%	74,000	705	0	0	0	74,000	0	0	0	0	0	0
ST TEB Construction Loan - LOC	2.00%	48,300	460	0	0	0	48,300	0	0	0	0	0	0
Mortgage Broker Fee		100,000	952	0	0	0	100,000	0	0	0	0	100,000	0
LIHTC Allocation Fees	7.00%	99,985	952	0	0	0	99,985	0	0	0	0	99,985	0
Application Consulting Fee		125,000	1,190	0	0	0	0	0	125,000	0	0	0	0
Soft Cost Contingency	2.47%	100,000	952	50,000	0	0	50,000	0	0	0	0	50,000	0
Title / Recording	0.25%	75,000	714	75,000	0	0	0	0	0	0	0	75,000	0
Accounting, Cost Cert.		35,000	333	35,000	0	0	0	0	0	0	0	35,000	0
Marketing/Lease-up		50,000	476	0	0	0	0	25,000	25,000	0	0	0	0
FF&E		125,000	1,190	0	0	125,000	0	0	0	0	0	125,000	0
Construction Loan Inspections		0	0	0	0	0	0	0	0	0	0	0	0
DS / RET / Insurance Escrow		45,000	429	0	0	0	0	0	45,000	0	0	0	0
Operating Reserve	6.00	654,430	6,233	0	0	0	0	0	654,430	0	0	0	0
Lease-Up Reserve		163,424	1,556	0	0	0	0	0	163,424	0	0	0	0
Development Fee & Overhead	9.702%	2,655,971	25,295	2,655,971	0	0	0	0	0	0	0	2,655,971	0
Total Uses of Funds		30,480,609	290,292	23,088,245	755,000	3,625,226	829,285	25,000	720,000	1,437,854	0	27,468,471	0

Years: Total Neg Adjustments: for Historic Credits 27,468,471 0

Real Property Depreciation Method:	30.0	Owner %	Depr Sched	Wgtd Avg	
Personal Property Depreciation Method:	7.5	NFP GP %: 0.00%	40.00	0	0
Site Improvements Depreciation Method:	15	FP GP %: 100.00%	30.00	30	30
Amortization of Fees Method:	30.0	128%			

Adjusted Basis	for area:	130.00%	35,709,012	0
Qualified Fraction			35,709,012	0
Annual Fed LITC calculated			1,428,360	
Total Acquisition Plus Rehab			1,428,360	
Total LIHTC			1,428,360	
Reservation Request (or estimate)			2,000,000	1,428,360

Total Tax-Exempt	14,799,995 (a)
Real Property	23,088,245
Personal Prop	755,000
Site Work	3,625,226
Land	450,000
	27,918,471 (b)
	53.01% =(a)/(b)

Less of:	
(i) 20% of Eligible Basis (no Dev)	4,962,500
(ii) 15% of TDC	4,173,696
(iii) 15% of up to \$1MM TDC and 12% between \$1MM and \$10MM TDC and 8% of TDC >\$10MM	2,655,971

Projected Annual Federal LIH Credit to Loc	1,428,360
Projected Annual State LIH Credit to Local	-

EXHIBIT D

Operating Budget

[See attached.]

Income / Expense Projections

County:

Portsmouth City

Area Median Income (AMI):

93,500 <----- 2022 Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area
84,500 <-- 2021

Unit Type:	Program	# of Units	Avg Sq. ft.	Total net Sq. ft.	LIHTC Max AMIs	Max LIHTC Gross Rents	Proforma Gross Rents	% of Max Rents	2021 Util Allow	Tenant Contribution	Subsidies	Collected Net Rents	Total Monthly Net Rents	Total Annual Net Rents
1 BR	LIHTC - PBV	98	700	68,600	60.00%	1,052	1,052	100.0%	68	984	166	1,150	112,700	1,352,400
2 BR	LIHTC - PBV	7	900	6,300	60.00%	1,263	1,263	100.0%	90	1,173	169	1,342	9,391	112,694
Common Area				0										
Totals		105		74,900	60.00%	Weighted Avg							122,091	1,465,094

	# of units	Sq. Ft.	Unit %	Sq. Ft %
One Bed	98	68,600	93.33%	91.59%
Two Bed	7	6,300	6.67%	8.41%
Three Bed	0	0	0.00%	0.00%

Set Asides			
30%	30% AMI	0	0.0%
40%	40% AMI	0	0.0%
50%	50% AMI	0	0.0%
60%	60% AMI	105	100.0%
65%	65% AMI	0	0.0%
70%	70% AMI	0	0.0%
80%	80% AMI	0	0.0%
TOTAL		105	100.0%
Weighted Avg			60.00%

As Underwritten		
	Total Expenses	\$/Unit
Operating Expenses:		
Administrative	57,750	550
Repairs/Maintenance	89,250	850
Salaries	157,500	1,500
Utilities	107,625	1,025
Insurance	86,625	825
Management Fee 5.00%	70,190	668
Real Estate Taxes	42,000	400
VHDA Compliance Monitoring Fee	3,675	35
Placeholder	0	0
Total Operating Expenses	614,615	5,853
Replacement Reserves	31,500	300
	646,115	6,153
Controlable expenses-->	378,365	3,603
Operating Deficit Guaranty Cap	654,430	

		Gross	Per unit
Breakeven Occupancy:			
After Reserves:	89%		
Debt Service Coverage:			
After Reserves:	1.143		
Breakeven Expenses NOI/Unit	7,058 / 7,516		
Annual LIHTC Revenue - Tenant Paid		1,255,716	11,959
Annual LIHTC Revenue - Subsidy Paid		209,378	1,994
Annual Middle Inc Revenue		0	0
Annual Commercial/Retail Revenue		0	0
Annual Parking Revenue		0	0
Misc Income	10.00	12,600	120
Potential Gross Income		1,477,694	14,073
Less Vacancy Residential	5.00%	73,885	704
Less Vacancy Commercial	10%	-	
Less Vacancy Parking	5%	0	
Effective Gross Income		1,403,810	13,370
Less: Operating Expenses		614,615	5,853
NOI		789,194	7,516
Less: Replacement Reserves		31,500	300
NOI after reserves		757,694	7,216
Less: Ann'l Debt Service - Mandatory Portion		662,745	6,312
Less: Lender Service Fee		0	0
Remaining Cash Flow		94,949	904
Remaining Cash Flow per Unit		904	55,229

EXHIBIT E

LIHTC Application Schedule

[See attached.]

Exhibit E - LIHTC Application Schedule

4% Execution and Timeline

Loan Application and 85% Plans Intake (added by MF Dev):	10/14/2022
Rental Tax-Exempt Initial Checklist to VH Legal & Capital Markets:	10/14/2022
TEFRA Descriptions to Legal:	11/11/2022
LIHTC Application Received by VHDA:	11/25/2022
Bond Questionnaire (incl. draft Accountant's Letter) Rec. by VHDA:	11/25/2022
Satisfactory Completion of A&E Review by VHDA (added by MF Dev):	12/12/2022
Loan Review CAR Approval:	12/16/2022
CARs & Legal Info Sheet to Legal:	12/29/2023
Commitment to Developer:	01/16/2023
Bond Inclusion: Signed Commitment and Points Received by VHDA:	01/19/2023
Publish Bond Offering Documents:	01/26/2023
Bond Pricing:	01/30/2023
Bond Closing:	02/24/2023
Estimated Loan Closing Deadline:	04/18/2023

EXHIBIT F

HUD-5370-C (01/14), General Conditions for Non-Construction Contracts

[See attached.]

General Conditions for Non-Construction Contracts

Section II – (With Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 11/30/2023)

Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

Applicability. This form HUD-5370C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) Non-construction contracts (*without* maintenance) greater than \$250,000 - use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 905.200) greater than \$2,000 but not more than \$250,000 - use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$250,000 – use Sections I and II.

Section II – Labor Standard Provisions for all Maintenance Contracts greater than \$2,000

1. Minimum Wages

- (a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination, including any additional classifications and wage rates approved by HUD under subparagraph 1(b), shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
- (b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:
 - (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
 - (2) The classification is utilized in the area by the industry; and
 - (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.(ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work

in the classification under this Contract from the first day on which work is performed in the classification.

2. Withholding of funds

The Contracting Officer, upon his/her own action or upon request of HUD, shall withhold or cause to be withheld from the Contractor under this Contract or any other contract subject to HUD-determined wage rates, with the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the Contractor or any subcontractor the full amount of wages required by this clause. In the event of failure to pay any laborer or mechanic employed under this Contract all or part of the wages required under this Contract, the Contracting Officer or HUD may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment or advance until such violations have ceased. The Public Housing Agency or HUD may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

3. Records

- (a) The Contractor and each subcontractor shall make and maintain for three (3) years from the completion of the work records containing the following for each laborer and mechanic:
 - (i) Name, address and Social Security Number;
 - (ii) Correct work classification or classifications;
 - (iii) Hourly rate or rates of monetary wages paid;
 - (iv) Rate or rates of any fringe benefits provided;
 - (v) Number of daily and weekly hours worked;
 - (vi) Gross wages earned;
 - (vii) Any deductions made; and
 - (viii) Actual wages paid.
- (b) The Contractor and each subcontractor shall make the records required under paragraph 3(a) available for inspection, copying, or transcription by authorized representatives of HUD or the HA and shall permit such representatives to interview employees during working hours on the job. If the Contractor or any subcontractor fails to make the required records available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds.

4. Apprentices and Trainees

- (a) Apprentices and trainees will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in:
 - (i) A bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration (ETA), Office of

Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a state apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice; A

- (ii) A trainee program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, ETA; or
- (iii) A training/trainee program that has received prior approval by HUD.

- (b) Each apprentice or trainee must be paid at not less than the rate specified in the registered or approved program for the apprentice's/trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices and trainees shall be paid fringe benefits in accordance with the provisions of the registered or approved program. If the program does not specify fringe benefits, apprentices/trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification.
- (c) The allowable ratio of apprentices or trainees to journeyman on the job site in any craft classification shall not be greater than the ratio permitted to the employer as to the entire work force under the approved program.
- (d) Any worker employed at an apprentice or trainee wage rate who is not registered in an approved program, and any apprentice or trainee performing work on the job site in excess of the ratio permitted under the approved program, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.
- (e) In the event OATELS, a state apprenticeship agency recognized by OATELS or ETA, or HUD, withdraws approval of an apprenticeship or trainee program, the employer will no longer be permitted to utilize apprentices/trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

5. Disputes concerning labor standards

- (a) Disputes arising out of the labor standards provisions contained in Section II of this form HUD-5370-C, other than those in Paragraph 6, shall be subject to the following procedures. Disputes within the meaning of this paragraph include disputes between the Contractor (or any of its subcontractors) and the HA, or HUD, or the employees or their representatives, concerning payment of prevailing wage rates or proper classification. The procedures in this section may be initiated upon HUD's own motion, upon referral of the HA, or upon request of the Contractor or subcontractor(s).
 - (i) A Contractor and/or subcontractor or other interested party desiring reconsideration of findings of violation by the HA or HUD relating to the payment of straight-time prevailing wages or classification of work shall request such reconsideration by letter postmarked within 30 calendar days of the date of notice of findings issued by the HA or HUD. The request shall set

forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to the appropriate HA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD). The HA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be final.

- (b) Disputes arising out of the labor standards provisions of paragraph 6 shall not be subject to paragraph 5(a) of this form HUD-5370C. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this paragraph 5(b) include disputes between the Contractor (or any of its subcontractors) and the HA, HUD, the U.S. Department of Labor, or the employees or their representatives.

6. Contract Work Hours and Safety Standards Act

The provisions of this paragraph 6 are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" includes watchmen and guards.

- (a) **Overtime requirements.** No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (b) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any

subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to the District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provisions set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (a) of this clause.

- (c) **Withholding for unpaid wages and liquidated damages.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the U.S. Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such Contract or any federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (b) of this clause.

7. Subcontracts

The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section II and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions contained in these clauses.

8. Non-Federal Prevailing Wage Rates

Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under state law to be prevailing, with respect to any employee in any trade or position employed under the Contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate, exclusive of any fringe benefits, exceeds the applicable wage rate determined by the Secretary of HUD to be prevailing in the locality with respect to such trade or position.

General Conditions for Non-Construction Contracts

Section I — (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (excl. 11/30/2023)

Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$250,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 905.100) **greater than \$2,000 but not more than \$250,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$250,000 — use Sections I and II.**

Section I - Clauses for All Non-Construction Contracts greater than \$250,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

proposal submitted before final payment of the contract.

- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

-
- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
 - (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
 - (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section 111, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - () The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(v) The prohibition does not apply as follows:

-
- (1) Agency and legislative liaison by Own Employees.
- (a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.
- (b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
- (c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:
- (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
- (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:
- (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
- (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
- (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.
- (2) Professional and technical services.
- (a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-
- (i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
- (i) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.
- (c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.
- (iii) Selling activities by independent sales representatives.
- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
- (i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
- (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.
-

16. Equal Employment Opportunity

During the performance of this contract, the

Contractor/Seller agrees as follows:

(a) The [contractor/seller] will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. The

[contractor/seller] will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The [contractor/seller] agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(b) The [contractor/seller] will, in all solicitations or advertisements for employees placed by or on behalf of the [contractor/seller], state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, disability, or national origin.

(c) The [contractor/seller] will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the [contractor/seller]'s legal duty to furnish information.

(d) The [contractor/seller] will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the [contractor/seller]'s commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(e) The [contractor/seller] will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(f) The [contractor/seller] will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(g) In the event of the [contractor/seller]'s non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the [contractor/seller] may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) In the event of the [contractor/seller]'s non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the [contractor/seller] may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(h) The [contractor/seller] will include the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub[contractor/seller] or vendor. The [contractor/seller] will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the [contractor/seller] becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the [contractor/seller] may request the United States to enter into such litigation to protect the interests of the United States.

17. Equal Opportunity for Workers with Disabilities

1. The [contractor/seller] will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The [contractor/seller] agrees to take affirmative action to employ and advance in employment individuals with disabilities, and to treat qualified individuals without discrimination on the basis of their physical or mental disability in all employment practices, including the following:

- i. Recruitment, advertising, and job application procedures;
- ii. Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
- iii. Rates of pay or any other form of compensation and changes in compensation;
- iv. Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
- v. Leaves of absence, sick leave, or any other leave;
- vi. Fringe benefits available by virtue of employment, whether or not administered by the [contractor/seller];
- vii. Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
- viii. Activities sponsored by the [contractor/seller] including social or recreational programs; and
- ix. Any other term, condition, or privilege of employment.

2. The [contractor/seller] agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

3. In the event of the [contractor/seller] noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

4. The [contractor/seller] agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the [contractor/seller]'s obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities.

The [contractor/seller] must ensure that applicants or employees with disabilities are provided the notice in a form that is accessible and understandable to the individual applicant or employee (e.g., providing Brail or large print versions of the notice, or posting a copy of the notice at a lower height for easy viewing by a person using a wheelchair). With respect to employees who do not work at a physical location of the [contractor/seller], a [contractor/seller] will satisfy its posting obligations by posting such notices in an electronic format, provided that the [contractor/seller] provides computers, or access to computers, that can access the electronic posting to such employees, or the [contractor/seller] has actual knowledge that such employees otherwise are able to access the electronically posted notices. Electronic notices for employees must be posted in a conspicuous location and format on the company's intranet or sent by electronic mail to employees. An electronic posting must be used by the [contractor/seller] to notify job applicants of their rights if the [contractor/seller] utilizes an electronic application process. Such electronic applicant notice must be conspicuously stored with, or as part of, the electronic application.

5. The [contractor/seller] will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the [contractor/seller] is bound by the terms of section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment, and shall not discriminate against, individuals with physical or mental disabilities.

6. The [contractor/seller] will include the provisions of this clause in every subcontract or purchase order in excess of \$ 10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to section 503 of the act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director, Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

7. The [contractor/seller] must, in all solicitations or advertisements for employees placed by or on behalf of the [contractor/seller], state that all qualified applicants will receive consideration for employment and will not be discriminated against on the basis of disability.

18. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

19. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

20. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

21. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

22. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 prioritization requirements, and shall state the minimum percentages of labor hour requirements established in the Benchmark Notice (FR-6085-N-04)..
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.
- (e) Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts
- (f) Contracts, subcontracts, grants, or subgrants subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111(k)) must provide preferences in employment, training, and business opportunities to Indians and Indian organizations, and are therefore not subject to the requirements of 24 CFR Part 75.

23. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered

materials practicable consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract

EXHIBIT G

HUD 50071 (01/14) – Certification of Payments to Influence Federal Transactions

[See attached.]

Certification of Payments to Influence Federal Transactions	<small>OMB Approval No. 2577-0157 (Exp. 11/30/2023)</small> U.S. Department of Housing and Urban Development Office of Public and Indian Housing
<small>Public reporting burden for this information collection is estimated to average 30 minutes. This includes the time for collecting, reviewing, and reporting data. The information requested is required to obtain a benefit. This form is used to ensure federal funds are not used to influence members of Congress. There are no assurances of confidentiality. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.</small>	
<hr/> <small>Applicant Name</small>	
<hr/> <small>Program/Activity Receiving Federal Grant Funding</small>	
<hr/> <p>The undersigned certifies, to the best of his or her knowledge and belief, that:</p>	
<p>(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.</p>	<p>(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.</p>
<p>(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-L.L.L., Disclosure Form to Report Lobbying, in accordance with its instructions.</p>	<p>This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>
<hr/> <p>I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)</p>	
<hr/> <small>Name of Authorized Official</small>	<hr/> <small>Title</small>
<hr/> <small>Signature</small>	<hr/> <small>Date (mm/dd/yyyy)</small>
<hr/>	
<small>Previous edition is obsolete</small>	<small>form HUD 50071 (01/14)</small>

EXHIBIT H

HUD Standard Form LLL (Rev. 01/14) – Disclosure of Lobbying Activities

[See attached.]

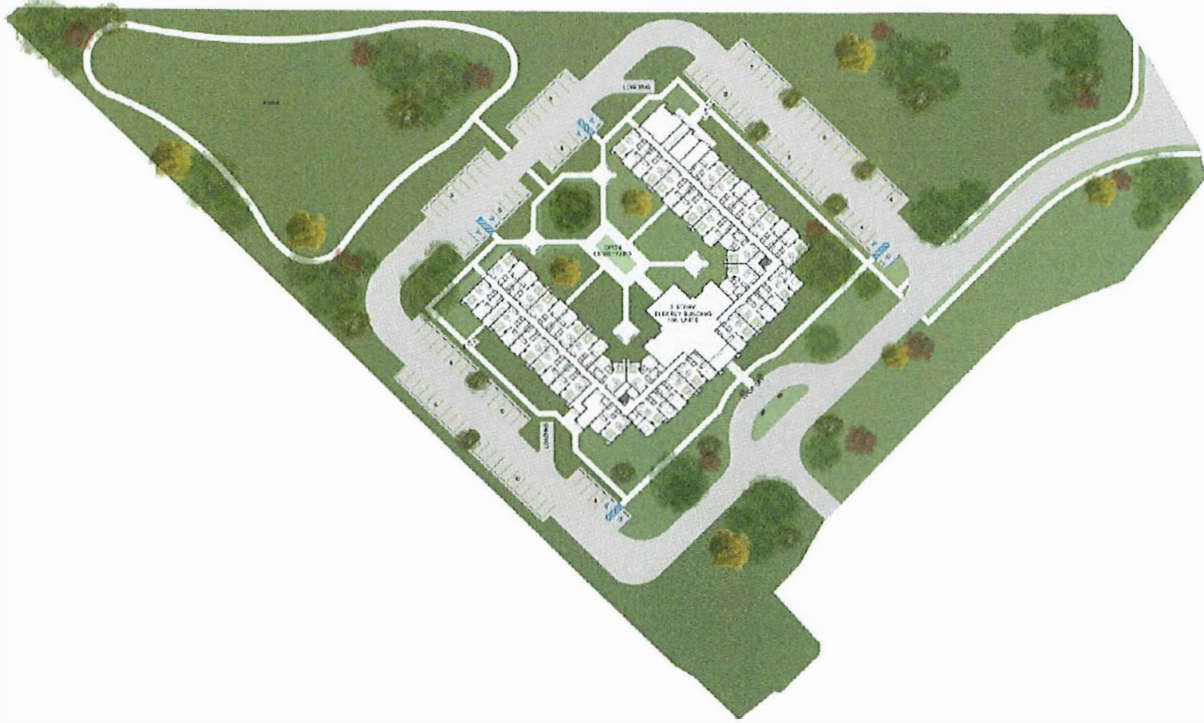
DISCLOSURE OF LOBBYING ACTIVITIES		
<p>View Burden Statement</p> <p>Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 OMB Number: 4040-0013 Expiration Date: 02/28/2025</p> <p>Review Public Burden Disclosure Statement</p>		
1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> SubAwardee * Name * Street 1 Street 2 * City State Zip Congressional District, if known:		
5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:		
6. * Federal Department/Agency:	7. * Federal Program Name/Description: CFDA Number, if applicable:	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant: Prefix * First Name Middle Name * Last Name Suffix * Street 1 Street 2 * City State Zip		
b. Individual Performing Services (including address if different from No. 10a) Prefix * First Name Middle Name * Last Name Suffix * Street 1 Street 2 * City State Zip		
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact, upon which reliance was placed by the Fed above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. * Signature: [Redacted] * Name: Prefix * First Name Middle Name * Last Name Suffix Title: Telephone No.: Date:		
Federal Use Only:		Authorized for Local Reproduction Standard Form - LLL (Rev. 7-87)

EXHIBIT I

Concept Drawings

[See attached]

Concept Drawings



CONCEPTUAL SITE/ GROUND FLOOR PLAN
DATE: 11.18.17

UNIT BREAKDOWN

1 BED	99 UNITS
2 BED	7 UNITS
TOTAL	106 UNITS

TOTAL PARKING PROVIDED: 106 SPACES



SOUTH ELEVATION
SCALE: 1/4" = 1'-0"

Tab Q:

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



Portsmouth

REDEVELOPMENT AND HOUSING AUTHORITY

February 27, 2023

Lexington Seniors Apartments
1 Lexington Drive
Portsmouth, VA 23705

**Re: Provision of Project-Based Housing Choice Voucher Assistance
Lexington Seniors**

COMMISSIONERS

Bruce LaLonde
Chair
Renee Wicks
Vice Chair
Zeketa Cost
Cynthia Morgan
Clifton Pickens
Sean Prince
Stephanie Wright

To Whom It May Concern:

EXECUTIVE DIRECTOR

Edward L. Bland

The Portsmouth Redevelopment and Housing Authority (“Authority”) is pleased to award Richman Lexington Senior Apartments, LP (the “Owner”) up to one hundred and five (105) Project Based Housing Choice Vouchers to be utilized at Lexington Place-Phase I, a proposed affordable housing project located at Lexington Drive Portsmouth, VA 23704 (the “Project”).

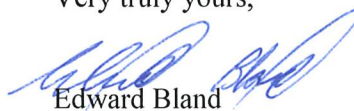
The Project will constitute replacement of an existing public housing project, Lincoln Park, as part of the Authority’s initiative to improve, develop, or replace the public housing property. The PHA has made this award without competitive process pursuant to Housing Opportunity Through Modernization Act of 2016 (HOTMA) and HUD guidance issued thereunder, including, but not limited to, Attachment L of PIH Notice 2017-21 (Implementation Guidance: Housing Opportunity Through Modernization Act of 2016 (HOTMA) – Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) Provisions).

Subject to the compliance with U.S. Department of Housing and Urban Development requirements, including subsidy layering approval and additional requirements for PHA-owned units, the Authority hereby commits to enter into a Housing Assistance Payments (“HAP”) Contract with the Owner with regard to up to one hundred and five (105) units of multifamily rental housing to be developed as the Project. The HAP contract will have an initial term of twenty (20) years, with possible extension at the end of such term. This commitment remains subject to the negotiation of the HAP Contract.

The initial rents, as determined by the Authority will be as follows:

Initial Rents			
Unit Type	Proposed Monthly Contract Rent	Utility Allowance	Rent to Owner
1 BR	\$1181.00	\$69.00	\$1250.00
2 BR	\$1373.00	\$88.00	\$1461.00

Very truly yours,



Edward Bland
Executive Director

“We’re Making Our City More Inviting Than Ever.”



Lexington Senior Apartments

VHDA 2023 4% LIHTC Application

TAB Q – DOCUMENTATION OF TAX ABATEMENT – PILOT CALCULATION

To Whom it May Concern,

Lexington Senior Apartments will be subject to the 1956 Cooperation Agreement between the Portsmouth Redevelopment & Housing Authority ("PRHA") and the City of Portsmouth, Virginia. While there is no formal letter or documentation evidencing that this specific development is eligible for the payment in lieu of taxes ("PILOT") that properties owned by PRHA pay, the following documentation included in this tab serve as evidence demonstrating that the property will be eligible for this PILOT:

- Cooperation Agreement between Portsmouth Redevelopment and Housing Authority of the City of Portsmouth, Virginia, and City of Portsmouth, Virginia, dated March 28, 1956
- Letter from Mr. Jeffrey Miller, Assistant City Attorney for the City of Portsmouth, Virginia, confirming that Dale Homes, a recently completed tax credit project owned, in part, by PRHA, is eligible for this PILOT
- Email correspondence from Ray Reyes, CPA, Chief Financial Officer of PRHA, detailing how the authority calculates PILOT payments for its properties

Consistent with the calculation methodology and guidance provided by PRHA and City officials, we have estimated that Lexington Senior Apartments will pay a PILOT of \$25,725, or \$245 per unit per year. This calculation is broken out as follows, and rounded up to be conservative:

Unit Type	# of Units	AMI Set Aside	Net PBV Rent	Max Net LIHTC Rent	Lesser Rent	30% Adjustment	30% Net Tenant Paid Rents	Total Annual Net Tenant Rent
1 BR	93	60.00%	1,181	983	983	-688	295	329,108
1 BR	5	30.00%	1,181	457	457	-320	137	8,226
2 BR	6	60.00%	1,373	1,175	1,175	-823	353	25,380
2 BR	1	30.00%	1,373	543	543	-380	163	1,955

105

Total Net Tenant Paid Rent:	364,669
<u>Less: Owner Paid Utilities</u>	<u>-107,625</u>
Total Adj. Net Tenant Paid Rent:	257,044
<u>PILOT %:</u>	<u>10.00%</u>
Total RET:	25,704
Total RET pupa:	245

COOPERATION AGREEMENT BETWEEN
PORTSMOUTH REDEVELOPMENT AND HOUSING
AUTHORITY OF THE CITY OF PORTSMOUTH, VIRGINIA,
AND CITY OF PORTSMOUTH, VIRGINIA



This Agreement entered into this 28th day of March
1956, by and between Portsmouth Redevelopment and Housing Authority (herein
called the "Local Authority") and the City of Portsmouth, Virginia (herein
called the "Municipality"), witnesseth:

In consideration of the mutual covenants hereinafter set forth, the
parties hereto do agree as follows;

1. Whenever used in this Agreement:

(a) The term "Project" shall mean any low-rent housing hereafter
developed as an entity by the Local Authority with financial assist-
ance of the Public Housing Administration (herein called the
"PHA"); excluding, however, any low-rent housing project covered
by any contract for loans and annual contributions entered into
between the Local Authority and the PHA, or its predecessor
agencies, prior to the date of this Agreement.

(b) The term "Taxing Body" shall mean the State or any political
subdivision or taxing unit thereof in which a Project is situated
and which would have authority to assess or levy real or personal
property taxes or to certify such taxes to a taxing body or public
official to be levied for its use and benefit with respect to a Project
if it were not exempt from taxation.

(c) The term "Shelter Rent" shall mean the total of all charges to
all tenants of a Project for dwelling rents and nondwelling rents
(excluding all other income of such Project), less the cost to the
Local Authority of all dwelling and nondwelling utilities.

(d) The term "Slum" shall mean any area where dwellings pre-
dominate which, by reason of dilapidation, overcrowding, faulty
arrangement or design, lack of ventilation, light or sanitation
facilities, or any combination of these factors, are detrimental
to safety, health, or morals.

2. The Local Authority shall endeavor (a) to secure a contract or
contracts with the PHA for loans and annual contributions covering one or more
Projects comprising approximately 600 units of low-rent housing and (b) to
develop and administer such Project or Projects, each of which shall be
located within the corporate limits of the Municipality. The obligations of the
parties hereto shall apply to each such Project.

3. (a) Under the constitution and statutes of the Commonwealth of
Virginia, all Projects are exempt from all real and personal property taxes
and special assessments levied or imposed by any Taxing Body. With respect
to any Project, so long as either (i) such Project is owned by a public body or
governmental agency and is used for low-rent housing purposes, or (ii) any

contract between the Local Authority and the PHA for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the PHA in connection with such Project remain unpaid, whichever period is the longest, the Municipality agrees that it will not levy or impose any real or personal property taxes or special assessments upon such Project or upon the Local Authority with respect thereto. During such period, the Local Authority shall make annual payments (herein called "Payments in Lieu of Taxes") in lieu of such taxes and special assessments and in payment for the Public services and facilities furnished from time to time without other cost or charge for or with respect to such Project.

(b) Each such annual Payment in Lieu of Taxes shall be made at the time when real property taxes on such Project would be paid if it were subject to taxation, and shall be in an amount equal to either (i) ten percent (10%) of the aggregate Shelter Rent charged by the Local Authority in respect to such Project during the 12 months' period ending June 30th before such payment is made or (ii) the amount permitted to be paid by applicable state law in effect on the date such payment is made, whichever amount is the lower.

(c) No payment for any year shall be made to the Municipality in excess of the amount of the real property taxes which would have been paid to the Municipality for such year if the Project were not exempt from taxation.

(d) Upon failure of the Local Authority to make any Payment in Lieu of Taxes, no lien against any Project or assets of the Local Authority shall attach, nor shall any interest or penalties accrue or attach on account thereof.

4. The Municipality agrees that, subsequent to the date of initiation (as defined in the United States Housing Act of 1937, as amended) of each Project and within five years after the completion thereof, or such further period as may be approved by the PHA, and in addition to the number of unsafe or insanitary dwelling units which the Municipality is obligated to eliminate as a part of the low-rent housing projects heretofore undertaken by the Local Authority and identified as Projects Nos. VA 1-1, VA 1-2, VA 1-3, VA 1-4, and VA 1-5, there has been or will be elimination (as approved by the PHA) by demolition, condemnation, effective closing, or compulsory repair or improvement, of unsafe or insanitary dwelling units situated in the locality or metropolitan area in which such Project is located, substantially equal in number to the number of newly constructed dwelling units provided by such Project; Provided, That, where more than one family is living in an unsafe or insanitary dwelling unit, the elimination of such unit shall count as the elimination of units equal to the number of families accommodated therein; and Provided, further, That this paragraph 4 shall not apply in the case of (i) any Project developed on the site of a Slum cleared subsequent to July 15, 1949, and that the dwelling units eliminated by the clearance of the site of such Project shall not be counted as elimination for any other Project or any other low-rent housing project; or (ii) any Project located in a rural nonfarm area.

5. During the period commencing with the date of the acquisition of any part of the site or sites of any Project and continuing so long as either (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes, or (ii) any contract between the Local Authority and the PHA for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the PHA in connection with such Project remain

unpaid, whichever period is the longest, the Municipality without cost or charge to the Local Authority or the tenants of such Project (other than the Payments in Lieu of Taxes) shall:

(a) Furnish or cause to be furnished to the Local Authority and the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants in the Municipality;

(b) Vacate such streets, roads, and alleys within the area of such Project as may be necessary in the development thereof, and convey without charge to the Local Authority such interest as the Municipality may have in such vacated areas; and, in so far as it is lawfully able to do so without cost or expense to the Local Authority or to the Municipality, cause to be removed from such vacated areas, in so far as it may be necessary, all public or private utility lines and equipment;

(c) In so far as the Municipality may lawfully do so, (i) grant such deviations from the building code of the Municipality as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project, and at the same time safeguard health and safety, and (ii) make such changes in any zoning of the site and surrounding territory of such Project as are reasonable and necessary for the development and protection of such Project and the surrounding territory;

(d) Accept grants of easements necessary for the development of such Project; and

(e) Cooperate with the Local Authority by such other lawful action or ways as the Municipality and the Local Authority may find necessary in connection with the development and administration of such Project.

6. In respect to any Project the Municipality further agrees that within a reasonable time after receipt of a written request therefor from the Local Authority:

(a) It will accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project, together with all storm and sanitary sewer mains in such dedicated areas; after the Local Authority, at its own expense, has completed the grading, improvement, paving, and installation thereof in accordance with specifications acceptable to the Municipality;

(b) It will accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for, all streets bounding such Project or necessary to provide adequate access thereto (in consideration whereof the Local Authority shall pay to the Municipality such amount as would be assessed against the Project site for such work if such site were privately owned); and

storm and sanitary sewer mains, leading to such project and serving the bounding streets thereof (in consideration whereof the Local Authority shall pay to the Municipality such amount as would be assessed against the Project site for such work if such site were privately owned).

7. If by reason of the Municipality's failure or refusal to furnish or cause to be furnished any public services or facilities which it has agreed hereunder to furnish or to cause to be furnished to the Local Authority or to the tenants of any Project, the Local Authority incurs any expense to obtain such services or facilities then the Local Authority may deduct the amount of such expense from any Payments in Lieu of Taxes due or to become due to the Municipality in respect to any Project or any other low-rent housing projects owned or operated by the Local Authority.

8. No Cooperation Agreement heretofore entered into between the Municipality and the Local Authority shall be construed to apply to any Project covered by this Agreement.

9. So long as any contract between the Local Authority and the PHA for loans (including preliminary loans) or annual contributions, or both, in connection with any Project remains in force and effect, or so long as any bonds issued in connection with any Project or any monies due to the PHA in connection with any Project remain unpaid, this Agreement shall not be abrogated, changed, or modified without the consent of the PHA. The privileges and obligations of the Municipality hereunder shall remain in full force and effect with respect to such Project so long as the beneficial title to such Project is held by the Local Authority or by any other public body or governmental agency, including the PHA, authorized by law to engage in the development or administration of low-rent housing projects. If at any time the beneficial title to, or possession of, any Project is held by such other public body or governmental agency, including the PHA, the provisions hereof shall inure to the benefit of and may be enforced by, such other public body or governmental agency, including the PHA.

10. Nothing in this Agreement shall be construed as prohibiting or limiting the right of the City or any other taxing bodies from levying and collecting income taxes, personal property taxes, intangible property taxes, automobile license taxes, utility taxes, or cetera, upon the tenants of the Project or upon the income or personal property of such tenants.

11. In addition to the Payments in Lieu of Taxes and in further consideration for the public services and facilities furnished and to be furnished in respect to any Project for which no Annual Contributions Contract had been entered into prior to August 2, 1954, between the Local Authority and the PHA:

(1) After payment in full of all obligations of the Local Authority in connection with such Project for which any annual contributions are pledged and until the total amount of annual contributions paid by the PHA in respect to such Project has been repaid, (a) all receipts in connection with such Project in excess of expenditures necessary for the management, operation, maintenance, or financing, and for reasonable reserves therefor, shall be paid annually to the PHA and the Municipality on behalf of the local public bodies which have contributed to such Project in the form of tax exemption or otherwise, in proportion to the aggregate contribution which the PHA and such local public bodies have made to such Project, and (b) no debt in respect to such Project, except for necessary expenditures for such Project, shall be incurred by the Local Authority;

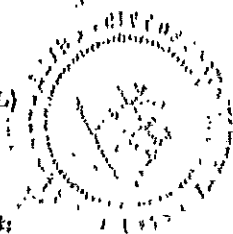
(2) If, at any time, such Project or any part thereof is sold, such sale shall be to the highest responsible bidder after advertising, or at fair

market value as approved by the PHA, and the proceeds of such sale, together with any reserves, after application to any outstanding debt of the Local Authority in respect to such Project, shall be paid to the PHA and local public bodies as provided in clause 1(a) of this Section 11; Provided, That the amounts to be paid to the PHA and the local public bodies shall not exceed their respective total contribution to such Project;

(3) The Municipality shall distribute the payments made to it pursuant to clauses (1) and (2) of this Section 11 among the local public bodies (including the Municipality) in proportion to their respective aggregate contributions to such Project.

IN WITNESS WHEREOF the Municipality and the Local Authority have respectively signed this Agreement and caused their seals to be affixed and attested as of the day and year first above written.

(SEAL)



Attest:

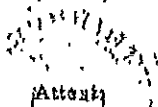
[Signature]
City Clerk

, CITY OF PORTSMOUTH, VIRGINIA

By *[Signature]*
Mayor

PORTSMOUTH REDEVELOPMENT
AND HOUSING AUTHORITY

(SEAL)



Attest:

[Signature]
Executive Director

By *[Signature]*
Chairman

EXHIBIT A

1949	Aggregate annual income from shelter rent from Project Va. Va 1-1	\$200,00
1950	Converted to low rent housing project and rents reduced so aggregate annual income from shelter rent for Project No. Va 1-1 is	100,000

Then in 1950 and annually thereafter while aggregate income from shelter rent from Project Va. 1-1 remains same, Authority would pay 1/2 the actual cost of municipal services furnished but not to exceed \$20,000.

EXHIBIT B

1949	Aggregate annual income from shelter rent from Project No. Va 1-2	\$200,000
1950	Converted to low rent housing project and rents reduced so aggregate annual income from shelter rent for Project No. Va 1-2 is	100,000

Then in 1950 and annually thereafter while aggregate income from shelter rent from Project No. Va. 1-2 remains same, Authority would pay 1/2 the actual cost of municipal services furnished but not to exceed \$10,000.00.



CITY OF PORTSMOUTH, VIRGINIA

— Established 1752 —

Office of the City Attorney

(757) 393-8731

Fax: (757) 393-5062

Solomon H. Ashby, Jr.
City Attorney
Cheran D. Cordell
Sr. Deputy City Attorney

Assistant City Attorneys
Jeffrey S. Miller
Shelia C. Riddick
Burle U. Stromberg
Special Assistant City Attorney
Robert R. Merhige, III

March 14, 2016

Mr. Harry L. Short
Executive Director
Portsmouth Redevelopment
& Housing Authority
3116 South Street
Portsmouth, Virginia 23707

Re: Dale Homes (Project VA 1-1)

Dear Mr. Short:

This letter will confirm the determination I discussed at the meeting on November 5, 2015 with then-Interim CFO Judy Duffy and PRHA Deputy Executive Director Kathy Warren that the pending rehabilitation of Dale Homes will not alter the project's current status as exempt from real estate taxation.

Dale Homes was initially constructed in the early 1940s as USHA-Aided Project No. VA 1-1. Federal financial assistance has been provided both for the initial construction and the subsequent annual operation of the project. As a condition of receiving the federal assistance, PRHA and the City entered into a Cooperation Agreement in 1940 (see the July 12, 1940 minutes of the Portsmouth City Council). The Cooperation Agreement has never been terminated or expired and provides in Section 2 that the City agrees not to levy or impose taxes on the Project during its useful life (defined in relevant part as the period of physical usefulness of the Project for the purpose of providing dwelling accommodations). In 1942, the Virginia General Assembly adopted Section 36-10 of the Virginia Code, which declared all such Cooperation Agreements to be legal in all respects.

To fund a rehabilitation of Dale Homes under HUD's Rental Assistance Demonstration program utilizing low income housing tax credits (LIHTC), PRHA will be required to ground lease the project to a limited partnership. However, PRHA will (1) retain fee ownership of the

Mr. Harry L. Short
March 14, 2016
Page 2

land (2) control the general partner of the LP and (3) be the beneficiary of a right of first refusal agreement which has the purpose of returning the project to sole PRHA ownership at the end of the 15 year tax credit compliance period. In addition, the project will remain subject to recorded restrictions providing the federal government with control over the project's continued use as affordable housing.

Based on the Cooperation Agreement, Section 36-10 of the Virginia Code, and Section 58.1-3606 of the Virginia Code (which provides that property owned directly or indirectly by a political subdivision of the Commonwealth of Virginia is exempt from real estate taxation), Dale Homes will remain exempt from real estate taxation notwithstanding the ground leasing of the property to an LP for purposes of utilizing LIHTC financing.

This letter is based specifically on the facts pertinent to Dale Homes and is not to be relied upon for any other property or circumstance.

Sincerely,



Jeffrey S. Miller
Assistant City Attorney

JSM:kw

cc: Janey Culpepper, City Assessor

From: [Blakley, Andre](#)
To: [Tabakin, Ethan](#)
Subject: FW: PILOT Calculation
Date: Tuesday, February 28, 2023 3:47:06 PM
Attachments: [image001.png](#)
[Dale tax letter executed.pdf](#)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

From: Alisa Winston <Awinston@prha.org>
Sent: Tuesday, February 28, 2023 2:20 PM
To: Blakley, Andre <BlakleyA@richmancapital.com>; Ray Reyes <rreyes@prha.org>
Cc: Glenn Hudson <gfhud1@gmail.com>
Subject: RE: PILOT Calculation

External Email: Advise IT if Suspicious

Andre,
Just for a point of reference, we paid 9,678.03 PILOT for Lexington last year.

Alisa S. Winston
Deputy Executive Director
Portsmouth Redevelopment and Housing Authority
3116 South Street, Portsmouth, VA 23707
awinston@prha.org or 757-391-2903



From: Blakley, Andre <BlakleyA@richmancapital.com>
Sent: Tuesday, February 28, 2023 1:43 PM
To: Ray Reyes <rreyes@prha.org>
Cc: Alisa Winston <Awinston@prha.org>; Glenn Hudson <gfhud1@gmail.com>
Subject: Re: PILOT Calculation

Very helpful. Thank you.

Sent from: Andre' D Blakley
(P) 773.910.0732

On Feb 28, 2023, at 12:42 PM, Ray Reyes <rreyes@prha.org> wrote:

External Email: Advise IT if Suspicious

Hi there. We calculate PILOT using tenant contributions only, not all revenue. The normal rent is 30% of the family income. The agreement we have with the City of Portsmouth is quite old and not very specific about the utilities portion that is now subtracted from the rent revenue. Hope that helps.

Ray Reyes, CPA

Chief Financial Officer
Portsmouth Redevelopment and Housing Authority
3116 South Street, Portsmouth, VA 23707

rreyes@prha.org

Phone: 757-391-2947

Visit us at: [https://link.edgepilot.com/s/0c50c1e0/ypBvRli68UGFW-sDR9aI4Q?](https://link.edgepilot.com/s/0c50c1e0/ypBvRli68UGFW-sDR9aI4Q?u=http://www.prha.org/)

[u=http://www.prha.org/](http://www.prha.org/)

<image002.png>

From: Blakley, Andre <BlakleyA@richmancapital.com>

Sent: Tuesday, February 28, 2023 1:20 PM

To: Alisa Winston <Awinston@prha.org>; Ray Reyes <rreyes@prha.org>

Cc: Glenn Hudson <gfhud1@gmail.com>

Subject: RE: FW: PILOT Calculation

Mr. Reyes,

As a follow up to our call, attached are the income and expense assumptions for Lexington Senior. As I mentioned, per earlier direction from Phillip Page, we were told to include \$21,000 or \$200 per unit for the PILOT payment. Based on the methodology included in your email below, the PILOT amount is significantly higher than the amount included in our budget. See calculation below which assumes the effective gross income for the Project, less common area utilities only. Can you confirm the approach and that we're following the prescribed methodology? As I mentioned, this is much higher than we expected \$21,000 vs \$133,332 per year and would represent a significant change when compared to what's included in the LIHTC application that we're planning to submit today. I can be available for a follow up call if needed. Thank you in advance.

<image003.png>

Best,

<image004.jpg>

<image005.jpg>

TRG Community Development, an affiliate of The Richman
Group of Companies
777 W Putnam Ave | Greenwich, CT 06830 | P • 773.910.0732
[https://link.edgepilot.com/s/d721e3a7/zKYpOk8zp0eIF5LetxrwQ?](https://link.edgepilot.com/s/d721e3a7/zKYpOk8zp0eIF5LetxrwQ?u=http://www.therichmangroup.com/BlakleyA@Richmancapital.com)
[u=http://www.therichmangroup.com/BlakleyA@Richmancapital.com](http://www.therichmangroup.com/BlakleyA@Richmancapital.com)
Conference Line: (605) 313-5111; ID: 446297

From: Andre Blakley <mrblakley@gmail.com>
Sent: Tuesday, February 28, 2023 12:11 PM
To: Blakley, Andre <BlakleyA@richmancapital.com>
Subject: Fwd: FW: PILOT Calculation

External Email: Advise IT if Suspicious

----- Forwarded message -----

From: **Alisa Winston** <Awinston@prha.org>
Date: Tue, Feb 28, 2023 at 9:37 AM
Subject: FW: PILOT Calculation
To: Andre Blakley <mrblakley@gmail.com>
Cc: gfhud1@gmail.com <gfhud1@gmail.com>

Alisa S. Winston
Deputy Executive Director
Portsmouth Redevelopment and Housing Authority
3116 South Street, Portsmouth, VA 23707
awinston@prha.org or 757-391-2903
<image006.png>

From: Ray Reyes <rreyes@prha.org>
Sent: Tuesday, February 28, 2023 10:35 AM
To: Alisa Winston <Awinston@prha.org>
Subject: PILOT Calculation

Alisa the formula we use to calculate payments in lieu of taxes (PILOT) is as follows: We calculate net rents by taking rents revenue and subtracting utilities such as water, sewer, electricity, gas and stormwater. PILOT is 10% of net rents. For example, if total rent is \$1000 and utilities are \$200, then net rents is \$800 (\$1,000 -

\$200.) PILOT would be 10% of \$800, or \$80.00.

Ray Reyes, CPA

Chief Financial Officer
Portsmouth Redevelopment and Housing Authority
3116 South Street, Portsmouth, VA 23707

rreyes@prha.org

Phone: 757-391-2947

Visit us at: [https://link.edgepilot.com/s/c80fc876/qrnlo-HhHEG3HsdDxMC2YA?](https://link.edgepilot.com/s/c80fc876/qrnlo-HhHEG3HsdDxMC2YA?u=http://www.prha.org/)

[u=http://www.prha.org/](http://www.prha.org/)

<image002.png>

--

Andre D. Blakley

773.910.0732

Links contained in this email have been replaced. If you click on a link in the email above, the link will be analyzed for known threats. If a known threat is found, you will not be able to proceed to the destination. If suspicious content is detected, you will see a warning.

Links contained in this email have been replaced. If you click on a link in the email above, the link will be analyzed for known threats. If a known threat is found, you will not be able to proceed to the destination. If suspicious content is detected, you will see a warning.

Tab R:

Documentation of Operating Budget and Utility Allowances

**Allowances for
Tenant-Furnished Utilities
and Other Services**

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



Locality		Green Discount	Unit Type				Weather Code	Date (mm/dd/yyyy)
City of Portsmouth, VA 2022		None	Large Apartment (5+ units)				VA001	7/1/2022
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Space Heating	Natural Gas	\$20	\$23	\$26	\$29	\$32	\$35	\$38
	Bottled Gas	\$63	\$74	\$83	\$93	\$103	\$113	\$123
	Electric Resistance	\$13	\$15	\$19	\$22	\$25	\$28	\$31
	Electric Heat Pump	\$11	\$13	\$15	\$17	\$17	\$18	\$20
	Fuel Oil	\$51	\$60	\$68	\$76	\$84	\$92	\$100
Cooking	Natural Gas	\$3	\$4	\$6	\$7	\$9	\$11	\$13
	Bottled Gas	\$11	\$12	\$18	\$24	\$29	\$35	\$41
	Electric	\$5	\$6	\$8	\$11	\$13	\$15	\$18
	Other							
Other Electric	\$18	\$21	\$29	\$37	\$46	\$54	\$62	
Air Conditioning	\$8	\$9	\$12	\$16	\$20	\$24	\$28	
Water Heating	Natural Gas	\$7	\$9	\$13	\$17	\$20	\$24	\$28
	Bottled Gas	\$24	\$28	\$40	\$53	\$65	\$78	\$90
	Electric	\$11	\$13	\$17	\$21	\$24	\$28	\$32
	Fuel Oil	\$19	\$23	\$33	\$43	\$53	\$63	\$73
Water	\$24	\$26	\$39	\$58	\$78	\$97	\$114	
Sewer	\$38	\$42	\$70	\$112	\$154	\$196	\$232	
Electric Fee	\$7	\$7	\$7	\$7	\$7	\$7	\$7	
Natural Gas Fee	\$20	\$20	\$20	\$20	\$20	\$20	\$20	
Fuel Oil Fee								
Bottled Gas Fee								
Trash Collection	\$33	\$33	\$33	\$33	\$33	\$33	\$33	
Range/Microwave	\$18	\$18	\$18	\$18	\$18	\$18	\$18	
Refrigerator	\$25	\$25	\$25	\$25	\$25	\$25	\$25	
Other - specify								

Actual Family Allowances To be used by the family to compute allowance.

Complete below for the actual unit rented

	Utility or Service	per month cost
Name of Family	Heating	\$
	Cooking	
	Other Electric	
	Air Conditioning	
Address of Unit	Water Heating	
	Water	
	Sewer	
	Trash Collection	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Other	
Spreadsheet based on form HUD-52667.	Total	\$

**Allowances for
Tenant-Furnished Utilities
and Other Services**

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



Locality		Green Discount	Unit Type				Weather Code	Date (mm/dd/yyyy)
City of Portsmouth, VA 2022		None	Lowrise Apartment (2-4 Units)				VA001	7/1/2022
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Space Heating	Natural Gas	\$31	\$36	\$38	\$41	\$43	\$46	\$48
	Bottled Gas	\$98	\$115	\$123	\$131	\$138	\$146	\$154
	Electric Resistance	\$19	\$22	\$26	\$29	\$33	\$37	\$41
	Electric Heat Pump	\$14	\$17	\$19	\$20	\$21	\$23	\$24
	Fuel Oil	\$79	\$93	\$100	\$106	\$112	\$119	\$125
Cooking	Natural Gas	\$3	\$4	\$6	\$7	\$9	\$11	\$13
	Bottled Gas	\$11	\$12	\$18	\$24	\$29	\$35	\$41
	Electric	\$5	\$6	\$8	\$11	\$13	\$15	\$18
	Other							
Other Electric		\$22	\$26	\$36	\$46	\$56	\$66	\$76
Air Conditioning		\$8	\$10	\$14	\$18	\$23	\$27	\$31
Water Heating	Natural Gas	\$9	\$11	\$16	\$21	\$26	\$30	\$35
	Bottled Gas	\$30	\$35	\$50	\$66	\$81	\$97	\$112
	Electric	\$14	\$17	\$21	\$26	\$30	\$33	\$38
	Fuel Oil	\$24	\$28	\$41	\$53	\$66	\$79	\$92
Water		\$24	\$26	\$39	\$58	\$78	\$97	\$114
Sewer		\$38	\$42	\$70	\$112	\$154	\$196	\$232
Electric Fee		\$7	\$7	\$7	\$7	\$7	\$7	\$7
Natural Gas Fee		\$20	\$20	\$20	\$20	\$20	\$20	\$20
Fuel Oil Fee								
Bottled Gas Fee								
Trash Collection		\$33	\$33	\$33	\$33	\$33	\$33	\$33
Range/Microwave		\$18	\$18	\$18	\$18	\$18	\$18	\$18
Refrigerator		\$25	\$25	\$25	\$25	\$25	\$25	\$25
Other - specify								

Actual Family Allowances To be used by the family to compute allowance.

Complete below for the actual unit rented

	Utility or Service	per month cost
Name of Family	Heating	\$
	Cooking	
	Other Electric	
	Air Conditioning	
Address of Unit	Water Heating	
	Water	
	Sewer	
	Trash Collection	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Other	
Total		\$

Spreadsheet based on form HUD-52667.

**Allowances for
Tenant-Furnished Utilities
and Other Services**

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



Locality		Green Discount	Unit Type					Weather Code	Date (mm/dd/yyyy)
City of Portsmouth, VA 2022		None	Single Family Attached					VA001	7/1/2022
Utility or Service		Monthly Dollar Allowances							
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	
Space Heating	Natural Gas	\$26	\$31	\$34	\$38	\$42	\$45	\$49	
	Bottled Gas	\$83	\$98	\$109	\$121	\$133	\$144	\$156	
	Electric Resistance	\$19	\$22	\$25	\$29	\$33	\$37	\$41	
	Electric Heat Pump	\$14	\$16	\$18	\$19	\$20	\$22	\$23	
	Fuel Oil	\$67	\$79	\$89	\$98	\$108	\$117	\$127	
Cooking	Natural Gas	\$3	\$4	\$6	\$7	\$9	\$11	\$13	
	Bottled Gas	\$11	\$12	\$18	\$24	\$29	\$35	\$41	
	Electric	\$5	\$6	\$8	\$11	\$13	\$15	\$18	
	Other								
Other Electric	\$23	\$27	\$37	\$47	\$58	\$68	\$78		
Air Conditioning	\$8	\$9	\$16	\$22	\$29	\$36	\$43		
Water Heating	Natural Gas	\$9	\$11	\$16	\$21	\$26	\$30	\$35	
	Bottled Gas	\$30	\$35	\$50	\$66	\$81	\$97	\$112	
	Electric	\$14	\$17	\$21	\$26	\$30	\$33	\$38	
	Fuel Oil	\$24	\$28	\$41	\$53	\$66	\$79	\$92	
Water	\$24	\$26	\$39	\$58	\$78	\$97	\$114		
Sewer	\$38	\$42	\$70	\$112	\$154	\$196	\$232		
Electric Fee	\$7	\$7	\$7	\$7	\$7	\$7	\$7		
Natural Gas Fee	\$20	\$20	\$20	\$20	\$20	\$20	\$20		
Fuel Oil Fee									
Bottled Gas Fee									
Trash Collection	\$33	\$33	\$33	\$33	\$33	\$33	\$33		
Range/Microwave	\$18	\$18	\$18	\$18	\$18	\$18	\$18		
Refrigerator	\$25	\$25	\$25	\$25	\$25	\$25	\$25		
Other - specify									

Actual Family Allowances To be used by the family to compute allowance.

Complete below for the actual unit rented

	Utility or Service	per month cost
Name of Family	Heating	\$
	Cooking	
	Other Electric	
	Air Conditioning	
Address of Unit	Water Heating	
	Water	
	Sewer	
	Trash Collection	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Other	
Total		\$

Spreadsheet based on form HUD-52667.

**Allowances for
Tenant-Furnished Utilities
and Other Services**

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



Locality		Green Discount	Unit Type				Weather Code	Date (mm/dd/yyyy)
City of Portsmouth, VA 2022		None	Single Family House				VA001	7/1/2022
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Space Heating	Natural Gas	\$28	\$33	\$37	\$42	\$46	\$51	\$55
	Bottled Gas	\$89	\$105	\$119	\$133	\$147	\$161	\$175
	Electric Resistance	\$27	\$31	\$34	\$37	\$41	\$45	\$48
	Electric Heat Pump	\$16	\$18	\$21	\$21	\$24	\$26	\$28
	Fuel Oil	\$73	\$85	\$97	\$108	\$120	\$131	\$143
Cooking	Natural Gas	\$3	\$4	\$6	\$7	\$9	\$11	\$13
	Bottled Gas	\$11	\$12	\$18	\$24	\$29	\$35	\$41
	Electric	\$5	\$6	\$8	\$11	\$13	\$15	\$18
	Other							
Other Electric		\$26	\$31	\$43	\$55	\$67	\$79	\$91
Air Conditioning		\$6	\$7	\$16	\$25	\$35	\$44	\$53
Water Heating	Natural Gas	\$9	\$11	\$16	\$21	\$26	\$30	\$35
	Bottled Gas	\$30	\$35	\$50	\$66	\$81	\$97	\$112
	Electric	\$14	\$17	\$21	\$26	\$29	\$32	\$36
	Fuel Oil	\$24	\$28	\$41	\$53	\$66	\$79	\$92
Water		\$24	\$26	\$39	\$58	\$78	\$97	\$114
Sewer		\$38	\$42	\$70	\$112	\$154	\$196	\$232
Electric Fee		\$7	\$7	\$7	\$7	\$7	\$7	\$7
Natural Gas Fee		\$20	\$20	\$20	\$20	\$20	\$20	\$20
Fuel Oil Fee								
Bottled Gas Fee								
Trash Collection		\$33	\$33	\$33	\$33	\$33	\$33	\$33
Range/Microwave		\$18	\$18	\$18	\$18	\$18	\$18	\$18
Refrigerator		\$25	\$25	\$25	\$25	\$25	\$25	\$25
Other - specify								

Actual Family Allowances To be used by the family to compute allowance.

Complete below for the actual unit rented

	Utility or Service	per month cost
Name of Family	Heating	\$
	Cooking	
	Other Electric	
	Air Conditioning	
	Water Heating	
Address of Unit	Water	
	Sewer	
	Trash Collection	
	Range/Microwave	
Number of Bedrooms	Refrigerator	
	Other	
Total		\$

Spreadsheet based on form HUD-52667.

Tab S:

Supportive Housing Certification

Not Applicable

Tab T:

Funding Documentation



777 West Putnam Avenue Greenwich, CT 06830
(203) 869-0900

February 24, 2023

Andre Blakley
TRG Community Development, LLC
777 West Putnam Avenue,
Greenwich, CT 06830

Re: Richman Lexington Senior Apartments, LP
Portsmouth, VA
105 Units

Dear Mr. Blakely:

The Richman Group Affordable Housing Corporation ("TRG") is the sponsor of investment partnerships which provide equity capital for multi-family apartment complexes that are eligible for low-income housing tax credits ("Low-Income Housing Tax Credits") pursuant to Section 42 of the Internal Revenue Code of 1986 (the "Tax Code") by investing in limited partnerships that own such apartment complexes.

You have advised us that an affiliate of TRG Community Development, LLC will form Lexington Senior Apartments GP, LLC, which will be a single purpose entity, to serve as the General Partner (the "General Partner") of Lexington Senior Apartments, LP a Delaware limited partnership (the "Partnership"), which intends to construct and operate a multi-family apartment complex located in Portsmouth, Virginia (the "Apartment Complex"). In addition, it is understood that a to-be-determined wholly owned affiliate of the Portsmouth Redevelopment and Housing Authority (the "PRHA") shall also serve as a managing member of the General Partner.

TRG is pleased to provide you with this letter of intent for the acquisition by an affiliated limited partnership, which will be sponsored by TRG ("Investor"), of a 99.99% limited partnership interest in the Partnership, subject to the terms and conditions hereof and also subject to (i) investment committee approval (ii) negotiation and execution of documentation acceptable to both parties and (iii) receipt of opinions of counsel (including corporate, tax and real estate) acceptable to the Investor. Upon the execution of this letter, TRG may commence its due diligence review and will seek an investor to acquire the limited partnership interest. The General Partner will execute an amended and restated partnership agreement of the Partnership in the Investor's standard form (the "Partnership Agreement"), admitting the Investor to the Partnership. Richman Housing Development, LLC (the "Guarantor") will provide a guaranty of the General Partner's obligations to the Investor.

1. Financing: Financing of the Apartment Complex will be subject to Investor approval. You have informed us that the Apartment Complex will receive the following construction debt financing: (i) a \$13,864,000 long term construction loan (the "LT Construction Loan") from Virginia Housing Development Authority ("VHDA") for a term of at least 18 months with an underwritten interest rate of 3.34%; (ii) a \$1,910,000 short term construction loan (the "ST Construction Loan") from VHDA for a term of at least 18 months with an underwritten interest rate of 5.29%; and (iii) an equity bridge loan, further described in Section 2 below, in the anticipated amount of approximately \$9,877,160 (the "Equity Bridge Loan") for a term of at least 24 months with an

underwritten interest rate of 7.55%. The ST Construction Loan and the Equity Bridge Loan shall be fully repaid at the time of the conversion to the permanent period and the LT Construction Loan will convert to permanent financing. You have also informed us the Apartment Complex will receive the following permanent sources of debt financing: (i) a 1st permanent mortgage loan from VHDA in the amount of \$2,835,000 (the "1st Permanent Loan") bearing interest underwritten at 6.077% per annum for a term of 35 years with payments based on a 35 year amortization schedule; (ii) a loan from the VHDA REACH program in the amount of \$9,829,000 (the "VHDA REACH Loan") bearing interest underwritten at 2.95% per annum for a term of 35 years with payments based on a 35 year amortization schedule; (iii) a loan from the VHDA Match program in the amount of \$1,200,000 (the "VHDA Match Loan") bearing interest underwritten at 1.95% per annum for a term of 35 years with payments based on a 35 year amortization schedule; (iv) a loan from the Virginia Department of Housing and Community Development (the "DHCD") through the Virginia Housing Trust Fund program in the amount of \$900,000 (the "DHCD VA HTF Loan") bearing 0.50% simple interest per annum for a term of 35 years with mandatory annual interest only payments; (v) a loan from PRHA in the amount of \$500,000 (the "PRHA Loan") bearing no interest with a term of 35 years and payments made from surplus cash flow with all unpaid principal due upon maturity; (vi) a loan from The Hamptons Road Planning Commission in the amount of \$400,000 (the "Hamptons Road Loan") bearing no interest with a term of 35 years and with payments made from surplus cash flow and with all unpaid principal due upon maturity; and (vii) a loan from the City of Portsmouth in the amount of \$1,200,000 (the "Portsmouth Loan") bearing no interest with a term of 35 years and with payments made from surplus cash flow and with all unpaid principal due upon maturity. In addition, it is understood that the Apartment Complex will receive a project-based Section 8 subsidy contract with a term of at least 15 years for all 105 units. To the extent that a change in financing structure changes the amount of Low-Income Housing Tax Credits, then capital contributions will be adjusted accordingly. The General Partner must deliver any required approval of the admission of the Investor to the Partnership prior to such admission (the "Closing"). The preparation, filing and processing of such application and all costs and expenses thereof, shall be the sole responsibility of the General Partner and/or the Partnership. All loan documents shall provide that notices of default and foreclosure shall be sent to the General Partner, as well as to the Investor.

2. Capital Contributions of the Investor: The determination of the total Capital Contribution (as defined below) is based on the Investor utilizing a 21% federal tax rate in the underwriting of the tax benefits projected to be generated by the Apartment Complex and that furthermore, the current tax laws as of the date of this letter remain unchanged at the time of Closing. The "Capital Contribution" as set forth below reflects current market conditions and the assumption that the Apartment Complex will qualify for accelerated residential rental real estate depreciation methods (i.e. 30yr straight line, 15yr MACRS, and 5 or 7-year MACRS, and 100% expensing). The Capital Contributions may be adjusted to reflect substantive changes to the depreciation underwriting, Capital Contribution timing or overall project timing. Subject to the terms and conditions set forth herein and in the Partnership Agreement, the Investor will make capital contributions to the Partnership in the total amount of \$13,068,417 (the "Capital Contribution").

Installment No. 1 (estimated to occur in June 2023):

Either (a) paid at Closing or (b) paid in monthly installments on a draw basis as needed for development costs incurred:	\$3,267,104 (25.0%)
--	---------------------

Installment No. 2 (estimated to occur in October 2024):

Paid upon the latest of the following:	\$1,910,000 (14.6%)
--	---------------------

- (i) Substantial completion of construction of the Apartment Complex and receipt of certificates of occupancy or temporary certificates of occupancy for all units;
- (ii) Receipt of a clean title search/update and receipt of an updated source-use budget for the Apartment Complex;
- (iii) Receipt of a payoff letter from the contractor for the Apartment

Complex (the "Contractor") which states that upon receipt of Installment No. 2 the construction contract will be paid in full by the Installment No. 2 or the Contractor will defer any amounts owed to it until receipt of Installment No. 3;

- (iv) Evidence that an estoppel letter was sought from the Construction Lender and all then current lenders to the Apartment Complex and a clean title search/update;
- (v) Receipt of certificates of insurance complying with the requirements described herein;
- (vi) Receipt of all environmental remediation reports (if any were required) with evidence satisfactory to the Investor that all remediation work has been performed in accordance with applicable federal, state and local law; and
- (vii) October 1, 2024.

Installment No. 3 (estimated to occur in July 2025):

Paid upon the latest of the following: \$7,237,892 (55.4%)

- (i) The achievement of 95% occupancy by tenants who qualify under section 42 and the achievement of monthly effective gross income of not less than \$120,079 on a cash basis;
- (ii) Achievement of "Breakeven Operations" (as defined below) and the closing and the conversion of the 1st Permanent Loan (the loan will be sized to support no less than a 1.15 Debt Service Coverage Ratio by either the permanent lender or the Investor based on 3 consecutive months of operations with at least 90% occupancy each month using the greater of actual or underwritten operating expenses);
- (iii) Receipt and satisfactory review of 100% of the income certifications for the initial tenants by the Investor (if less than 100%, but greater than 95% of the income certifications are available and satisfactory to the Investor, then a portion of Installment No.3 shall be held back until the remaining files are received and accepted);
- (iv) Receipt of the Accountant's Cost Certification;
- (v) Receipt of final certificates of occupancy for any temporary certificates of occupancy previously received;
- (vi) Receipt of an estoppel letter from each lender to the Partnership and a clean title search/update;
- (vii) Receipt of project-based Section 8 contract for 105 units;
- (viii) The establishment of all required project reserves including the reserves described in Section 7E; and
- (ix) July 1, 2025.

Installment No. 4 (estimated to occur in July 2025):

Paid upon the latest of the following: \$653,421 (5.0%)

- (i) Receipt of form 8609 and the recorded extended use Agreement; and
- (ii) All remaining tenant files to evidence 100% qualified occupancy; and
- (iii) July 1, 2025.

Total Equity to Partnership: \$13,068,417

With respect to repayment of the ST Construction Loan and LT Construction Loan, the Investor reserves the right to fund Installment No. 2 (or any other installment if necessary) directly to the Construction Lender to facilitate loan repayment.

Installment No. 3 will only be released upon the achievement of Breakeven Operations. "Breakeven Operations" is generally defined as the earlier of the following: (i) the date upon which income from the normal operation of the Apartment Complex, received on a cash basis (except for public subsidy and rental assistance payments due which will be recognized on an accrual basis; provided furthermore that any subsidy received in excess of the underwritten net rental income for a respective unit shall be excluded in the calculation of Breakeven Operations), for each of three (3) consecutive calendar months after permanent mortgage loan closing less all mandatory debt service payments for each month, exceeds all accrued operational costs for each month or, if the above is not verifiable for such three (3) month period, (ii) the date upon which income from the normal operation of the Apartment Complex (as reported under GAAP) equals or exceeds all operational costs (as reported under GAAP), as evidenced by an audited financial statement for a 12 month period prepared by the accountants of the Partnership. In addition, Breakeven Operations shall not have occurred unless, at the end of such three (3) month period, the Partnership shall have (i) sufficiently funded segregated reserves to pay one (1) year's property insurance premiums (minus any prepaid premiums on the existing insurance policy) and the next full installment of real estate taxes payable (minus any prepaid taxes with respect to such installment) and (ii) liquid assets not committed to the payment of any other expense or reserve fund in an amount sufficient to pay (a) one (1) month's mandatory debt service payment plus (b) any other accrued unpaid expenses.

The Investor will have an option to provide the Apartment Complex with an Equity Bridge Loan during the construction period. The Equity Bridge Loan has been underwritten in the amount of approximately \$9,877,160 with interest at 7.55% and a term of approximately 24 months. The Equity Bridge Loan will be repaid and secured by Capital Contributions.

3. Adjuster Clause: The Capital Contribution amount stated above is based upon your projection of an annual amount of Low-Income Housing Tax Credits of \$1,546,713 ("LIHTC") which in turn is based upon certain of the assumptions and projections stated in Schedule A herein. The actual amount of Low-Income Housing Tax Credits may in fact change after the determination of eligible and qualified basis. Accordingly, the Capital Contribution may be adjusted when (i) final projections of the amount of Low-Income Housing Tax Credits are completed and/or (ii) upon or after actual completion of the Apartment Complex. To the extent such final projected amount of Low-Income Housing Tax Credits varies from the LIHTC, the Capital Contribution will be adjusted as set forth in the following paragraph and as will be more particularly set forth in the Partnership Agreement.

If the final amount of Low-Income Housing Tax Credits ("Final LIHTC") is greater or less than the LIHTC then the Capital Contribution shall be adjusted so that the ratio of the Capital Contribution attributable to the Low-Income Housing Tax Credits divided by the Final LIHTC allocable to Investor is equal to 84.5% ("LIHTC Ratio"). However, in the case of an increase, such increase in Capital Contribution will take place only if the Investor has funds available which are not committed otherwise. If the Investor does not have funds available to pay for the higher amount of Low-Income Housing Tax Credits, then the Investor's interest in the Partnership will be adjusted downward accordingly, but in no event below a 90% interest. If the adjustment would result in an adjustment below 90% then TRG shall endeavor to cause an affiliated investment partnership to purchase an interest in the Partnership but shall have no liability if it is unable to do so.

4. Timing Differences: In the event that if the actual Final Reported Credit for 2024 is more than 0.00% of the LIHTC, or for 2025 is more than or less than 95.95% of the LIHTC, or for 2026 is more than or less than 100.00% of the LIHTC (or LIHTC as adjusted pursuant to paragraph 2 above) then the Capital Contribution of the Investor shall be increased or decreased, as appropriate, (a "Timing Change"), by an amount equal to the difference between the Final Reported Credit for either year and the LIHTC (or LIHTC as adjusted pursuant to paragraph 2 above) multiplied by \$0.50. In the event that the Timing Change exceeds the then unpaid Capital Contribution of the Investor, the General Partner shall pay to the Investor, immediately upon demand, the amount by which the Timing Change exceeds such then unpaid Capital Contributions.

The combined increase, if any, in Capital Contributions under Section 3 and Section 4 shall be capped at 5% of the original Capital Contribution.

The Partnership may calculate the first year and/or second year LIHTC delivery using the excess LIHTC basis method, provided further the methodology continues to be permitted by the Internal Revenue Service.

5. Cash Flow Distributions: Cash flow of the Partnership after expenses and debt service will be distributed, to the extent available, according to the following priority:

- First: to pay any credit adjuster due;
- Second: a priority distribution to the Investor in the amount of \$5,000 annually;
- Third: to repay any withdrawals from the "Operating Reserve" made in the current year or any previous year;
- Fourth: to repay any deficit loans or operating deficit loans made by the General Partner;
- Fifth: to pay any deferred development fee to the General Partner; and
- Sixth: remaining amounts split 10% to the Investor and 90% to the General Partner.

6. Sale or Refinance: Upon the sale of the Apartment Complex or a refinancing of the permanent mortgage loan, proceeds will generally be allocated in accordance with the following priority:

- First: Expenses of the sale and refinancing and satisfaction of underlying financing plus any other third-party obligations and debts;
- Second: Return of the outstanding balance of any deficit loans or operating deficit loans previously made by the General Partner (See Guarantees); and
- Third: Balance of proceeds split 10% to the Investor, 90% to the General Partner.

7. Guarantees: The General Partner and the Guarantor shall jointly and severally guarantee the following:

(A) Against recapture of the Low-Income Housing Tax Credits for 15 years as set forth in the following sentence. If at any time after the tax year in which the entire Apartment Complex is placed in service through the end of the 15-year tax credit compliance period applicable to each building comprising the Apartment Complex, it is determined that for any tax year of the Partnership's operation all or any portion of the actual credit is recaptured or disallowed or all or any portion of the final reported credit becomes unavailable for the Apartment Complex as a result of any of the following events: (1) substantial destruction of any of dwelling units in the Apartment Complex which is not timely repaired, due to, in whole or in part, the action or inaction by the General Partner which is a violation of any provision of the Partnership Agreement, (2) foreclosure of any mortgage loan for the Apartment Complex due to, in whole or in part, the action or inaction by the General Partner in violation of any provision of the Partnership Agreement (including without limitation, failure to fund operating deficits or the failure of the management agent to subordinate its management fee or resign pursuant to the Partnership Agreement), provided however that if the General Partner has fully funded all Operating Deficit Loans required by Section 7C below and has otherwise satisfied all of the General Partner's obligations with respect to Operating Deficits, then such foreclosure shall not cause the provisions of this Section to become effective, (3) failure of the General Partner to maintain the tenant base and rent levels of the Apartment Complex at levels meeting the applicable qualification criteria for the Low-Income Housing Tax Credit, or (4) a reduction in the actual credit below the final reported credit because of a reduction of the eligible basis as a result of an audit by the IRS, but only upon the exhaustion of all appeal rights with respect to such IRS determination, then the Partnership (or the General Partner, if necessary) shall promptly repay to the Investor, in the manner provided in the Partnership Agreement, an amount equal to the difference between the Low-Income Housing Tax Credit the Investor would otherwise have been entitled to receive (based on the accountants' determination of the final reported credit) and the Low-Income Housing Tax Credit available as a result of such above-described event(s), plus an amount equal to any recaptured amount of Low-Income Housing Tax Credits, plus an amount equal to any interest or penalties assessed by the IRS as a result of any such reduction in Low-Income Housing Tax Credit or recapture of Low-Income Housing Tax Credit.

(B) The payment in full of all costs and expenses of the acquisition and construction of the Apartment Complex in excess of the proceeds of all the construction period sources of funds and any operating deficits prior to the achievement of Breakeven Operations.

(C) To fund operating deficits for a five (5) year period (the "Operating Deficit Period") from the later of Breakeven Operations or funding of the permanent mortgage loan up to a maximum amount of \$667,842 (the "Operating Deficit Guaranty") (sized as 6 months of underwritten operating expenses, debt service and replacement reserves). In addition, the Operating Deficit Period shall be deemed extended until (x) the General Partner has provided the Investor with evidence that the Partnership has sufficient cash reserves to pay any accrued expenses as of the expiration of the Operating Deficit Period, (y) the General Partner has restored any withdrawals taken from the Operating Reserve as described in Section 7E (ie the Operating Reserve must be fully funded), and (z) the Apartment Complex has achieved the "DSC Requirement" as hereinafter defined. The "DSC Requirement" means that the Apartment Complex has demonstrated a debt service coverage ratio of 1.15:1 for year five of the Operating Deficit Period (the debt service coverage ratio shall be calculated using the annual audited financial statements). If the Apartment Complex has not demonstrated a 1.15:1 debt service coverage for such year the Operating Deficit Period will be extended until the Apartment Complex has demonstrated a 1.15:1 debt service coverage for any subsequent year. As further assurance will be an agreement by the managing agent for the Apartment Complex, typically the General Partner or an affiliate, (the "Managing Agent") to (i) defer and accrue its management fee, if necessary, to prevent a default under the permanent mortgage loan and (ii) to defer its fee to the extent necessary to avoid an Operating Deficit. If the Managing Agent elects not to defer its fee pursuant to subparagraph (ii) above, it must send a notice to the General Partner and the Investor offering to resign. If no such notice is sent, the Managing Agent will be deemed to have ratified its agreement to defer its fee. If a notice is sent refusing to defer its fee, such refusal shall be grounds for removal of the Managing Agent.

(D) Repurchase of the Investor's interest in the Partnership by payment to the Investor of the full amount of the gross Capital Contribution paid to such date, if the General Partner fails to (i) place the Apartment Complex in service by 12/31/24, (ii) complete Final Closing by 12/31/25 or (iii) achieve at least 70% of the aggregate projected LIHTC as set forth herein.

(E) The Partnership shall fund an operating reserve in the amount of \$667,842 (the "Operating Reserve") prior to or out of Installment No. 3 (the Operating Reserve is sized at six months of underwritten operating expenses, debt service & fees and replacement reserve deposits). The minimum required reserve required by the Investor will be three months of underwritten operating expenses, debt service & fees and replacement reserve deposits. Any portion of the reserve not controlled by the state housing agency shall be jointly controlled by the General Partner and the Investor and shall only be used to fund operating deficits. During the Operating Deficit Guaranty Period, withdrawals from the Operating Reserve to meet operating deficits shall be limited to \$44,523 per annum (1/15th the initial balance) on a cumulative basis. Upon the earlier of the end of the initial 15-year compliance period or the disposition of the property, any remaining funds in the Operating Reserve shall be release pursuant to Section 5.

8. Representations and Warranties: The General Partner shall provide the representations and warranties to the Investor more particularly set forth in the Partnership Agreement and currently has no basis to believe that such representations and warranties cannot be given at Closing. The General Partner shall be obligated to recertify to the continued truth and accuracy of such representations and warranties at the time of each installment of capital contributions.

9. Duties and Obligations: The General Partner shall be obligated to assume the duties and obligations as are set forth in the Partnership Agreement.

10. Legal Opinions: The General Partner shall cause the attorneys for the Partnership to provide the legal opinions more particularly set forth in the Partnership Agreement.

11. Sale or Conversion: Beginning 15 years from the date of the closing of the permanent mortgage loan, if the Investor requests the General Partner to sell the Apartment Complex, the General Partner will consent, provided such sale meets the approval of the lender and applicable tax credit agency. In the event the General Partner does not consent to a sale at that time, the General Partner will be granted an option to purchase the Apartment Complex at fair market value (as restricted by the uses mandated by the lender and the Tax Credit Agency). In the event that the General Partner chooses not to exercise this purchase option, the Investor shall reserve the right to: (i) sell its interest in the Partnership to the General Partner for \$1 or (ii) transfer its limited partnership interest in the Partnership to an affiliated entity.

12. Accountants and Financial Reporting: The "Accountants" for the Partnership shall be The Reznick Group or such other firm acceptable to the Investor. Financial information will be required to be submitted to the Investor by the 30th day after the end of each quarter, for the first three calendar quarters of each year. Such financial information may be unaudited and may be prepared by the Managing Agent. Annual audited financial statements and tax information will be required to be submitted to the Investor by the General Partner by February 15 of each year.

13. Removal Rights: The Investor shall have the right to remove the General Partner for cause as will be set forth in the Partnership Agreement. No removal right without cause shall exist.

14. Indemnity: In the Partnership Agreement the General Partner shall indemnify Investor and its officers, directors and affiliates for any untrue statement of a material fact or omission to state a material fact necessary to make any such statements, in light of the circumstances under which they were made, not misleading, by the General Partner or their agents set forth in any document delivered by the General Partner or their agents in connection with the acquisition of the Apartment Complex, the investment by the Investor in the Partnership and the execution of the Partnership Agreement.

15. Reserve Requirements: The Partnership will be required to make an annual minimum deposit to a reserve for replacements in an amount equal to the greater of (i) \$300 per unit per year increasing annually by the CPI, or (ii) the amount utilized in the underwriting of the mortgage loans by the lenders. The Investor may require that additional reserves be funded to cover potential cash deficiencies. The Operating Deficit Guaranty shall be increased by amounts withdrawn from the reserve for replacements during the Operating Deficit Period.

16. Due Diligence: TRG and the Investor will have the opportunity to perform, and you and your professionals will assist us in, the customary due diligence necessary in the acquisition of the Apartment Complex and of the investment by Investor in the Partnership. As a condition of closing, the Partnership shall provide the Investor information reasonably requested by the Investor, including without limitation, (i) market rental information, proving that the projected rents will be achieved and the rent up will occur within a reasonable absorption period, (ii) engineering report by an engineer acceptable to the Investor and (iii) a Phase 1 environmental report. A sample (but not exhaustive) list of due diligence documents is available upon request. Additionally, approval of this transaction is subject to satisfaction and completion of due diligence (including site visit, review, and final investment committee approval) by both the Investor and TRG, and receipt by the Partnership of a Low-Income Housing Tax Credits reservation or allocation approval from the appropriate state or local agency.

17. Title Insurance: The General Partner shall provide, at Partnership expense, title insurance in favor of the Partnership in an amount not less than the sum of (i) all mortgage loans, and (ii) the amount of the Capital Contribution with only those exceptions as may be approved by Investor.

18. Execution of Partnership Agreement: As a condition to the Closing, the General Partner will execute the Partnership Agreement and any related documentation necessary to complete the transaction and the Guarantor must execute the Guaranty.

19. Hazard and Liability Insurance: As a condition to receipt of Installment No. 1 of Capital Contributions, the Partnership shall deliver evidence of hazard insurance from carriers acceptable to the Investor, in an amount equal to the replacement cost of the apartment improvements. The hazard insurance must include endorsements for inflation adjustment and code upgrade coverage. Liability insurance shall be in the amount of not less than \$5,000,000.

20. Escrows: To the extent not required by any mortgage lender, the Partnership shall maintain funds in a segregated escrow account, in an amount sufficient to pay all real estate taxes and insurance premiums when due.

21. Payment and Performance Bond or Letter of Credit: The Contractor shall provide one of the following (i) payment and performance bonds in form and substance satisfactory to Investor, in the full amount of the general contract naming the Partnership as obligee issued by a bonding company acceptable to Investor (ii) a letter of credit in the amount of not less than 15% of the general contract issued by a bank acceptable to Investor or (iii) a guarantee of the Contractor (or its principal) with a net worth of not less than \$5,000,000.

22. Brokers. Any and all fees due to any broker involved in this transaction will be the responsibility of the General Partner. By executing this conditional commitment, you represent and warrant that no broker has been involved in the negotiations among the General Partner, its principals and TRG. You further acknowledge and agree that neither TRG nor the Investor shall be responsible for the payment of any brokerage fees in connection with the Investor's investment in the Project unless otherwise specifically agreed to in writing by TRG.

23. Development Fee. The Developer (which shall be an entity affiliated with the General Partner) will be permitted to earn a development fee up to \$2,800,489 or as permitted by any applicable agency) of which the underwritten cash portion of the development fee has been underwritten to be \$531,448 and the underwritten deferred portion is \$2,269,041. The General Partner will be permitted to pay the cash portion of the development fee as outlined below. Any reduction in the underwritten cash development fee which occurs during the course of underwriting prior to Closing shall be applied to (a) below until depleted followed by the remaining reduction to (b) below until depleted. Any increase in the underwritten cash development fee which occurs during the course of underwriting prior to Closing shall be applied pro-rata to (a)-(b) below thereafter.

- a. Upon the satisfaction of the conditions of Installment No. 3: \$0 (0% of the cash fee)
- b. Upon the satisfaction of the conditions of Installment No. 4: \$531,448 (100% of the cash fee)

24. Investor's Capital Account: The pricing of the Capital Contributions is based upon the assumption that the Investor will be able to receive tax losses and low-income housing tax credits (collectively known as the "Tax Benefits") after the Investor's capital account becomes negative. It is understood that the Investor and the Managing Member shall work together to structure the transaction in a manner that reasonably assures the Investor will receive the underwritten Tax Benefits which includes making adjustments to the ownership structure to avoid the creation of any Managing Member recourse debt.

If the above is acceptable to the General Partner, please execute a copy of this letter and return it to the Investor. In the event that Investor is not in receipt of an executed copy of this letter within thirty (30) days, this letter shall be considered withdrawn and shall be of no further force or effect.

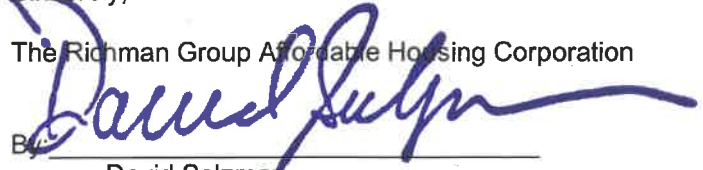
Upon the Investor's receipt of a fully executed copy of this letter of intent, the Investor will commence the necessary action to deliver to you a copy of the proposed Partnership Agreement and you shall be bound by all of the terms and provisions hereof. If prior to the expiration of the due diligence period Investor agrees to proceed with the transaction, but notwithstanding such agreement, the General Partner (i) fails to negotiate the Partnership Agreement or other closing documents in good faith and/or (ii) offers the limited partnership interest contemplated hereby to a third party, then the General Partner shall be obligated to reimburse Investor and/or TRG for all fees, costs and expenses incurred by Investor and/or TRG in connection with this transaction, including without limitation, all legal fees and disbursements, engineering and other professional fees, site inspection fees, market study fees, appraisal fees, background investigation costs, and other due diligence costs and expenses.

This letter shall be governed by and construed in accordance with the internal laws of the State of Connecticut. This agreement shall not create any liability on the part of TRG or the Investor. The Closing of the acquisition of the partnership interest is subject to the availability of funds and the ability of TRG to identify an Investor. All rights and obligation of the Investor shall be set forth in the Partnership Agreement and shall not be binding on the Investor until the Investor delivers a fully executed copy of the Partnership Agreement to the General Partner.

Notwithstanding anything to the contrary contained herein, the provisions of this letter represent the entire understandings of TRG, the Investor, the General Partner and/or the Partnership with respect to the matter hereof, and all prior understandings, agreements and representations with respect thereto whether written or oral are superseded hereby and merged herein. None of the provisions of this letter may be waived or modified unless such waiver or modification is in writing and signed by the parties hereto and approved by TRG's counsel. No oral agreements shall ever be binding on TRG and/or the Investor.

Sincerely,

The Richman Group Affordable Housing Corporation



By _____
David Salzman
President

Agreed to and accepted as of
February 28th _____, 2023
by the undersigned

Andre Blakley



Glenn A. Youngkin
Governor

Caren Merrick
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Bryan W. Horn
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

September 9, 2022

Glenn Hudson
Director of Strategic Partnerships
TRG Community Development LLC
292 Weymouth Avenue **777 W. Putnam Avenue**
Elgin, IL 60124 **Greenwich, CT 06830**
Via: gfhud1@gmail.com **Blakleya@richmancapital.com**

Proposed Affordable & Special Needs Housing Financing Offer: Revised

Dear Mr. Glenn Hudson,

I am pleased to advise you that the Department of Housing and Community Development has awarded TRG Community Development LLC's Lexington Senior Apartments project with \$900,000 in **Virginia Housing Trust Fund**. Included with this letter are the proposed rate and terms granted to you in accordance with your project description.

Please review the attached offer letter carefully, and attach any updated or new information with your response as it may pertain to this project. For projects which are awarded a HOME or NHTF award, a HUD required environmental review must be completed prior to execution of a program agreement. Submission of an executed terms letter, attached, and your project's Phase I Environmental Assessment to DHCD staff will begin this environmental review process.

In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters must be approved by DHCD before the program agreements may be executed.

These program agreements must be fully executed by July 29, 2023 in order for this preliminary offer to result in a program commitment and reservation of funds.

We are looking forward to working with you to provide affordable housing, if you have any questions as it pertains to this offer please feel free to contact your Program Administrator or myself at 804-840-1909.

Sincerely,

Chloe Rote
ASNH Program Manager



Terms & Conditions
Lexington Senior Apartments
1 Lexington Drive, Portsmouth, VA 23704

The Department of Housing and Community Development herein referred to as DHCD (“Lender”), has approved the request of TRG Community Development LLC, listed as the developer of the project and herein is referred to as (“Developer”), regarding Lexington Senior Apartments (“Project”). Please review the following information as it pertains to your project:

The Project is awarded \$900,000 of Virginia Housing Trust Fund funding. Please review the following proposed terms and conditions, and send questions you may have to DHCD staff:

Interest Rate	0.5% Fixed
Loan Repayment Period	360 months (Interest Only)
Mandatory Compliance Period	360 months (from date of loan closing)
Extended Affordability Period	n/a months (following mandatory compliance)

The compliance and repayment period begins upon loan closing. This loan constitutes permanent, must pay hard debt, which is not cash flow dependent. Deferred principle & accrued interest shall be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period or, in the event of senior Virginia Housing (VH or VHDA) financing on the Project, such longer period to coincide with the maturity date of the VH/VHDA financing.

It is the intention of the Lender to disburse the Virginia Housing Trust Fund award as part of the permanent financing package upon final permanent close, which includes the issuance of the final Certificate of Occupancy or Certificate of Substantial Completion.

Final permanent close shall commence upon receipt of acceptable title, survey & environmental reports, closing of other required funding, customary due diligence, rehab completion (if applicable), rental occupancy report, and issuance of COO/CSC by a local building official. Impediments to loan closing include, but are not limited to: failure to complete construction/renovations, due diligence items, or rent & occupancy requirements for the project in accordance with HOME, NHTF, VHTF and/or HIEE requirements (whichever is applicable).

DHCD shall be placed in the 2nd lien position, unless otherwise approved by the agency. Program agreements must be executed **by July 29, 2023**, with an estimated closing of permanent debt to take place no later than 24 months after construction start.

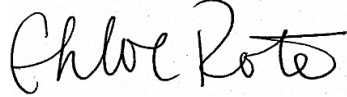
Please execute and return this document to DHCD via email. Once received, DHCD will be in communication with you regarding next steps. DHCD staff cannot proceed to formal commitment of funds by Program Agreement until this document is countersigned and returned.



It is our sincere pleasure to make this financing proposal to you; we look forward to your acceptance and to our continuing relationship.

Sincerely,

Department of Housing & Community Development



Chloe Rote: ASNH Program Manager

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:

Andre Blakley (Authorized Officer)

By: Andre Blakley Its: President

Date: 09/28/2022





Portsmouth

REDEVELOPMENT AND HOUSING AUTHORITY

October 18, 2022

Lexington Seniors Apartments
1 Lexington Dr.
Portsmouth, VA 23705

Dear Sir or Madam:

This letter is in reference to the Public Housing Revitalization Grant from Virginia Housing.

The Portsmouth Redevelopment and Housing Authority is committed to providing funding to the Lexington Seniors project from the Virginia Housing Public Housing Revitalization Grant Program. An application was submitted for this project on March 9, 2022 and the award of funding, in the amount of \$500,000, was received effective July 1, 2022. All funds are subject to Virginia Housing program regulations.

If you have any questions or need additional information, please contact me at (757) 399-5261.

Sincerely,



Edward Bland
Executive Director

"We're Making Our City More Inviting Than Ever."



3116 South Street, Portsmouth, Virginia 23707-4116
Telephone (757) 399-5261 • TDD (800) 545-1833, Extension 869 • Main Office FAX (757) 399-8697
www.prha.org

MEMBER
JURISDICTIONS

August 24, 2022

CHESAPEAKE

FRANKLIN

Mr. Philip Page
Director of Development and Capital Funds Program
Portsmouth Redevelopment & Housing Authority
3116 South Street
Portsmouth, VA 23707
VIA email: ppage@prha.org

GLOUCESTER

HAMPTON

ISLE OF WIGHT

RE: Virginia Association of Planning District Commissions - Virginia
Housing Grant Award

JAMES CITY

Dear Mr. Page:

NEWPORT NEWS

We are pleased to inform you that the Hampton Roads Planning District Commission has made a conditional contingent commitment of funding for the Lexington Senior Apartments project for **\$400,000**. The funds will be used to develop approximately 106 affordable rental units for senior residents of Portsmouth.

NORFOLK

POQUOSON

Please note that this commitment is contingent on providing all required pre-contract documents and ensuring that all funding deficits are met. A formal agreement will be sent to you regarding this award in the next few weeks.

PORTSMOUTH

SMITHFIELD

Thank you for your commitment to affordable housing. We are pleased to be able to assist with this project.

SOUTHAMPTON

SUFFOLK

Sincerely,



Shernita Bethea
Housing Administrator

SURRY

VIRGINIA BEACH

SLB/kl

WILLIAMSBURG

CC: Mr. Ed Bland, Executive Director -Portsmouth Redevelopment and
Housing Authority (email: ebland@prha.org)

YORK

January 24, 2023

At a Called Meeting of the City Council on Tuesday, January 24, 2023, there were present:

Mayor Shannon E. Glover, Vice Mayor Lisa L. Lucas-Burke, William E. Moody, Jr., *Dr. Mark M. Whitaker, *De'Andre A. Barnes, Mark A. Hugel, Vernon L. Tillage, Jr., Interim City Manager Mimi C. Terry, City Attorney Lavonda Graham-Williams.

23 - 29 - Mayor Glover called the meeting to order and welcomed all in attendance.

" Please attend a called meeting of the City Council to be held in the City Council Chamber, 801 Crawford Street, 5:00 p.m., Tuesday, January 24, 2023, for the purpose of a Public Work Session.

In addition, you may consider a motion to go into a Closed Meeting.

By order of the Mayor."

23 - 30 - The following items were discussed in Public Work Session:

1. Public Utilities Service Fees - Mimi Terry, Interim City Manager
 - Vice Mayor Lucas-Burke asked what the cost was to the city to contract out the installation of meters.
 - Councilman Whitaker asked for information identifying which commercial real estate requires a \$20,000 meter.
 - Mimi Terry, Interim City Manager will provide that information in a report back.
 - There was a consensus of City Council to eliminate the following fees:
 - Transfer fees.
 - Residential deposit fees.
 - Set up fees.
 - There was also a consensus of City Council to change the bi-monthly billing cycle to a monthly billing cycle.
2. Public Empowerment Sessions - Mimi Terry, Interim City Manager
 - There was a consensus of City Council to push the Empowerment Session dates to March. In the meantime, provide information to citizens regarding discussion topics in February.
3. Portsmouth Redevelopment and Housing Authority (PRHA) Lexington Place - Edward Bland, Executive Director of PRHA / Alisa Winston, Deputy Executive Director of PRHA
 - Upon request by the Chair, Councilman Whitaker left the meeting at 6:30 p.m.
 - There was a majority consensus of City Council to provide the \$1.2 million requested by PRHA for Lexington Place.
4. City Council Liaison Reports
 - Councilman Hugel
 - Military Affairs Committee update.
 - Planning Commission meeting update.
 - Vice Mayor Lucas-Burke
 - Hampton Roads Regional Jail meeting update.
 - Mayor Glover
 - Portsmouth named *#1 City for First Time Homebuyers* by Realtors.com.
 - Councilman Moody
 - Economic Development Authority meeting update.
 - Historic Preservation Commission meeting update.

January 24, 2023

23 - 31 - Motion by Ms. Lucas-Burke, and seconded by Mr. Moody, to go into a closed meeting pursuant to Virginia Code subsection 2.2-3711 A.7 for the purpose of briefings by staff members pertaining to actual or probable litigation, where such briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, specifically regarding Victory West Thrill Park, LLC v. City of Portsmouth, Circuit Court Case Number 22005055-00, and 1 Ace Parker Drive.

The motion was adopted by the following vote:

Ayes: Barnes, Hugel, Lucas-Burke, Moody, Tillage, Glover
Nays: None

Motion Ms. Lucas-Burke, and seconded by Mr. Moody, pursuant to Virginia Code Section 2.2-3712(D) certifying that, to the best of the Council Members' knowledge:

1. Only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and
2. Only such public business matters as were identified in the motion by which the Closed Meeting was convened were heard, discussed, or considered in the closed meeting just concluded by the City Council.

The motion was adopted by the following vote:

Ayes: Barnes, Hugel, Lucas-Burke, Moody, Tillage, Glover
Nays: Whitaker

Councilman Whitaker asked that the following statement be placed in the minutes:

"Based on the motion for a closed meeting on January 24, 2023 and information confirmed subsequently, I am requesting an amendment to the minutes of the January 24, 2023 Called Meeting of the Portsmouth City Council for the purpose of a Public Work regarding the certification of the closed meeting. Please amend the minutes to reflect my vote as "No" in certifying the closed meeting pursuant to Virginia Code Section 2.2-3712(D).

The reason for voting "No" is as follows. On January 24, 2023, Members of the Portsmouth City Council voted to enter into closed meeting based on Virginia Code subsection 2.2-3711 A.7 for the purpose of briefings by staff members pertaining to actual or probable litigation. where such briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, specifically regarding Victory West Thrill, Park, LLC v City of Portsmouth, Circuit Court Case Number 22005055-00 and 1 Ace Parker Drive. I was not present during the reading of the closed meeting motion because the Mayor ordered the Sergeant at Arms to remove me from the meeting as I was attempting to question the need of the funding request by PRHA. Subsequently, I confirmed that there is no actual nor probable litigation as identified in the closed meeting motion regarding 1 Ace Parker Drive (a.k.a. Elizabeth Manor Golf Club). The update given on Elizabeth Manor Golf Club was that the entity had not paid real estate taxes since 1970 as required. Furthermore, the City Attorney and City Assessor confirmed that the City Attorney is not involved in the matter regarding the 50 years of non-payment of real estate taxes by Elizabeth Manor Golf Club. These facts indicate that there is no actual nor probable litigation as required by law.

Therefore, based on my above statement, I must vote "no" because I cannot certify that pursuant to Virginia Code Section 2.2-3712(D) that:

- i. Only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and
- ii. Only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting on January 24, 2023."

January 24, 2023

On motion, the meeting adjourned.

Minutes prepared by:

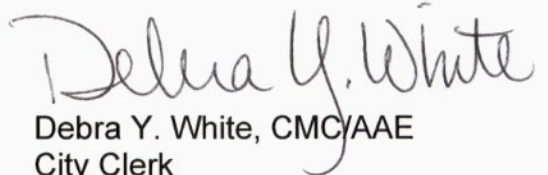


Anita Y. Sherrod
Chief Deputy City Clerk

APPROVED -



Shannon E. Glover
Mayor



Debra Y. White, CMC/AAE
City Clerk

*Councilman De'Andre A. Barnes arrived at 5:04 p.m.

*Councilman Mark M. Whitaker returned to the meeting at 6:39 p.m.

January 24, 2023

At a Regular Meeting of the City Council on Tuesday, January 24, 2023, there were present:

Mayor Shannon E. Glover, Vice Mayor Lisa L. Lucas-Burke, William E. Moody, Jr., Dr. Mark M. Whitaker, De'Andre A. Barnes, Mark A. Hugel, Vernon L. Tillage, Jr., Interim City Manager Mimi C. Terry, City Attorney Lavonda Graham-Williams.

Pastor Martha Provo provided invocation which was followed by the Pledge of Allegiance to the Flag.

Mayor Glover called the meeting to order and welcomed all in attendance.

Motion by Ms. Lucas-Burke, and seconded by Mr. Moody, to adopt the minutes of a Called Meeting of January 10, 2023, and of a Regular Meeting of January 10, 2023, and was adopted by the following vote:

Ayes: Barnes, Hugel, Lucas-Burke, Moody, Tillage, Whitaker, Glover

Nays: None

- City Manager's Report -

23 - 32 - Adoption of an ordinance accepting an ARPA Tourism Grant administered through the Virginia Tourism Commission in the amount of \$100,000 and appropriating said amount in the FY 2023 Grants Fund for use by the Department of Museums and Tourism.

Background:

- The Virginia Tourism Commission made available a portion of its ARPA grant funding to Destination Marketing Organizations (DMO's) throughout the state. The amount was pre-determined based on the DMO's overall economic impact on state tourism.
- The Department of Museums and Tourism submitted an acceptable program proposal and was awarded the maximum amount of \$100,000. The first \$50,000 arrives in mid-January. The balance of \$50,000 will be distributed on a re-imbursement basis.

Discussion:

- The Department must implement the program exactly as submitted and adhere to all program specific guidelines and terms and conditions of the grant. This includes the requirement to provide a final report to Virginia Tourism.
- The funds will be used to enrich the spring/summer advertising campaign and as part of the regional branding for Coastal Virginia Tourism per the agreement of all member DMOs of the Coastal Virginia Tourism Alliance.

Financial impact:

- No local match is required as a condition of this grant funding.

Recommended Action:

- Adoption of the ordinance.

Next Steps Following Council Action:

- The Finance Department will make the necessary budget adjustment.
- The Department of Museums and Tourism will implement said program in accordance with grant requirements.

1. Donna-Lee Biggs, 3104 Garland Drive, voiced her concern with statements made by an employee.

Motion by Ms. Lucas-Burke, and seconded by M. Moody, to adopt the following ordinance, and was adopted by the following vote:

January 24, 2023

“ORDINANCE ACCEPTING AN ARPA TOURISM GRANT ADMINISTERED THROUGH THE VIRGINIA TOURISM COMMISSION IN THE AMOUNT OF \$100,000 AND APPROPRIATING SAID AMOUNT IN THE FY 2023 GRANTS FUND FOR USE BY THE DEPARTMENT OF MUSEUMS AND TOURISM.”

Ayes: Barnes, Hugel, Lucas-Burke, Moody, Tillage, Whitaker, Glover

Nays: None

23 - 33 - Adoption of an ordinance accepting additional grant funds in the amount of \$15,786 from the Department of Criminal Justice Services (DCJS) and appropriating said funds in the FY 2023 Grants Fund to provide funding to operate local probation and pretrial services in the City of Portsmouth. The total award amount from DCJS is now \$602,169.

Background:

- Local community-based probation agencies were created in 1995 by the Comprehensive Community Corrections Act (CCCA, §9.1-173 COV). They were created to provide an alternative to incarceration for persons convicted of certain misdemeanors or non-violent felonies for which sentences would be 12 months or less in a local or regional jail.
- In 1995, Pretrial Services Agencies were authorized by statute with the passage of the Pretrial Services Act (PSA, § 19.2-152.2 COV). Pretrial services agencies provide information and investigative services to judicial officers to help them decide whether persons charged with certain offenses and awaiting trial need to be held in jail or can be released to their communities subject to supervision.
- State funding enables Portsmouth Community Corrections and Pretrial Services to provide quality supervision to defendants and non-violent offenders in the community and directly impact the jail population.

Discussion:

- The primary function of pretrial services (PTS) is to provide judicial officers with crucial defendant background information so they may make more informed release decisions. PTS officers compile a risk assessment and court report based on the information collected during an investigation and interview. This report is presented to the Court before a defendant's first court appearance. Pretrial supervision is available for qualified individuals awaiting trial. Through appropriate and least restrictive supervision, PTS strives to reduce failure to appear rates and provide defendants with services necessary to ensure their appearance in court for trial. PTS officers screened 457 defendants and conducted 265 defendant investigations during the first six months of FY2022. PTS officers completed 265 pretrial risk assessments during the same timeframe. In addition, PTS officers conducted 186 criminal history reports on defendants who could not be interviewed; this because they refused to interview, were debilitated, or released on bond before an interview could be conducted. The total number of pretrial supervision placements during the first six months of FY2022 was 147. In addition, there were 55 placements transferred in from other localities. The PTS Appearance Rate (defendants that complete supervision who do not have a capias issued for failure to appear in court) for the first six months of FY2022 was 88%. The PTS Public Safety Rate (defendants that complete pretrial supervision who do not have their bail revoked due to a new arrest) for the same period was 90%, and the Compliance Rate (defendants that complete pretrial supervision who do not have their bail revoked due to a violation of conditions) was 89%.

January 24, 2023

- Portsmouth Community Corrections (PCC) provides individual supervision based on risk and need, which includes community service placement, intervention services for persons charged with domestic violence, education and/or treatment programs for persons charged with larceny, drug offenses, assault, and other misdemeanor offenses. PCC provides substance abuse assessments, testing and treatment, employment assistance services and education/treatment referral services for shoplifting, parenting classes, anger management, and domestic violence. PCC received 72 placements for supervision during the first six months of FY2022. Of the 72 placements, 65% had a deferred judgement, and 35% had a suspended sentence. Individuals referred to PCC for supervision are screened using the Modified Offender Screening Tool (MOST). Individuals who score above administrative on the MOST are assessed using the Offender Screening Tool (OST). The overall successful closure rate for those placed with PCC for supervision from July 1, 2021, to December 31, 2022, was 69%. During the first six months of FY2022, PCC referred 50 individuals to substance abuse testing, education and/or counseling, 22 for batterers intervention assessment/treatment, and 8 for mental health evaluation/ treatment. PCC clients successfully completed 85% of service referrals/treatment during the same period.

Financial Impact:

- There is no local match and no obligation for continued funding from the City of Portsmouth.

Recommended Action:

- Adoption of ordinance.

Next Steps Following Council Action:

- The Finance Department will make the necessary budgetary adjustments. In addition, the Program Director will provide grant management and oversight.

1. Donna-Lee Biggs, 3104 Garland Drive, wanted information on the role of the Sheriff's Department as it relates to collaborative efforts with City departments.

Motion by Mr. Moody, and seconded by Mr. Hugel, to adopt the following ordinance, and was adopted by the following vote:

“ORDINANCE ACCEPTING ADDITIONAL GRANT FUNDS IN THE AMOUNT OF \$15,786 FROM THE VIRGINIA DEPARTMENT OF CRIMINAL JUSTICE SERVICES AND APPROPRIATING SAID FUNDS IN THE FY 2023 GRANTS FUND TO PROVIDE FUNDING TO OPERATE LOCAL PROBATION AND PRETRIAL SERVICES IN THE CITY OF PORTSMOUTH.”

Ayes: Barnes, Hugel, Lucas-Burke, Moody, Tillage, Whitaker, Glover

Nays: None

23 - 34 - Adoption of a resolution to rename the John F. Kennedy Recreation Center located at 12 Grand Street the “Hendricks/Kendall Recreation Center”.

Background:

- The City has received a facility name change application request from Mr. George Eason Jr. and Ms. Jacqueline Kendall, to rename the John F. Kennedy Recreation Center. The recreation center is located in the Douglass Park and Truxton area of the city at 12 Grand Street.

January 24, 2023

Discussion:

- Following Parks & Recreation policy, the facility naming request was verified by city staff and then brought forth to the Parks and Recreation Commission. During the Commission meeting on September 28, 2022, the commission allowed for public input on the naming request. All Commission members that were in attendance also had the opportunity to make a statement for, against or neutral; and a brief discussion took place before voting on the agenda item. Additionally, Mr. Charles Benton, President of the Historical Truxton Civic League, was present at the meeting and spoke in favor of the name change on behalf of the Civic League. The Parks and Recreation Commission voted unanimously in favor of renaming the John F. Kennedy Recreation Center as the Hendricks/Kendall Recreation Center, after Ms. Florence Kendall and Ms. Ruth Hendricks. They based this approval on the long history of positive contributions to the City's Parks and Recreation Department by both individuals. The renaming application request and accompanying documentation is included for City Council review.

Financial Impact:

- Currently, there is no sign at this recreation center indicating park rules/regulations. We propose to have a sign constructed per the Parks & Recreation standard, which will state the rules and also have the new name of the center. Estimated cost of signage is between \$4000 and \$5000. The sign is eligible to be paid for with grant funds.

Recommended Action:

- Adoption of the resolution.

Next Steps Following Council Action:

- Begin the process for procuring new signage for the facility.

1. Donna-Lee Biggs, 3104 Garland Drive, spoke in opposition to this item.

Motion by Ms. Lucas-Burke, and seconded by Dr. Whitaker, to adopt the following resolution, and was adopted by the following vote:

“RESOLUTION TO RENAME THE JOHN F. KENNEDY RECREATION CENTER LOCATED AT 12 GRAND STREET THE “HENDRICKS/KENDALL RECREATION CENTER”.

WHEREAS, a request was filed in accordance with Parks & Recreation Department policy by Mr. George Eason Jr. and Ms. Jacqueline Kendall to rename the John F. Kennedy Recreation Center located at 12 Grand Street the “Hendricks/Kendall Recreation Center”; and

WHEREAS, the new name would honor Ms. Ruth Hendricks and Ms. Florence Kendall, both of whom provided numerous positive contributions to the City's parks and recreation facilities and services; and

WHEREAS, at its meeting on September 28, 2022 the Parks & Recreation Commission solicited public input on the renaming request, and subsequently voted unanimously in favor of approving the request;

NOW THEREFORE BE IT RESOLVED by the Council of the City of Portsmouth, Virginia that the John F. Kennedy Recreation Center located at 12 Grand Street is hereby renamed the “Hendricks/Kendall Recreation Center”, and that the City Manager is authorized to take such actions as are appropriate in furtherance of the purpose of this Resolution, including obtaining new signage for the facility.”

Ayes: Barnes, Hugel, Lucas-Burke, Moody, Tillage, Whitaker, Glover

Nays: None

January 24, 2023

- New Business -

23 - 35 - Boards and Commissions

Councilman Moody offered the following nominations:

Appointments for Jocelyn Terry-Adumuah, Interim Director of Planning

Southeastern Public Service Authority

Towing Advisory Board

Motion by Mr. Moody, and seconded by Ms. Lucas-Burke, to close nominations and the above nominations were adopted by the following vote:

Ayes: Barnes, Hugel, Lucas-Burke, Moody, Tillage, Whitaker, Glover

Nays: None

23 - 36 - Items Submitted by Council Members

- Mr. Barnes voiced his concern with the following:
 - Dilapidated buildings in the City specifically the grocery store on Elliott Avenue and cleaners on Portsmouth Blvd.
 - Mimi Terry, Interim City Manager provided an update.
 - Invitations to events.
 - Update on forensic audit.
 - Mimi Terry, Interim City Manager will provide an update at the next meeting.
- Mr. Moody asked that Interim City Manager Terry provide a report back on establishing a program to recruit and retain police officers.
- Vice Mayor Lucas-Burke informed citizens and City Council of the \$4.6 million request from the School Board for metal detectors.
 - Interim City Manager Terry will provide a report back at the next meeting.
- There was a consensus of City Council to have City Attorney Graham-Williams come back with possible code language regarding gun shops and use by right.
- Mr. Moody asked for an update on the Fusus camera system.
 - Police Chief Jenkins provided an update.
- Mayor Glover informed citizens and City Council of Portsmouth being named *#1 City for First Time Homebuyers* by Realtors.com.

23 - 37 - Report on Pending Items

- There were no pending items.

23 - 38 - Non-Agenda Speakers


1. Janey Culpepper, 3900 South Street, voiced her concern with the railings at City Park.
2. Sergio Neal, 1420 Elm Avenue, spoke in support of providing the schools with funding for metal detectors.
3. Cheryl Bryant, 4626 West Norfolk Road, spoke on the importance of having better mental health programs.
4. Cedric Cradle, 725 Bold Street, voiced his concern with the Commonwealth Attorney's Office.
5. Kamari Carraway, 37 Dale Drive, read the names of those who lost their lives to gun violence.

January 24, 2023

6. Angela Britt, 1428 Boxwood Drive, Chesapeake, voiced her concern with the gun violence in the City.
7. Mark Geduldig-Yatrofsky, P. O. Box 50141, voiced his concern with the how possible tax revenue from casino could decrease revenue from the state to schools.
8. Clyde Toler, 1029 Blair Street, voiced his concern with the appearance of water towers. He also voiced his concern with wildlife in his neighborhood.
9. Hunter Morris, 145 Woodlake Terrace, Suffolk, voiced his concern with gun violence in the City.

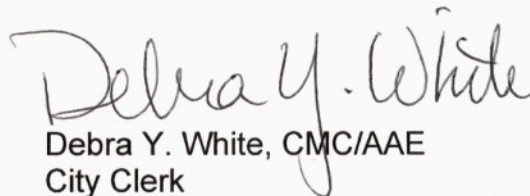
On motion, meeting adjourned at 8:35 p.m.

Minutes prepared by:


Anita Y. Sherrod
Chief Deputy City Clerk

APPROVED -


Shannon E. Glover
Mayor


Debra Y. White, CMC/AE
City Clerk



Portsmouth

REDEVELOPMENT AND HOUSING AUTHORITY

February 27, 2023

Lexington Seniors Apartments
1 Lexington Drive
Portsmouth, VA 23705

**Re: Provision of Project-Based Housing Choice Voucher Assistance
Lexington Seniors**

COMMISSIONERS

Bruce LaLonde
Chair
Renee Wicks
Vice Chair
Zeketa Cost
Cynthia Morgan
Clifton Pickens
Sean Prince
Stephanie Wright

To Whom It May Concern:

EXECUTIVE DIRECTOR

Edward L. Bland

The Portsmouth Redevelopment and Housing Authority (“Authority”) is pleased to award Richman Lexington Senior Apartments, LP (the “Owner”) up to one hundred and five (105) Project Based Housing Choice Vouchers to be utilized at Lexington Place-Phase I, a proposed affordable housing project located at Lexington Drive Portsmouth, VA 23704 (the “Project”).

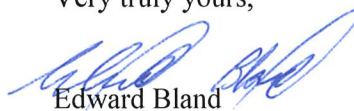
The Project will constitute replacement of an existing public housing project, Lincoln Park, as part of the Authority’s initiative to improve, develop, or replace the public housing property. The PHA has made this award without competitive process pursuant to Housing Opportunity Through Modernization Act of 2016 (HOTMA) and HUD guidance issued thereunder, including, but not limited to, Attachment L of PIH Notice 2017-21 (Implementation Guidance: Housing Opportunity Through Modernization Act of 2016 (HOTMA) – Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) Provisions).

Subject to the compliance with U.S. Department of Housing and Urban Development requirements, including subsidy layering approval and additional requirements for PHA-owned units, the Authority hereby commits to enter into a Housing Assistance Payments (“HAP”) Contract with the Owner with regard to up to one hundred and five (105) units of multifamily rental housing to be developed as the Project. The HAP contract will have an initial term of twenty (20) years, with possible extension at the end of such term. This commitment remains subject to the negotiation of the HAP Contract.

The initial rents, as determined by the Authority will be as follows:

Initial Rents			
Unit Type	Proposed Monthly Contract Rent	Utility Allowance	Rent to Owner
1 BR	\$1181.00	\$69.00	\$1250.00
2 BR	\$1373.00	\$88.00	\$1461.00

Very truly yours,



Edward Bland
Executive Director

“We’re Making Our City More Inviting Than Ever.”



Tab U:

Acknowledgement by Tenant of the availability of Renter
Education provided by Virginia Housing

Acknowledgement of Renter Education

I (tenant's name) acknowledge that TRG Property Services has provided me with the following information and resources prior to the signing of this lease for my unit at Lexington Senior Apartments:

- Link to Virginia Housing's website and Renter Resources page and ebook:
<https://virginiahousing.com/renters>
 - Virginia Housing provides renters the opportunity to complete free courses and access other resources at their website. Renters are encouraged but not required to access this information. To begin, Renters need to create an account on the VHDA website that is included in the links below. The ebook is a comprehensive resource that covers financial readiness, credit, searching for rentals, the application, the lease agreement, security deposit, tenant rights & responsibilities, housekeeping, and maintenance & repairs. The online course is available in both English and Spanish. It is comprised of nine (9) standalone modules/chapters and is available 24 hours a day. A Certificate of Completion is made available at the completion of each chapter. Renters can download the certificate, print, save, and share by email if desired.
- A copy of [my rights and responsibilities](#) as a renter in the Commonwealth of Virginia
- A link to [rental subsidy](#) and [grant programs](#) that may help me stay in my home
- A link to a listing of [HUD-approved housing counselors](#)
- A link to www.Virginiahousingsearch.com and <https://www.virginiahousingsearch.com/Resources.html>

Acknowledged by:

Tenant #1:

Signature

Name

Date

Tenant #2:

Signature

Name

Date

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

Not Applicable

Tab W:

Internet Safety Plan and Resident Information Form (if internet amenities selected)

Draft Resident Acknowledgement
Form / Internet Security Plan

By using this internet service, you are agreeing to the terms outlined below. IF YOU DO NOT WANT TO AGREE TO THESE TERMS, YOU MUST NOT ACCESS OR USE THE INTERNET SERVICE OR EQUIPMENT.

1. Extent of the Service

1.1 We do not recommend in particular the use of any websites (or other internet related services) Internet Services and your use of Internet Services is carried out entirely at your own risk.

1.2 We have no responsibility for, or control over, the Internet Services you access and do not guarantee that any services are error or virus free.

1.3 We have no responsibility for, or control over, the information you transmit or receive via the Service.

1.4 Save for the purposes of network diagnostics we do not examine the use to which you put the Service or the nature of the information you send or receive.

1.5 We do not guarantee:

1.5.1 the availability of the Service;

1.5.2 the speed at which information may be transmitted or received via the Service; or

1.5.3 that the Service will be compatible with your equipment or any software which you use.

1.6 While we take reasonable steps to ensure the security of the Service and to prevent unlawful access to information transmitted or received using the Service we do not guarantee the security of the information which you may transmit or receive using the Service or located on any equipment utilizing the Service and you accept that it is your responsibility to protect your information and have adequate security in terms of equipment and procedures to ensure the security, integrity and confidentiality of your information and data.

1.7 We reserve the right at all times to withdraw the Service, change the specifications or manner of use of the Service, to change access codes, usernames, passwords or other security information necessary to access the service.

2. Your Use of the Service

2.1 You must not use the Service to send or receive e-mails, which:

2.1.1 are defamatory, threatening, intimidatory or which could be classed as harassment;

2.1.2 contain obscene, profane or abusive language or material;

2.1.3 contain pornographic material that is text, pictures, films, video clips of a sexually explicit or arousing nature

2.1.4 contain offensive or derogatory images regarding sex, race, religion, color, origin, age, physical or mental disability, medical condition or sexual orientation

2.1.5 contain material which infringe third party's rights including intellectual property rights

2.1.6 in our reasonable opinion may adversely affect the manner in which we carry out our business or

2.1.7 are otherwise unlawful or inappropriate

2.2 Music, video, pictures, text and other content on the internet are copyright works and you should not download, alter, e-mail or otherwise use such content unless certain that the owner of such works has authorized its use by you.

2.3 We may terminate or temporarily suspend the Service if we reasonably believe that you are in breach of any provisions of this agreement including but not limited to clauses 2.1 to 2.3 above.

2.4 We recommend that you do not use the service to transmit or receive any confidential information or data and should you choose to do so you do so at your own risk.

2.5 The Service is intended for consumer use only. In the event that you use the Service for commercial purposes we would specifically refer you to clause 5.2 below.

3. Criminal Activity

3.1 You must not use the Service to engage in any activity which constitutes or is capable of constituting a criminal offence

3.2 You agree and acknowledge that we may be required to provide assistance and information to law enforcement, governmental agencies and other authorities.

3.3 You agree and acknowledge that we may keep a log of the Internet Protocol "IP" addresses of any devices which access the Service, the times when they have accessed the Service and the activity associated with that IP address

3.4 You further agree we are entitled to co-operate with law enforcement authorities and rights-holders in the investigation of any suspected or alleged illegal activity by you which may include, but is not limited to, disclosure of such information as we have whether pursuant to clause 3.3 or otherwise, and are entitled to provide by law, to law enforcement authorities or rights-holders.

4. Our Use of your Information

4.1 Subject to clauses 3.3 and 3.4 above we confirm that we shall use the contact details you provide to us solely for the purposes of contacting you with marketing information, updates, promotions and special offers relating to our business.

5. Other Terms

5.1 You agree to compensate us fully for any claims or legal action made or threatened against us by someone else because you have used the service in breach of these terms and conditions, and in particular clause 2.1 to 2.3 and 3.1 above.

5.2 Whilst we do not seek to limit our responsibility for fraudulent misrepresentation or if you are injured or die as a result of our negligence we have no responsibility to the extent permitted by law to compensate you whether or not we are negligent for any direct financial loss, loss of profit, revenue, time, anticipated savings or profit or revenue, opportunity, data, use, business, wasted expenditure, business interruption, loss arising from disclosure of confidential information, loss arising from or in connection with use of the service or inability to use or access the service or a failure, suspension or withdrawal of all or part of the service at any time or damage to physical property or for any other similar direct loss that may arise in relation to this agreement whether or not we were advised in advance of the possibility of such loss or damage.

5.3 We agree that neither this agreement does not allow either party to act as, or hold themselves out as, acting as an agent of the other party and that that the terms of this agreement are not enforceable by a third party under the Contracts Rights of Third Parties Act 1999.

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Note to all applicants/respondents: This form was developed with Nuance, the official HUD software for the creation of HUD forms. HUD has made available instructions for downloading a free installation of a Nuance reader that allows the user to fill-in and save this form in Nuance. Please see <http://portal.hud.gov/hudportal/documents/huddoc?id=nuancereaderinstall.pdf> for the instructions. Using Nuance software is the only means of completing this form.

Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

**U.S. Department of Housing and Urban Development
Office of Fair Housing and Equal Opportunity**

OMB Approval No. 2529-0013
(exp.1/31/2021)

1a. Project Name & Address (including City, County, State & Zip Code) Lexington Senior Apartments 1 Lexington Place Portsmouth, VA 23704	1b. Project Contract Number []	1c. No. of Units 105
1d. Census Tract 2118		
1e. Housing/Expanded Housing Market Area Housing Market Area: Expanded Housing Market Area:		

1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address
 TRG Community Development, LLC a division of The Richman Group of Companies
 777 West Putnam Avenue, Greenwich, CT 06830

1g. Application/Owner/Developer Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address
 TRG Community Development, LLC, a division of The Richman Group of Companies
 777 West Putnam Avenue, Greenwich, CT 06830

1h. Entity Responsible for Marketing (check all that apply)
 Owner Agent Other (specify) []
 Position, Name (if known), Address (including City, County, State & Zip Code), Telephone Number & Email Address
 Executive Vice President of Operations, Theresa Eastwood Davis, 777 West Putnam Avenue, Greenwich, CT 06830; (813) 262-0404;
 EastwoodDavist@richmanmgt.com

1i. To whom should approval and other correspondence concerning this AFHMP be sent? Indicate Name, Address (including City, State & Zip Code), Telephone Number & E-Mail Address.
 Theresa Eastwood Davis, Executive Vice President of Operations, 777 West Putnam Avenue, Greenwich, CT 06830; (813) 262-0404;
 EastwoodDavist@richmanmgt.com with Cc: milazzot@richmancapital.com

2a. Affirmative Fair Housing Marketing Plan
 Plan Type Date of the First Approved AFHMP: []
 Reason(s) for current update: []

2b. HUD-Approved Occupancy of the Project (check all that apply)
 Elderly Family Mixed (Elderly/Disabled) Disabled

2c. Date of Initial Occupancy
 06/05/2024

2d. Advertising Start Date
 Advertising must begin *at least* 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects.
 Date advertising began or will begin
For existing projects, select below the reason advertising will be used:
 To fill existing unit vacancies
 To place applicants on a waiting list (which currently has individuals)
 To reopen a closed waiting list (which currently has individuals)

3a. Demographics of Project and Housing Market Area

Complete and submit Worksheet 1.

3b. Targeted Marketing Activity

Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are *least* likely to apply for the housing without special outreach efforts. (check all that apply)

- White
- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- Hispanic or Latino
- Persons with Disabilities
- Families with Children
- Other ethnic group, religion, etc. (specify)

4a. Residency Preference

NO - Not Applicable- Lexington Senior will feature 105 total units all dedicated to serving Senior Households 55+.

Is the owner requesting a residency preference? If yes, complete questions 1 through 5. Please Select Yes or No
If no, proceed to Block 4b.

(1) Type Please Select Type

(2) Is the residency preference area:
The same as the AFHMP housing/expanded housing market area as identified in Block 1e? Please Select Yes or No

The same as the residency preference area of the local PHA in whose jurisdiction the project is located? Please Select Yes or No

(3) What is the geographic area for the residency preference?

(4) What is the reason for having a residency preference?

(5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

4b. Proposed Marketing Activities: Community Contacts

Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

4c. Proposed Marketing Activities: Methods of Advertising

Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach copies of advertisements, radio and television scripts, Internet advertisements, websites, and brochures, etc.

5a. Fair Housing Poster

The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

Rental Office Real Estate Office Model Unit Other (specify)

5b. Affirmative Fair Housing Marketing Plan

The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check below all locations where the AFHMP will be made available.

Rental Office Real Estate Office Model Unit Other (specify)

5c. Project Site Sign

Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Please submit photos of Project signs.

Rental Office Real Estate Office Model Unit Entrance to Project Other (specify)

The size of the Project Site Sign will be x

The Equal Housing Opportunity logo or slogan or statement will be x

6. Evaluation of Marketing Activities

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

To evaluate whether our marketing activities have been successful in attracting individuals least likely to apply, we will include a question for each applicant on how they heard about THE Lexington Senior Apartments Development. We will also conduct outreach to a variety of organizations, including: not-for-profit and community organizations, churches and other places of worship, social services, and other local agencies. During outreach efforts, we will provide these organizations and agencies with information about vacancies at Lexington Senior Apartments on a quarterly basis.

7a. Marketing Staff

What staff positions are/will be responsible for affirmative marketing?

Executive Vice President of Operations and Lead Site Manager

7b. Staff Training and Assessment: AFHMP

(1) Has staff been trained on the AFHMP? Yes

(2) Has staff been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c)? Yes

(3) If yes, who provides instruction on the AFHMP and Fair Housing Act, and how frequently?

Melody C. Taylor, U.S. Dept. of HUD, Richmond Field Office, Office of Fair Housing and Equal Opportunity. The training is provided annually.

(4) Do you periodically assess staff skills on the use of the AFHMP and the application of the Fair Housing Act? Yes

(5) If yes, how and how often?

Annually

7c. Tenant Selection Training/Staff

(1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences?

Please Select Yes or No YES

(2) What staff positions are/will be responsible for tenant selection?

Executive Vice President of Operations and Property Managers

7d. Staff Instruction/Training:

Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

The following staff are trained by HUD on an annual basis:
Executive Vice President of Operations; Regional Directors; and All Property Managers

8. Additional Considerations Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

All of the units will receive project based vouchers of which six units will be held for those whose incomes are at or below 30% of the area median income. The community will also consist of 11 units that are Section 504 compliant, 6 will be for physically impaired tenants and 5 will be held for sensory impaired tenants. The remaining units will be held for families at 60% of the area median income. The community will be listed at virginiahousingsearch.com Available units will be held vacant for 60-days during which ongoing marketing to the Target Population is conducted. On the 61st day, if management presents evidence to VHDA, that efforts were made to market to the Target Population without success, management can lease the available units to income qualified residents upon approval from VHDA's compliance officer.

9. Review and Update

By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item 9 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Andre Blakley February 23, 2023
 Name (type or print)

Andre Blakley

Title & Name of Company

President, TRG Community Development, LLC

For HUD-Office of Housing Use Only

Reviewing Official:

For HUD-Office of Fair Housing and Equal Opportunity Use Only

Approval

Disapproval

Signature & Date (mm/dd/yyyy)

Signature & Date (mm/dd/yyyy)

Name (type or print)

Name (type or print)

Title

Title

Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

Purpose of Form: All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHM program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

Applicability: The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

INSTRUCTIONS:

Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing

Part 1: Applicant/Respondent and Project

Identification. Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau (<http://factfinder2.census.gov/main.html>) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A **housing market area** is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An **expanded housing market area** is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which may provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

Part 2: Type of AFHMP

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason (s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 9).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project's waiting list, or to re-open a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.

Part 3 Demographics and Marketing Area.

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area. The applicable housing market area and expanded housing market area should be indicated in Block 1e. Compare groups within rows/across columns on Worksheet 1 to identify any under-represented group(s) relative to the surrounding housing market area and expanded housing market area, i.e., those group(s) "least likely to apply" for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Respondents should use the most current demographic data from the U.S. Census or another official source such as a local government planning office. Please indicate the source of your data in Part 8 of this form.

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

Part 4 - Marketing Program and Residency Preference (if any).

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised, or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of residents of the project, project applicant data, census tract, housing market area, and expanded housing market area. The percentages would be the same as shown on completed Worksheet 1.

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to help market the project to those least likely to apply. This table should include the name of a contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was/will be initiated, and the specific role the community contact will play in assisting with affirmative fair housing marketing or outreach.

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the reason for choosing this media, and the language of the advertisement. Alternative format(s) that will be used to reach persons with disabilities, and logo(s) that will appear on the various materials (as well as their size) should be described.

Please attach a copy of the advertising or marketing material.

Part 5 – Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b -The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be available.

Block 5c -The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. **Please submit photographs of project site signs.**

Part 6 - Evaluation of Marketing Activities.

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

Part 7- Marketing Staff and Training.

Block 7a - Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFHMP and Fair Housing Act.

Please indicate who provides the training and how frequently. In addition, respondents should specify whether they periodically assess staff members' skills in using the AFHMP and in applying the Fair Housing Act. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project's occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should include copies of any written materials related to staff training, and identify the dates of past and anticipated training.

Part 8 - Additional Considerations.

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

Part 9 - Review and Update.

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction's Consolidated Plan is updated, or when there are significant changes in the demographics of the project or the local housing market area. When reviewing the plan, the respondent should consider the current demographics of the housing market area to determine if there have been demographic changes in the population in terms of race, color, national origin, religion, sex, familial status, or disability. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP are still appropriate, or whether advertising sources should be modified or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those it is intended to reach as measured by project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

Notification of Intent to Begin Marketing.

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHM regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.

Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities
(See AFHMP, Block 3b)

In the respective columns below, indicate the percentage of demographic groups among the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. **Please attach maps showing both the housing market area and the expanded housing market area.**

Demographic Characteristics	Project's Residents	Project's Applicant Data	Census Tract	Housing Market Area	Expanded Housing Market Area
% White			6.1%		
% Black or African American			87.4%		
% Hispanic or Latino			3.6%		
% Asian			0.3%		
% American Indian or Alaskan Native			0.9%		
% Native Hawaiian or Pacific Islander					
% Persons with Disabilities					
% Families with Children under the age of 18					
Other (specify)			1.6%		

Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project's residents, applicant data, census tract, housing market area, and expanded housing market area. **Please attach a map clearly delineating the residency preference geographical area.**

Demographic Characteristics	Project's Residents (as determined in Worksheet 1)	Project's Applicant Data (as determined in Worksheet 1)	Census Tract (as determined in Worksheet 1)	Housing Market Area (as determined in Worksheet 1)	Expanded Housing Market Area (as determined in Worksheet 1)	Residency Preference Area (if applicable)
% White						
% Black or African American						
% Hispanic or Latino						
% Asian						
% American Indian or Alaskan Native						
% Native Hawaiian or Pacific Islander						
% Persons with Disabilities						
% Families with Children under the age of 18						
Other (specify)						

Worksheet 3: Proposed Marketing Activities –Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the particular population group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses, their telephone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing. Please attach additional pages if necessary.

Targeted Population(s)	Community Contact(s), including required information noted above.
Seniors	Senior Station-3500 Clifford Street, Portsmouth, VA 23707 Sandra Burton (757) 391-3241

Worksheet 4: Proposed Marketing Activities – Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group and the reason for choosing this media. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.) state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g. Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary, for further explanation. Please attach a copy of the advertising or marketing material.

Targeted Population(s) → Methods of Advertising ↓	Targeted Population:	Targeted Population:	Targeted Population:
Newspaper(s) Daily Press	Seniors		
Radio Station(s) WHRO-FM			
TV Station(s)			
Electronic Media			
Bulletin Boards			
Brochures, Notices, Flyers Portsmouth RHA	Seniors		
Other (specify)			

Tab Y:

Inducement Resolution for Tax Exempt Bonds

Lexington Senior Apartments

VHDA 2023 4% LIHTC Application

TAB Y – INDUCEMENT RESOLUTION FOR TAX-EXEMPT BONDS

To Whom it May Concern,

In connection with this application for 4% tax credits, the development team has had an open dialogue with the Virginia Housing Multifamily Lending team regarding the commitment of tax-exempt bonds to the project. An application for tax-exempt bonds and REACH financing was submitted to Virginia Housing on February 28, 2023, and a bond inducement resolution is expected later this summer.

Tab Z:

Documentation of team member's Diversity, Equity and
Inclusion Designation

CERTIFICATION APPLICATION



Tracking Number: 721802

Application Status: Processing Completed

Designations and Business type

Selected Designations

Certification Types	Designation Status
Small Minority Owned	Approved Approved

Business Type : LLC

General Information

Legal Business Name : Hudson Real Estate Advisory Group, LLC

Trade Name : -

Federal EIN : 463362867

Social Security Number : -

Physical Country : US

Physical Address : 11410 Doronhurst Drive

Physical State/Province : VA

Physical City : Providence Forge

Physical Zip : 23140

Is Mailing Address same as Physical address? : No

Mailing Country : US

Mailing Address : P.O Box 326

Mailing State/Province : VA

Mailing City : Richmond

Mailing Zip : 23218

Is this business registered with eVA? : No

<i>Is this business registered with the VA State Corporation Commission?</i>	:	Yes
<i>Is this business a franchise?</i>	:	No
<i>Business Website</i>	:	www.togetherwedevelop.us

Contact Information

<i>Contact Person Name</i>	:	Glenn Hudson
<i>Title</i>	:	Principal
<i>Business Phone</i>	:	8046773302
<i>Business Fax</i>	:	-
<i>Business Email</i>	:	gfhud1@gmail.com
<i>Would you like to receive marketing emails from SBSB?</i>	:	Yes

Tax Information

<i>Number of Employees</i>	:	0
<i>Business Established Year</i>	:	2009
<i>Gross Receipt value in 2018</i>	:	43380
<i>Gross Receipt value in 2017</i>	:	8250
<i>Gross Receipt value in 2016</i>	:	28620

Ownership Details

<i>Owner Full Name</i>	:	Glenn Hudson
<i>Ownership Percentage</i>	:	100.00
<i>Ethnicity</i>	:	Black or African American
<i>Gender</i>	:	Male
<i>Country</i>	:	US
<i>Physical Address</i>	:	11410 Doronhurst Drive
<i>Physical State / Province</i>	:	VA

<i>Physical City</i>	:	Providence Forge
<i>Zip / Postal Address</i>	:	23140
<i>Owner title / position in business</i>	:	Principal
<i>Does this firm or any of its owners have more than 10% ownership in any other firm(s)?</i>	:	No

Corporation, LLC or LLP Details

<i>Business Incorporated</i>	:	2013
<i>State</i>	:	VA
<i>Name of Registered Agent</i>	:	Glenn Hudson
<i>Physical Address of Registered Agent</i>	:	P.O Box 326
<i>Physical City of Registered Agent</i>	:	Richmond
<i>Physical State/Province of Registered Agent</i>	:	VA
<i>Physical Country of Registered Agent</i>	:	US
<i>Physical Zip of Registered Agent</i>	:	23218
<i>Registered Agent's Phone Number</i>	:	8046773302

NIGP Commodity Codes

<i>Business Category</i>	:	Consulting Services
<i>Primary NIGP Code</i>	:	91800
<i>Primary Product Line / Service Description</i>	:	CONSULTING SERVICES

NIGP Commodity Codes - Other Code 1

<i>Other NIGP code</i>	:	91800
<i>Other Product Line / Service Description</i>	:	CONSULTING SERVICES

NIGP Commodity Codes - Other Code 2

Other NIGP code : 91800
Other Product Line / Service Description : CONSULTING SERVICES

NIGP Commodity Codes - Other Code 3

Other NIGP code : 91800
Other Product Line / Service Description : CONSULTING SERVICES

NIGP Commodity Codes - Other Code 4

Other NIGP code : 91800
Other Product Line / Service Description : CONSULTING SERVICES
Geographic Marketing Locations : Statewide Virginia
Does your business accept charge cards ? : No

FOIA Exemption

Exemption Requested : No

Affidavit Documents

Submission for Additional Designation(s) (06/24/2019)

Affidavit : 1561413857413-Affidavit.pdf (Uploaded on: 06/24/2019 18:04:17)

Submission (05/11/2016)

No affidavit uploaded for this submission.

SWaM Documents

Submission for Additional Designation(s) (06/24/2019)

Operating Agreement and any Amendments	: OPERATING AGREEMENT LETTER.pdf (Uploaded on: 06/24/2019 17:58:22)
Certificate of Organization/Existence/Formation	: Business Organization Docs.pdf (Uploaded on: 06/24/2019 17:09:53)
Articles of Organization and any Amendments	: Articles of Organization.pdf (Uploaded on: 06/24/2019 17:13:30)
Most recent year tax return - COMPLETE	: 2018 Tax Returns.pdf (Uploaded on: 06/24/2019 17:25:49)
Tax return 2 years ago - FIRST PAGE ONLY -OR- 1040 1st pg AND Schedule C if on 1040	: 2017 Tax Return & Schedule C.pdf (Uploaded on: 06/24/2019 17:30:55)
Tax return 3 years ago - FIRST PAGE ONLY -OR- 1040 1st pg AND Schedule C if on 1040	: 2016 Tax Return & Schedule C.pdf (Uploaded on: 06/24/2019 17:31:06)
Proof of Identity	: Proof of Identity.pdf (Uploaded on: 06/24/2019 17:35:04)
Proof of U.S Citizenship or Permanent Residency	: Proof of CitizenshipPassport.pdf (Uploaded on: 06/24/2019 17:37:29)
Resumes of owners and officers	: Resume of Principal.pdf (Uploaded on: 06/24/2019 17:42:30)
Professional Licenses and Permits	: Business License 2019.pdf (Uploaded on: 06/24/2019 17:46:15)
Proof of Contributions	: Proof of Contribution.pdf (Uploaded on: 06/24/2019 17:50:03)
Certificate of Assumed/Fictitious Name	: Certificate of Assumed Fictitious Name.pdf (Uploaded on: 06/24/2019 18:02:59)

Submission (05/11/2016)

No documents uploaded for this submission.

Miscellaneous Documents

Submission for Additional Designation(s) (06/24/2019)

Federal Form 941 : Federal Form 941.pdf (Uploaded on: 06/24/2019 17:52:27)

Submission (05/11/2016)

No documents uploaded for this submission.



Directory Listing

MWAA last updated on JUN 27, 2022 04:16 AM EST

- Certification Type
- NIGP
- NAICS
- City
- ZIP Code
- Business Category

All HUDSON REAL ESTATE ADVISORY GROUP

Match found 1

Sort by:

Show entries:

Applied Filters

Hudson Real Estate Advisory Group, LLC

Glenn Hudson
 P.O Box 326
 Richmond, VA 23218
 Phone: (804) 677-3302
 gfhud1@gmail.com (mailto:gfhud1@gmail.com)
 www.togetherwedevelop.us
 (http://www.togetherwedevelop.us)

Certification Number: 721802

SWaM Certification Type:

Small Start Date: 11-04-2019
 Minority-Owned Start Date: 11-04-2019
 Business Ethnicity: Black or African American
 SWaM Expiration Date: 11-04-2024

NIGP Code and Description:

91800	CONSULTING SERVICES
91800	CONSULTING SERVICES
91800	CONSULTING SERVICES
91800	CONSULTING SERVICES
91800	CONSULTING SERVICES

Pcard: N

Business Category: Consulting Services

**CONTRACT FOR DEVELOPMENT CONSULTING
FOR
LEXINGTON SENIOR APARTMENTS PROJECT**

THIS CONTRACT made and entered into this 1st day of January, 2023 by and between The Richman Group Community Development LLC, and Hudson Real Estate Advisory Group, LLC (Limited Liability Company), (11410 Doronhurst Drive, Providence Forge, VA 23140 (hereinafter called the "**Consultant**").

WITNESSETH THAT: PRHA and the Consultant mutually agree as follows:

ARTICLE 1. SCOPE OF WORK. The Consultant shall at its expense furnish all professional and skilled services, personnel, supervision, labor, materials, transportation, tools, equipment, supplies, insurance and permits, as necessary, to provide the contracted services to the Lexington Senior Apartments LLC for the specific project (the "WORK") described herein. The Consultant shall assist the Lexington Senior Apartments LLC development team with the WORK described below.

The WORK shall consist of the following tasks, which shall be completed in a good and workmanlike manner:

- 1) Assist in Project Planning (working with architects and engineering team on design and rezoning)
- 2) Assisting in getting City approvals
- 3) Assisting in community and stakeholder engagement process
- 4) Identifying strategic partners

DHCD:

- a. Preparing State funding applications
 - b. Securing HIEE Funds, National and State Housing Trust Funds
 - c. Assisting in final negotiations
-
- 1) Low Income Tax Credit Application
 - a. Review 2022 and 2023 Qualified Allocation Plan, LIHTC Application and Tax Credit Manual prior to tax credit application submission.
 - b. Work closely with City of Portsmouth prior to LIHTC application submittal to ensure proper approvals and letters are prepared in a timely manner (i.e., CEO notification letter, area revitalization letter, zoning letter, etc.).
 - c. Review tax credit application prior to submittal to Virginia Housing
 - e. Review Budgets on an ongoing basis prior to submittal based on information received from team members.

- f. Assist in assembling all necessary documents related to LIHTC Tax Credit submission.
- 2) Permanent Financing
- a. Assist with developing permanent financing options for the project with Virginia Housing.
 - b. Assist with completing permanent loan applications, as necessary. Assist in negotiating final deal terms with Virginia Housing. Review closing checklist and participate in closing checklist calls. Ensure all lending requirements are being met. Assist in assembling all necessary closing documents. Work closely with borrower and lender closing attorney.
 - c. Identify other resources as needed.

General Terms of This Contract:

- a) All work must meet the BOCA Code and construction, zoning, building and other Ordinances of the City of Portsmouth.
- b) All applicable laws, ordinances, and the rules and regulations of all authorities and/or governmental entities having jurisdiction over construction/completion of the described WORK shall apply to the Contract. Applicable regulations include, but are not limited to, United States Housing Act of 1937, Quality Housing Work Responsibility Act of 1998 (QHWRA), Code of Federal Regulations, specifically Title 24 CFR Part 85, United States Code, specifically Title 26 Section 42, 2013 VHDA Tax Credit Manual, Code of Virginia, specifically Chapter 36.
- c) All WORK must be completed in accordance with applicable federal, state, and local regulations and guidelines.
- d) The Consultant warrants that it has all necessary licenses and permits to perform the specified WORK in Virginia.

ARTICLE 2. TERM OF CONTRACT. The contracted WORK shall be completed within two (2) years from the date of this Contract. The Contract may be extended by Lexington Senior Apartments LLC for up to three (3) additional one (1) year terms upon giving written notice to consultant. In the event the Consultant does not perform the services as specified herein to the satisfaction of Lexington Senior Apartments LLC, the Lexington Senior Apartments LLC reserves the right to cancel the Contract at any time for cause, by giving at least five (5) days' written notice of the termination of the Contract.

ARTICLE 3. CONTRACT PRICE. The Consultant shall be compensated in the amount of \$125,000:

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in three (3) original copies as of the day and year set forth on page 1 above.

Richman Lexington Senior Apartments, LP
by: Lexington Senior Apartments GP, LLC
by: TRG Lexington Member, LLC

~~Lexington Senior Apartments LLC~~

By: Andre Blakley
Andre Blakley

Title: Executive Vice President

Date: 02/28/2023

Hudson Real Estate Advisory Group, LLC

By: Glenn Hudson
Glenn Hudson

Title: Principal

Date: 2/28/2023

Tab AA:

Priority Letter from Rural Development

Not Applicable

TAB AB:

Social Disadvantage Certification

Not Applicable