

VHDA TRACKING NUMBER

2022-TEB-98

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 7/13/2022

Chief Executive Officer's Name: Levar Stoney  
 Chief Executive Officer's Title: Mayor Phone: 804-646-7978  
 Street Address: 900 E. Broad Street, Suite 201  
 City: Richmond State: VA Zip: 23219

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

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

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

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

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

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# 2022 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 10, 2022**

#### 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 2022 LIHTC APPLICATION FOR RESERVATION

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

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

### Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **12:00 PM** Richmond Virginia time on **March 10, 2022**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

### **Please Note:**

**Applicants should submit all application materials in electronic format only.**

**There should be distinct files which should include the following:**

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

### **IMPORTANT:**

**Virginia Housing only accepts files via our work center sites on Procorem. Contact [TaxCreditApps@virginiahousing.com](mailto: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

<b>Name</b>	<b>Email</b>	<b>Phone Number</b>
JD Bondurant	<a href="mailto:johndavid.bondurant@virginiahousing.com">johndavid.bondurant@virginiahousing.com</a>	(804) 343-5725
Stephanie Flanders	<a href="mailto:stephanie.flanders@virginiahousing.com">stephanie.flanders@virginiahousing.com</a>	(804) 343-5939
Phil Cunningham	<a href="mailto:phillip.cunningham@virginiahousing.com">phillip.cunningham@virginiahousing.com</a>	(804) 343-5514
Pamela Freeth	<a href="mailto:pamela.freeth@virginiahousing.com">pamela.freeth@virginiahousing.com</a>	(804) 343-5563
Aniyah Moaney	<a href="mailto:aniyah.moaney@virginiahousing.com">aniyah.moaney@virginiahousing.com</a>	(804) 343-5518

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## 2022 Low-Income Housing Tax Credit Application For Reservation

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

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

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 7/13/2022

1. Development Name: South Gate Apartments
2. Address (line 1): 3430-3456 Maury Street  
 Address (line 2):  
 City: Richmond State: VA Zip: 23224
3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000  
 (Only necessary if street address or street intersections are not available.)
4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:  
 City/County of Richmond City
5. The site overlaps one or more jurisdictional boundaries..... FALSE  
 If true, what other City/County is the site located in besides response to #4?.....
6. Development is located in the census tract of: 607.00
7. Development is located in a Qualified Census Tract..... TRUE
8. Development is located in a Difficult Development Area..... FALSE
9. Development is located in a Revitalization Area based on QCT ..... TRUE
10. Development is located in a Revitalization Area designated by resolution ..... FALSE
11. Development is located in an Opportunity Zone (with a binding commitment for funding)..... FALSE  
 (If 9, 10 or 11 are True, Action: Provide required form in TAB K1)

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

Enter only Numeric Values below:

13. Congressional District: 4
- Planning District: 15
- State Senate District: 18
- State House District: 79

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

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

14. ACTION: Provide Location Map (TAB K2)

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

South Gate is a 112-unit existing apartment complex located in Richmond. The applicant proposes to acquire and significantly renovate the apartments using 4% LIHTC credits and tax-exempt bonds.

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:

VHDA TRACKING NUMBER

2022-TEB-98

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

Chief Executive Officer's Name: Levar Stoney

Chief Executive Officer's Title: Mayor Phone: 804-646-7978

Street Address: 900 E. Broad Street, Suite 201

City: Richmond State: VA Zip: 23219

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

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

Chief Executive Officer's Name: \_\_\_\_\_

Chief Executive Officer's Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

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

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

**B. RESERVATION REQUEST INFORMATION**

**1. Requesting Credits From:**

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

or

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

For Tax Exempt Bonds, where are bonds being issued?

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

**Skip to Number 4 below.**

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

Definitions of types:

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

b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2022, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2023 credits pursuant to Section 42(h)(1)(E).

**3. Select Building Allocation type:**

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

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

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

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

Name of companion development:

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

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

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

% of units in 4% Tax Exempt Allocation Request:

**6. Extended Use Restriction**

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

**Must Select One:**

**Definition of selection:**

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

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

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

**C. OWNERSHIP INFORMATION**

NOTE: Virginia Housing may allocate credits only to the tax-paying entity which owns the development at the time of the allocation. The term "Owner" herein refers to that entity. Please fill in the legal name of the owner. The ownership entity must be formed prior to submitting this application. Any transfer, direct or indirect, of partnership interests (except those involving the admission of limited partners) prior to the placed-in-service date of the proposed development shall be prohibited, unless the transfer is consented to by Virginia Housing in its sole discretion. **IMPORTANT: The Owner name listed on this page must exactly match the owner name listed on the Virginia State Corporation Commission Certification.**

**1. Owner Information:**

*Must be an individual or legally formed entity.*

Owner Name: VST South Gate LLC

Developer Name: Genesis Properties Development, LLC

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

Address: 101 W Commerce Road, 2nd Floor

City: Richmond St. ▶ VA Zip: 23224

Phone: 804-977-0778 Ext.          Fax:         

Email address: edsolarz@genesisproperties.com

Federal I.D. No. 874292171 (If not available, obtain prior to Carryover Allocation.)

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

Additional Contact: Please Provide Name, Email and Phone number.  
Jessica Stevenson, jessicastevenson@genesisproperties.com, 804-977-0765

- ACTION:**
- a. Provide Owner's organizational documents (e.g. Partnership agreements and Developer Fee agreement) **(Mandatory TAB A)**
  - b. Provide Certification from Virginia State Corporation Commission **(Mandatory TAB B)**

**2. a. Principal(s) of the General Partner:** List names of individuals and ownership interest.

Names **	Phone	Type Ownership	% Ownership
Jennifer Hunt Essary	(804) 230-1220	Member/Manager	24.500%
Edward K. Solarz	(804) 977-0778	Member/Manager	15.000%
Laura Hopson	(804) 977-0767	Member	13.000%
Winnie Spaulding	(804) 977-0766	Member	10.000%
Maury DeFreitas	(804) 977-0769	Member	13.000%
Robert D. Hunt	(8004) 230-1220	Member	24.500%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%

**C. OWNERSHIP INFORMATION**

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

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

**ACTION:**

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

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

**FALSE**

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

**3. Developer Experience:**

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

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

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

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

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

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

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

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

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

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

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

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

**Action:** Provide documentation as stated in the manual. (**Tab P**)

**D. SITE CONTROL**

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

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

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

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

**1. Type of Site Control by Owner:**

Applicant controls site by (select one):

Select Type:  Purchase Contract

Expiration Date: 12/31/2022

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

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

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

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

**2. Timing of Acquisition by Owner:**

Only one of the following statement should be True.

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

b.  TRUE ..... Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 12/31/2022 .

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

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

**3. Seller Information:**

Name: South Gate Apartments LLC

Address: 101 W Commerce Street, 2nd Floor

City: Richmond St.: VA Zip: 23224

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

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

**D. SITE CONTROL**

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Ronald H. Hunt	(804) 230-1220	Member/Manager	80.00%
Robert D. Hunt	(804) 230-1220	Member	7.50%
Jennifer Hunt Essary	(804) 230-1220	Member/Manager	12.50%
			0.00%
			0.00%
			0.00%
			0.00%

**E. DEVELOPMENT TEAM INFORMATION**

Complete the following as applicable to your development team.

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

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

1. Tax Attorney:	Richard C. Lawrence	This is a Related Entity.	FALSE
Firm Name:	MeyerGoergen PC	DEI Designation?	FALSE
Address:	1802 Bayberry Court, Suite 200, Richmond, VA 23226		
Email:	lawrence@mg-law.com	Phone:	(804) 622-1246
2. Tax Accountant:	Paul Young	This is a Related Entity.	FALSE
Firm Name:	Dixon Hughes Goodman LLP	DEI Designation?	FALSE
Address:	901 E Cary Street, STE 1000, Richmond, VA 23219		
Email:	paul.young@dhg.com	Phone:	(804) 474-1203
3. Consultant:	W. Travis Bowers	This is a Related Entity.	FALSE
Firm Name:	The Hyperion Group	DEI Designation?	TRUE
Address:	409 E. Laburnum, Ofc 1, Richmond, VA 23222	Role:	Diverse Hiring Consultant
Email:	tbowers@thehyperiongroup.net	Phone:	(804) 640-2933
4. Management Entity:	Maury DeFreitas	This is a Related Entity.	TRUE
Firm Name:	Genesis Properties, Inc.	DEI Designation?	FALSE
Address:	101 W Commerce Road, 2nd Floor, Richmond, VA 23224		
Email:	maury@genesisproperties.com	Phone:	(804) 230-1220
5. Contractor:	Kevin O'Leary	This is a Related Entity.	FALSE
Firm Name:	JD Lewis Construction Management	DEI Designation?	FALSE
Address:	503 E Main St, Richmond, VA 23219		
Email:	koleary@jdlewiscm.com	Phone:	(804) 915-8800
6. Architect:	Andy Scudder and/or Anne Durkin	This is a Related Entity.	FALSE
Firm Name:	Johannas Design Group, P.C.	DEI Designation?	FALSE
Address:	7204 West Franklin Street, Richmond, VA 23226		
Email:	srhirth@srhpllc.com	Phone:	(804) 305-8494
7. Real Estate Attorney:	Richard C. Lawrence	This is a Related Entity.	FALSE
Firm Name:	MeyerGoergen PC	DEI Designation?	FALSE
Address:	1802 Bayberry Court, Suite 200, Richmond, VA 23226		
Email:	lawrence@mg-law.com	Phone:	(804) 622-1246
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	
9. Other:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	

**F. REHAB INFORMATION**

**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development..... **TRUE**  
**Action:** If true, provide an electronic copy of the Existing Condition Questionnaire and Appraisal
- b. This development has received a previous allocation of credits..... **TRUE**  
 If so, in what year did this development receive credits? ..... **2004**
- c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... **FALSE**
- d. This development is an existing RD or HUD S8/236 development..... **FALSE**  
**Action:** (If True, provide required form in **TAB Q**)

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

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

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

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

**3. Rehabilitation Credit Information**

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

**F. REHAB INFORMATION**

**b. Minimum Expenditure Requirements**

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: [Redacted]

Name: [Redacted]

Contact Person: [Redacted]

Street Address: [Redacted]

City: [Redacted] State: [Redacted] Zip: [Redacted]

Phone: [Redacted] Contact Email: [Redacted]

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

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

G. NONPROFIT INVOLVEMENT

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

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

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

Name of qualified nonprofit: [Redacted]

or indicate true if Local Housing Authority Name of Local Housing Authority [Redacted] FALSE

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

Action: Provide Homeownership Plan (TAB N)

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

**H. STRUCTURE AND UNITS INFORMATION**

**1. General Information**

a. Total number of <b>all</b> units in development	112	bedrooms	224
Total number of <b>rental</b> units in development	112	bedrooms	224
Number of low-income rental units	112	bedrooms	224
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	112	bedrooms	224
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.....		88,580.00	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....		0.00	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....		0.00	
g. Total Usable Residential Heated Area.....		88,580.00	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....		0.00%	
i. Exact area of site in acres .....	4.310		
j. Locality has approved a final site plan or plan of development..... If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).		FALSE	
k. Requirement as of 2016: Site must be properly zoned for proposed development. <b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> )			
l. Development is eligible for Historic Rehab credits.....		FALSE	

**Definition:**

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

**2. UNIT MIX**

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0

**H. STRUCTURE AND UNITS INFORMATION**

Eff - Garden	0.00	SF	0	0
1BR Garden	687.00	SF	16	16
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	740.63	SF	80	80
2+ Story 3BR Townhouse	965.00	SF	16	16
2+ Story 4BR Townhouse	0.00	SF	0	0
			112	112

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)..... **14**
- b. Age of Structure:..... **47** years
- c. Number of stories:..... **2**
- d. The development is a scattered site development..... **FALSE**
- e. Commercial Area Intended Use: \_\_\_\_\_
- f. Development consists primarily of : **(Only One Option Below Can Be True)**
  - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... **TRUE**
  - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... **FALSE**
  - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... **FALSE**
- g. Indicate **True** for all development's structural features that apply:
  - i. Row House/Townhouse **TRUE**
  - ii. Garden Apartments **FALSE**
  - iii. Slab on Grade **FALSE**
  - iv. Crawl space **FALSE**
  - v. Detached Single-family **FALSE**
  - vi. Detached Two-family **FALSE**
  - vii. Basement **FALSE**
- h. Development contains an elevator(s). **FALSE**
  - If true, # of Elevators. **0**
  - Elevator Type (if known) \_\_\_\_\_
- i. Roof Type **▶ Pitched**
- j. Construction Type **▶ Combination**
- k. Primary Exterior Finish **▶ Combination**

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

- a. Business Center..... **FALSE**
- b. Covered Parking..... **FALSE**
- f. Limited Access..... **FALSE**
- g. Playground..... **TRUE**

**H. STRUCTURE AND UNITS INFORMATION**

c. Exercise Room.....	TRUE	h. Pool.....	FALSE
d. Gated access to Site.....	FALSE	i. Rental Office.....	TRUE
e. Laundry facilities.....	FALSE	j. Sports Activity Ct..	FALSE
		k. Other:	
l. Describe Community Facilities:	On-site parking, leasing office in nearby building, playground on adjacent p		
m. Number of Proposed Parking Spaces	110		
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**).

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

**J. ENHANCEMENTS**

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

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

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

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

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

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

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

- FALSE a. A community/meeting room with a minimum of 749 square feet is provided.
- 45.00% b1. Percentage of brick covering the exterior walls.
- 0.00% b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations.
- TRUE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- FALSE d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- 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
- TRUE h. Each unit is provided free individual WiFi access.
- FALSE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- FALSE k. Cooking surfaces are equipped with fire prevention features
- or
- TRUE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- FALSE o. All interior doors within units are solid core.
- FALSE p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- r. *Not applicable for 2022 Cycles*

J. ENHANCEMENTS

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

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

FALSE a. All cooking ranges have front controls.

FALSE b. Bathrooms have an independent or supplemental heat source.

FALSE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.

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

2. Green Certification

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

The applicant will also obtain one of the following:

FALSE Earthcraft Gold or higher certification

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

FALSE U.S. Green Building Council LEED certification

FALSE Enterprise Green Communities (EGC) Certification

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

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

FALSE Zero Energy Ready Home Requirements

FALSE Passive House Standards

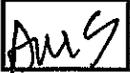
3. Universal Design - Units Meeting Universal Design Standards (units must be shown on Plans)

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

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

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

If not, please explain: \_\_\_\_\_

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

**I. UTILITIES**

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	13	17	21	0
Air Conditioning	0	7	9	12	0
Cooking	0	2	3	3	0
Lighting	0	14	18	22	0
Hot Water	0	5	6	8	0
Water	0	24	31	37	0
Sewer	0	29	38	46	0
Trash	0	14	14	14	0
Total utility allowance for costs paid by tenant	\$0	\$108	\$136	\$163	\$0

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

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

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

**K. SPECIAL HOUSING NEEDS**

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

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

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

FALSE

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

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

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

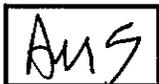
Documentation from source of assistance must be provided with the application.

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

FALSE

b. Any development in which ten percent (10%) of the units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.

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

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

2. **Special Housing Needs/Leasing Preference:**

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

FALSE Elderly (as defined by the United States Fair Housing Act.)

FALSE Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only

FALSE Supportive Housing (as described in the Tax Credit Manual)

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

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

**K. SPECIAL HOUSING NEEDS**

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

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

**3. Leasing Preferences**

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

Organization which holds waiting list: Richmond Redevelopment Housing Authority

Contact person: Sheila Hill-Christian

Title: Interim Chief Executive Officer

Phone Number: (804) 780-4200

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

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

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 16  
% of total Low Income Units 14%

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

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

**3. Target Population Leasing Preference**

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

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

First Name: Del  
Last Name: Smalls

K. SPECIAL HOUSING NEEDS

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

4. Rental Assistance

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

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

- FALSE Rental Assistance Demonstration (RAD) or other PHA conversion to based rental assistance.
FALSE Section 8 New Construction Substantial Rehabilitation
FALSE Section 8 Moderate Rehabilitation
FALSE Section 8 Certificates
FALSE Section 8 Project Based Assistance
FALSE RD 515 Rental Assistance
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. FALSE

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

d. Number of units receiving assistance:
How many years in rental assistance contract?
Expiration date of contract:
There is an Option to Renew.....

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

**L. UNIT DETAILS**

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

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

**a. Units Provided Per Household Type:** Warning: Greater than 50% of units does not increase bonus points.

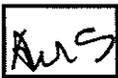
Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	
0	0.00%	30% Area Median	
0	0.00%	40% Area Median	
100	89.29%	50% Area Median	
12	10.71%	60% Area Median	
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
112	100.00%	<b>Total</b>	

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	
0	0.00%	30% Area Median	
0	0.00%	40% Area Median	
100	89.29%	50% Area Median	
12	10.71%	60% Area Median	
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
112	100.00%	<b>Total</b>	

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

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

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


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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	50% AMI	16		687.00	\$836.00	\$13,376
Mix 2	2 BR - 1 Bath	50% AMI	80		740.63	\$997.00	\$79,760
Mix 3	3 BR - 1 Bath	50% AMI	4		965.00	\$1,021.00	\$4,084
Mix 4	3 BR - 1 Bath	60% AMI	12		965.00	\$1,255.00	\$15,060
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
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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

**L. UNIT DETAILS**

Mix 65										\$0
Mix 66										\$0
Mix 67										\$0
Mix 68										\$0
Mix 69										\$0
Mix 70										\$0
Mix 71										\$0
Mix 72										\$0
Mix 73										\$0
Mix 74										\$0
Mix 75										\$0
Mix 76										\$0
Mix 77										\$0
Mix 78										\$0
Mix 79										\$0
Mix 80										\$0
Mix 81										\$0
Mix 82										\$0
Mix 83										\$0
Mix 84										\$0
Mix 85										\$0
Mix 86										\$0
Mix 87										\$0
Mix 88										\$0
Mix 89										\$0
Mix 90										\$0
Mix 91										\$0
Mix 92										\$0
Mix 93										\$0
Mix 94										\$0
Mix 95										\$0
Mix 96										\$0
Mix 97										\$0
Mix 98										\$0
Mix 99										\$0
Mix 100										\$0
<b>TOTALS</b>				112	0					\$112,280

<b>Total Units</b>	<b>112</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>85,682.40</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>85,682.40</b>

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

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$6,000
2. Office Salaries			\$60,000
3. Office Supplies			\$3,500
4. Office/Model Apartment	(type		\$0
5. Management Fee			\$49,000
	<u>3.67%</u> of EGI	<u>\$437.50</u>	Per Unit
6. Manager Salaries			\$117,000
7. Staff Unit (s)	(type		\$0
8. Legal			\$3,580
9. Auditing			\$4,000
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$2,000
12. Tax Credit Monitoring Fee			\$2,500
13. Miscellaneous Administrative			\$3,000
<b>Total Administrative</b>			<b>\$250,580</b>

**Utilities**

14. Fuel Oil			\$0
15. Electricity			\$8,400
16. Water			\$34,251
17. Gas			\$500
18. Sewer			\$36,525
<b>Total Utility</b>			<b>\$79,676</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$32,500
20. Janitor/Cleaning Supplies			\$3,500
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$3,500
23. Trash Removal			\$8,900
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$4,000
26. Grounds Supplies			\$2,750
27. Grounds Contract			\$10,000
28. Maintenance/Repairs Payroll			\$42,000
29. Repairs/Material			\$15,000
30. Repairs Contract			\$20,000
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$5,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,500
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$11,500
<b>Totals Operating &amp; Maintenance</b>			<b>\$160,150</b>

**Taxes & Insurance**

38. Real Estate Taxes			\$56,700
-----------------------	--	--	----------

**M. OPERATING EXPENSES**

39. Payroll Taxes	\$12,500
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$28,500
42. Fidelity Bond	\$0
43. Workman's Compensation	\$0
44. Health Insurance & Employee Benefits	\$0
45. Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$97,700</b>
<b>Total Operating Expense</b>	<b>\$588,106</b>

**Total Operating Expenses Per Unit** \$5,251 **C. Total Operating Expenses as % of EGI** 44.06%

**Replacement Reserves** (Total # Units X \$300 or \$250 New Const. Elderly Minimum) \$33,600

<b>Total Expenses</b>	<b>\$621,706</b>
-----------------------	------------------

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

**N. PROJECT SCHEDULE**

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract		
b. Site Acquisition	11/1/2022	Edward K. Solarz
c. Zoning Approval	3/28/2022	Jessica Stevenson
d. Site Plan Approval	N/A	N/A
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
i. Loan Application	5/2/2022	Jessica Stevenson
ii. Conditional Commitment	8/29/2022	VHDA
iii. Firm Commitment	10/1/2022	VHDA
<b>b. Permanent Loan - First Lien</b>		
i. Loan Application	5/2/2022	Jessica Stevenson
ii. Conditional Commitment	8/29/2022	VHDA
iii. Firm Commitment	10/1/2022	VHDA
<b>c. Permanent Loan-Second Lien</b>		
i. Loan Application	N/A	N/A
ii. Conditional Commitment	N/A	N/A
iii. Firm Commitment	N/A	N/A
<b>d. Other Loans &amp; Grants</b>		
i. Type & Source, List	ARPA	Jessica Stevenson
ii. Application	1/20/2022	Jessica Stevenson
iii. Award/Commitment	7/1/2022	Dept. Community & Housing Dev
<b>2. Formation of Owner</b>	7/1/2022	Edward K. Solarz
<b>3. IRS Approval of Nonprofit Status</b>	N/A	N/A
<b>4. Closing and Transfer of Property to Owner</b>	11/15/2022	Edward K. Solarz
<b>5. Plans and Specifications, Working Drawings</b>	7/1/2022	Johannas Design Group
<b>6. Building Permit Issued by Local Government</b>	10/1/2022	Jessica Stevenson
<b>7. Start Construction</b>	12/1/2022	JD Lewis Construction
<b>8. Begin Lease-up</b>	6/1/2023	Del Smalls
<b>9. Complete Construction</b>	6/14/2024	JD Lewis Construction
<b>10. Complete Lease-Up</b>	1/1/2025	Del Smalls
<b>11. Credit Placed in Service Date</b>	3/1/2025	Edward K. Solarz

**O. PROJECT BUDGET - HARD COSTS**

**Cost/Basis/Maximum Allowable Credit**

Complete cost column and basis column(s) as appropriate

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

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

		Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(A) Cost	(B) Acquisition	(C) Rehab/ New Construction
<b>Must Use Whole Numbers Only!</b>				
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	4,512,726	0	4,512,726	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
<b>Total Structure</b>	4,512,726	0	4,512,726	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	0	0	0	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	200,000	0	0	0
p. Site Work	295,600	0	295,600	0
q. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	495,600	0	295,600	0
<b>Total Structure and Land</b>	5,008,326	0	4,808,326	0
r. General Requirements	0	0	0	0
s. Builder's Overhead ( 4.7% Contract)	235,647	0	235,647	0
t. Builder's Profit ( 4.7% Contract)	235,647	0	235,647	0
u. Bonds	0	0	0	0
v. Building Permits	18,000	0	18,000	0
w. Special Construction	41,980	0	41,980	0
x. Special Equipment	246,400	0	246,400	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
<b>Contractor Costs</b>	<b>\$5,786,000</b>	<b>\$0</b>	<b>\$5,586,000</b>	<b>\$0</b>

**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"
<b>2. Owner Costs</b>				
a. Building Permit	41,734	0	41,734	0
b. Architecture/Engineering Design Fee \$1,339 /Unit)	150,000	0	150,000	0
c. Architecture Supervision Fee \$268 /Unit)	30,000	0	30,000	0
d. Tap Fees	0	0	0	0
e. Environmental	5,000	0	5,000	0
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	10,000	0	10,000	0
h. Appraisal	6,000	0	6,000	0
i. Market Study	4,000	0	4,000	0
j. Site Engineering / Survey	5,000	0	5,000	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	92,000	0	92,000	0
n. Construction Interest ( 5.6% for 24 months)	629,450	0	629,450	0
o. Taxes During Construction	100,000	0	100,000	0
p. Insurance During Construction	85,000	0	85,000	0
q. Permanent Loan Fee ( 1.0% )	95,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	12,000	0	12,000	0
u. Accounting	8,000	0	0	0
v. Title and Recording	75,000	0	2,930	0
w. Legal Fees for Closing	35,000	0	20,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	51,332			
z. Tenant Relocation	112,000	0	0	0
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	559,500	0	0	0
ad. Contingency	578,600	0	578,600	0
ae. Security	75,000	0	75,000	0
af. Utilities	0	0	0	0
ag. Servicing Reserve	0			
(1) Other* specify: <u>Physcial Needs Assessment</u>	5,000	0	5,000	0
(2) Other* specify: <u>Advertising</u>	8,000	0	0	0
(3) Other* specify: <u>Other third party reports</u>	10,000	0	10,000	0
(4) Other* specify: <u>Soft Cost Contingency</u>	100,000	0	100,000	0

**O. PROJECT BUDGET - OWNER COSTS**

(5) Other * specify: Bond Issuer	75,000	0	0	0
(6) Other* specify: Bond App Fee	5,000	0	0	0
(7) Other* specify: Bond Legal	85,000	0	0	0
(8) Other* specify: Lease up Reserve	50,000	0	0	0
(9) Other* specify: RRHA PBV FEE	28,000	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$3,125,616	\$0	\$1,961,714	\$0
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	\$8,911,616	\$0	\$7,547,714	\$0
<b>3. Developer's Fees</b> Action: Provide Developer Fee Agreement (Tab A)	1,702,929	0	1,702,929	0
<b>4. Owner's Acquisition Costs</b>				
Land	1,050,000			
Existing Improvements	5,950,000	5,950,000		
Subtotal 4:	\$7,000,000	\$5,950,000		
<b>5. Total Development Costs</b> Subtotal 1+2+3+4:	\$17,614,545	\$5,950,000	\$9,250,643	\$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)

	Land
	Building

**Maximum Developer Fee:**

\$1,702,929

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

\$120 **Meets Limits**  
\$231

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

\$94,773 **Meets Limits**  
\$225,968

2022 Low-Income Housing Tax Credit Application For Reservation

**P. ELIGIBLE BASIS CALCULATION**

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
<b>1. Total Development Costs</b>	17,614,545	5,950,000	9,250,643	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)**

5,950,000	9,250,643	0
-----------	-----------	---

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	2,775,193	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0

**Total Adjusted Eligible basis**

12,025,836	0
------------	---

**5. Applicable Fraction**

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

**6. Total Qualified Basis**

(Eligible Basis x Applicable Fraction)

5,950,000	12,025,836	0
-----------	------------	---

**7. Applicable Percentage**

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

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

**8. Maximum Allowable Credit under IRC §42**

(Qualified Basis x Applicable Percentage)

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

\$238,000	\$481,033	\$0
-----------	-----------	-----

\$719,033	
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. Freddie Mac/ Truist			\$9,597,000	
2.				
3.				
Total Construction Funding:			\$9,597,000	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. Freddie Mac			\$9,597,000	\$619,959	5.52%	35	18
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$9,597,000	\$619,959			

**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. ARPA Grant	1/20/2022	7/1/2022	\$1,000,000	Sherrill Hampton- Richmond Housing & Community Dev
2.				
3.				
4.				
5.				
6.				
Total Permanent Grants:			\$1,000,000	

**4. Subsidized Funding**

Source of Funds	Date of Commitment	Amount of Funds
1.		

**Q. SOURCES OF FUNDS**

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

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

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$9,597,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$0
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

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

Grants\*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

**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: **59.06%**

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.



**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	\$768,213	(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** \$768,213

**2. Equity Gap Calculation**

a. Total Development Cost		\$17,614,545
b. Total of Permanent Funding, Grants and Equity	-	<u>\$11,365,213</u>
c. Equity Gap		\$6,249,332
d. Developer Equity	-	<u>\$0</u>
e. Equity gap to be funded with low-income tax credit proceeds		\$6,249,332

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

a. Actual or Anticipated Name of Syndicator: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

b. Syndication Equity

i. Anticipated Annual Credits	\$719,033.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.870
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.90000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0
v. Net credit amount anticipated by user of credits	\$718,314
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$6,249,332

c. Syndication: Private

d. Investors: Corporate

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs \$6,249,332

**5. Net Equity Factor**

Must be equal to or greater than 85% 87.0000067812%

**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>\$17,614,545</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$11,365,213</u>
3. Equals Equity Gap		<u>\$6,249,332</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>87.0000067812%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$7,183,140</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$718,314</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$719,033</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$719,033</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$6,419.9375</u>	<b>Combined 30% &amp; 70% PV Credit Requested</b>
Credit per LI Bedroom	<u>\$3,209.9688</u>	

**ERROR - EQUITY GAP AMOUNT NOT EQUAL TO RESERVATION AMOUNT**

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	\$112,280
Plus Other Income Source (list): <u>Water, Sewer</u>	\$7,336
Equals Total Monthly Income:	<u>\$119,616</u>
Twelve Months	x12
Equals Annual Gross Potential Income	\$1,435,392
Less Vacancy Allowance <u>7.0%</u>	<u>\$100,477</u>
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>	<b><u>\$1,334,915</u></b>

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

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

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

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

a. Annual EGI Low-Income Units	\$1,334,915
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,334,915
d. Total Expenses	\$621,706
e. Net Operating Income	\$713,209
f. Total Annual Debt Service	\$619,959
g. Cash Flow Available for Distribution	\$93,250

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
<b>Eff. Gross Income</b>	1,334,915	1,361,613	1,388,845	1,416,622	1,444,954
<b>Less Oper. Expenses</b>	621,706	640,357	659,568	679,355	699,736
<b>Net Income</b>	713,209	721,256	729,277	737,267	745,219
<b>Less Debt Service</b>	619,959	619,959	619,959	619,959	619,959
<b>Cash Flow</b>	93,250	101,297	109,318	117,308	125,260
<b>Debt Coverage Ratio</b>	1.15	1.16	1.18	1.19	1.20

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Eff. Gross Income</b>	1,473,854	1,503,331	1,533,397	1,564,065	1,595,346
<b>Less Oper. Expenses</b>	720,728	742,349	764,620	787,559	811,185

T. CASH FLOW

<b>Net Income</b>	753,126	760,981	768,777	776,507	784,161
<b>Less Debt Service</b>	619,959	619,959	619,959	619,959	619,959
<b>Cash Flow</b>	133,167	141,022	148,818	156,548	164,202
<b>Debt Coverage Ratio</b>	1.21	1.23	1.24	1.25	1.26

	Year 11	Year 12	Year 13	Year 14	Year 15
<b>Eff. Gross Income</b>	1,627,253	1,659,798	1,692,994	1,726,854	1,761,391
<b>Less Oper. Expenses</b>	835,521	860,587	886,404	912,996	940,386
<b>Net Income</b>	791,733	799,212	806,590	813,858	821,005
<b>Less Debt Service</b>	619,959	619,959	619,959	619,959	619,959
<b>Cash Flow</b>	171,774	179,253	186,631	193,899	201,046
<b>Debt Coverage Ratio</b>	1.28	1.29	1.30	1.31	1.32

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

**U. Building-by-Building Information**

**Must Complete**

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

Number of BINS: 14

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: <span style="color: red;">DO NOT use the CUT feature</span> <span style="color: red;">DO NOT SKIP LINES BETWEEN BUILDINGS</span>				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit				
		TAX CREDIT UNITS	MARKET RATE UNITS					Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	
		Street Address 1	Street Address 2	City	State	Zip														
1.	VA0455001	8		3430 Maury Street		Richmond	VA	23224	\$425,000	06/07/23	4.00%	\$17,000	\$858,988	06/07/23	4.00%	\$34,360				\$0
2.	VA0455002	8		3432 Maury Street		Richmond	VA	23224	\$425,000	06/07/23	4.00%	\$17,000	\$858,988	06/07/23	4.00%	\$34,360				\$0
3.	VA0455003	8		3434 Maury Street		Richmond	VA	23224	\$425,000	06/07/23	4.00%	\$17,000	\$858,988	06/07/23	4.00%	\$34,360				\$0
4.	VA0455004	8		3436 Maury Street		Richmond	VA	23224	\$425,000	06/07/23	4.00%	\$17,000	\$858,988	06/07/23	4.00%	\$34,360				\$0
5.	VA0455005	8		3438 Maury Street		Richmond	VA	23224	\$425,000	06/07/23	4.00%	\$17,000	\$858,988	06/07/23	4.00%	\$34,360				\$0
6.	VA0455006	8		3440 Maury Street		Richmond	VA	23224	\$425,000	12/13/23	4.00%	\$17,000	\$858,988	12/13/23	4.00%	\$34,360				\$0
7.	VA0455007	8		3442 Maury Street		Richmond	VA	23224	\$425,000	12/13/23	4.00%	\$17,000	\$858,988	12/13/23	4.00%	\$34,360				\$0
8.	VA0455008	8		3444 Maury Street		Richmond	VA	23224	\$425,000	12/13/23	4.00%	\$17,000	\$858,988	12/13/23	4.00%	\$34,360				\$0
9.	VA0455009	8		3446 Maury Street		Richmond	VA	23224	\$425,000	12/13/23	4.00%	\$17,000	\$858,988	12/13/23	4.00%	\$34,360				\$0
10.	VA0455010	8		3448 Maury Street		Richmond	VA	23224	\$425,000	12/13/23	4.00%	\$17,000	\$858,988	12/13/23	4.00%	\$34,360				\$0
11.	VA0455011	8		3450 Maury Street		Richmond	VA	23224	\$425,000	06/14/23	4.00%	\$17,000	\$858,988	06/14/23	4.00%	\$34,360				\$0
12.	VA0455012	8		3452 Maury Street		Richmond	VA	23224	\$425,000	06/14/23	4.00%	\$17,000	\$858,988	06/14/23	4.00%	\$34,360				\$0
13.	VA0455013	8		3454 Maury Street		Richmond	VA	23224	\$425,000	06/14/23	4.00%	\$17,000	\$858,988	06/14/23	4.00%	\$34,360				\$0
14.	VA0455014	8		3456 Maury Street		Richmond	VA	23224	\$425,000	06/14/23	4.00%	\$17,000	\$858,988	06/14/23	4.00%	\$34,360				\$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

112 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$5,950,000

\$12,025,832

\$0

\$238,000

\$481,033

\$0

Number of BINS: 14

**V. STATEMENT OF OWNER**

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The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.
3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.
4. that this application form, provided by Virginia Housing to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of Virginia Housing in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.
5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by Virginia Housing prior to allocation, should one be issued.
6. that the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. that, for the purposes of reviewing this application, Virginia Housing is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.
8. that Virginia Housing may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.
9. that reservations of credits are not transferable without prior written approval by Virginia Housing at its sole discretion.
10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or Virginia Housing regulations, or other binding authority.
11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.

V. STATEMENT OF OWNER

- 12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
- 13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
- 14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
- 15. that undersigned agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.
- 16. that undersigned waives the right to pursue a Qualified Contract on this development.
- 17. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, even if tax credits are not allocated to the undersigned.

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

Legal Name of Owner: VST South Gate LLC

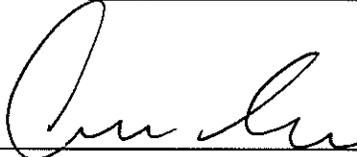
By: *Edward K. Song*  
Its: Manager of its managing member,  
VST South Gate Managing Member LLC

V. STATEMENT OF ARCHITECT

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

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

Legal Name of Architect: ANDREW SCUDDER  
Virginia License#: 0401010303  
Architecture Firm or Company: JOHANNAS DESIGN GROUP

By: 

Its: PARTNER  
(Title)

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

**W. LIHTC SELF SCORE SHEET**

**Self Scoring Process**

This Self Scoring Process is intended to provide you with an estimate of your application's score based on the information included within the reservation application. Other items, denoted below in the yellow shaded cells, are typically evaluated by Virginia Housing's staff during the application review and feasibility process. For purposes of self scoring, we have made certain assumptions about your application. Edit the appropriate responses (Y or N) in the yellow shaded cells, if applicable. Items 5f and 5g require a numeric value to be entered.

Please remember that this score is only an estimate. Virginia Housing reserves the right to change application data and/or score sheet responses where appropriate, which may change the final score.

**MANDATORY ITEMS:**

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

Included		Score
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y, 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
<b>Total:</b>		<b>0.00</b>

**1. READINESS:**

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

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

**2. HOUSING NEEDS CHARACTERISTICS:**

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

Y	0 or up to 5	5.00
N	0 or 20	0.00
0.00%	Up to 40	0.00
N	0 or 5	0.00
N	0 or 10	0.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
N	Up to 20	0.00
<b>Total:</b>		<b>5.00</b>

**3. DEVELOPMENT CHARACTERISTICS:**

- a. Enhancements (See calculations below) 41.00
- b. Project subsidies/HUD 504 accessibility for 5 or 10% of units 0.00
- or c. HUD 504 accessibility for 10% of units 0.00
- d. Proximity to public transportation (within Northern VA or Tidewater) 10.00
- e. Development will be Green Certified 0.00
- f. Units constructed to meet Virginia Housing's Universal Design standards 0.00
- g. Developments with less than 100 low income units 0.00

N	0 or 50	0.00
N	0 or 20	0.00
Y10	0, 10 or 20	10.00
N	0 or 10	0.00
0%	Up to 15	0.00
N	up to 20	0.00

h. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			<u>51.00</u>

4. TENANT POPULATION CHARACTERISTICS:

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

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	14.29%	Up to 15	10.71
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units with rent and income at or below 50% of AMI	89.29%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	89.29%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	89.29%	Up to 50	0.00
Total:			<u>75.71</u>

5. SPONSOR CHARACTERISTICS:

a. Developer experience (Subdivision 5a - options a,b or c)	N	0, 10 or 25	0.00
b. Experienced Sponsor - 1 development in Virginia	Y	0 or 5	5.00
c. Experienced Sponsor - 3 developments in any state	N	0 or 15	0.00
d. Developer experience - life threatening hazard	N	0 or -50	0.00
e. Developer experience - noncompliance	N	0 or -15	0.00
f. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	0.00
h. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
i. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
j. Socially Disadvantaged Principal owner 25% or greater	N	0 or 5	0.00
k. Management company rated unsatisfactory	N	0 or -25	0.00
l. Experienced Sponsor partnering with Local Housing Authority pool applicant	N	0 or 5	0.00
Total:			<u>5.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	119.99
b. Cost per unit		Up to 100	100.00
Total:			<u>219.99</u>

7. BONUS POINTS:

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

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

**TOTAL SCORE: 376.70**

**Enhancements:**

All units have:	Max Pts	Score
a. Community Room	5	0.00
b. Exterior walls constructed with brick and other low maintenance materials	40	20.00
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	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	12.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. N/A for 2022	0	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>41.00</u>
All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
w. Shelf or Ledge at entrance within interior hallway	2	0.00
		<u>0.00</u>
<b>Total amenities:</b>		<b><u>41.00</u></b>

X. Development Summary

Summary Information

2022 Low-Income Housing Tax Credit Application For Reservation

<b>Deal Name:</b>	<b>South Gate Apartments</b>
-------------------	------------------------------

**Cycle Type:** 4% Tax Exempt Bonds Credits      **Requested Credit Amount:** \$719,033  
**Allocation Type:** Acquisition/Rehab      **Jurisdiction:** Richmond City  
**Total Units:** 112      **Population Target:** General  
**Total LI Units:** 112  
**Project Gross Sq Ft:** 88,580.00      **Owner Contact:** Edward Solarz  
**Green Certified?** FALSE

<b>Total Score</b> <b>376.70</b>
-------------------------------------

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$9,597,000	\$85,688	\$108	\$619,959
Grants	\$1,000,000	\$8,929		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$5,008,326	\$44,717	\$57	28.43%
General Req/Overhead/Profit	\$471,294	\$4,208	\$5	2.68%
Other Contract Costs	\$306,380	\$2,736	\$3	1.74%
Owner Costs	\$3,125,616	\$27,907	\$35	17.74%
Acquisition	\$7,000,000	\$62,500	\$79	39.74%
Developer Fee	\$1,702,929	\$15,205	\$19	9.67%
<b>Total Uses</b>	<b>\$17,614,545</b>	<b>\$157,273</b>		

Total Development Costs	
Total Improvements	\$8,911,616
Land Acquisition	\$7,000,000
Developer Fee	\$1,702,929
<b>Total Development Costs</b>	<b>\$17,614,545</b>

**Proposed Cost Limit/Sq Ft:** \$120  
**Applicable Cost Limit/Sq Ft:** \$231  
**Proposed Cost Limit/Unit:** \$94,773  
**Applicable Cost Limit/Unit:** \$225,968

Income		
Gross Potential Income - LI Units		\$1,435,392
Gross Potential Income - Mkt Units		\$0
Subtotal		\$1,435,392
Less Vacancy %	7.00%	\$100,477
<b>Effective Gross Income</b>		<b>\$1,334,915</b>

**Rental Assistance?** FALSE

Expenses		
Category	Total	Per Unit
Administrative	\$250,580	\$2,237
Utilities	\$79,676	\$711
Operating & Maintenance	\$160,150	\$1,430
Taxes & Insurance	\$97,700	\$872
<b>Total Operating Expenses</b>	<b>\$588,106</b>	<b>\$5,251</b>
Replacement Reserves	\$33,600	\$300
<b>Total Expenses</b>	<b>\$621,706</b>	<b>\$5,551</b>

Cash Flow	
EGI	\$1,334,915
Total Expenses	\$621,706
<b>Net Income</b>	<b>\$713,209</b>
Debt Service	\$619,959
<b>Debt Coverage Ratio (YR1):</b>	<b>1.15</b>

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	16
# of 2BR	80
# of 3BR	16
# of 4+ BR	0
<b>Total Units</b>	<b>112</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	100	100
60% AMI	12	12
>60% AMI	0	0
Market	0	0

**Income Averaging?** FALSE

**Extended Use Restriction?** 30

**i. Efficient Use of Resources**

**Credit Points for 9% Credits:**

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

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

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

Combined Max	\$719,033
Credit Requested	\$719,033
% of Savings	0.00%
Sliding Scale Points	0

4% Deals EUR Points
119.99

**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	\$10,614,545
Total Square Feet	88,580.00
Proposed Cost per SqFt	\$119.83
Applicable Cost Limit per Sq Ft	\$231.00
% of Savings	48.13%
Total Units	112
Proposed Cost per Unit	\$94,773
Applicable Cost Limit per Unit	\$225,968
% of Savings	58.06%
Max % of Savings	58.06%
Sliding Scale Points	100.00

\$/SF = **\$180.68** Credits/SF = **8.39184** Const \$/unit = **\$51,660.71**

TYPE OF PROJECT  
LOCATION  
TYPE OF CONSTRUCTION

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

**11000**  
**400**  
**3**

**400**  
**3**

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

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

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	687.00	0.00	0.00	0.00	740.63	965.00	0.00
NUMBER OF UNITS	0	16	0	0	0	80	16	0
PARAMETER-(CREDITS>=35,000)	0	11,550	0	0	0	16,500	19,388	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	11,550	0	0	0	16,500	19,388	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	11,550	0	0	0	16,500	19,388	0
PROJECT CREDIT PER UNIT	0	5,765	0	0	0	6,215	8,098	0
CREDIT PER UNIT POINTS	0.00	14.31	0.00	0.00	0.00	89.05	16.64	0.00

TOTAL CREDIT PER UNIT POINTS **119.99**

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	11,550	0	0	0	16,500	19,388	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>11,550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,500</b>	<b>19,388</b>	<b>0</b>

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

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

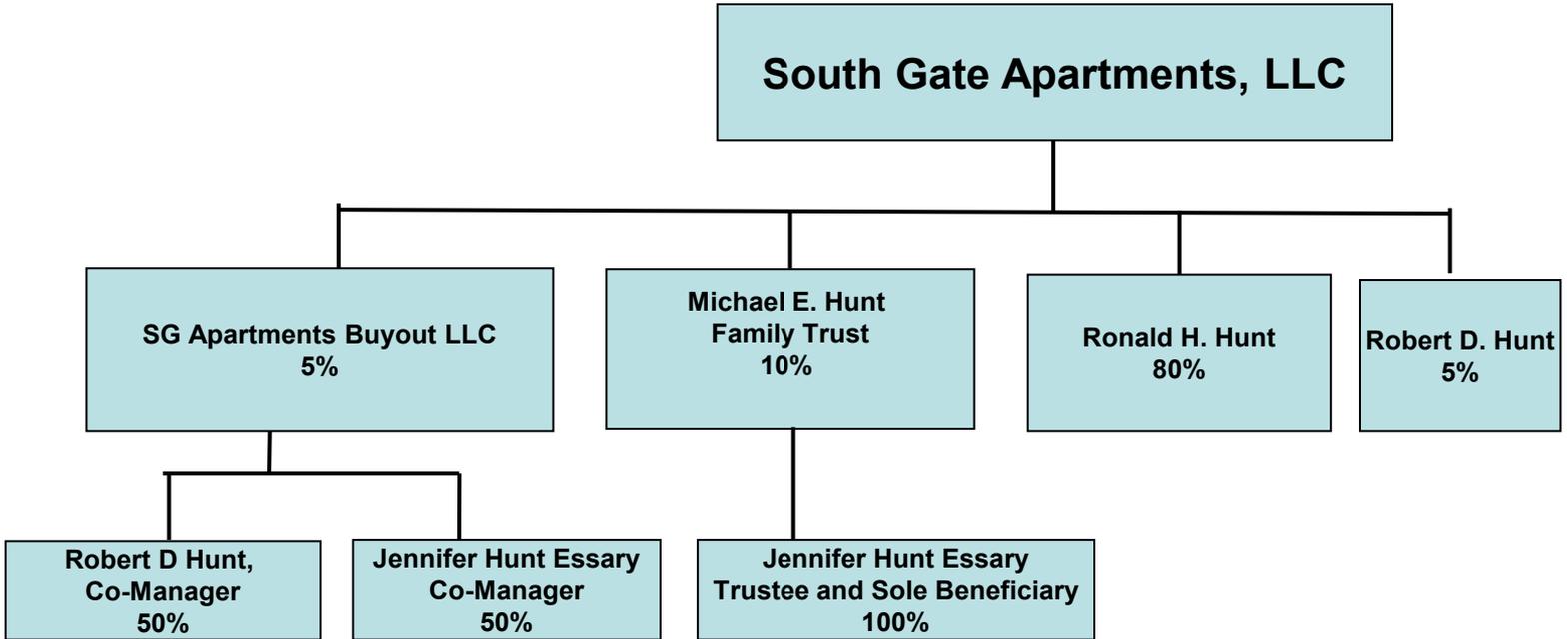
Credit Parameters - General

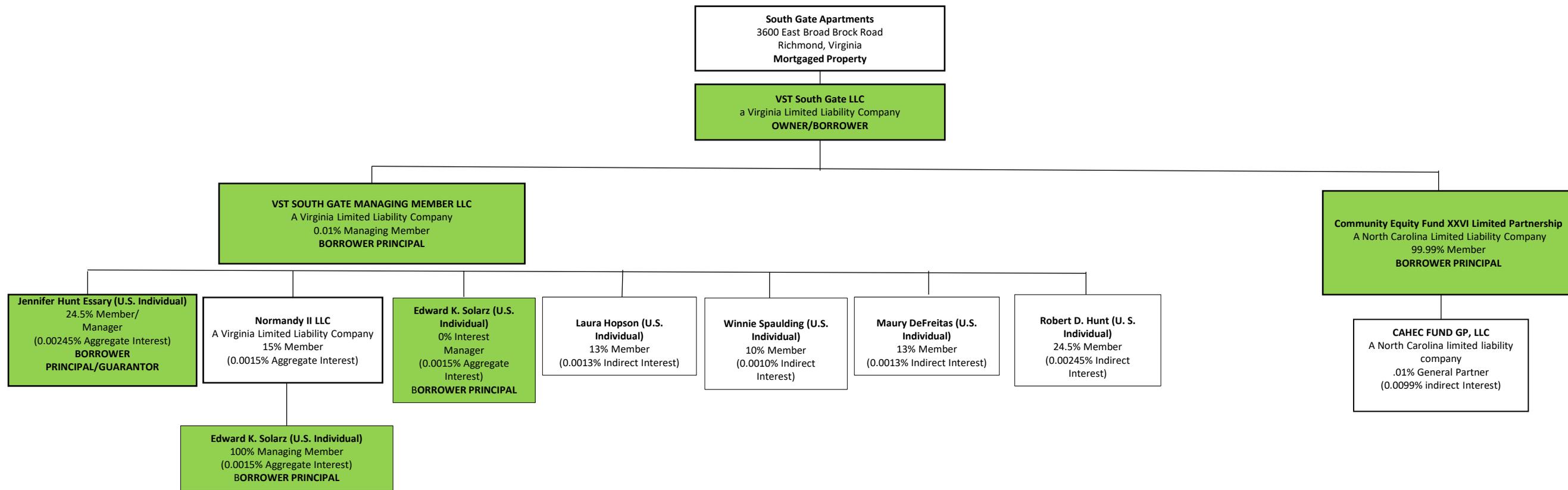
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	11,550	0	0	0	16,500	19,388	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>11,550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,500</b>	<b>19,388</b>	<b>0</b>

# **Tab A:**

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

# Supplemental Information Site & Seller Tab, Seller Principals





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

## DECLARATION OF OPERATION

OF

### VST SOUTH GATE LLC

This Declaration of Operation (“Declaration”) of **VST South Gate LLC**, a Virginia limited liability company (the “Company”), is made as of August 6, 2020, by **VST SOUTH GATE MANAGING MEMBER LLC**, a Virginia limited liability company (the “Member”), as the sole Member and Manager of the Company.

WHEREAS, the Company has only one Member; and

WHEREAS, it is the desire of the Company and its sole Member to enter into an agreement for the operation of the Company by its Manager.

NOW THEREFORE, the Company and its sole Member hereby covenant and agree as follows:

#### **ARTICLE I** **FORMATION AND PURPOSE**

**1.01 Formation.** The Member:

- (a) acknowledges the formation of the Company as a limited liability company pursuant to the Virginia Limited Liability Company Act, as amended from time to time (the “Act”), by virtue of Articles of Organization filed with the Virginia State Corporation Commission effective as of August 6, 2020;
- (b) confirms and declares its status as the sole Member of the Company upon the terms and conditions set forth in this Declaration; and
- (c) executes and adopts this Declaration as an Operating Agreement of the Company pursuant to § 13.1-1023 of the Act.

**1.02 Name.** The name of the Company shall be **VST South Gate LLC**.

**1.03 Governing Law.** This Declaration and all questions with respect to the rights and obligations of the Member, the construction, enforcement, and interpretation hereof and the formation, administration, and termination of the Company shall be governed by the Act and other applicable laws of the Commonwealth of Virginia, without reference to the choice of law provisions of any jurisdiction.

**1.04 Defined Terms.** Except when the context may otherwise require, each capitalized term used in this Declaration shall have the meaning specified in the Section where such capitalized term is defined.

**1.05 Purposes.** The purposes for which the Company is formed are to acquire, mortgage, own, develop, construct and/or rehabilitate, lease, manage, maintain, operate, and, if appropriate or desirable, sell or otherwise dispose of the real property located at 801 South Gate Avenue, Richmond, Virginia or any substantial part thereof; and carry on any and all activities related to the foregoing.

## **ARTICLE II** **MEMBERS**

**2.01 Member.** The Member, whose address is **101 W. Commerce Road, 2nd Floor, Richmond, Virginia 23224**, is the sole Member of the Company.

**2.02 Membership Interests.** By executing this Declaration, the Member, subscribes for, and the Company issues to the Member, a 100% ownership interest in the Company, hereinafter referred to generally as an “Interest” or “Membership Interest,” in exchange for the payment of **\$100**.

## **ARTICLE III** **MANAGEMENT**

**3.01 Management.** The property, affairs and business of the Company shall be under the direction of and managed exclusively by one (1) “Manager” who need not be a Member. If the Manager is also a Member of the Company, the Manager may also be referred to as the “Managing Member”. Except as otherwise expressly provided by law, the Company’s Articles of Organization or this Declaration, all of the powers of the Company shall be vested exclusively in the Manager. The Members, other than any Members who act as officers of the Company or of the Manager, shall not take part in the management of the business nor transact any business for the Company in their capacity as Members, nor shall they have power to sign for, or to bind, the Company. The officers of the Company or of the Manager shall have full authority to act for, and bind, the Company, and the Manager shall have the right to appoint any such officer as an officer of any subsidiary of the Company, with similar rights.

The initial Manager shall be **VST South Gate Managing Member LLC** who shall serve until its withdrawal from the Company. At such time, any existing or new Members may elect a new Manager through vote of the Members then owning more than 50% in Membership Interests (a “Majority”) or choose instead to govern through Majority rule. The Manager shall have the complete power and authority to make all decisions of the Company. No person dealing with the Company shall be required to inquire into the authority of the Manager to take any action or to make any decision.

**3.02 Officers.** The Manager may, but shall not be required to, appoint such officers of the Company as he deems appropriate from time to time. All officers shall hold office until removed by the Manager or until their successors are elected. The officers of the Company shall have such powers and duties as from time to time shall be conferred upon them by the Manager.

**3.03 Limitation on Liability.** A Member shall not be liable, responsible, or accountable to the Company or any other Member in damages or otherwise for any acts, or for any failure to act, performed or omitted unless illegal.

**3.04 Reimbursement and Indemnification.** The Company shall bear all expenses incurred with respect to the organization, operation, and management of the Company. The Member intends that only the assets of the Company be exposed for the liabilities of the Company pursuant to the Act.

(a) In any proceeding brought by, or in the right of, the Company or brought by, or on behalf of, the Members of the Company, no officer, Manager, or their Affiliates shall be liable to the Company or its Members for monetary damages with respect to any transaction, occurrence or course of conduct, whether before, on, or after the effective date of this Agreement, except for liability resulting from such persons having engaged in gross negligence, willful misconduct, or a knowing violation of the criminal law or any federal or state securities law.

(b) The Company shall indemnify any person/entity (each a "Person") who was or is a party to any proceeding, including a proceeding brought by, or on behalf of, the Members of the Company, by reason of the fact that he/it is or was an officer or Manager of the Company or is or was serving at the request of the Company as a manager, officer, director, trustee, or a member of a limited liability company, corporation, partnership, joint venture, trust, employee benefit plan, or other entity that is a Member or Manager of the Company, against any liability he/it incurs in connection with such proceeding unless he/its engaged in willful misconduct or a knowing violation of the criminal law. The Company is hereby empowered to enter into a contract to indemnify any such Person in respect to any proceedings arising from any act or omission, whether occurring before or after the execution of such contract.

(c) The Company shall promptly take all such actions and make all such determinations (through the determination of the Manager, or if the Manager is party to the proceeding, by special legal counsel selected by the Manager) as shall be necessary or appropriate to comply with its obligation to make any indemnity under this Section 3.04 and shall promptly pay or reimburse all reasonable expenses, including attorneys' fees, incurred by any such Person being indemnified in connection with such actions and determinations or proceedings of any kind arising therefrom. The Company shall pay for, or reimburse, the reasonable expenses incurred by such Person in advance of final disposition of the proceeding or the making of any determination under this Section 3.04(c) or Section 3.04(d) if such Person furnishes the Company with a written statement of his or her good faith belief that he or she has met the standard of conduct described in Section 3.04(b), and a written undertaking to repay the advance if it ultimately is determined that he did not meet such standard of conduct.

(d) As used herein, "liability" means the obligation to pay a judgment, settlement, penalty, fine, or reasonable expenses incurred with respect to a proceeding, including counsel fees. As used herein, "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal.

**ARTICLE IV**  
**TERM AND TERMINATION OF THE COMPANY**

**4.01 Term of the Company.** The term of the Company shall commence upon the date of this Declaration and shall continue in perpetuity, unless sooner terminated as provided in this Declaration.

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

- (a) The determination in writing of the Member to dissolve the Company;
- (b) Except upon the Member's (including any substitute Member) determination to continue the business of the Company within six months of the following events, in which case the Company shall not be dissolved and the Company and the business of the Company shall be continued:
  - (i) The sale, transfer, or other disposition of substantially all of the non-cash assets of the Company (other than debt instruments);
  - (ii) The adjudication of the Company as insolvent, or the entry of any order of relief with respect to the Company, under any applicable insolvency or bankruptcy laws, or the filing of an involuntary petition in bankruptcy against the Company (which is not dismissed within 90 days), or the filing against the Company of a petition for reorganization under the Federal Bankruptcy Code or any state statute (which is not dismissed within 90 days), or a general assignment by the Company for the benefit of creditors, or the voluntary claim (by the Company) that it is insolvent or entitled to relief under any provisions of the Federal Bankruptcy Code (or any state insolvency statute), or the appointment for the Company of a temporary or permanent receiver, trustee, custodian or sequestrator if such receiver, trustee, custodian or sequestrator is not dismissed within 90 days;
  - (iii) The dissolution or bankruptcy (which shall mean being the subject of an order for relief under Title 11 of the United States Code) of the Member, or occurrence of any other event that terminates the continued membership of any Member in the Company;
  - (iv) When so required in accordance with other provisions of this Declaration; or
  - (v) As otherwise required by the Act.

**4.03 Conclusion of Affairs.** Upon the dissolution of the Company for any reason, if the Company is not continued as permitted by this Declaration, the Member shall proceed promptly to wind up the affairs of the Company.

**4.04 Termination.** Upon completion of the winding up of the Company and the distribution of all Company assets, the Company shall terminate, and the Member shall execute and record a Certificate of Cancellation of the Company, as well as any and all other documents required to effectuate the dissolution and termination of the Company.

**ARTICLE V**  
**TRANSFERS AND THE ADDITION, SUBSTITUTION AND**  
**WITHDRAWAL OF A MEMBER**

**5.01 Restrictions on Transfers.** A Member may transfer all or a portion of his or its Interest. If he or it transfers part of his or its Interest so that the Company has more than one Member, the Company shall elect to be treated as a partnership for federal and state income tax purposes unless all Members agree otherwise. The Members will cooperate with, and execute all documents necessary for, such election. The Members will also cooperate in good faith to amend and restate this Declaration as an Operating Agreement for the Company.

**5.02 Additional Members.** No new Members shall be entitled to any retroactive allocation of income, losses, or expense deductions the Company incurs. The Manager may, at his option, at the time a new Member is admitted, close the Company's books (as though the Company's tax year had ended) or make pro rata allocations of income, loss, and expense deductions to a new Member for that portion of the Company's tax year in which the new Member was admitted in accordance with the provisions of Code Section 706(d) and the regulations thereunder.

**5.03 Single Member.** While the Company has only one Member, it and its Member may elect to have the Company ignored for federal and state income tax purposes or refrain from making a contrary election.

**ARTICLE VI**  
**ADMINISTRATIVE PROVISIONS**

**6.01 Principal Office and Registered Agent.**

(a) The initial principal place of business and principal office of the Company shall be **101 W. Commerce Road, 2nd Floor, Richmond, Virginia 23224**. The Company may relocate the principal place of business and principal office and have such additional offices as the Manager may deem advisable.

(b) The name and address of the registered agent for purposes of the Act is **Corporation Service Company**, with an address of **100 Shockoe Slip Fl. 2, Richmond, Virginia 23219-4100**, and who is a resident of Virginia. The Manager may at any time change the location of the principal office or registered agent.

**6.02 Bank Accounts.** The Manager may, from time to time, open bank accounts in the name of the Company, and the Manager shall be the sole signatory thereon, unless the Manager determines otherwise. Funds of the Company shall be deposited in such account or accounts as the Manager shall determine. Funds may be withdrawn from such accounts only for bona fide and legitimate Company purposes and may from time to time be invested in such securities, money market funds, certificates of deposit, or other liquid assets as the Manager deems appropriate. The Manager shall not be accountable or liable for any loss of Company funds resulting from failure or insolvency of the depository institution, so long as the deposit of such funds was in compliance with this Declaration.

**6.03 Books and Records.** At all times during the term of the Company, the Manager shall keep, or cause to be kept, full and accurate books of account, records, and supporting documents, which shall reflect, completely, accurately, and in reasonable detail, each transaction of the Company (including, without limitation, transactions with the Member or affiliates). The books of account shall be maintained and tax returns prepared and filed based on the method of accounting the Manager determines. The books of account, records, and all documents and other writings of the Company shall be kept and maintained at the principal office of the Company. The Manager shall cause the Company to keep at its principal office all books and records required to be maintained by the Act and the other laws of the Commonwealth of Virginia.

**6.04 Tax Classification; Requirement of Separate Books and Records and Segregation of Assets and Liabilities.** The Member acknowledges that because the Company will have a single Member, pursuant to Treasury Regulations Section 301.7701-3, the Company shall be disregarded as an entity separate from its owner for federal income tax purposes until the Company has more than one Member, in which case it would be treated as a partnership for federal income tax purposes. The Manager will not make an election to change its classification for federal income tax purposes to that of a corporation by filing IRS Form 8832, Entity Classification Election. In all events, the Company shall keep books and records separate from those of its sole Member and shall at all times segregate and account for all of its assets and liabilities separately from those of its sole Member.

## **ARTICLE VII** **MISCELLANEOUS**

**7.01 Interpretation.** Whenever the context may require, any noun or pronoun used herein shall include the corresponding masculine, feminine, or neuter forms. The singular form of nouns, pronouns, and verbs shall include the plural, and vice versa.

**7.02 Severability.** Each provision of this Declaration shall be considered severable, and if for any reason any provision or provisions hereof are determined to be invalid, such invalidity shall not impair the operation of, or affect, those portions of this Declaration which are valid, and this Declaration shall remain in full force and effect and shall be construed and enforced in all respects as if such invalid or unenforceable provision or provisions had been omitted.

**7.03 Burden and Benefit Upon Successors.** Except as expressly otherwise provided herein, this Declaration is binding upon and inures to the benefit of, the Member and its successors and permitted assigns.

**7.04 Third Parties.** The agreements, covenants, and representations contained in this Declaration are for the benefit of the Member and are not for the benefit of any third parties, including, without limitation, any creditors of the Company or of the Member.

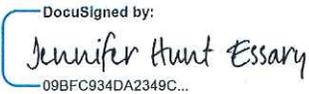
**7.05 Section Headings.** Section titles or captions contained in this Declaration are inserted as a matter of convenience and for reference only and shall not be construed in any way to define, limit or extend or describe the scope of this Declaration or the intention of the provisions thereto.

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

IN WITNESS WHEREOF, the sole Member and Manager has executed this Declaration.

**VST SOUTH GATE MANAGING MEMBER LLC,**  
a Virginia limited liability company

By:   
Edward K. Solarz, Manager

By:   
Jennifer Hunt Essary, Manager

**OPERATING AGREEMENT  
OF  
VST SOUTH GATE MANAGING MEMBER LLC**

THIS OPERATING AGREEMENT (this “Operating Agreement”), dated this \_\_\_\_ day of \_\_\_\_\_, 2022, by The Michael C. Hunt Family Trust, Robert D. Hunt, Maury DeFreitas, Laura H. Hopson, Winnie Spaulding, and Normandy II LLC, the members of VST South Gate Managing Member LLC, a Virginia limited liability company (the “Company”), provides as follows:

**RECITALS:**

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

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

**AGREEMENT**

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

**ARTICLE I  
DEFINITIONS**

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

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

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

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

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

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

services, whenever, made. "Initial Capital Contribution" shall mean the initial contribution to the capital of the Company of a Member pursuant to this Operating Agreement.

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

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

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

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

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

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

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

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

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

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

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

(q) Non-Voting Member shall mean a Member owning less than 15% of the Member Interest in the Company.

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

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

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

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

(v) Voting Member shall mean a Member owning 15% or more of the Member Interest in the Company.

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

## **ARTICLE II** **PURPOSES AND POWERS OF COMPANY**

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

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

connection therewith.

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

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

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

<u>Name and Address</u>	<u>Percentages</u>
Normandy II LLC 4305 Augusta Avenue Richmond, VA 23230	15.00%
THE MICHAEL C. HUNT FAMILY TRUST U/A/D NOVEMBER 25, 2019 Jennifer S. Hunt, Trustee 101 W Commerce Road, 2 <sup>nd</sup> Floor Richmond, VA 23224	24.50%
Maury DeFreitas 101 W Commerce Road, 2 <sup>nd</sup> Floor Richmond, VA 23224	13.00%
Robert D. Hunt 101 W Commerce Road, 2 <sup>nd</sup> Floor Richmond, VA 23224	24.50%
Laura Hopson 101 W Commerce Road, 2 <sup>nd</sup> Floor Richmond, VA 23224	13.00%
Winnie Spaulding 101 W Commerce Road, 2 <sup>nd</sup> Floor Richmond, VA 23224	10.00%

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

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

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

4.02 Actions Requiring Approval of Members.

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

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

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

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

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

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

4.06 Place of Meetings. The place of any meeting of the Members shall be the principal office of

the Company, unless another place is designated by the Member or Members calling the meeting, and if such place is not within the City of Richmond, Virginia, such other meeting place as is consented to by the all other Members.

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

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

## **ARTICLE V** **MANAGERS**

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

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

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

(c) Collecting of funds due to the Company.

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

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

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

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

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

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

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

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

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

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

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

5.03 Action by Two or More Managers. Except as otherwise expressly set forth herein, in the event there is more than one (1) Manager appointed, no Manager may act on behalf of the Company unless such action is approved by a majority of the Managers then serving or, in the event such Managers are deadlocked with respect to approval of an action, a Majority Interest. Each Manager shall exercise its commercially reasonable efforts to promote and protect the interests of the Company and shall devote such time and attention as is reasonably necessary and appropriate to discharge such obligations. A Manager shall not be liable to the Company or to the other Members for any errors or omissions committed in the discharge of its duties

hereunder, unless such errors or omissions constitute gross mismanagement, gross negligence, willful or reckless misconduct, a knowing violation of criminal law or intentional breach or disregard of the express terms of this Operating Agreement.

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

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

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

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

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

5.09 Liability of Managers. So long as the Managers act in good faith with respect to the conduct of the business and affairs of the Company, no Manager shall be liable or accountable to the Company or to any of the Members, in damages or otherwise, for any error of judgment, for

any mistake of fact or of law, or for any other act or thing which it may do or refrain from doing in connection with the businesses and affairs of the Company, except for willful misconduct or gross negligence or breach of fiduciary duty, and further except for breaches of contractual obligations or agreements between the Managers and the Company.

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

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

mortgage loan authorized by a Majority of Members, the Manager shall have the authority to (a) cause the Company to join in the execution and delivery of any loan documents required to be executed by the Company in connection with a Property Owner LLC's mortgage loan, including, without limitation, a pledge of the Company's membership interest in the Property Owner LLC; (b) execute and deliver, for and on behalf of the Company, a guaranty of any Property Owner LLC's mortgage loan; and (c) execute, in the Company's name, all appropriate agreements, limited liability company consents and resolutions to be executed by the Company for itself or as a member of the Property Owner LLC;

- (xiv) Consent to the sale, transfer or other disposition, of all or substantially all of the Property Owner LLC's property;
- (xv) Permit (a) the assignment of any membership interest of Property Owner LLC or (b) the admission of any new member of Property Owner LLC; or
- (xvi) Amend the Property Owner LLC's operating agreement, or authorize or take any action with respect to Property Owner LLC, in a manner adverse to any of the Members.

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

**ARTICLE VI**  
**CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS**

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

Normandy II LLC	\$15.00
THE MICHAEL C. HUNT FAMILY TRUST U/A/D NOVEMBER 25, 2019	\$24.50
Maury DeFreitas	\$13.00
Robert D. Hunt	\$24.50
Laura Hopson	\$13.00
Winnie Spaulding	<u>\$10.00</u>
<b>Total</b>	<b>\$100.00</b>

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

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

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

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

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

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

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

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

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

and the Company shall not pledge its assets to secure such borrowing. If a Member constitutes a Guarantor and is required to pay any amount under a Guaranty, such amount shall be treated as loan by such Member.

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

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

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

## **ARTICLE VII**

### **ASSIGNMENT; RESIGNATION**

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

Section 7.02, no assignee of a Membership Interests shall become a Member of the Company except upon the consent of all of the non-assigning Members.

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

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

#### 7.04 Purchaser of Certain Memberships.

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

(b) Upon any Option Event occurring to an Option Member, the Option Member or its personal representative, if the Option Member is incapable of serving notice, shall deliver written notice of the occurrence of such Option Event to the Company. The Company shall have the option, but not the obligation, to purchase the Option Member's Membership Interest at any

time during the sixty (60) day period immediately following the date on which it receives notice of the occurrence of the Option Event. Such option shall entitle the Company to purchase such Membership Interest for the fair market value of such Membership Interest. The fair market value of the interest shall be the amount that the Option Member would receive in exchange for its entire interest in the Company if the Company sold all of its assets, subject to their liabilities, at their fair market value as of the date on which the Option Event occurred and distributed the net proceeds from such sale in complete liquidation of the Company. The consent of all the Members excluding the Option Member, shall be required to authorize the exercise of such option by the Company. Such option must be exercised by delivery of a written notice from the Company to the Option Member during the aforementioned period. Upon delivery of such notice the exercise of such option shall be final and binding on the Company and the Option Member.

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

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

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

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

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

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

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

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

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

Company shall be One Dollar (\$1.00).

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

## **ARTICLE VIII** **DISSOLUTION AND TERMINATION**

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

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

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

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

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

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

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

8.03 Orderly Liquidation. A reasonable time as determined by the Members not to exceed twelve (12) months shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution.

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

(a) First to the payment of the debts and liabilities of the Company and the

expense of liquidation, including a sales commission to the selling agent, if any, then

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

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

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

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

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

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

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

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

9.03 Banking. The funds of the Company shall be kept in one or more separate bank accounts in the name of the Company in such banks or other federally insured depositories as may be

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

#### 9.04 Power of Attorney.

(a) Each Member does hereby irrevocably constitute and appoint the Managers serving in office from time to time, and each of them, as such Members true and lawful attorney, in its name, place and stead, to make, execute, consent to, swear to, acknowledge, record and file from time to time any and all of the following:

(i) Any certificate or other instrument which may be required to be filed by the Company or the Members under the laws of the Commonwealth of Virginia or under the applicable laws of any other jurisdiction in order to conduct business in any such jurisdiction, to the extent the Managers deem any such filing to be necessary or desirable.

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

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

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

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

#### 9.05 Partnership Representative.

(a) Jennifer Hunt Essary shall serve as the Partnership Representative. The Partnership Representatives shall have all of the powers and obligations set forth in this Section 9.05. The Manager shall take any and all action required under the Code or the Treasury Regulations, as in effect from time to time, to designate Jennifer Hunt Essary (including on all applicable Company tax returns) as the Partnership Representative, unless otherwise directed by the all of the Members. The Partnership Representative and the Designated Individual (if any) shall obtain the consent and approval of all of the Members for all actions taken as the

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

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

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

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

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

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

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

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

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

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

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

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

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

(x) Any additional information required by applicable Treasury Regulations.

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

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

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

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

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

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

(k) The provisions of this Section 9.05 shall survive the termination of the Company or the termination of any Member's interest in the Company and shall remain binding on the Members for the period of time necessary to resolve with the Internal Revenue Service or the United States Department of the Treasury any and all matters regarding the United States federal income taxation of the Company.

**ARTICLE X**  
**MISCELLANEOUS PROVISIONS**

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

10.02 Notices. Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required to be given to any Person, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such notice may be given in writing, by mail, addressed to the Company at its principal office from time to time and to any other Person at its address as it appears on the records of the Company from time to time, with postage thereon prepaid. Notice to a Person may also be given personally or by telegram or telecopy sent to its address as it appears on the records of the Company. The address of the Members as shown on the records of the Company shall originally be those set forth in Article III hereof. Any Person may change its address as shown on the records of the Company by delivering written notice to the Company in accordance with this Section.

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

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

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

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

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

10.08 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in

addition to any other rights the parties may have by law, statute, ordinance or otherwise.

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

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

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

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

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

10.14 Normandy Provisions. That certain Employment Agreement dated October 30, 2015, made by and among E. Solarz, Genesis Properties, Inc. (“Genesis”) and Genesis Investment Partners, LLC, as subsequently amended by that certain Addendum to Employment Agreement dated as of October 1, 2018 and that certain Second Addendum to Employment Agreement (as so amended, the “E. Solarz Employment Agreement”) sets forth additional provisions, incorporated herein by this reference, which govern the Membership Interest of Normandy II LLC (“Normandy”), including, without limitation Normandy’s share of distributions of the Company’s net cash flow or capital proceeds and distributions upon liquidation of the Company and the rights of Normandy with respect to its Membership Interest upon termination of E. Solarz’s employment with Genesis. The Normandy E. Solarz Employment Agreement provides that Normandy shall have no consent, approval or voting rights as a result of its Membership Interest in the Company and (ii) unless specifically set forth in writing, Normandy shall have no authority to act on behalf of the Company (the “Authority Restrictions”). The Members hereby

agree that so long as E. Solarz is a Manager of the Company, the Authority Restrictions will not apply. Transfers of Normandy's Membership Interest are subject to and must comply with the provisions of the E. Solarz Employment Agreement. The Members hereby agree that to the extent that the provisions of the E. Solarz Employment Agreement conflict with the provisions of this Operating Agreement, the provisions of the E. Solarz Employment Agreement shall govern Normandy's rights and obligations with respect to Normandy's Membership Interest.

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

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

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

**MEMBERS:**

THE MICHAEL C. HUNT FAMILY TRUST U/A/D  
NOVEMBER 25, 2019

DocuSigned by:  
*Jennifer S. Hunt*  
09BFC934DA2349C...

By: Jennifer S. Hunt  
Its: Trustee

*M. DeFretas*

Maury DeFretas

*[Signature]*  
Robert D. Hunt

*[Signature]*  
Laura H. Hopson

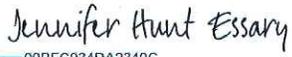
*Winnie Spaulding*  
Winnie Spaulding

Normandy II LLC,  
a Virginia limited liability company

By: *[Signature]*  
Edward K. Solarz, Manager

**MANAGERS:**

  
\_\_\_\_\_  
Edward K. Solarz

DocuSigned by:  
  
09BFC934DA2349C...  
\_\_\_\_\_  
Jennifer Hunt Essary

# DEVELOPMENT AGREEMENT

## Genesis Properties Development, LLC

**THIS DEVELOPMENT AGREEMENT** (this "**Agreement**") is made and entered into effective as of the 11th day of July, 2022, by and between VST South Gate LLC, a Virginia limited liability company (the "**Company**"), and Genesis Properties Development, LLC, a Virginia limited liability company (the "**Developer**").

### WITNESSETH:

WHEREAS, the Company has been formed for the purposes, inter alia, of acquiring, financing, owning, rehabilitating, developing, maintaining, improving, operating, leasing and selling or otherwise disposing of certain real property, improvements, furnishings, equipment and personal property to be known as South Gate Apartments located at 3430-3456 Maury Street, Richmond, Virginia 23224 (the "**Project**"), which Project is intended to be rehabilitated in a manner that will qualify for the low income tax credit (the "**Low Income Tax Credit**") described in Section 42 of the Code; and

WHEREAS, in order to effectuate the purposes for which it has been formed, the Company desires to engage the services of the Developer with respect to overseeing the development and rehabilitation of the buildings comprising the Project (collectively, the "**Buildings**") for the Company.

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

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

(a) The Developer shall oversee the development and rehabilitation of the Buildings (the "**Rehabilitation**") and shall perform the services and carry out the responsibilities with respect to the Rehabilitation as are set forth herein, and such additional duties and responsibilities as are reasonably within the general scope of such services and responsibilities and are designated from time to time by the Managing Member of the Company.

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

(i) negotiate and cause to be executed in the name and on behalf of the Company construction and permanent financing for the project.

- (ii) coordination and administration of the Project financing, legal representation, professionals, and consultants employed in connection with the Project financing.
- (iii) administration of any financing contracts on behalf of the Company;
- (iv) submission, coordination, and administration of the Low Income Housing Tax Credit application, approval, and administration.
- (v) negotiate and cause to be executed in the name and on behalf of the Company agreements for architectural, engineering, testing or consulting services for the Project, and any agreements for the Rehabilitation and any improvements to be constructed or installed by the Company or the furnishing of any supplies, materials, machinery or equipment therefor, or any amendments thereof, provided that no agreement shall be executed, nor binding commitment made, until the terms and conditions thereof and the party with whom the agreement is to be made have been approved by the Managing Member;
- (vi) establish and implement appropriate administrative and financial controls for the design and Rehabilitation, including but not limited to:
  - (vii) coordination and administration of the Project architect, the general contractor and other contractors, professionals and consultants employed in connection with the Rehabilitation;
  - (viii) administration of any construction contracts on behalf of the Company;
  - (ix) participation in conferences and the rendering of such advice and assistance as will aid in developing economical, efficient and desirable design and construction procedures;
  - (x) rendering of advice and recommendations as to the selection procedures for and selection of subcontractors and suppliers;
  - (xi) review and submission to the Managing Member for approval of all requests for payments under any architectural agreement, general contractor's agreement or any loan agreements with any lending institutions providing funds for the benefit of the Company for the design or construction of any improvements;
  - (xii) submission of any suggestions or requests for changes which could in any reasonable manner improve the design, efficiency or cost of the Rehabilitation;
  - (xiii) compliance with all terms and conditions applicable to the Company or the Rehabilitation contained in any governmental permit or approval required or obtained for the lawful rehabilitation of the Buildings, or in any insurance policy affecting or covering the Project, or in any surety bond obtained in connection with the Project;
  - (xiv) furnishing such consultation and advice relating to the Rehabilitation as may be reasonably requested from time to time by the Managing Member;

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

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

(xvii) inspecting the progress of the Rehabilitation, including verification of the materials and labor being furnished to and on such construction so as to be fully competent to approve or disapprove requests for payment made by the Project architect and the general contractor, or by any other parties with respect to the Rehabilitation, and in addition to verify that the same is being carried out substantially in accordance with the plans and specifications approved by the Managing Member or, in the event that the same is not being so carried out, to promptly so notify the Managing Member;

(xviii) if requested to do so by the Managing Member, perform on behalf of the Company all obligations of the Company with respect to the Rehabilitation contained in any loan agreement or security agreement entered into in connection with any construction financing for the Rehabilitation or in any agreement entered into with any governmental body or agency relating to the terms and conditions of such construction, provided that copies of such agreements have been provided by the Company to the Developer, or the Company has otherwise notified the Developer in writing of such obligations;

(xix) to the extent requested to do so by the Managing Member, prepare and distribute to the Managing Member a critical path schedule, and periodic updates thereto as necessary to reflect any material changes, but in any event not less frequently than quarterly, other design or construction cost estimates as required by the Managing Member, and financial accounting reports, including monthly progress reports on the quality, progress and cost of construction and recommendations as to the drawing of funds from any loans arranged by the Company to cover the cost of the Rehabilitation;

(xx) assist the Company in obtaining and maintaining insurance coverage for the Project, the Company and its employees during the Rehabilitation, which insurance shall include general public liability insurance covering claims for personal injury, including but not limited to bodily injury, or property damage, occurring in or upon the Project or the streets, passageways, curbs and vaults adjoining the Project;

(xxi) assemble and retain all contracts, agreements and other records and data as may be necessary to carry out the Developer's functions hereunder;

(xxii) coordinate and administer the design and construction of all interior improvements to be constructed or furnished with respect to the Rehabilitation;

(xxiii) use its best efforts to accomplish the timely completion of the Rehabilitation in accordance with the approved plans and specifications and the time schedules for such completion approved by the Managing Member;

(xxiv) at the direction of the Managing Member, implement any decisions of the Managing Member made in connection with the Rehabilitation or any policies and procedures relating thereto, exclusive of leasing activities; and

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

Section 2. ***Accounts and Records.*** The Developer, on behalf of the Company, shall keep such books of account and other records as may be required and approved by the Managing Member, including, but not limited to, records relating to the costs for which construction advances have been requested and/or received. The Developer shall keep vouchers, statements, receipted bills and invoices and all other records, in the form approved by the Managing Member, covering all collections, if any, disbursements and other data in connection with the Project prior to final completion of the Rehabilitation. All accounts and records relating to the Project, including all correspondence, shall be surrendered to the Company upon demand without charge therefor.

Section 3. ***Development Fee.*** In consideration of the performance by the Developer of the development and construction services described herein, the Company shall pay to the Developer a development fee and a development overhead fee (together, the "**Development Fee**") equal to \$1,702,929. The parties acknowledge that the Project is to be financed with tax-exempt bonds and is intended to meet the requirement of Section 42(h)(4)(B) of the Code that at least 50 percent of the costs of the Project (including land) be financed with the proceeds of such bonds. Accordingly, it may be necessary to reduce the Development Fee to offset cost overruns with respect to the Project or to the extent necessary to ensure that the Section 42(h)(4)(B) of the Code is satisfied.

A. **Accrual of Development Fee.** The Company, Managing Member and the Developer acknowledge that: (i) a portion of the Development Fee payable to the Developer (as determined below) shall be deemed to have been earned as of the closing date in the amount of \$425,732.25, a further amount shall be deemed to have been earned when the Project has been completed (the "**Development Fee**"), and with all of the Development Fee deemed earned upon completion of the Project and (ii) in all cases, the full amount of the Development Fee shall be paid to the extent that the Company has available funds; provided that all unpaid amounts of the Development Fee must be paid on or before October 1, 2034 (the "**Maturity Date**") regardless of whether the Company has available funds. The Managing Member agrees to make a loan to the Company in an amount sufficient to pay the Development Fee in the event that the Company does not have available funds to pay the Development Fee on the Maturity Date.

B. Payment. For development services to be performed under this Agreement, the Company shall pay the Developer the Development Fee as follows, subject to the terms of the Permanent Loan Documents (as defined in the First Amended and Restated Operating Agreement of the Company):

(a) 25% of the Developer Fee (initially, \$425,732.25 subject to adjustment as set forth above) from Capital Contributions and Loans to be paid on the due date of the Investor Member's First Installment of its Capital Contribution as set forth on Exhibit A-1 of the Operating Agreement;

(b) \$315,719 (the "Deferred Development Fee") from Cash Flow to the extent available for payment of such fee pursuant to Exhibit A-4 of the Operating Agreement or from capital proceeds under Section 8.02 of the Operating Agreement as follows:

(i) 0% of the aggregate amount to be paid under subsection (b) (initially, \$0 subject to adjustment as set forth above) on the due date of the Investor Member's Second Installment of its Capital Contribution;

(ii) 50% of the aggregate amount to be paid under subsection (b) (initially, \$851,464.50 subject to adjustment as set forth above) on the due date of the Investor Member's Third Installment of its Capital Contribution;

(iii) 10% of the aggregate amount to be paid under subsection (b) (initially, \$170,292.90 subject to adjustment as set forth above) on Investor Member's Fourth Installment of its Capital Contribution;

(iv) 15% of the aggregate amount to be paid under subsection (b) (initially, \$255,439.35 subject to adjustment as set forth above) on Investor Member's Fifth Installment of its Capital Contribution; and

(c) Any amount of the Development Fee, including the Deferred Development Fee, that has not been paid shall accrue interest at a rate of 7% per annum with such interest payments due on the respective payment date set forth in subsection (b) above, and shall be payable in full on or before October 1, 2034 shall be paid no later than such date.

(d) The Developer shall not be compensated for, and no portion of the Development Fee shall apply to, services in connection with the development of nonresidential improvements, the organization or syndication of the Company, obtaining an allocation of Credits or securing Project financing other than construction financing; it being the understanding between the parties hereto that all such listed activities are the exclusive responsibility of the Company, the Managing Member and/or consultants or others engaged by the Company.

**Section 4. *Termination of Duties and Responsibilities of Developer.***

Except as provided below, the Developer shall have no further duties or obligations hereunder after receipt of a final certificate of occupancy for the Building and completion of all

punch list items. The Developer's duties, responsibilities and rights hereunder shall not be terminated by the Company except for "cause" as finally determined by a court of competent jurisdiction. For purposes, hereof, "cause" shall mean fraud, dishonesty, reckless disregard for customary practices and intentional misconduct after at least 30 days prior notice and opportunity to cure.

Section 5. **Miscellaneous.** This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any of the parties hereto without the written consent of the other party, except that the Developer may assign its rights but not its duties under this Agreement.

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

(d) This Agreement and the rights and obligations of the parties hereto shall be governed and construed and enforced in accordance with the laws of the Commonwealth of Virginia.

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

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

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

(h) This Agreement and the obligations of the Developer hereunder are solely for the benefit of the Company and its Members and no benefits to third parties are intended.

(i) In the event any provision hereof is deemed to be unenforceable or against public policy, then such provision shall be deemed omitted from this Agreement and to the extent possible such provision shall be replaced with an enforceable provision which corresponds with the spirit of the omitted provision, and no other provision of this Agreement shall be affected by such omission or unenforceability.

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

(k) The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

Section 6. **Notice.** Any notice required to be given hereunder shall be in writing and mailed to all parties at the addresses set forth in the Company Agreement by certified mail, postage

prepaid, or hand delivered or sent by a recognized overnight courier, in each case, with receipt of delivery. Each party shall have the right to change its address for the receipt of notices, upon the giving of proper notice to all other parties hereto. Whenever a period of time is to be computed from the date of receipt of an item of certified mail, such period shall be computed from the fifth day following the date of mailing if delivery of the certified mail item is refused by the party to whom it was directed.

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

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

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

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

Section 10. ***Assignment of Existing Contracts.*** The Developer hereby conveys, assigns and delivers to the Company all of its right, title and interest in and to all contracts related to the Rehabilitation and the development, design, construction, leasing, management or operation of the Project entered into by the Developer for the benefit of the Company.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

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

COMPANY:

VST South Gate LLC, a Virginia limited liability company

By: VST South Gate Managing Member LLC, a Virginia limited liability company, its Managing Member

By: Edward K Solarz  
Edward K. Solarz, Co-Manager

DEVELOPER:

VST Genesis Properties Development LLC, a Virginia limited liability company

By: Edward K Solarz  
Edward K. Solarz, Co-Manager

# **Tab B:**

Virginia State Corporation Commission Certification  
(MANDATORY)

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

Richmond, January 6, 2022

This is to certify that the certificate of organization of

### **VST South Gate LLC**

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

Effective date: January 6, 2022



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

# **Tab C:**

Principal's Previous Participation Certification  
(MANDATORY)



## Previous Participation Certification Instructions

### General Instructions:

The following certification:

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

### Definitions:

*Development* - the proposed multifamily rental housing development

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

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

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

## Instructions, cont'd

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

Please follow guidelines below for listing principals.

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

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

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



## Previous Participation Certification

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

Name of Applicant (entity): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that:

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

**Previous Participation Certification, cont'd**

- 9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
- 10. None of the participants is a Virginia Housing employee or a member of the immediate household of any of its employees.
- 11. None of the participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
- 12. None of the participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
- 13. None of the participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the participant was a principal in such property. This does not refer to corrected 8823's.
- 14. None of the participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
- 15. None of the participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion, I have attached a true and accurate statement to explain the relevant facts and circumstances.

Failure to disclose information about properties which have been found to be out of compliance or any material misrepresentations are grounds for rejection of an application and prohibition against future applications.



\_\_\_\_\_  
Signature

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

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

# **Tab D:**

List of LIHTC Developments (Schedule A)  
(MANDATORY)

# List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments  
 Name of Applicant: VST Swansboro LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

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

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

Previous Participation Certification continued

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



Development Name: Holly Springs Apartments  
 Name of Applicant: VST Holly Springs LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Robert D. Hunt Controlling GP (CGP) or 'Named' Managing Member of Proposed Development: No 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	SouthGate Apartments, Richmond VA	South Gate Apartments, LLC, 804-230-1220	N	112	112	2006	2006	N
3	Jefferson Townhouses, Richmond VA	Jefferson Townhouses, LLC, 804-230-1220	N	218	218	2008	2008	N
5	Hatcher Tobacco Flats, Richmond VA	Hatcher Tobacco Genesis LLC, 804-230-1220	N	152	152	2015	2015	N
6	Bellevue Apartments, Richmond VA	Code Genesis Bellevue LLC, 804-230-1220	N	143	143	2018-2019	2019	N
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39 \* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6

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LIHTC as % of Total Units 100% v.01.01.19

Previous Participation Certification continued

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

# List of LIHTC Developments (Schedule A)



Development Name: Swansboro Apartments  
 Name of Applicant: VST Swansboro LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

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

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



Development Name: Swansboro Apartments  
 Name of Applicant: VST Swansboro LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Laura H. Hopson Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N Y or N

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

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



Development Name: Swansboro Apartments  
 Name of Applicant: VST Swansboro LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Jennifer S. Hunt Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N Y or N

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

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



Development Name: Swansboro Apartments  
 Name of Applicant: VST Swansboro LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Edward K. Solarz

Controlling GP (CGP) or 'Named' Manaaina Member of Proposed Y  
 Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Bellevue Apartments, Richmond, VA	Code Genesis Bellevue LLC, 804-230-1220	N	143	143	2018-2019	2019	N
3	Ivy Farms Apartments, Newport News, VA	Adams Drive LLC, 804-230-1	Y	168	168	TBD	TBD	N
5	Holly Springs, Richmond, VA	VST Holly Springs LLC, 804-23	Y	121	121	TBD	TBD	N
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39 \* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6

1st PAGE TOTAL: 432 432 LIHTC as % of Total Units 100% v.01.01.19

Previous Participation Certification continued

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

# **Tab E:**

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

**Property:** 3448 1/2 Maury St **Parcel ID:** S0071164002B

**Parcel**

**Street Address:** 3448 1/2 Maury St Richmond, VA 23224-  
**Alternate Street Addresses:** 3432 Maury St  
: 3434 Maury St  
: 3438 Maury St  
: 3436 Maury St  
: 3442 Maury St  
: 3446 Maury St  
: 3430 Maury St  
: 3452 Maury St  
: 3456 Maury St  
: 3450 Maury St  
: 3444 Maury St  
: 3454 Maury St  
: 3440 Maury St  
: 3448 Maury St

**Owner:** SOUTH GATE APARTMENTS LLC  
**Mailing Address:** 101 W COMMERCE RD FL 2, RICHMOND, VA 23224  
**Subdivision Name :** NONE  
**Parent Parcel ID:** S0071164002  
**Assessment Area:** 501 - MF West  
**Property Class:** 325 - R Apartments 100+ Units  
**Zoning District:** R-48 - Residential (Multi-Family)  
**Exemption Code:** -  
**Unit Count:** 112

**Current Assessment**

**Effective Date:** 01/01/2022  
**Land Value:** \$1,680,000  
**Improvement Value:** \$5,150,000  
**Total Value:** \$6,830,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 187810.75  
**Acreage:** 4.312  
**Property Description 1:** SOUTHGATE COURT APTS  
**Property Description 2:** 0380.02X0661.90 IRG0000.000  
**State Plane Coords( ?):** X= 11783794.791795 Y= 3707910.846369  
**Latitude:** 37.50145837 , **Longitude:** -77.46263384

**Description**

**Land Type:** Primary Commercial/Indust Land  
**Topology:**  
**Front Size:** 380  
**Rear Size:** 661  
**Parcel Square Feet:** 187810.75  
**Acreage:** 4.312  
**Property Description 1:** SOUTHGATE COURT APTS  
**Property Description 2:** 0380.02X0661.90 IRG0000.000  
**Subdivision Name :** NONE  
**State Plane Coords( ?):** X= 11783794.791795 Y= 3707910.846369  
**Latitude:** 37.50145837 , **Longitude:** -77.46263384

**Other**

**Street improvement:**  
**Sidewalk:**

**Assessments**

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2022	\$1,680,000	\$5,150,000	\$6,830,000	Reassessment
2021	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2020	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2019	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2018	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2017	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2016	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2015	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2014	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2013	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2012	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2011	\$475,000	\$4,250,000	\$4,725,000	CarryOver
2010	\$475,000	\$4,250,000	\$4,725,000	Reassessment
2009	\$470,500	\$4,211,000	\$4,681,500	Reassessment

**Transfers**

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
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**Planning**

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

**Economic Development**

**Care Area:** -  
**Enterprise Zone:**

**Environment**

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

**Census**

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

**Schools**

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

**Public Safety**

**Police Precinct:** 2  
**Police Sector:** 211  
**Fire District:** 17  
**Dispatch Zone:** 153A

**Public Works Schedules**

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

**Government Districts**

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

**Extension 1 Details**

**Extension Name:** C01 - R#204551 SouthGate Apartments  
**Year Built:** 1975  
**Stories:** 2  
**Units:** 112  
**Number Of Rooms:** 0  
**Number Of Bed Rooms:** 0  
**Number Of Full Baths:** 0  
**Number Of Half Baths:** 0  
**Condition:** good for age  
**Foundation Type:**  
**1st Predominant Exterior:**  
**2nd Predominant Exterior:** N/A  
**Roof Style:** 1  
**Roof Material:**  
**Interior Wall:**  
**Floor Finish:**  
**Heating Type:** 88580 sf  
**Central Air:** N  
**Basement Garage Car #:** 0  
**Fireplace:** N  
**Building Description (Out Building and  
Yard Items) :**

**Extension 1 Dimensions**

**Finished Living Area:** 88580 Sqft  
**Attic:** 0 Sqft  
**Finished Attic:** 0 Sqft  
**Basement:** 0 Sqft  
**Finished Basement:** 0 Sqft  
**Attached Garage:** 0 Sqft  
**Detached Garage:** 0 Sqft  
**Attached Carport:** 0 Sqft  
**Enclosed Porch:** 0 Sqft  
**Open Porch:** 0 Sqft  
**Deck:** 0 Sqft

**Property Images**

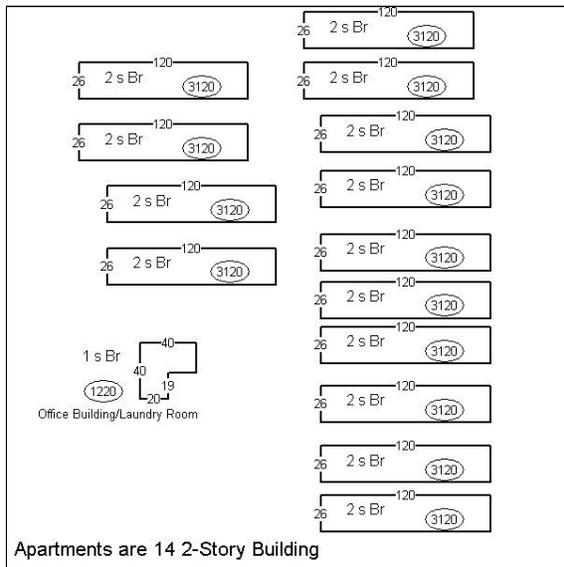
Name:S0071164002B Desc:C01



[Click here for Larger Image](#)

**Sketch Images**

Name:S0071164002B Desc:C01



## REAL ESTATE PURCHASE AGREEMENT

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

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

Real Property: that certain 2.205 acre parcel of land and all improvements thereon known as 3448 ½ Maury St, Richmond, VA 23224 and designated as parcel number S0071164002B in the City of Richmond, Virginia Real Estate Assessor's Parcel Mapper database (hereinafter, "**Property**").

2. **Purchase Price:** Seven Million Dollars (\$7,000,000), which will be paid by Purchaser in cash or immediately available funds at Closing (hereafter defined).
3. **Initial Deposit.** An initial fully refundable earnest money deposit (the "Initial Deposit") of Ten Thousand Dollars (\$10,000.00) shall be paid by Purchaser within 5 business days of the execution of the Agreement by the parties. The Initial Deposit shall be placed in escrow with Old Republic National Title Company until Closing, at which time it shall be credited to Purchaser's Purchase Price. Purchaser shall have the option to terminate the Agreement with written notice to Seller for any reason whatsoever on or before the end of the Feasibility Period (defined below) if, in its sole discretion, the Property does not meet Purchaser's requirements, in which event the Initial Deposit shall be returned to Purchaser. Upon the expiration of the Feasibility Period, Purchaser will apply an additional Ten Thousand Dollar deposit (\$10,000), which together with the Initial Deposit totals a deposit of Twenty Thousand Dollars (\$20,000), (hereafter, the "Deposit").
4. **Feasibility Period.** Purchaser shall have a period of sixty (60) days after the full execution of the Agreement to perform investigations with respect to the Property and Documents as Purchaser may deem necessary in order to determine whether the Property is suitable for Purchaser's intended use thereof (the "Feasibility Period"). Purchaser shall have the option to terminate the Agreement with written notice to Seller for any reason whatsoever on or before the end of the Feasibility Period if, in its sole discretion, the Property does not meet Purchaser's requirements, in which event the Initial Deposit shall be returned to Purchaser as stipulated herein. Seller agrees to cooperate and allow Purchaser and Purchaser's agents, employees, engineers, contractors, invitees and/or designees (collectively, "Purchaser's Agents"), at Purchaser's sole cost and expense, with reasonable access to the Property during normal business hours for the purpose of conducting such soil borings, soil analyses, engineering tests and studies, wetland studies, environmental tests and studies, topographic tests and/or investigations with respect to the Property as Purchaser may deem necessary in order to determine whether the Property is suitable for Purchaser's intended use thereof. Purchaser shall be responsible for all damage caused to the Property by its examinations and shall restore

the Property to its original condition. Purchaser shall indemnify, defend, and hold

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

5. **Closing.** Provided this Agreement has not been terminated as allowed and provided herein, Closing under the Agreement shall be the later of December 31st, 2022, or a date sooner that is mutually agreed upon by the Purchase and the Seller.

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

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

6. **Title.** Seller will deliver to Purchaser at Closing a duly executed and acknowledged Deed of Bargain and Sale, with General Warranty, subject to any and all recorded easements, covenants, reservations, restrictions and/or agreements lawfully affecting the Property and such other documents as are reasonable and necessary to transfer the subject premises to Purchaser. Purchaser shall examine title within 45 days of the expiration of the Feasibility Period and shall notify the Seller in writing of the existence of any defects adversely affecting the marketability of the Property within 60 days of the expiration of the Feasibility Period. (the "written notice"). Seller shall have the option to correct any such reported title defects. If Seller is unable or unwilling to correct such defects within 45 days of the written notice, Purchaser may terminate this Agreement by providing written notice of termination within 10 days after the date of delivery of the original written notice, and upon such termination the Deposit shall be refunded to the Purchaser.
7. **Purchaser's Conditions Precedent to Closing.** Sellers Representations, Warranties and Covenants set forth in this Agreement shall be true as of Closing and title to the Property shall be free of liens and encumbrances except for those recorded liens and encumbrances of record not objected to or accepted or waived pursuant to Paragraph 6, and Seller is not in default of any material terms in this Agreement (the "**Purchaser's Conditions Precedent to Closing**"). Purchaser shall have the right to examine the documents referred to in Section

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

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

SELLER: South Gate Apartments LLC  
101 West Commerce Road, 2<sup>nd</sup> Floor  
Richmond, VA 23224

PURCHASER: VST South Gate LLC  
Attention: Ed Solarz  
101 West Commerce Road, 2<sup>nd</sup> Floor  
Richmond, VA 23224

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

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

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

**14. Purchaser's Representations, Warranties and Covenants.**

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

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

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

WITNESS the following signatures:

SELLER:

South Gate  
Apartments LLC  
a Virginia Limited Liability Company



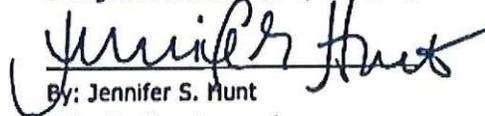
By: Jennifer S. Hunt

Title: Executor of the Estate of Michael C.  
Hunt

Date: 8/18/2020

PURCHASER:

VST South Gate LLC  
a Virginia Limited Liability Company



By: Jennifer S. Hunt

Title: Co-Manager

Date: 8/18/2020



By: Edward K. Solarz

Title: Manager

# **Tab F:**

RESNET Rater Certification (MANDATORY)



Appendix F  
RESNET Rater Certification of Development Plans

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP). In the event the plans and specifications do not include requirements to meet the QAP baseline energy performance, then those requirements still must be met, even though the application is accepted for credits.

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

**In addition provide HERS rating documentation as specified in the manual**

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

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

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

**Additional Optional Certifications**

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

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

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

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

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

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

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

Date: 7/8/22

Printed Name: Stacey Smith

RESNET Rater

Resnet Provider Agency  
Viridiant

Signature   
\_\_\_\_\_

Provider Contact and Phone/Email

Sean Evensen-Shanley (804)212-1934 /sean.shanley@viridiant.org

# **Tab G:**

Zoning Certification Letter (MANDATORY)



**CITY OF RICHMOND**  
 DEPARTMENT OF  
 PLANNING AND DEVELOPMENT REVIEW  
 ZONING ADMINISTRATION

# Zoning Certification

**DATE:** March 25, 2022

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

**RE:**

ZONING CERTIFICATION

South Gate Apartments

Name of Development:

VST South Gate LLC

Name of Owner/Applicant:

South Gate Apartments LLC

Name of Seller/Current Owner:

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

**DEVELOPMENT DESCRIPTION:**

Development Address:

3430-3456 Maury Street (TAX MAP S007-1164/002B)

Richmond, VA 23224

Legal Description:

Please see attached.

Proposed Improvements:

<input type="checkbox"/> New Construction:	___	# Units	___	# Buildings	___	Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	___	# Units	___	# Buildings	___	Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Rehabilitation:	112	# Units	14	# Buildings	85,68 2	Total Floor Area Sq. Ft.

## Zoning Certification, cont'd

Current Zoning: R-48 - Residential (Multi-Family) allowing a density of 19.8 units per acre, and the following other applicable conditions:

Provision of 111-Parking Spaces

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Other Descriptive Information:

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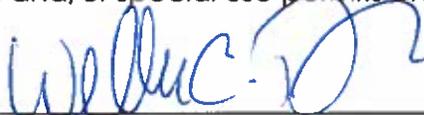
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### LOCAL CERTIFICATION:

Check one of the following as appropriate:

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



---

Signature

William C. Davidson

---

Printed Name

Zoning Administrator

---

Title of Local Official or Civil Engineer

(804) 646-6353

---

Phone:

March 25, 2022

---

Date:

### NOTES TO LOCALITY:

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

Legal Description:

ALL that certain property, together with all improvements thereon and appurtenances thereto lying and being in the City of Richmond, Virginia, known to the City Tax Assessor as 3430-3456 Maury Street, and being more particularly described as follows:

BEGINNING at a rod on the south line of Maury Street, which rod is 650 feet west of the southwest intersection of Maury Street and Holly Spring Avenue; thence S. 34 degrees 12' 15" E. 150 feet to a rod; thence N. 43 degrees 47' 45" E. 50 feet to a rod in the west line of a 20 foot alley; thence along said alley S. 34 degrees 12' 15" E. 510 feet to a rod; thence S. 43 degrees 50' 30" W. 146.19 feet to a rod in the line of the Atlantic Coast Line Railroad right of way; thence along said Atlantic Coast Line Railroad right of way N. 59 degrees 00' 00" W. 661.90 feet to a rod; thence N. 43 degrees 47' 47" E. 380.02 feet (257.75 feet being along the present south line of Maury Street), to the point of beginning.

BEING the same real estate conveyed to South Gate Apartments, LLC, by deed from Lenox IV Properties, LLC, dated September 27, 2004, recorded September 29, 2004, in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument Number 040032608.

# **Tab H:**

Attorney's Opinion (MANDATORY)

# MGLAW

MeyerGoergen PC

1802 Bayberry Court, Suite 200  
Richmond, VA 23226  
TEL 804.288.3600 - FAX 804.565.1231  
www.mg-law.com

July 13, 2022

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

Re: 2022 Tax Credit Reservation Request

Name of Development: South Gate Apartments  
Name of Owner: VST South Gate LLC

Ladies and Gentlemen:

This firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated July 13, 2022 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.
5. It is more likely than not that the representations made in the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

**2022- Tax-Exempt**

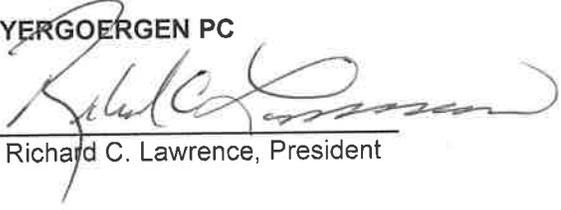
6. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code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

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

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

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

**MEYERGOERGEN PC**

By: 

Richard C. Lawrence, President

# 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)

Tab I- N/A

# **Tab J:**

Relocation Plan and Unit Delivery Schedule  
(MANDATORY-Rehab)



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

## **South Gate Apartments Tenant Relocation Plan**

**September 1, 2022**

Dear Resident,

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

### 1. Management Company Contact Information

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

### 2. Scope of Work:

- a. The construction at South Gate Apartments is planned to start on **December 1, 2022** and be completed in **June 2024**. The new owner is purchasing the property and has planned significant upgrades using the Virginia 4% Low-Income Housing Tax Credit in conjunction with Tax-Exempt Bonds issued by RRHA. The funds will be used to renovate the existing complex by upgrading individual units and addressing any and all structural and civil deficiencies. The owner has commissioned Johannes Design Group based in Richmond, VA, as the project architect. The project will be completed in phases to minimize the impact on the residents. Below is an overview of the work that is going to be completed.

### General:

- a. New minimum 25-year shingle roofs throughout
- b. New seamless roof and gutters throughout
- c. Repair existing siding as needed

- d. Repoint existing brick as needed
- e. Repair or replace existing exterior doors as needed

In Each Unit:

- a. New door frame, lockset, weather stripping and door with peephole
- b. New hardware, blinds, door stops, light fixtures, switches, and outlets throughout
- c. New LVT floors as needed
- d. Repair and repaint all walls and ceilings as needed
- e. New washer and dryer hookup location
- f. New washer and dryer pan in closet
- g. Refinish and repair kitchen cabinets
- h. New kitchen countertops
- i. New sheet vinyl flooring in kitchen and bathroom as needed
- j. New stair handrail as needed
- k. Replace existing carpet with LVT as needed
- l. Remove panic buttons and phone jacks throughout
- m. New bathroom vanity, mirror, and medicine cabinet
- n. New tub surround, patch tub floor as needed
- o. New wire shelf and rod throughout closets

3. Impact on Occupied units:

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

4. Projected Rent schedule post-renovation

- a. 1 BR: \$ 749 (50% AMI)
- b. 2 BR: \$ 890 (50% AMI)
- c. 3 BR: \$ 1,021 and 1,255 (50% AMI and 60% AMI)
- d. Note: all units will require income verification for tenants to make less than or equal to the units' designated percentage of Richmond VA MSA AMI.

5. Advisory services

- a. Please see property management for any questions or concerns about the renovation. The property management team will work with you as best as possible to ensure a smooth transition. Any and all documentation related to tenant relocation will be kept in each tenant's file. Genesis Properties will offer tenant advisory services to any

tenant who may need assistance throughout the process. Examples of advisory services include:

- i. Providing referrals for tenants to replacement properties.
- ii. Relocating tenants to other properties managed by Genesis Properties.
- iii. Provide appropriate counseling for tenants who are unable to read and understand the notices.
- iv. Provide contact information for questions and access to phone if needed to make contact.

6. Estimated reimbursements per unit, per month:

- a. Rental voucher of \$815
- b. Moving Reimbursement of \$250.00

7. Construction Schedule / Phasing

- a. The project is going to be completed in phases over a two-year period. Each phase will consist of 32-40 units and take 115 days to complete. Due to the expansive scope of work, the units will have to be vacated by the tenant. Current residents will need to relocate during the construction.

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

ID	Phase	Number of Units	Duration	Start	Finish
1	Mobilization		1 day	12/1/2022	12/2/2022
2	Phase 1- Buildings 3430-3438	40	115 days	12/5/2022	5/22/2023
3	Unit Turnover		10 days	5/23/2023	6/7/2023
4	Phase 2- Buildings 3440-3448	40	115 days	6/8/2023	11/28/2023
5	Unit Turnover		10 days	11/29/2023	12/13/2023
6	Phase 3- Buildings 3450-3456 & Fitness Room	32	115 days	12/14/2023	5/30/2024
7	Unit Turnover		10 days	5/31/2024	6/14/2024

# Tab K:

Documentation of Development Location:

# **Tab K.1**

Revitalization Area Certification

# Tab K.1

## Revitalization Area Certification Information



## Revitalization Area

### General Instructions

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

### Designation

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

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

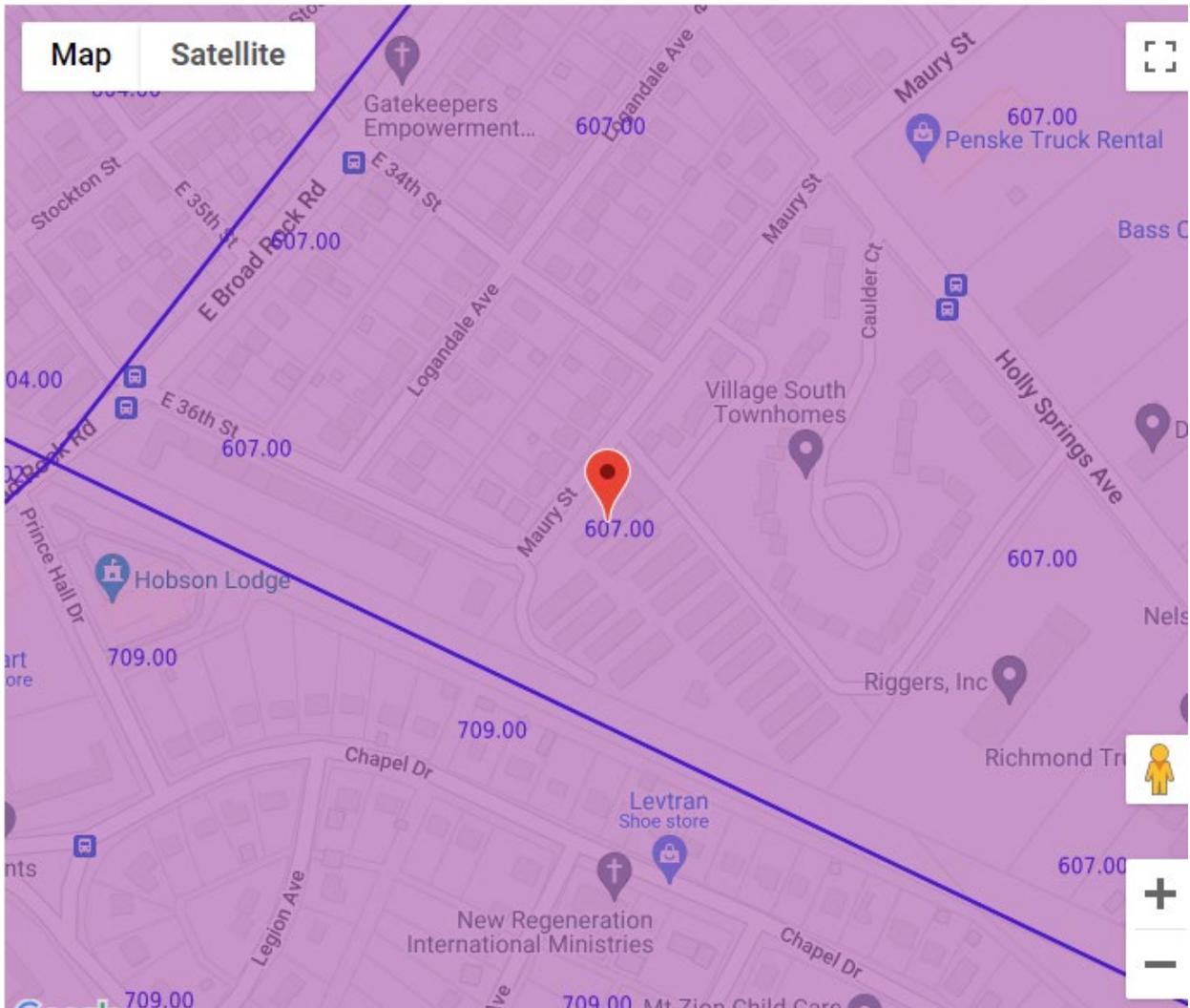
*The above-referenced development is located in a Revitalization Area in the Town/City/County of \_\_\_\_\_, Virginia. The revitalization area is (i) **either** (1) blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other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

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

# Tab K.2

Location Map

From [https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html)



From <https://www.huduser.gov/portal/Datasets/gct/QCT2022M.PDF>

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

**METROPOLITAN AREA: Reading, PA MSA**

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

**METROPOLITAN AREA: Redding, CA MSA**

COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT								
Shasta County	101.00	102.00	107.04	109.00	112.09	120.00	121.02	122.00	125.00				

**METROPOLITAN AREA: Reno, NV MSA**

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

**METROPOLITAN AREA: Richmond, VA MSA**

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

**METROPOLITAN AREA: Riverside-San Bernardino-Ontario, CA MSA**

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

**METROPOLITAN AREA: Roanoke, VA MSA**

COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Franklin County	202.00												
Roanoke city	1.00	5.00	9.00	10.00	12.00	24.00	25.00	26.00					

# **Tab K.3**

Surveyor's Certification of Proximity To Public  
Transportation



201 Twinridge Lane  
North Chesterfield, Virginia 23235  
801-320-2646 Office



### Surveyor's Certification of Proximity to Transportation

DATE: 04/12/2022

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

RE: 2018 Tax Credit Reservation Request  
Name of Development: South Gate Apartments  
Name of Owner: VST South Gate LLC

Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- 2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.

McKnight & Associates P.C.

Firm Name

By:

Its: President

Title

# Tab L:

PHA / Section 8 Notification Letter

# Tab L.

## PHA/Section 8 Notification Letter



## PHA or Section 8 Notification Letter

Development Name: South Gate Apartments

Tracking #: 2022-TEB-98

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

### General Instructions

1. Because of conflicting program requirements regarding waiting list procedures, this letter is not applicable to those developments that have project based Section 8 or project based vouchers.
2. This PHA or Section 8 Notification letter must be included with the application.
3. 'Development Address' should correspond to I.A.2 on page 1 of the Application.
4. 'Proposed Improvements' should correspond with I.B & D and III.A of the Application.
5. 'Proposed Rents' should correspond with VII.C of the Application.
6. 'Other Descriptive Information' should correspond with information in the application.

**NOTE:** Any change to this form letter may result in a reduction of points under the scoring system.

# PHA or Section 8 Notification Letter

**DATE:** June 29, 2022

**TO:** Sheila Hill-Christian  
Interim Chief Executive Officer

RRHA

**RE:** PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: South Gate Apartments

Name of Owner: VST South Gate LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from the Virginia Housing Development Authority (VHDA). We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on June 1, 2023 (date).

The following is a brief description of the proposed development:

Development Address:

3430-3456 Maury Street

Richmond, VA 23224

Proposed Improvements:

<input type="checkbox"/> New Constr.:	_____ # units	_____ # Bldgs
<input type="checkbox"/> Adaptive Reuse:	_____ # units	_____ # Bldgs
<input checked="" type="checkbox"/> Rehabilitation:	112 # units	14 # Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ _____ / month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ 836 / month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ 997 / month
<input checked="" type="checkbox"/> 3 Bedroom Units:	\$ 1021-1255 / month
<input type="checkbox"/> 4 Bedroom Units:	\$ _____ / month

Other Descriptive Information:

South Gate Apartments is a 112-unit apartment community comprised of 14 townhome buildings. The community features 16 one-bedroom, 80 two-bedroom, and 16 three-bedroom units, with 89% of units dedicated to residents whose incomes are at 50% or less of the area median income. Renovation plans for the property

# PHA or Section 8 Notification Letter

include replacing HVAC, installing washer/dryer hookups in each unit, cleaning and repairing exteriors, new insulation, new 25-year roof shingles, new luxury vinyl tile floors, new kitchen countertops, refinished or refinished cabinetry, new appliances, new bathroom fixtures and tub surround

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (804) 977-0765.

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

Sincerely yours,



Jessica Stevenson

Name

Development Analyst

Title

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

Seen and Acknowledged By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

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

Jessica Stevenson  
Genesis Properties  
101 W. Commerce Rd.  
Richmond, VA 23224

CERTIFIED MAIL



7000 0520 0022 7838 6235

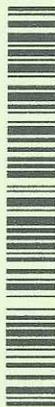
c/o Sheila Hill-Christian  
Richmond Redevelopment & Housing Authority  
901 Chamberlayne Pky.  
Richmond, VA 23220

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RRHA  
c/o Sheila Hill-Christian  
901 Chamberlayne Pkwy  
Richmond, VA 23220



9590 9402 5284 9154 1968 53

2. Article Number (Transfer from service label)

7000 6520 0022 7838 (9590)

PS Form 3811, July 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

**3. Service Type**

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

# **Tab M:**

Locality CEO Response Letter

# City of Richmond



CHIEF ADMINISTRATIVE OFFICE

"SIC ITUR AD ASTRA"  
SUCH IS THE WAY TO THE STARS

November 22, 2019

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

VHDA Tracking Number: TBD  
Name of Development: Village South Apartments  
Name of Owner/Applicant: Village South Genesis LLC

The construction or rehabilitation of Village South Apartments and the allocation of federal housing tax credits available under IRC Section 42 for that development will help meet the housing needs and priorities of the City of Richmond. Accordingly, the City of Richmond supports the allocation of federal housing tax credits requested by Village South Genesis LLC for that development.

Sincerely,

Lenora G. Reid  
Acting Chief Administrative Officer

2019

# **Tab N:**

Homeownership Plan

Tab N- N/A

# **Tab O:**

Plan of Development Certification Letter

Tab 0- N/A

# Tab P:

Developer Experience documentation and Partnership agreements

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

**A** Address of building (do not use P.O. box) (see instructions)  
3925 Chamberlayne Avenue  
Richmond, VA 23227

**B** Name and address of housing credit agency  
Virginia Housing Development Authority  
601 S. Belvidere Street  
Richmond, VA 23220

**C** Name, address, and TIN of building owner receiving allocation  
Code Genesis Bellevue LLC  
101 West Commerce Road  
Richmond, VA 23224

**D** Employer identification number of agency  
54-0921892

**E** Building identification number (BIN)  
VA1632012

TIN ▶ 81-2317952

<b>1a</b> Date of allocation ▶	<b>b</b> Maximum housing credit dollar amount allowable	<b>1b</b>	<b>\$3,908</b>
<b>2</b> Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	<b>3.23 %</b>
<b>3a</b> Maximum qualified basis		<b>3a</b>	<b>\$120,991</b>
<b>b</b> Check here <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)		<b>3b</b>	<b>1 %</b>
<b>4</b> Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	<b>69.87 %</b>
<b>5</b> Date building placed in service	▶ 1/1/2019		
<b>6</b> Check the boxes that describe the allocation for the building (check those that apply):			
<b>a</b> <input type="checkbox"/> Newly constructed and federally subsidized		<b>b</b> <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized	
<b>d</b> <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized		<b>e</b> <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized	
<b>f</b> <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

*John D. Bondurant*
▶ **John D. Bondurant, Authorized Officer**
▶ 10.18.19  
Signature of authorized official Name (please type or print) Date

### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

<b>7</b> Eligible basis of building (see instructions)	<b>7</b>	<b>120,991</b>
<b>8a</b> Original qualified basis of the building at close of first year of credit period	<b>8a</b>	<b>120,991</b>
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>10</b> Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
<b>a</b> Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes	
<b>c</b> Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature
▶ Taxpayer identification number
▶ Date  
Name (please type or print)
▶ First year of the credit period

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

**A** Address of building (do not use P.O. box) (see instructions)  
3917 Chamberlayne Avenue  
Richmond, VA 23227

**B** Name and address of housing credit agency  
Virginia Housing Development Authority  
601 S. Belvidere Street  
Richmond, VA 23220

**C** Name, address, and TIN of building owner receiving allocation  
Code Genesis Bellevue LLC  
101 West Commerce Road  
Richmond, VA 23224

**D** Employer identification number of agency  
54-0921892

**E** Building identification number (BIN)  
VA1632011

TIN ▶ 81-2317952

<b>1a</b> Date of allocation ▶ .....	<b>b</b> Maximum housing credit dollar amount allowable . . . . .	<b>1b</b>	\$11,725
<b>2</b> Maximum applicable credit percentage allowable (see instructions) . . . . .		<b>2</b>	3.23 %
<b>3a</b> Maximum qualified basis . . . . .		<b>3a</b>	\$363,003
<b>b</b> Check here ▶ <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions) . . . . .		<b>3b</b>	1 ____ %
<b>4</b> Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.) . . . . .		<b>4</b>	69.87 %
<b>5</b> Date building placed in service . . . . . ▶ 1/1/2019			
<b>6</b> Check the boxes that describe the allocation for the building (check those that apply):			
<b>a</b> <input type="checkbox"/> Newly constructed and federally subsidized <b>b</b> <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized <b>c</b> <input type="checkbox"/> Existing building			
<b>d</b> <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized <b>e</b> <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized			
<b>f</b> <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official: John D. Bondurant Name (please type or print): John D. Bondurant, Authorized Officer Date: 10/18/19

### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

<b>7</b> Eligible basis of building (see instructions) . . . . .	<b>7</b>	363,003
<b>8a</b> Original qualified basis of the building at close of first year of credit period . . . . .	<b>8a</b>	363,003
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? . . . . .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>10</b> Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
<b>a</b> Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5)) . . . . . ▶	<input type="checkbox"/> Yes	
<b>c</b> Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) . . . . .	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature: \_\_\_\_\_ Taxpayer Identification number: \_\_\_\_\_ Date: \_\_\_\_\_  
Name (please type or print): \_\_\_\_\_ First year of the credit period: \_\_\_\_\_

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

**Part I Allocation of Credit**

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 3911 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency 54-0921892  <b>E</b> Building identification number (BIN) VA1632009

1a Date of allocation ▶ .....	b Maximum housing credit dollar amount allowable . . .	<b>1b</b>	\$23,450
2 Maximum applicable credit percentage allowable (see instructions) . . . . .		<b>2</b>	3.23 %
3a Maximum qualified basis . . . . .		<b>3a</b>	\$726,006
b Check here ▶ <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions) . . . . .		<b>3b</b>	1 %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.) . . . . .		<b>4</b>	69.87 %
5 Date building placed in service . . . . . ▶ 2/1/2019			
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized b <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized c <input type="checkbox"/> Existing building			
d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized			
f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

**Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only**

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official	John D. Bondurant, Authorized Officer Name (please type or print)	10.18.19 Date
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**Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period**

7 Eligible basis of building (see instructions) . . . . .	<b>7</b>	726,006
8a Original qualified basis of the building at close of first year of credit period . . . . .	<b>8a</b>	726,006
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? . . . ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10 Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5)) . . . . . ▶	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) . . . . .	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	

NOV 19 2019

# Low-Income Housing Credit Allocation and Certification

► Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

OMB No. 1545-0988

## Part I Allocation of Credit

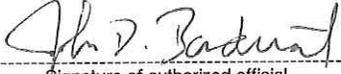
Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 3905 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ► 81-2317952	<b>D</b> Employer identification number of agency 54-0921892
	<b>E</b> Building identification number (BIN) VA1632005

<b>1a</b> Date of allocation ►	<b>b</b> Maximum housing credit dollar amount allowable	<b>1b</b>	\$11,725
<b>2</b> Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
<b>3a</b> Maximum qualified basis		<b>3a</b>	\$363,003
<b>b</b> Check here ► <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)		<b>3b</b>	1 ____ %
<b>4</b> Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-)		<b>4</b>	69.87 %
<b>5</b> Date building placed in service	► 3/1/2019		
<b>6</b> Check the boxes that describe the allocation for the building (check those that apply):			
<b>a</b> <input type="checkbox"/> Newly constructed and federally subsidized	<b>b</b> <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized	<b>c</b> <input type="checkbox"/> Existing building	
<b>d</b> <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized	<b>e</b> <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized		
<b>f</b> <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

## Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.


 Signature of authorized official
 
 John D. Bondurant, Authorized Officer  
 Name (please type or print)
 

 10.18.19  
 Date

## Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

<b>7</b> Eligible basis of building (see instructions)	<b>7</b>	363,003
<b>8a</b> Original qualified basis of the building at close of first year of credit period	<b>8a</b>	363,003
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>10</b> Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
<b>a</b> Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes	
<b>c</b> Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature \_\_\_\_\_ Taxpayer identification number \_\_\_\_\_ Date \_\_\_\_\_  
 Name (please type or print) \_\_\_\_\_ First year of the credit period \_\_\_\_\_

This project was a multiple building project.

Address	Address	BIN	Maximum Qualified Basis	Placed in Service Date
4226 Old Brook Road	Richmond, VA 23227	VA1632006	\$ 726,006.00	1/1/2018
4218 Old Brook Road	Richmond, VA 23227	VA1632007	\$ 726,006.00	1/1/2018
4210 Old Brook Road	Richmond, VA 23227	VA1632001	\$ 726,006.00	1/1/2018
4209 Chamberlayne Ave	Richmond, VA 23227	VA1632003	\$ 302,446.00	2/1/2018
4213 Chamberlayne Ave	Richmond, VA 23227	VA1632010	\$ 363,003.00	2/1/2018
4228 Old Brook Road	Richmond, VA 23227	VA1632004	\$ 666,594.00	3/1/2018
4201 Chamberlayne Ave	Richmond, VA 23227	VA1632008	\$ 726,006.00	4/1/2018
3943 Chamberlayne Ave	Richmond, VA 23227	VA1632016	\$ 483,994.00	6/1/2018
4203 Chamberlayne Ave	Richmond, VA 23227	VA1632002	\$ 483,994.00	6/1/2018
3937 Chamberlayne Ave	Richmond, VA 23227	VA1632015	\$ 726,006.00	8/1/2018
3929 Chamberlayne Ave	Richmond, VA 23227	VA1632013	\$ 726,006.00	10/1/2018
3935 Chamberlayne Ave	Richmond, VA 23227	VA1632014	\$ 363,003.00	11/1/2018
3917 Chamberlayne Ave	Richmond, VA 23227	VA1632011	\$ 363,003.00	1/1/2019
3925 Chamberlayne Ave	Richmond, VA 23227	VA1632012	\$ 120,991.00	1/1/2019
3911 Chamberlayne Ave	Richmond, VA 23227	VA1632009	\$ 726,006.00	2/1/2019
3905 Chamberlayne Ave	Richmond, VA 23227	VA1632005	\$ 363,003.00	3/1/2019
<b>Total</b>			\$ 8,592,073.00	

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 4209 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency <div style="text-align: right;">54-0921892</div> <b>E</b> Building identification number (BIN) <div style="text-align: right;">VA1632003</div>

1a Date of allocation ▶ _____	b Maximum housing credit dollar amount allowable	<b>1b</b>	\$9,769
2 Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
3a Maximum qualified basis		<b>3a</b>	\$302,446
b Check here <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)		<b>3b</b>	1 %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	69.87 %
5 Date building placed in service			▶ 2/1/2018
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized		b <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized	
c <input type="checkbox"/> Existing building		d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized	
e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized		f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)	

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official	<b>John D. Bondurant, Authorized Officer</b> Name (please type or print)	10.18.19 Date
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### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

7 Eligible basis of building (see instructions)	<b>7</b>	302,446
8a Original qualified basis of the building at close of first year of credit period	<b>8a</b>	302,446
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10 Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	

**Low-Income Housing Credit Allocation  
 and Certification**

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

**Part I Allocation of Credit**

Check if:  Addition to Qualified Basis  Amended Form

**A** Address of building (do not use P.O. box) (see instructions)  
 4228 Old Brook Road  
 Richmond, VA 23227

**B** Name and address of housing credit agency  
 Virginia Housing Development Authority  
 601 S. Belvidere Street  
 Richmond, VA 23220

**C** Name, address, and TIN of building owner receiving allocation  
 Code Genesis Bellevue LLC  
 101 West Commerce Road  
 Richmond, VA 23224

**D** Employer identification number of agency  
 54-0921892

**E** Building identification number (BIN)  
 VA1632004

TIN ▶ 81-2317952

<b>1a</b> Date of allocation ▶	<b>b</b> Maximum housing credit dollar amount allowable	<b>1b</b>	\$21,531
<b>2</b> Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
<b>3a</b> Maximum qualified basis		<b>3a</b>	\$666,594
<b>b</b> Check here <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)		<b>3b</b>	1 %
<b>4</b> Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	69.87 %
<b>5</b> Date building placed in service	▶ 3/1/2018		
<b>6</b> Check the boxes that describe the allocation for the building (check those that apply):			
<b>a</b> <input type="checkbox"/> Newly constructed and federally subsidized	<b>b</b> <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized	<b>c</b> <input type="checkbox"/> Existing building	
<b>d</b> <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized	<b>e</b> <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized		
<b>f</b> <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

**Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only**

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official: *[Handwritten Signature]*  
 Name (please type or print): John D. Bondurant, Authorized Officer  
 Date: 10.18.19

**Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period**

<b>7</b> Eligible basis of building (see instructions)	<b>7</b>	666,594
<b>8a</b> Original qualified basis of the building at close of first year of credit period	<b>8a</b>	666,594
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(j)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>10</b> Check the appropriate box for each election. <b>Caution:</b> Once made, the following elections are irrevocable.		
<b>a</b> Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes	
<b>c</b> Elect minimum set-aside requirement (section 42(g)) (see instructions): <input type="checkbox"/> 20-50 <input type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature: \_\_\_\_\_ Taxpayer identification number: \_\_\_\_\_ Date: \_\_\_\_\_  
 Name (please type or print): \_\_\_\_\_ First year of the credit period: \_\_\_\_\_

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

<b>Part I Allocation of Credit</b>	
Check if: <input type="checkbox"/> Addition to Qualified Basis <input type="checkbox"/> Amended Form	
<b>A</b> Address of building (do not use P.O. box) (see instructions) 4203 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency <div style="text-align: right;">54-0921892</div> <b>E</b> Building identification number (BIN) <div style="text-align: right;">VA1632002</div>

1a Date of allocation ▶	b Maximum housing credit dollar amount allowable	<b>1b</b>	\$15,633
2 Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
3a Maximum qualified basis		<b>3a</b>	\$483,994
b Check here <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)			
		<b>3b</b>	1 %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	69.87 %
5 Date building placed in service	▶ 6/1/2018		
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized		b <input type="checkbox"/> Newly constructed and not federally subsidized	
c <input type="checkbox"/> Existing building			
d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized		e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures not federally subsidized	
f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

**Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only**

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official	John D. Bondurant, Authorized Officer Name (please type or print)	10.18.19 Date
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<b>Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period</b>	
7 Eligible basis of building (see instructions)	7 483,999
8a Original qualified basis of the building at close of first year of credit period	8a 483,999
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10 Check the appropriate box for each election.	
<b>Caution:</b> Once made, the following elections are irrevocable.	
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b Elect not to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes
c Elect minimum set-aside requirement (section 42(g)) (see instructions):	
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)	
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

**Part I Allocation of Credit**

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 4218 Old Brook Road Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency 54-0921892  <b>E</b> Building Identification number (BIN) VA1632007

1a Date of allocation ▶	b Maximum housing credit dollar amount allowable	<b>1b</b>	\$23,450
2 Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
3a Maximum qualified basis		<b>3a</b>	\$726,006
b Check here <input type="checkbox"/> If the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)			
		<b>3b</b>	1 %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	69.87 %
5 Date building placed in service	▶ 12/1/2017		
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized    b <input type="checkbox"/> Newly constructed and not federally subsidized    c <input type="checkbox"/> Existing building			
d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized    e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures not federally subsidized			
f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

**Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only**

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official	John D. Bondurant, Authorized Officer Name (please type or print)	10.18.19 Date
----------------------------------	--	------------------

**Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period**

7 Eligible basis of building (see instructions)	<b>7</b>	726,006
8a Original qualified basis of the building at close of first year of credit period	<b>8a</b>	726,006
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?		
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(j)(2)(B)?		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
10 Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶		
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
b Elect not to treat large partnership as taxpayer (section 42(j)(5)) ▶		
	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions):		
	<input type="checkbox"/> 20-50	<input checked="" type="checkbox"/> 40-60
	<input type="checkbox"/> Average income	<input type="checkbox"/> 25-60 (N.Y.C. only)
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)		
	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 4226 Old Brook Road Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency <div style="text-align: right;">54-0921892</div> <b>E</b> Building identification number (BIN) <div style="text-align: right;">VA1632006</div>

1a Date of allocation ▶ _____	b Maximum housing credit dollar amount allowable	<b>1b</b>	\$23,450
2 Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
3a Maximum qualified basis		<b>3a</b>	\$726,006
b Check here <input type="checkbox"/> If the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)		<b>3b</b>	1 _____ %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	69.87 %
5 Date building placed in service	▶ 12/1/2017		
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized		b <input type="checkbox"/> Newly constructed and not federally subsidized	
c <input type="checkbox"/> Existing building		d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized	
e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures not federally subsidized		f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)	

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official	<b>John D. Bondurant, Authorized Officer</b> Name (please type or print)	10-18-19 Date
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### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

7 Eligible basis of building (see instructions)	<b>7</b>	726,006
8a Original qualified basis of the building at close of first year of credit period	<b>8a</b>	726,006
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10 Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
b Elect not to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	



## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 4201 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency <div style="text-align: right;">54-0921892</div> <b>E</b> Building identification number (BIN) <div style="text-align: right;">VA1632008</div>

1a Date of allocation ▶ .....	b Maximum housing credit dollar amount allowable	<b>1b</b>	\$23,450
2 Maximum applicable credit percentage allowable (see instructions) . . . . .		<b>2</b>	3.23 %
3a Maximum qualified basis . . . . .		<b>3a</b>	\$726,006
b Check here ▶ <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions) . . . . .		<b>3b</b>	1 ____ %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.) . . . . .		<b>4</b>	69.87 %
5 Date building placed in service . . . . . ▶ 4/1/2018			
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized	b <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized	c <input type="checkbox"/> Existing building	
d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized	e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized		
f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

 Signature of authorized official	John D. Bondurant, Authorized Officer Name (please type or print)	10.18.19 Date
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### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

7 Eligible basis of building (see instructions) . . . . .	<b>7</b>	726,006
8a Original qualified basis of the building at close of first year of credit period . . . . .	<b>8a</b>	726,006
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10 Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5)) . . . . . ▶	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions): <input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) . . . . .	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

**Part I Allocation of Credit**

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 4213 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency 54-0921892  <b>E</b> Building identification number (BIN) VA1632010

1a Date of allocation ▶ .....	b Maximum housing credit dollar amount allowable . . .	<b>1b</b>	\$11,725
2 Maximum applicable credit percentage allowable (see instructions) . . . . .		<b>2</b>	3.23 %
3a Maximum qualified basis . . . . .		<b>3a</b>	\$363,003
b Check here ▶ <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions) . . . . .		<b>3b</b>	1 ____ %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.) . . . . .		<b>4</b>	69.87 %
5 Date building placed in service . . . . . ▶ 2/1/2018			
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized		b <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized	
c <input type="checkbox"/> Existing building		d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized	
e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized		f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)	

**Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only**

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official	John D. Bondurant, Authorized Officer Name (please type or print)	10.18.19 Date
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**Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period**

7 Eligible basis of building (see instructions) . . . . .	<b>7</b>	363,003
8a Original qualified basis of the building at close of first year of credit period . . . . .	<b>8a</b>	363,003
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? . . . ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10 Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5)) . . . . . ▶	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) . . . . .	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

**A** Address of building (do not use P.O. box) (see instructions)  
 3929 Chamberlayne Avenue  
 Richmond, VA 23227

**B** Name and address of housing credit agency  
 Virginia Housing Development Authority  
 601 S. Belvidere Street  
 Richmond, VA 23220

**C** Name, address, and TIN of building owner receiving allocation  
 Code Genesis Bellevue LLC  
 101 West Commerce Road  
 Richmond, VA 23224

**D** Employer identification number of agency  
 54-0921892

**E** Building identification number (BIN)  
 VA1632013

TIN ▶ 81-2317952

<b>1a</b> Date of allocation ▶ .....	<b>b</b> Maximum housing credit dollar amount allowable . . . . .	<b>1b</b>	\$23,450
<b>2</b> Maximum applicable credit percentage allowable (see instructions) . . . . .		<b>2</b>	3.23 %
<b>3a</b> Maximum qualified basis . . . . .		<b>3a</b>	\$726,006
<b>b</b> Check here ▶ <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions) . . . . .		<b>3b</b>	1 ____ %
<b>4</b> Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.) . . . . .		<b>4</b>	69.87 %
<b>5</b> Date building placed in service . . . . . ▶ 10/1/2018			
<b>6</b> Check the boxes that describe the allocation for the building (check those that apply):			
<b>a</b> <input type="checkbox"/> Newly constructed and federally subsidized		<b>b</b> <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized	
<b>c</b> <input type="checkbox"/> Existing building		<b>d</b> <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized	
<b>e</b> <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized		<b>f</b> <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)	

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Signature of authorized official: John D. Bondurant  
 Name (please type or print): John D. Bondurant, Authorized Officer  
 Date: 10.18.19

### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

<b>7</b> Eligible basis of building (see instructions) . . . . .	<b>7</b>	724,006
<b>8a</b> Original qualified basis of the building at close of first year of credit period . . . . .	<b>8a</b>	724,006
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? . . . . .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>10</b> Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
<b>a</b> Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5)) . . . . . ▶	<input type="checkbox"/> Yes	
<b>c</b> Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) . . . . .	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature: \_\_\_\_\_ Taxpayer identification number: \_\_\_\_\_ Date: \_\_\_\_\_  
 Name (please type or print): \_\_\_\_\_ First year of the credit period: \_\_\_\_\_

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

**A** Address of building (do not use P.O. box) (see instructions)  
 3937 Chamberlayne Avenue  
 Richmond, VA 23227

**B** Name and address of housing credit agency  
 Virginia Housing Development Authority  
 601 S. Belvidere Street  
 Richmond, VA 23220

**C** Name, address, and TIN of building owner receiving allocation  
 Code Genesis Bellevue LLC  
 101 West Commerce Road  
 Richmond, VA 23224

**D** Employer identification number of agency  
 54-0921892

**E** Building identification number (BIN)  
 VA1632015

TIN ▶ 81-2317952

<b>1a</b> Date of allocation ▶	<b>b</b> Maximum housing credit dollar amount allowable	<b>1b</b>	\$23,450
<b>2</b> Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
<b>3a</b> Maximum qualified basis		<b>3a</b>	\$726,006
<b>b</b> Check here <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)		<b>3b</b>	1 %
<b>4</b> Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	69.87 %
<b>5</b> Date building placed in service	▶ 8/1/2018		
<b>6</b> Check the boxes that describe the allocation for the building (check those that apply):			
<b>a</b> <input type="checkbox"/> Newly constructed and federally subsidized <b>b</b> <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized <b>c</b> <input type="checkbox"/> Existing building			
<b>d</b> <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized <b>e</b> <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized			
<b>f</b> <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

John D. Bondurant     
 John D. Bondurant, Authorized Officer     
 10.18.19  
 Signature of authorized official      Name (please type or print)      Date

### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

<b>7</b> Eligible basis of building (see instructions)	<b>7</b>	726,006
<b>8a</b> Original qualified basis of the building at close of first year of credit period	<b>8a</b>	726,006
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>10</b> Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
<b>a</b> Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes	
<b>c</b> Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature \_\_\_\_\_ Taxpayer identification number \_\_\_\_\_ Date \_\_\_\_\_  
 Name (please type or print) \_\_\_\_\_ First year of the credit period \_\_\_\_\_

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 3935 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency <div style="text-align: right;">54-0921892</div> <b>E</b> Building identification number (BIN) <div style="text-align: right;">VA1632014</div>

<b>1a</b> Date of allocation ▶ _____	<b>b</b> Maximum housing credit dollar amount allowable	<b>1b</b>	\$11,725
<b>2</b> Maximum applicable credit percentage allowable (see instructions) . . . . .		<b>2</b>	3.23 %
<b>3a</b> Maximum qualified basis . . . . .		<b>3a</b>	\$363,003
<b>b</b> Check here ▶ <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions) . . . . .		<b>3b</b>	1 ____ %
<b>4</b> Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.) . . . . .		<b>4</b>	69.87 %
<b>5</b> Date building placed in service . . . . . ▶ 11/1/2018			
<b>6</b> Check the boxes that describe the allocation for the building (check those that apply):			
<b>a</b> <input type="checkbox"/> Newly constructed and federally subsidized <b>b</b> <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized <b>c</b> <input type="checkbox"/> Existing building			
<b>d</b> <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized <b>e</b> <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized			
<b>f</b> <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

	<b>John D. Bondurant, Authorized Officer</b> Name (please type or print)	10.18.19 Date
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### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

<b>7</b> Eligible basis of building (see instructions) . . . . .	<b>7</b>	363,003
<b>8a</b> Original qualified basis of the building at close of first year of credit period . . . . .	<b>8a</b>	363,003
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? . . . ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>10</b> Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
<b>a</b> Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5)) . . . . . ▶	<input type="checkbox"/> Yes	
<b>c</b> Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) . . . . .	<input type="checkbox"/> 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

_____ Signature	_____ Taxpayer identification number	_____ Date
_____ Name (please type or print)	_____ First year of the credit period	

## Low-Income Housing Credit Allocation and Certification

OMB No. 1545-0988

▶ Go to [www.irs.gov/Form8609](http://www.irs.gov/Form8609) for instructions and the latest information.

### Part I Allocation of Credit

Check if:  Addition to Qualified Basis  Amended Form

<b>A</b> Address of building (do not use P.O. box) (see instructions) 3943 Chamberlayne Avenue Richmond, VA 23227	<b>B</b> Name and address of housing credit agency Virginia Housing Development Authority 601 S. Belvidere Street Richmond, VA 23220
<b>C</b> Name, address, and TIN of building owner receiving allocation Code Genesis Bellevue LLC 101 West Commerce Road Richmond, VA 23224  TIN ▶ 81-2317952	<b>D</b> Employer identification number of agency 54-0921892  <b>E</b> Building identification number (BIN) VA1632016

1a Date of allocation ▶	b Maximum housing credit dollar amount allowable	<b>1b</b>	\$15,633
2 Maximum applicable credit percentage allowable (see instructions)		<b>2</b>	3.23 %
3a Maximum qualified basis		<b>3a</b>	\$483,994
b Check here <input type="checkbox"/> if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)			
		<b>3b</b>	1 %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)		<b>4</b>	69.87 %
5 Date building placed in service	▶ 6/1/2018		
6 Check the boxes that describe the allocation for the building (check those that apply):			
a <input type="checkbox"/> Newly constructed and federally subsidized    b <input type="checkbox"/> Newly constructed and <b>not</b> federally subsidized    c <input type="checkbox"/> Existing building			
d <input checked="" type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized    e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized			
f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

### Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

	John D. Bondurant, Authorized Officer	10.18.19
Signature of authorized official	Name (please type or print)	Date

### Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

7 Eligible basis of building (see instructions)	<b>7</b>	483,994
8a Original qualified basis of the building at close of first year of credit period	<b>8a</b>	483,994
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?		
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
10 Check the appropriate box for each election.		
<b>Caution:</b> Once made, the following elections are irrevocable.		
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b Elect <b>not</b> to treat large partnership as taxpayer (section 42(j)(5))	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)		<input type="checkbox"/> 15-40

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature	Taxpayer identification number	Date
Name (please type or print)	First year of the credit period	

This project was a multiple building project.

Address	Address	BIN	Maximum Qualified Basis	Placed in Service Date
4226 Old Brook Road	Richmond, VA 23227	VA1632006	\$ 726,006.00	1/1/2018
4218 Old Brook Road	Richmond, VA 23227	VA1632007	\$ 726,006.00	1/1/2018
4210 Old Brook Road	Richmond, VA 23227	VA1632001	\$ 726,006.00	1/1/2018
4209 Chamberlayne Ave	Richmond, VA 23227	VA1632003	\$ 302,446.00	2/1/2018
4213 Chamberlayne Ave	Richmond, VA 23227	VA1632010	\$ 363,003.00	2/1/2018
4228 Old Brook Road	Richmond, VA 23227	VA1632004	\$ 666,594.00	3/1/2018
4201 Chamberlayne Ave	Richmond, VA 23227	VA1632008	\$ 726,006.00	4/1/2018
3943 Chamberlayne Ave	Richmond, VA 23227	VA1632016	\$ 483,994.00	6/1/2018
4203 Chamberlayne Ave	Richmond, VA 23227	VA1632002	\$ 483,994.00	6/1/2018
3937 Chamberlayne Ave	Richmond, VA 23227	VA1632015	\$ 726,006.00	8/1/2018
3929 Chamberlayne Ave	Richmond, VA 23227	VA1632013	\$ 726,006.00	10/1/2018
3935 Chamberlayne Ave	Richmond, VA 23227	VA1632014	\$ 363,003.00	11/1/2018
3917 Chamberlayne Ave	Richmond, VA 23227	VA1632011	\$ 363,003.00	1/1/2019
3925 Chamberlayne Ave	Richmond, VA 23227	VA1632012	\$ 120,991.00	1/1/2019
3911 Chamberlayne Ave	Richmond, VA 23227	VA1632009	\$ 726,006.00	2/1/2019
3905 Chamberlayne Ave	Richmond, VA 23227	VA1632005	\$ 363,003.00	3/1/2019
<b>Total</b>			\$ 8,592,073.00	

**OPERATING AGREEMENT  
OF  
NORMANDY CONSULTING LLC**

A single-member, member-managed Virginia Limited Liability Company.

**RECITAL:**

The party to this agreement (the "Member") is signing this agreement for the purpose of forming a limited liability company under the Limited Liability Company Act of the state of Virginia, Va. Code 13.1-1000 et seq., as amended and in force from time to time (the "Act").

**AGREEMENTS:**

**1. FORMATION**

**1.1 Name.** The name of this limited liability company (the "Company") is Normandy Consulting LLC.

**1.2 Articles of Organization.** Articles of organization for the Company were filed with the Commonwealth of Virginia State Corporation Commission on the 28<sup>th</sup> day of December, 2011.

**1.3 Duration.** The Company will exist until dissolved as provided in this agreement.

**1.4 Principal Office.** The Company's principal office will initially be at 1206 Normandy Drive, Richmond, VA 23229, but may be relocated by the Member at any time.

**1.5 Designated Office and Agent for Service of Process.** The Company's initial designated office will be at 1206 Normandy Drive, Richmond, VA 23229, and the name of its initial agent for service of process at that address will be Edward K. Solarz. The Company's designated office and its agent for service of process may only be changed by filing notice of the change with the Commonwealth of Virginia State Corporation Commission.

**1.6 Purposes and Powers.** The Company is formed for the purpose of engaging in business consulting, and may also engage in any lawful business that a limited liability company may engage in under the Act. The Company has the power to do all things necessary, incident, or in furtherance of that business.

**1.7 Title to Assets.** Title to all assets of the Company will be held in the name of the Company. The Member does not have any right to the assets of the Company or any ownership interest in those assets except indirectly as a result of the Member's ownership of an interest in the Company.

## **2. MEMBER**

**2.1 Name and Address.** The name and address of the sole member of the Company is:

Edward K. Solarz  
1206 Normandy Drive  
Richmond, VA 23229  
SSN# 209-62-5664

**2.2 Termination of Member's Interest.** The Member will cease to be a member of the Company upon the Member's death, incompetency, or bankruptcy, or upon assignment of the Member's entire membership interest. Unless there are one or more other members of the Company, the person who is the holder of the Member's interest immediately after the Member ceases to be a member will become a member. If there are one or more other members of the Company at the time the Member ceases to be a member, the person who is the holder of the Member's interest immediately after the Member ceases to be a member will become a member only with the consent of the other member or members.

**2.3 Additional Members.** Except for the holder of a member's interest who becomes a member under the provisions of the section of this agreement relating to termination of member's interest, additional members of the Company may be admitted only by written agreement of the Member and the additional members.

## **3. CAPITAL**

**3.1 Initial Capital Contribution.** The initial capital contribution of the Member will be \$1, which will be deposited into a capital account maintained by the Member at the Designated Office, and will account for 100% of the ownership of the Company.

**3.2 Additional Contributions.** Except as otherwise provided in the Act, the Member is not required to contribute additional capital to the Company. But the Member may make additional capital contributions to the Company from time to time as the Member wishes.

**3.3 No Interest on Capital Contributions.** No interest will be paid on capital contributions.

**3.4 Capital Account.** A capital account will be maintained for the Member. The Member's capital account will be credited with all capital contributions made by the Member and with all income and gain (including any income exempt from federal income tax) of the Company, and the Member's capital account will be charged with the amount of all distributions made to the Member and with all losses and deductions (including deductions attributable to tax-exempt income) of the Company.

#### **4. PROFITS AND LOSSES AND DISTRIBUTIONS**

**4.1 Profits and Losses.** The entire net profit or net loss of the Company for each fiscal year will be allocated to the Member and must be reported by the Member on all federal, state, and local income and other tax returns required to be filed by the Member.

**4.2 Distributions.** Subject to the restrictions governing distributions under the Act, distributions of cash or property may be made from time to time by the Company to the Member, as the Member directs. But the assets of the Company may not be used to pay the separate expenses of the Member, to make personal investments for the account of the Member, or for any other purpose not related to the business of the Company.

#### **5. ADMINISTRATION OF COMPANY BUSINESS**

**5.1 Management.** The Member has the sole right to manage and conduct the Company's business. Actions by the Member relating to the management of the Company may be memorialized in written resolutions signed by the Member, but written resolutions are not required to authorize action by the Member.

**5.2 Authority of Member.** The Member is the agent of the Company and has authority to bind the Company on all matters. The authority of the Member includes, without limitation, the authority to: (a) sell, lease, exchange, mortgage, pledge, or otherwise transfer or dispose of all or substantially all of the property or assets of the Company; (b) merge the Company with any other entity; (c) amend the articles of organization of the Company or this agreement; (e) change the nature of the business of the Company; or (f) commence a voluntary bankruptcy case for the Company.

**5.3 Compensation and Reimbursement.** The Member is not entitled to the payment of any salary or other compensation for services provided to the Company. The Member is, however, entitled to reimbursement from the Company for reasonable expenses incurred on behalf of the Company, including expenses incurred in the formation, dissolution, and liquidation of the Company.

#### **6. ACCOUNTING AND RECORDS**

**6.1 Books and Records.** The Company may keep such books and records relating to the operation of the Company as are appropriate and adequate for the Company's business. The books and records are to be available for inspection by the Member at the principal office of the Company.

**6.2 Separate Accounts.** The funds, assets, properties, and accounts of the Company must be maintained separately, and may not be commingled with those of the Member or any other person.

**6.3 Fiscal Year.** The fiscal year of the Company will be the calendar year.

## **7. DISSOLUTION AND WINDING UP**

**7.1 Events of Dissolution.** The Company will dissolve upon the earlier of (a) approval of dissolution by the Member or (b) such time as the Company has no members. Neither the death, incompetency, or bankruptcy of the Member nor the assignment of the Member's entire membership interest will dissolve the Company.

**7.2 Winding Up and Liquidation.** Upon the dissolution of the Company, the affairs of the Company must be wound up by the Member. If the affairs of the Company are to be wound up, a full account must be taken of the assets and liabilities of the Company, and the assets of the Company must then be promptly liquidated. The proceeds must first be paid to creditors of the Company in satisfaction of all liabilities and obligations of the Company, including, to the extent permitted by law, liabilities and obligations owed to the Member as a creditor. Any remaining proceeds may then be distributed to the Member. Property of the Company may be distributed in kind in the process of winding up and liquidation.

**7.3 Negative Capital Account.** If the Member has a negative balance in the Member's capital account upon liquidation of the Company, the Member will have no obligation to make any contribution to the capital of the Company to make up the deficit, and the deficit will not be considered a debt owed to the Company or any other person for any purpose.

## **8. INDEMNIFICATION AND LIABILITY LIMITATION**

**8.1 Indemnification.** The Company must indemnify the Member to the fullest extent permissible under the law of the state in which the articles of organization of the Company have been filed, as the same exists or may hereafter be amended, against all liability, loss, and costs (including, without limitation, attorneys' fees) incurred or suffered by the Member by reason of or arising from the fact that the Member is or was a member of the Company, or is or was serving at the request of the Company as a manager, member, director, officer, partner, trustee, employee, or agent of another foreign or domestic limited liability company, corporation, partnership, joint venture, trust, benefit plan, or other enterprise. The Company may, by action of

the Member, provide indemnification to employees and agents of the Company who are not members. The indemnification provided in this section will not be exclusive of any other rights to which any person may be entitled under any statute, agreement, resolution of the Member, contract, or otherwise.

**8.2 Limitation of Liability.** The Member is not liable to the Company for monetary damages resulting from the Member's conduct except to the extent that the Act, as it now exists or may be amended in the future, prohibits the elimination or limitation of liability of members of limited liability companies. No repeal or amendment of this section or of the Act will adversely affect any right or protection of the Member for actions or omissions prior to the repeal or amendment.

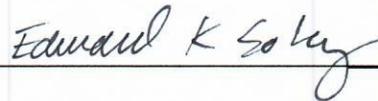
## 9. MISCELLANEOUS PROVISIONS

**9.1 Amendment.** The Member may amend or repeal all or part of this agreement by written instrument.

**9.2 Governing Law.** This agreement will be governed by the law of the state in which the articles of organization of the Company have been filed.

**9.3 Severability.** If any provision of this agreement is invalid or unenforceable, it will not affect the remaining provisions.

The undersigned, being the sole and managing Member of the Company, hereby agrees, acknowledges and certifies that the forgoing Operating agreement constitutes the sole and entire Operating Agreement of the Company, unanimously adopted by the Member of the Company as of the date first written above.



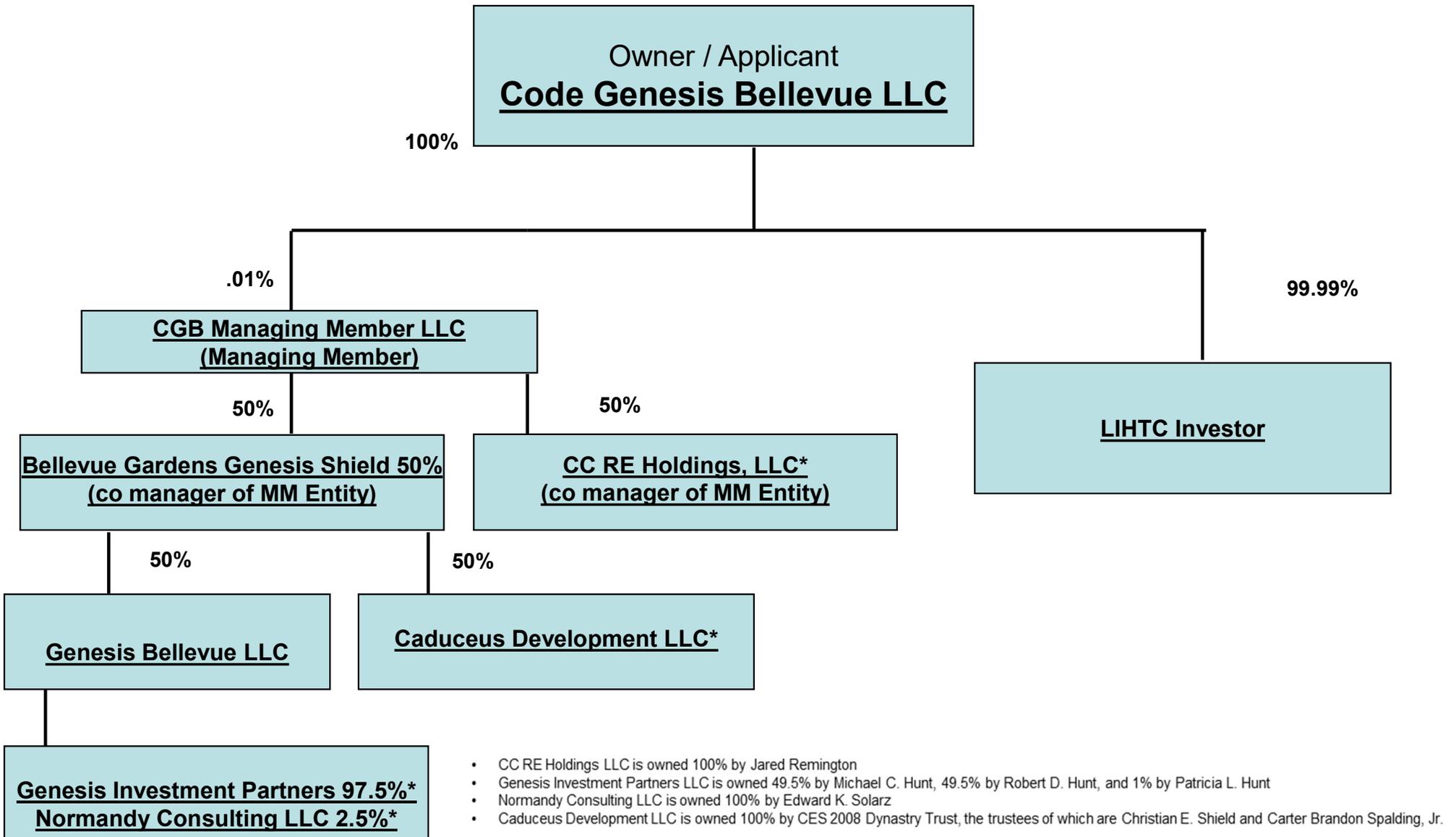
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Edward K. Solarz  
Managing Member

**AT CLOSING**

# Code Genesis Bellevue LLC

Future Organizational Structure – at Tax Credit Equity Closing



**ADDENDUM TO FIRST AMENDED AND RESTATED OPERATING AGREEMENT  
OF CODE GENESIS BELLEVUE LLC**

This Addendum to First Amended and Restated Operating Agreement of Code Genesis Bellevue LLC (“Addendum”) is made as of the 24<sup>th</sup> day of January 2017 (“Effective Date”), by and among, CGB MANAGING MEMBER LLC, a Virginia limited liability company (the Managing Member”), Fulton Bank, N.A. (“Investor Member”), and CODE GENESIS BELLEVUE SCP LLC, a Virginia limited liability company (the “SCP Member” and together with Managing Member and Investor Member, “Members”), as a member, and CODE GENESIS BELLEVUE LLC, a Virginia limited liability company (the “Company”).

WHEREAS, the Company was formed as a limited liability company under and pursuant to the provisions of the Virginia Limited Liability Company Act pursuant to an Articles of Organization filed with the Virginia State Corporation Commission on December 1, 2015. The Company has been operating pursuant to an Operating Agreement dated as of April 27, 2015, (the “Original Operating Agreement”), having Managing Member and CGB Limited Member LLC, a Virginia limited liability company (the “Withdrawing Member”) as members.

WHEREAS, the Original Operating Agreement is being amended and restated in its entirety by that certain First Amended and Restated Operating Agreement of the Company (the “Operating Agreement”), pursuant to which, among other things, the Withdrawing Member will withdraw as a Member of the Company, and the Investor Member and SCP Member will be admitted as Members of the Company; and

WHEREAS, the parties hereto wish to amend the Operating Agreement as provided herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agree as follows:

1. This Addendum shall take effect and shall become a part of the Operating Agreement immediately upon execution by all parties hereto. SCP Member is admitted as a Member of the Company pursuant to the Operating Agreement in exchange for the SCP Member’s TWO THOUSAND FIVE HUNDRED and 00/100 Dollars (\$2,500.00) capital contribution (the “Initial Capital Contribution”) and its commitments otherwise set forth herein. The parties authorize and direct the Managing Member to update the records of the Company to evidence this admission and to reflect the resulting Interest of the SCP Member, as reflected on Schedule A attached to the Operating Agreement.

2. Voting Rights of Interest. All Interests in the Company shall carry voting rights.

3. State Credits/Capital Contribution.

(a) Pursuant to the Operating Agreement, the Members and the Company confirm that the allocation to SCP Member under the Operating Agreement of all of the Company’s rehabilitation tax credits allowed under Section 58.1-339.2 of the Code of Virginia (the “Virginia Code”) for 2017 (the “2017 Virginia Historic Credits”) and for 2018 (the “2018

Virginia Historic Credits” and, together, the “State Credits”) for the certified rehabilitation (the “Project”) of the real property owned by the Company located at 3905-4213 Chamberlayne Avenue and 4212-4232 Old Brook Road, Richmond, Virginia (the “Property”). The Company and the Members agree to execute all documents necessary to affect the allocation of the State Credits to the SCP Member and to make timely, accurate and complete submissions of federal and state income tax returns necessary to affect such allocation (the “Tax Documents”). The parties hereto covenant and agree that the Managing Member shall confer with the SCP Member regarding the selection of the accountants for the Company for the purpose of preparing the cost certification for the rehabilitation of the Project and such Tax Documents through and for the end of the year in which the State Credits are claimed by the Company (the “Certification Accountants” or the “Accountants”). The Company and the Managing Member hereby agree that they will direct the Certification Accountants to complete an audit of the eligible rehabilitation expenses of the rehabilitation of the Property. The Company and the Managing Member also agree that time is of the essence with regard to the timely submission of the Tax Documents. In addition, each Member appoints the Managing Member as his or its attorney-in-fact to execute and deliver any such documents. The parties hereto covenant and agree that Dixon Hughes Goodman LLP (the “Certification Accountants”, or “Accountants”) shall be the accountants for the Company for the purpose of preparing the cost certification for the rehabilitation of the Project and such Tax Documents through and for the end of the year in which the 2018 Virginia Historic Credits are claimed by the Company. The Company and the Managing Member hereby agree that they will direct the Certification Accountants to complete an audit of the eligible rehabilitation expenses for the Project. The Company and the Managing Member also hereby agree that time is of the essence with regard to the timely submission of the Tax Documents. In addition, each Member appoints the Managing Member as its attorney-in-fact to execute and deliver any such documents.

(b) SCP Member hereby agrees to contribute \$0.80 in cash for each dollar of the State Credits that the Company allocates to SCP Member (the “Price”). The Managing Member and SCP Member anticipate that, over and above the Initial Contribution, the capital commitment to be made by SCP Member to the Company will total \$2,110,871 (the “Additional Contribution” and together with the Initial Contribution, the “SCP Member Contribution”). It is anticipated that State Credits will be certified for both 2017 (“Phase 1”) and 2018 (“Phase 2”) of the Project and that the State Credits to be allocated to SCP Member will total \$2,641,714. Notwithstanding anything contained herein to the contrary, in no event will the SCP Member Contribution exceed or be less than the capital contributions (the “SCP Member’s Investor’s Capital Contributions”) from Preservation 2017, LLC (“P 2017”) under the Amendment to Operating Agreement of the SCP Member made by and among Managing Member, P 2017 and SCP Member (the “SCP Amendment”) less reasonable operating expenses retained by the SCP Member.

(c) The SCP Member Contribution is based on \$1,056,685.60 in 2017 Virginia Historic Credits (the “2017 Projected Threshold”) being allocated to SCP Member in 2017 and \$1,585,028.40 in 2018 Virginia Historic Credits being allocated to SCP Member in 2018 (the “2018 Projected Threshold”).

(i) If the amount of the 2017 Virginia Historic Credits set forth in the Part 3 historic preservation certification of the Property by the Virginia Department of Historic Resources (“DHR”) for Phase 1 exceeds the 2017 Projected Threshold, (a) the Company shall

allocate all of the excess 2017 Virginia Historic Credits over the 2017 Projected Threshold to SCP Member and (b) the portion of the Additional Contribution applicable to Phase 1 will be increased by an amount calculated as the Price multiplied times the amount by which the 2017 Virginia Historic Credits actually allocated to SCP Member (the “2017 Actual Allocation Amount”) exceeds the 2017 Projected Threshold. In the event the amount of the 2017 Actual Allocation Amount is less than the 2017 Projected Threshold, the adjuster provisions set forth in Section 4 below shall apply.

f

(ii) If the amount of the 2018 Virginia Historic Credits set forth in the Part 3 historic preservation certification of the Property by the Virginia Department of Historic Resources (“DHR”) for Phase 2 exceeds the 2018 Projected Threshold, (a) the Company shall allocate all of the excess 2018 Virginia Historic Credits over the 2018 Projected Threshold to SCP Member and (b) the portion of the Additional Contribution applicable to Phase 2 will be increased by an amount calculated as the Price multiplied times the amount by which the 2018 Virginia Historic Credits actually allocated to SCP Member (the “2018 Actual Allocation Amount”) exceeds the 2018 Projected Threshold. In the event the amount of the 2018 Actual Allocation Amount is less than the 2018 Projected Threshold, the adjuster provisions set forth in Section 4 below shall apply.

(d) The obligation of SCP Member to invest the portion of the Additional Contribution applicable to Phase 1 or Phase 2, respectively, shall be conditioned on satisfaction of the following conditions in SCP Member’s sole discretion (the “Funding Conditions”):

(i) SCP Member’s receipt of the SCP Member’s Investor’s Capital Contributions from P 2017 pursuant to the SCP Amendment, the funding of such which are conditioned upon satisfaction funding conditions set forth in the SCP Amendment;

(ii) completion of the rehabilitation of (x) Phase 1 on or before December 31, 2017, or (y) Phase 2 on or before December 31, 2018, respectively, as evidenced by the issuance by the inspecting architect and, if issued, by each governmental agency having jurisdiction of certifications of substantial completion or permitting for occupancy with respect to the Property (“Completion”);

(iii) the admission of the SCP Member as a Member of the Company before Completion;

(iv) completion of the DHR Part 3 Application for Phase 1 and Phase 2 with regard to the rehabilitation of the Property and an audit of eligible rehabilitation expenses for Phase 1 and Phase 2 of the rehabilitation of the Property prepared by the Certification Accountants, which audit shall include, among other items reasonably requested by SCP Member, a certification that the rehabilitation meets the “material rehabilitation” requirements pursuant to Section 58.1-339-2 of the Code of Virginia and any rules or regulations issued thereunder (the “Virginia Statute and Regulations”);

(v) the issuance, on or before (x) February 20, 2018, of the Part 3 certification of Phase 1 by DHR designating Phase 1 a “certified historic rehabilitation” pursuant

to the Virginia Statute and Regulations and determining the amount of the 2017 Virginia Historic Credits, or (x) February 20, 2019, of the Part 3 certification of Phase 2 by DHR designating Phase 2 a “certified historic rehabilitation” pursuant the Virginia Statute and Regulations and determining the amount of the 2018 Virginia Historic Credits;

(vi) the submission on or before February 20, 2018, or February 20, 2019, as applicable, by the Company to the Virginia Department of Taxation (“VDT”) of the Virginia Form PTE detailing allocation of the 2017 Virginia Historic Tax Credits and 2018 Virginia Historic Credits to SCP Member pursuant to the terms of this Addendum;

(vii) the absence of a material default under this Addendum or the Operating Agreement that is reasonably expected to have a material adverse impact on the Company, the SCP Member, the Project or the State Credits, as applicable, and which remains uncured past any applicable notice and cure periods;

(viii) the Company shall not have received a notice of threatened or impending foreclosure of the Property;

(ix) the Property shall be owned by the Company;

(x) the Managing Member shall not have failed to comply with any material provision under this Addendum or the Operating Agreement.

(xi) the issuance to the SCP Member of an environmental reliance letter, in form reasonably acceptable to the SCP Member, from each of the firms that have completed environmental reports, assessments or inspections of the Property. The SCP Member reserves the right to require that an update to any environmental report, assessment or inspection be completed at the Company’s expense;

(xii) the Company shall provide an opinion letter of the Company’s counsel which shall address, subject to customary qualifications and conditions: (1) the valid existence of the Company and the Managing Member, (2) the authority of the Company to enter into this transaction contemplated by this Addendum and the authority of the Company to enter into the transaction as contemplated in the Operating Agreement, (3) the availability of the State Credits, (4) the valid entry of the SCP Member into the Company, (5) the continued existence of the Company and the Managing Member, each, as a limited liability company, and (6) the validity of the allocations of the State Credits in the Operating Agreement as confirmed this Addendum.

(xiii) the receipt by the SCP Member of each item reflected in the due diligence documentation checklist, attached hereto as Exhibit B, in form and substance satisfactory to the SCP Member in its sole discretion;

(xiv) the absence of a change in Virginia law that prevents the SCP Member (or any direct or indirect owner of the SCP Member) from receiving an allocation of the State Credits or from being able to fully utilize the State Credits against its Virginia tax liability; and

(xv) the receipt by the SCP Member of such additional items requested by the SCP Member in its reasonable discretion.

(e) The Additional Contribution applicable to either Phase 1 or Phase 2 will be invested by SCP Member on the date (the “Determination Date”) which is ten (10) business days following the date on which the Funding Conditions are satisfied in SCP Member’s reasonable discretion, provided, however, on the Determination Date the Managing Member shall deliver to SCP Member a written statement (the “Funding Certification”) certifying to SCP Member that as of the Determination Date: (i) the representations and warranties of the Company and the Managing Member set forth in this Addendum and the Operating Agreement, remain true, accurate and correct, in all material respects, to the Managing Members’ knowledge, (ii) the covenants and obligations of the Company and the Managing Members set forth in this Addendum and the Operating Agreement, have been performed (including, without limitation, the delivery of all required financial and other reports then required to be delivered pursuant to Section 9 below), (iii) to the best of its knowledge, the cost certification as an audit prepared by the Certification Accountants for both Phase 1 and Phase 2, and submitted to DHR (a copy of which shall be delivered to SCP Member simultaneously with the Funding Certification) includes only expenses paid by the Company which are properly includable as rehabilitation expenses qualifying for rehabilitation tax credits under Section 58.1-339.2 of the Virginia Code, (iv) the Company is still in existence, (v) the Company is still authorized to engage in the activities as set forth in the Operating Agreement, and (vi) except as provided to SCP Member, there have been no changes or amendments to the articles, bylaws, operating agreement, partnership agreement, certificates or other organizational documents, as appropriate, of the Managing Member, the Company or any Guarantor (as hereinafter defined).

(f) In the event that the Funding Conditions are not satisfied on or before February 20, 2018 for Phase 1, or February 20, 2019 for Phase 2, in addition to any other rights or remedies of SCP Member in respect of such event, SCP Member shall have the option, but is not obligated to, by delivery of written notice to the Company (a “Non-Performance Notice”): (i) reduce the Price to \$0.60 or (ii) terminate this Agreement and sell to the Company all of its Membership Interest at ninety-five percent (95%) of the Agreement Price (as hereinafter defined) and on the terms set forth herein, provided, however, the foregoing reduction of Price shall only apply to that particular phase of the Project for which the Funding Conditions are not satisfied. The date of such sale (the “Specified Redemption Date”) shall be the date specified in the Non-Performance Notice, but shall in all events be on or after the later of the date the Non-Performance Notice is sent or the date of the Agreement Price Determination. The parties will execute all documents and certificates necessary to affect the redemption as of the Specified Redemption Date.

(g) The proceeds of the SCP Member Contribution shall be used for the purposes of rehabilitating and operating the Property.

#### 4. Adjustments.

(a) If on the Determination Date for Phase 1 the 2017 Projected Threshold

exceeds the 2017 Actual Allocation Amount, the applicable portion of the Additional Contribution payable under this Addendum shall be reduced by an amount calculated as the product of \$0.80 times the excess of the 2017 Projected Threshold over the 2017 Actual Allocation Amount.

(b) If on the Determination Date for Phase 2 the 2018 Projected Threshold exceeds the 2018 Actual Allocation Amount, the applicable portion of the Additional Contribution payable under this Addendum shall be reduced by an amount calculated as the product of \$0.79 times the excess of the 2018 Projected Threshold over the 2018 Actual Allocation Amount.

(c) Thereafter, if either or both of the 2017 Actual Allocation Amount or the 2018 Actual Allocation Amount are reduced after a Final Determination (as hereinafter defined), then within twenty (20) days after the date of Final Determination (as hereinafter defined) the Company is hereby obligated to distribute cash to SCP Member equal to the Applicable Amount (as hereinafter defined) plus any penalties and interest incurred by SCP Member and/or the constituent or former members of SCP Member. The Applicable Amount shall equal the product of 110% times 80% of the excess of the 2017 Actual Allocation Amount and the 2018 Actual Allocation Amount over the amount of 2017 Virginia Historic Credits and/or the 2018 Virginia Historic Credits actually allocated to SCP Member after a Final Determination. The obligations under this Section will continue through the later of December 31, 2024 or sixty (60) days following the date of Final Determination, as applicable, even if SCP Member is no longer a Member of the Company.

5. Representations of the SCP Member. The SCP Member represents and warrants to the Company that:

(a) The SCP Member is acquiring the Interest for the SCP Member's own account for investment and the benefit of its constituent members and not with a view to resale or distribution. The SCP Member understands that the Interest has not been, and will not be, registered under the Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws by reason of specific exemptions from the registration provisions of the 1933 Act and state securities laws that depend upon, among other things, the bona fide nature of the investment intent and the accuracy of the SCP Member's representations and warranties in this Addendum.

(b) The SCP Member has read this Addendum and understands its terms.

(c) The SCP Member recognizes (i) that ownership of its Interest involves a high degree of risk and has taken full cognizance of and understands such risks and (ii) that all information provided, if any, by the Company relating to its use of proceeds, financial forecasts, and other information which is not of a historical nature represents only the Company's good faith assessment of its future expenses and revenues and is based upon assumptions which the Company believes are reasonable, although no assurance exists that such forecasts and assumptions will be fulfilled.

(d) Other than as provided in any tax opinion that the Company has provided to the SCP Member, the SCP Member acknowledges that the SCP Member must depend entirely upon its own advisors for tax advice concerning an investment in the Company, that the Company

has not provided any information on tax matters, and that any information provided to it by, or on behalf of, the Company is not to be construed as tax advice to it from counsel to the Company.

(e) The SCP Member has been furnished, has carefully read, and has relied solely on the information contained in the Operating Agreement and this Addendum (including all exhibits and all amendments thereto, if any).

(f) The SCP Member fully understands and agrees that it must bear the economic risk of its ownership in the Interest for an indefinite period of time because, among other reasons, the Interest has not been registered under the 1933 Act, or the securities laws of any state, and therefore, cannot be sold, pledged, assigned or otherwise disposed of unless it is subsequently registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available. It further understands and agrees that the Company will not honor any attempt by it to sell, pledge, transfer or otherwise dispose of the Interest, in the absence of an effective registration statement for the Interest under the 1933 Act and applicable state securities laws or an opinion of counsel, satisfactory in form and substance to the Company and its counsel, that an exemption is available therefrom.

(g) Neither SCP Member nor any of its members is a “tax-exempt entity” or “tax-exempt controlled entity” as those terms are used in Section 168(h) of the Internal Revenue Code of 1986, as amended from time to time (“Code”) that has not made the election to be treated as taxable under Section 168(h) of the Code.

6. Restrictions on Transfer. The SCP Member understands and agrees that, in addition to the restrictions under the 1933 Act and state securities laws, it may transfer its Interest only as the Operating Agreement permits or as provided in this Addendum.

7. Representations of the Company/Managing Member Managing Member. The Company and the Managing Member represent and warrant to the SCP Member that the following are true and accurate as of the date of this Addendum and the date of the Additional Capital Contribution:

(a) The execution and delivery by the Managing Member of the Amendment and the transactions contemplated thereby have been duly authorized by all necessary action, and the consummation of any such transactions contemplated hereby with or on behalf of the Company does not constitute a breach or violation of, or a default under, the statutes, regulations, bylaws or other governing instruments of the Managing Member or any agreement by which it or any of its property is bound, nor a violation of any law, administrative regulation or court decree, any of which would have a material adverse effect on the Company.

(b) The Company is a Virginia limited liability company, validly existing and in good standing under the laws of the Commonwealth of Virginia, is authorized to transact business in the Commonwealth of Virginia and has the requisite company power to carry on its business, to enter into and perform its obligations under the Amendment and all other agreements in connection with the Property, and to carry out the transactions contemplated under the

Amendment, and the Company has complied with all filing requirements necessary to preserve the limited liability of the SCP Member.

(c) No Events of Bankruptcy (or events which, in the course of time, would result in Bankruptcy) have occurred with respect to the Company, the Managing Member or any Guarantor of the obligations hereunder (each, a "Person"). As used herein, "Events of Bankruptcy" means: the entry of a decree or order for relief by a court having jurisdiction in respect of such Person in a case under the federal bankruptcy laws, as now or hereafter constituted, or any other similar law, or the issuance of an order for the winding up or liquidation of his affairs and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days; the commencement by such Person of a proceeding under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; the commencement of any such proceeding against such Person which remains undismissed for a period of ninety (90) days, or by any act indicates its consent to, approval of or acquiescence in any such proceeding or the appointment of any receiver of or trustee for it or of any substantial part of its property, or allows any such receivership or trusteeship to continue undischarged for a period of ninety (90) days; the taking of any action to authorize any of the foregoing; the making of an assignment for the benefit of creditors; such Person files a petition in bankruptcy or petitions or applies to any tribunal for any receiver of such Person or for any substantial part of such Person's property; or if either (a) any one or more judgments or orders against such Person with respect to a claim or claims involving in the aggregate liabilities exceeding \$250,000, which judgment or order is not covered in full by insurance and is not stayed, bonded, paid or discharged within sixty (60) days after such judgment or order, or (b) any writ of attachment or execution or any similar process is (I) issued or levied against such Person's property and (II) is not discharged or stayed within sixty (60) days thereof.

(d) No litigation, action, investigation, or proceeding is pending or has occurred or, to the best of the Managing Member's knowledge, is threatened, which would (i) have a material adverse effect on the Company, the SCP Member or the Property; (ii) have a material adverse effect on the ability of the Managing Member (or any Guarantor) to perform its obligations under the Amendment; (iii) have a material adverse effect on the financial condition of the Managing Member or any Guarantor; or (iv) which would constitute or result in, if true, in a material breach of any warranty, representation or agreement set forth in the Amendment.

(e) The Company is and shall be treated as a partnership for federal tax purposes, and the SCP Member is and shall be treated as a partner for federal tax purposes.

(f) The Project Documents are in full force and effect and no default (or event which, with the giving of notice or the passage of time or both, would constitute a default) has occurred thereunder. As used herein, the "Project Documents" means and includes, with respect to the Property, the construction contract, the mortgage(s), note(s), loan agreement(s), management agreement and all instruments delivered to (or required by) the lenders to the Company, or otherwise entered into in connection with the rehabilitation of the Property, to the extent not otherwise listed in this definition.

(g) All material documents relating to the Company, the Project and the Property have been made available to the SCP Member.

(h) The Company has good and marketable title to the Property free and clear of all material liens, charges, encumbrances, security interests or statutory liens (other than the mortgage(s) previously identified by the Managing Member), except (A) for those easements, reservations, restrictions or other matters that (i) would not materially adversely affect the Property or its contemplated use or (ii) have been bonded against in such a manner as to preclude the holder of the lien or claimant from having any recourse to the Company's property and (B) for liens for taxes and assessments which are not yet due and payable, and (C) conveyances or contracts to convey title to such portions of the Property which are to be sold in the ordinary course of business after completion of the rehabilitation thereof and the issuance by DHR of the Part 3 certification of the Project. Title to the Property shall be insured at all times by a reputable title insurance company in an amount equal to at least the lesser of (A) the fair market value of the Property or (B) the sum of the then outstanding debt secured by the Property plus the amount of the SCP Member Contribution and the capital contributions of all other Members.

(i) The Managing Member is not in default in the observance or performance of any provision of the Operating Agreement or any other Project Document to be observed or performed by the Managing Member which would have a material adverse effect on the Company, the SCP Member or the Property.

(j) To the best of the Managing Member's knowledge, the execution and delivery by the Managing Member of the Amendment and the performance of any of the actions of the Managing Member contemplated thereby has not constituted and will not constitute a violation in any material respect of (i) the Operating Agreement, (ii) any other agreement by which the Managing Member is bound or to which any of its property or assets is subject, or (iii) any law, administrative regulation, or court decree.

(k) To the best of its knowledge, no event has occurred which has caused, and neither the Managing Member nor the Company has acted in any manner which will cause (i) the Company to be treated for federal income tax purposes as an association taxable as a corporation, (ii) the Company to fail to qualify as a limited liability company under the laws of the Commonwealth of Virginia, or (iii) the SCP Member to be liable for Company obligations, except as provided in the Act.

(l) The Property is being rehabilitated in a timely manner in conformity with the Project Documents and the Managing Member will use its best efforts to ensure that the portion of the Property consisting of the building and structural components of the building qualifies as a certified historic structure as described in the Virginia Statute and Regulations. To the best of the Managing Member's knowledge, there is no violation by the Company or the Managing Member of any zoning, environmental, or similar regulation applicable to the Property which could have a material adverse effect thereon, and the Company has complied with all applicable municipal and other laws, ordinances and regulations relating to such rehabilitation and use of the Property and has obtained (or will obtain when necessary) all permits and licenses necessary for the construction, use, occupancy, and operation of the Property. All appropriate public roadways,

public utilities, including sanitary and storm sewers, water, gas, and electricity are or will be available and operating properly for the Property at the time of the first use of the Property.

(m) There is and shall be no personal liability of the SCP Member for the repayment of the principal of or interest on any debt of the Company.

(n) Neither the Company nor the Property is in violation of Clean Air Act, Clean Water Act, Resources Conservation and Recovery Act, Toxic Substance Control Act, Safe Drinking Water Control Act, Comprehensive Environmental Response, Compensation and Liability Act and Occupational Safety and Health Act or any other federal, state, or local law relating to hazardous substances (“Hazardous Substances”). Neither the Managing Member nor the Company has received any notice from any governmental agency that the Company, the Property, or land upon which it is located is in violation of any such law. Further, the Company and the Managing Member shall indemnify, defend and hold-harmless the SCP Member from and against any and all claims which may arise or be made with respect to any presence of Hazardous Substances and/or their remediation thereof. The foregoing indemnification shall survive the bankruptcy, insolvency, termination or dissolution of the Company, and/or the death, incompetency, insolvency, bankruptcy or removal or withdrawal from the Company of the Managing Member.

#### 8. Redemption of Interest.

(a) At any time on or after December 31, 2020 the SCP Member shall have the option (the “Put Option”), but not the obligation, to sell to the Company all of its Interest. The sales price for the Interest of the SCP Member shall be determined as the amount equal to the product of a fair market multiple to be agreed-upon by the Company and the SCP Member times earnings before interest, taxes, depreciation and amortization for the Company as of the Closing Date (defined below) then less all liabilities of the Company as of the Closing Date (the “Fair Market Value”) then times 75% then times 95%, and on the terms set forth herein. If the SCP Member desires to exercise such Put Option, it shall deliver written notice (the “Put Notice”) of such desire to the Company and select the date for the redemption (the “Closing Date”) to be any date on or after the date of the Fair Market Value Determination (defined below), but in no event prior to the date that is ten (10) days after the Put Notice is received by the Company.

(b) “Earnings before interest, taxes, depreciation and amortization” and “liabilities” shall be as the Accountant determines in accordance with the Company’s accounting method applied on a consistent basis and any determination of the Accountant shall be binding on all parties absent patent error. Any other terms used but not defined herein, shall have the meaning generally ascribed to them in the accounting industry. The Company will use its commercially reasonable efforts to have the Fair Market Value finally determined (the “Fair Market Value Determination”) as soon as possible but in no event, more than thirty (30) days after the date of the Put Notice. The Company will pay all costs and fees required for any valuation under this Addendum. Under the terms of this Addendum, the Managing Member will pay the purchase price (the “Purchase Price”) in cash within fifteen (15) days after the Fair Market Value Determination. The purchase and sale of the Interest will be effective as of the specified Closing Date. The Purchase Price shall not be less than \$1,000.

(d) The parties will execute all documents and certificates necessary to affect the redemption as of the Closing Date, and the SCP Member will cease being a Member as of that date. The Managing Member shall have the right to act as attorney-in-fact for the SCP Member, to execute all documents and certificates and to do all things necessary and proper to affect such redemption, transfer and withdrawal. The preceding sentence does not abate the obligation of the SCP Member to cooperate timely and fully with any transfer under this Section.

9. Reports. The Member Managing Member shall cause to be prepared and distributed to the SCP Member:

(a) Within sixty (60) days after the close of each fiscal year of the Company, the Tax Documents and such other financial information with respect to each fiscal year of the Company as shall be reportable for federal and state income tax purposes (including Schedules K-1 and VK-1);

(b) Within forty-five (45) days of Completion, the Managing Member shall cause to be prepared and distributed to the Members a worksheet detailing the calculation of the qualified rehabilitation expenses in a form acceptable to the SCP Member.

(c) Within ten (10) business days of receipt, copies of any filings and/or correspondence to or from the DHR or VDT regarding the Property or the Tax Documents and, upon request, all other information which is reasonably requested by the SCP Member regarding the Company and its activities.

(d) (i) In the event that the reports or information provided for in Sections 9(a), (b) or (c) above are, at any time, not provided within ten (10) days of the time frames set forth therein, the Managing Member shall be obligated to pay to SCP Member the sum of \$50 per day, as liquidated damages, for each day beginning on the dates upon which such reports or information is(are) due (the "Due Date") pursuant to the provisions of Sections 10(a), (b) and (c) above until the date upon which such reports or information are received by SCP Member; provided however, that with respect to the information specified in Section 10(a), such liquidated damages shall equal \$100 per day commencing on the seventh day following the Due Date and \$200 per day commencing on the fourteenth day following the Due Date until the date upon which such information is received by SCP Member. Such damages shall be paid forthwith and failure to so pay shall constitute a material default hereunder.

(ii) In the event that the reporting requirements set forth in any of the above provisions of this Section 9 are not met, the SCP Member, in its reasonable discretion, may direct the Managing Member to dismiss the accountants responsible therefor, and to designate successor accountants, subject to the reasonable approval of the SCP Member, and the fees of such successor accountants shall be paid by the Company.

10. Tax Matters Partner/Special Allocations.

(a) The Managing Member is hereby designated as Tax Matters Partner of the Company, and shall engage in such undertakings as are required of the Tax Matters Partner of the

Company, as provided in regulations pursuant to Section 6231 of the Internal Revenue Code of 1986, as amended from time to time (“Code”) or the tax regulations promulgated under the Code. Each Member, by its execution of this Addendum, consents to such designation of the Tax Matters Partner and agrees to execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. When the changes to Subchapter C of Chapter 63 of the Code, as made by the Bipartisan Budget Act of 2015 (the “2015 Budget Act Partnership Audit Rules”), become effective, the Managing Member shall be the “partnership representative,” provided, however, the SCP Member shall have the same rights with respect to the partnership representative and the Company under the 2015 Budget Act Partnership Audit Rules as the SCP Member had with respect to the Tax Matters Partner and the Company before the effective date of the 2015 Budget Act Partnership Audit Rules.

The Tax Matters Partner shall have and perform all of the duties required under the Code, including the following duties:

(i) Furnish the name, address, profits interest, and taxpayer identification number of each Member to the IRS; and

(ii) Within three (3) calendar days after the receipt of any correspondence or communication from the IRS or VDT relating to the Company or a Member, the Tax Matters Partner shall forward to each Member a photocopy of all such correspondence or communication(s). The Tax Matters Partner shall, within three calendar days thereafter, advise each Member in writing of the substance and form of any conversation or communication held with any representative of the IRS, DHR or VDT.

(b) The Tax Matters Partner shall not without the prior written consent of the SCP Member:

(i) Extend the statute of limitations for assessing or computing any federal or state tax liability against the Company (or the amount or character of any Company tax items or allocations);

(ii) Settle any audit with the IRS concerning the adjustment or readjustment of any partnership item(s) (within the meaning of Section 6231(a)(3) of the Code);

(iii) Settle any audit with VDT or take any actions concerning the amount, character, or allocation of the State Credits;

(iv) File a request for an administrative adjustment with the IRS at any time or file a petition for judicial review with respect to any such request;

(v) Initiate or settle any judicial review or action concerning the amount or character of any partnership tax item(s) (within the meaning of Section 6231(a)(3) of the Code);

(vi) Intervene in any action brought by any other Member for judicial review of a final adjustment; or

(vii) Take any other action not expressly permitted by this Section on behalf of the Members of the Company in connection with any administrative or judicial tax proceeding.

In the event of (a) any proceeding instituted by the IRS against the Company pursuant to Sections 6221 through 6233 of the Code, (b) proceeding instituted by VDT or the Company regarding the amount, character, or allocation of the State Credits, the Tax Matters Partner shall consult with the SCP Member regarding the nature and content of all action and defense to be taken by the Company in response to such proceeding. The Tax Matters Partner also shall consult with the SCP Member regarding the nature and content of any proceeding pursuant to Sections 6221 through 6233 of the Code instituted by or on behalf of the Company (including the decision to institute proceedings, whether administrative or judicial, and whether in response to a previous IRS proceeding against the Company or otherwise).

In the event of (a) any Company-level proceeding instituted by the IRS or the Company pursuant to Sections 6221 through 6233 of the Code or (b) proceeding instituted by VDT or the Company regarding the amount, character, or allocation of the State Credits, the SCP Member shall have the right, at its own expense, to consult with its own accountants and attorneys.

The Company shall indemnify and reimburse the Tax Matters Partner for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Members, the amount, character, or allocation of the State Credits. The foregoing indemnification and guarantees shall survive the bankruptcy, insolvency, termination or dissolution of the Company.

(c) The Company will treat the first one percent (1%) of the SCP Member Contribution as a capital contribution to the Company and, accordingly, as a credit to the SCP Member's Capital Account in the year in which that portion of the SCP Member Contribution is paid to the Company. The remainder of the SCP Member Contribution will be treated and reported as federal taxable income to the Company in the year in which that portion of the SCP Member Contribution is paid to the Company (the "Company-Level State Credit Income"). The Company-Level State Credit Income will be deemed to have been generated by the sale, for federal income tax purposes only, of the State Credits by the Company to the SCP Member, which State Credits will have been treated, for federal income tax purposes only, as having been purchased by the SCP Member from Company (i.e., the Company-Level State Credit Income will be net of cost of purchasing the State Credits from the Company). The Company shall allocate eighty-two percent (82%) of the Company-Level State Credit Income to the SCP Member and eighteen percent (18%) of the Company Level State Credit Income to the Managing Member. All such Company-Level State Credit Income shall be reported as gain from a nonrecurring sale of a capital asset. The Members agree to cause the Accountants to prepare and file federal and state income tax returns that are consistent with this special allocation provision.

11. Covenants Relating to the Property and the Company. The Managing Member shall have the following duties and obligations with respect to the Property and the Company, and covenants that:

(a) The Managing Member shall cause the Company to use commercially reasonable efforts to complete the rehabilitation of the Property, or cause the same to be completed, in a good and workmanlike manner, free and clear of all mechanics', materialmen's or similar liens (other than those that are bonded or insured);

(b) While conducting the business of the Company, it shall not act in any manner which it knows or should have known after due inquiry would (i) cause the termination of the Company for federal income tax purposes without the consent of the SCP Member, (ii) cause the Company to be treated for federal income tax purposes as an association taxable as a corporation, (iii) cause the Company to fail to qualify as a limited liability company under the LLC Act or (iv) cause the SCP Member to be liable for Company obligations in excess of its unpaid SCP Member Contribution;

(c) It shall exercise good faith in all activities relating to the conduct of the business of the Company, including the acquisition, operation and maintenance of the Property, and shall take no action in its capacity as Managing Member with respect to the business and property of the Company which is not reasonably related to the achievement of the purpose of the Company;

(d) The Managing Member shall cause the Company to use commercially reasonable efforts to take all actions necessary in order to (i) rehabilitate the Property in accordance with the Virginia Statute and Regulations, (ii) receive all necessary approvals from DHR after the rehabilitation is completed, and (iii) ensure that the qualified rehabilitation expenditures incurred by the Company meet the "material rehabilitation" under the Virginia Statute and Regulations;

(e) Upon Owner's completing rehabilitation, upon written request from the SCP Member and to the extent readily available to Managing Member, Managing Member shall furnish to the SCP Member copies of such documents, reports and surveys that are customarily delivered to a lender as evidence of completion of rehabilitation, or that are otherwise reasonably requested by the SCP Member. Such documentation may include: (i) evidence satisfactory to the SCP Member of the issuance by all appropriate governmental authorities of final unconditional certificates of use and occupancy for the Property (if issued); (ii) a punch list completed and approved by the Company and contractor and all items therein have been completed by contractor to the Company's satisfaction; (iii) inspection report by any lenders as to final completion; (iv) a final ALTA "as-built" survey reasonably satisfactory to the SCP Member and title insurer showing the completed rehabilitation, together with an additional endorsement to the title policy; (v) affidavit of the Company and contractor, and such other evidence reasonably satisfactory to the SCP Member, stating that each person providing any material or performing any work in connection with an advance has been paid in full or bonded to the satisfaction of the SCP Member and that all withholding taxes have been paid and lien waivers have been obtained from all contractors, subcontractors and suppliers who have performed work or supplied materials in connection with the rehabilitation, and covering such other matters as the SCP Member may

require; and (vi) detailed as-built plans and specifications approved and identified as such in writing by Managing Member, architect, contractor. SCP Member shall also have the right to perform background checks on the Managing Member, the Guarantor and each of their owners and affiliates.

(f) It will hire Accountants and provide them with such information in its possession and sign such documents as are necessary for the Company to make timely, accurate and complete submissions of federal and state income taxes.

(g) It will cause the Company to use commercially reasonable efforts to cause the Property to be kept in compliance with all applicable zoning regulations, ordinances, and subdivision laws, rules, and regulations;

(h) The Managing Member shall cause the Company to maintain in full force and effect with reputable licensed insurers (each insurer must have a Standard & Poor's rating of "A" or better or a rating from A.M. Best Co. of A-V or better), such insurance policies, including: (i) fire and extended coverage property insurance, as may be required by any lender; provided that in all events, the Company shall obtain and maintain fire and extended coverage property insurance in an amount equal to at least the full replacement cost of the Property, such coverage amount to be approved by the SCP Member in its reasonable discretion, and with not more than \$10,000 deductible from the loss payable for any casualty; (ii) single limit comprehensive general liability insurance (including coverage for elevators, if any, in a Property) on an "occurrence basis" against claims for personal injury in an amount of at least \$1,000,000 coverage for any single occurrence and \$2,000,000 aggregate coverage for any single year; and (iii) flood insurance if a Property is located in a Special Flood Hazard Area (Zones A and V) as designated by the Federal Emergency Management Agency ("FEMA") in an amount equal to the lesser of: (a) the minimum amount required under the terms of coverage to compensate for any damage or loss on a replacement basis (or the unpaid balance of the Company's outstanding mortgage indebtedness plus the total amount of the SCP Member Contribution obligation if replacement cost coverage is not available for the type of building insured); or (b) the maximum insurance available under the appropriate National Flood Insurance Administration program. Unless a higher minimum amount is required by FEMA or other law, the maximum deductible clause should be no more than \$3,000 per building. All required insurance will be and shall be in effect and will be kept in full force and effect during the Company's ownership of the Property, and the SCP Member shall be added as an additional insured under the Company's general liability insurance policy and as a loss payee under the Company's fire and extended coverage property insurance policy. Each policy will include a provision requiring the insurance company to notify the SCP Member in writing 30 days (10 days for cancellation due to nonpayment of premium) prior to the cancellation of any such policy.

12. Member Managing Member's Indemnification. The Member Managing Member shall indemnify, defend and hold harmless the SCP Member and its affiliates, partners, members, directors, officers, managing members, agents, representatives and employees, and each of their successors and assigns (collectively, the "Indemnitees") from and against, and shall upon demand reimburse Indemnitees for any and all losses, claims, liabilities, damages, injunctive relief, injuries to person, property or natural resources, costs, actions or causes of action, fines, penalties, judgments, taxes, charges, assessments, damages (but specifically excluding consequential damages suffered by a third party claimant), costs and expenses (including reasonable attorneys'

fees and expenses), of every kind and nature whatsoever, whether direct or indirect, realized, suffered or incurred by or imposed upon any of the Indemnitees before or after the withdrawal of or other termination of the status of the SCP Member as a Member, arising, accruing, relating to or in connection with (i) any material default in any covenant, representation, warranty or obligation of Managing Member or the Company under the Operating Agreement, as amended hereby or (ii) any act or omission, negligence, gross negligence or willful misconduct, of the Managing Member. The foregoing indemnification shall survive the bankruptcy, insolvency, termination or dissolution of the Company, and/or the death, incompetency, insolvency, bankruptcy or removal or withdrawal from the Company of Managing Member. The Guarantor hereby guarantees the Managing Member's indemnification obligations under this Section.

13. Limited Assessment. Except as may otherwise be provided under applicable law, the SCP Member shall not be bound by, or personally liable for, the expenses, liabilities or obligations of the Company. Except as may otherwise be provided under applicable law, the SCP Member shall not be required to make any capital contributions other than the SCP Member Contribution required to be made pursuant to this Addendum. The Company and the Guarantor shall indemnify and hold harmless the SCP Member from and against all losses, liabilities, damages, judgments, settlements and expenses (including reasonable attorneys' fees) reasonably incurred as a result of actions against the SCP Member in its capacity as a Member or Special Member of the Company. The indemnification provided herein is in addition to and not a limit on any other right of contribution or indemnity by the Company or the Guarantor which otherwise might exist in favor of any of the SCP Member. The foregoing indemnification shall survive the bankruptcy, insolvency, termination or dissolution of the Company, and/or the death, incompetency, insolvency, bankruptcy or removal or withdrawal from the Company of the Managing Member.

14. Right to Inspect. The SCP Member and its respective employees, agents and consultants, shall have the right at any time upon at least 48 hours prior notice to physically inspect the Property, including all buildings and improvements thereof, and such right of inspection shall include, but shall not be limited to, the SCP Member's right to contact, question and discuss the status of the Project with any contractor, subcontractors, material suppliers, property management agents, architects, engineers, accountants, or employees thereof, tenants, DHR, VDT and parties providing financing to or on behalf of the Company, and the Managing Member specifically consents to all such inspections and contacts by the SCP Member and such inspections and contacts shall not constitute a breach of any fiduciary duty that may be owed by the SCP Member to the Company or to the Managing Member. SCP Member shall also have the right to retain an inspecting architect, engineer or other third-party inspector to review the cost certification, the construction plans, the construction progress, the construction draw requests and such other items to ensure that the rehabilitation of the Property is progressing in accordance with the Part 2 approval(s) of the Project by DHR and the financial model for the Property prepared by the Company. The cost to the SCP Member for any such inspection(s) shall be reimbursed by the Company and/or the Managing Member.

15. Intentionally Deleted.

16. Outside Activities. Nothing herein contained shall be construed to constitute any non-Managing Member hereof the agent of any other Member hereof or to limit in any manner the SCP Member in the carrying on of its own respective business or activities. The SCP Member may engage in and/or possess any interest in other business ventures (including partnerships of whatever kind) of every nature and description, independently or with others, whether existing as of the date hereof or hereafter coming into existence. Neither the Company nor any Member hereof shall have any rights in or to any such independent ventures or the income or profits derived there from and nothing shall be construed to render them members or partners in any such other business ventures.

17. Notices. Any offer, acceptance, election, approval, consent, certification, request, waiver, notice, or other communication required or permitted to be given under the Operating Agreement or this Addendum (hereinafter collectively referred to as a "Notice"), shall be given by enclosing the same in an envelope addressed to the party to whom the Notice is to be given at the appropriate address set forth on the then current Operating Agreement or at such other address as any party hereafter may designate to the others in accordance with the provisions of this Section.

18. Waiver of Jury Trial. (a) Each of the parties hereto hereby knowingly, voluntarily and intentionally, after opportunity for consultation with independent counsel, waives its right to trial by jury in any action or proceeding to enforce or defend any rights or obligations (i) under this Addendum, (ii) arising from the financial relationship between the parties existing in connection with this Addendum or (iii) arising from any course of dealing, course of conduct, statement (verbal or written) or action of the parties in connection with such financial relationship; (b) no party hereto will seek to consolidate any such action in which a jury trial has been waived with any other action in which a jury trial has not been or cannot be waived; (c) the provisions of this Section have been fully negotiated by the parties hereto, and these provisions shall be subject to no exceptions; (d) no party hereto has in any way agreed with or represented to any other party that the provisions of this Section will not be fully enforced in all instances; and (e) this Section is a material inducement for the SCP Member to enter into this Addendum.

19. Entire Agreement. This Addendum and all other written agreements referred to herein constitute the entire agreement among the parties and supersede any prior agreements or understandings among them with respect to the subject matter hereof. Notwithstanding anything in this Addendum or the Operating Agreement of the Company to the contrary, in the event of any conflict between any provision in this Addendum or the Operating Agreement of the Company governing (i) the rights, interest, claims, remedies or powers of SCP Member or (ii) the duties or obligations of any party to the Operating Agreement or this Addendum to SCP Member, the provisions governing such rights, interest, claims, remedies, powers, duties or obligations in the Amendment shall control and shall be in full force and effect. The undersigned are authorized to execute this Addendum on behalf of the Company, and this Addendum will be binding upon the Company and its Members. The Managing Member shall not approve any amendments to the Operating Agreement, or approve, consent or waive any actions under the Operating Agreement, without the prior written consent of SCP Member.

20. Headings. All article and section headings in this Addendum are for convenience of reference only and are not intended to qualify the meaning of any article or section.

21. Separability Provisions. If the operation of any provision of this Addendum would contravene the provisions of the LLC Act or would result in the imposition of general liability on any Member, such provision only shall be void and ineffectual.

22. Burden and Benefit Upon Successors. The SCP Member may assign this Addendum to any person, firm, partnership, corporation or other entity with the prior consent of the Company. Except as expressly otherwise provided herein, this Addendum is binding upon and inures to the benefit of, parties and their respective heirs, executors, administrators, personal and legal representatives, successors, and permitted assigns. The SCP Member agrees not to assign or otherwise transfer its Interest except as permitted pursuant to the terms hereof and only if the transferee (and any successive transferee) is bound by the Operating Agreement, as amended hereby.

23. Third Parties. The agreements, covenants, and representations contained in this Addendum are for the benefit of the parties and are not for the benefit of any third parties, including, without limitation, any creditors of a party.

24. Governing Law; Further Assurances. The applicable laws of the Commonwealth of Virginia, without regard to the principles of conflicts of law, shall govern this Addendum and all questions with respect to the rights and obligations of the parties. Each party shall hereafter execute and deliver such further instruments, provide all information and take or forbear such further acts and things as may be reasonably required to carry out the intent and purpose of this Addendum and as are not inconsistent with the terms hereof.

25. Counterparts/Facsimile/PDF. This Addendum may be executed in any number of counterparts, each of which together shall constitute one instrument, binding upon all parties, notwithstanding that all of such parties may not have executed the same counterpart. Any counterpart of this Addendum, which has attached to it separate signature pages which together contain the signatures of all Members or is executed by an attorney-in-fact on behalf of some or all of the Members, shall for all purposes be deemed a fully executed instrument. This Addendum may be executed as facsimile or PDF originals and each copy of this Addendum bearing the facsimile/PDF transmitted signature of any party's authorized representative shall be deemed to be an original.

26. Amendment. The Operating Agreement and this Addendum shall not be amended without the prior written consent of each Member and P 2017.

27. Limitation on Liability of Investor Member. Notwithstanding any other provision of this Agreement, the liability of the Investor Member to the Company shall be limited to its Capital Contributions at any given time as and when payable under the provisions of the Operating Agreement. Investor Member shall not have any other liability to contribute money to, or in respect of the liabilities, obligations, debts or contracts of the Company, nor shall the Investor Member be personally liable for any liabilities, obligations, debts or contracts of the Company, including, without limitation, the obligations of the Company set forth in Section 8 of this Addendum. The Investor Member shall not be obligated to make loans to the Company.

**Signature page to  
Addendum to First Amended and Restated Operating Agreement  
of  
Code Genesis Bellevue LLC**

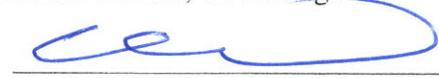
IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date and year first above written.

**MEMBER MANAGING MEMBER:**

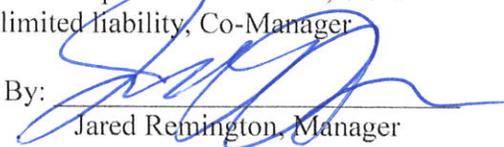
CGB MANAGING MEMBER LLC,  
a Virginia limited liability company

By: Bellevue Gardens Genesis  
Shield LLC, a Virginia limited liability  
company, Co-Manager

By:   
Michael C. Hunt, Co-Manager

By:   
Christian E. Shield, Co-Manager

By: Code Capital Partners LLC, a Utah  
limited liability, Co-Manager

By:   
Jared Remington, Manager

**Signature page to  
Addendum to First Amended and Restated Operating Agreement  
of  
Code Genesis Bellevue LLC**

IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date and year first above written.

**COMPANY:**

**CODE GENESIS BELLEVUE LLC**

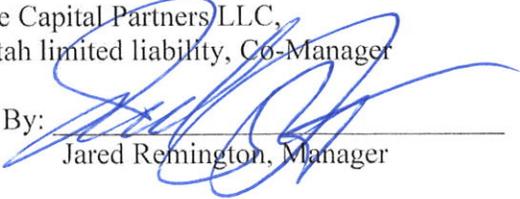
By: CGB MANAGING MEMBER LLC,  
a Virginia limited liability company, Managing Member

By: Bellevue Gardens Genesis Shield LLC,  
a Virginia limited liability company, Co-Manager

By:   
Michael C. Hunt, Co-Manager

By:   
Christian E. Shield, Co-Manager

By: Code Capital Partners LLC,  
a Utah limited liability, Co-Manager

By:   
Jared Remington, Manager

**Signature page to  
Addendum to First Amended and Restated Operating Agreement  
of  
Code Genesis Bellevue LLC**

**INVESTOR MEMBER:**

Fulton Bank, N.A.

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Signature page to  
Addendum to First Amended and Restated Operating Agreement  
of  
Code Genesis Bellevue LLC**

IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date and year first above written.

**SCP MEMBER:**

CODE GENESIS BELLEVUE SCP LLC,  
a Virginia limited liability company

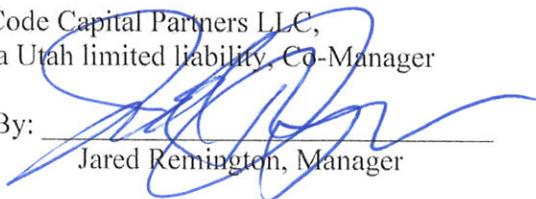
By: CGB MANAGING MEMBER LLC,  
a Virginia limited liability company, Manager

By: Bellevue Gardens Genesis  
Shield LLC, a Virginia limited liability  
company, Co-Manager

By:   
Michael C. Hunt, Co-Manager

By:   
Christian E. Shield, Co-Manager

By: Code Capital Partners LLC,  
a Utah limited liability, Co-Manager

By:   
Jared Remington, Manager

## SCHEDULE A

<u>Members' Names and Business and Notice Addresses</u>	<u>Interest</u>	<u>Initial Capital Contribution</u>
<b>CGB Managing Member LLC</b> 101 West Commerce, 2 <sup>nd</sup> Floor Richmond, Virginia 23244	1%	See Operating Agreement
<b>Fulton Bank, N.A.</b>  1 Penn Square Lancaster, PA 17602	98%	See Operating Agreement
<b>CODE GENESIS BELLEVUE SCP LLC</b> 101 West Commerce, 2 <sup>nd</sup> Floor Richmond, Virginia 23224	1%	2017: \$845,348* 2018: \$1,268,023*
<b>Total</b>	<b>100%</b>	

\*Subject to adjustment as set forth in this Addendum. In no event will the capital contributions exceed the amount of the capital contributions of Preservation 2017, LLC contributed to Code Genesis Bellevue SCP LLC.

**SCHEDULE B**  
**DUE DILIGENCE DOCUMENTATION CHECKLIST**

# Due Diligence Documentation Checklist

Project Name:

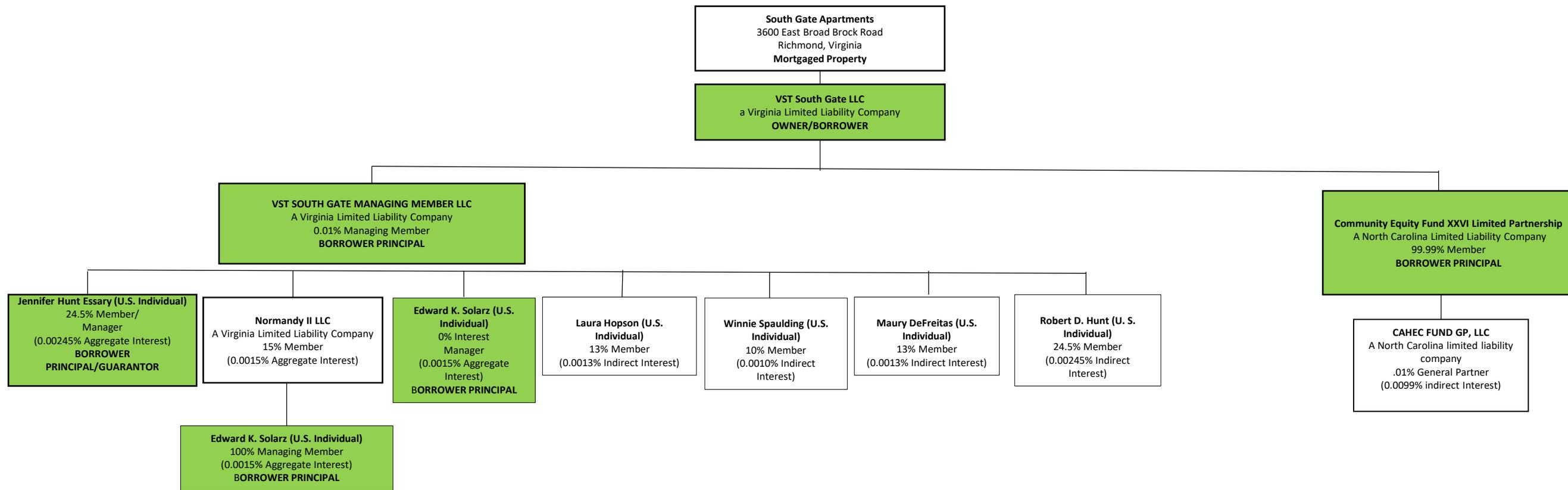
Project Address:

DHR #

Date:

Completion Date	
QREs per cost certification	\$ -

	Status	Notes
1 Articles of Organization		
2 SCC Certificate of Fact (w/in 30 days of funding)		
3 EIN Confirmation (IRS Form SS-4)		
4 Operating Agreement		
5 Amendment to Operating Agreement		
6 Attorney Opinion Letter		
7 Guaranty Agreement		
8 Financial statements - Guarantors / Authorization		
9 Development Agreement		
10 Property Deed		
11 Owner's title policy w/ date-down endorsement		
12 ALTA Survey		
13 Project Budget / QRE Budget / S&U / Pro forma		
14 Certificate of Liability Insurance w/ endorsement		
15 Certificate of Property Insurance w/ endorsement		
16 Loan documents: Deed of Trust, Note, Guaranty		
17 Appraisal		
18 Zoning Letter		
19 Building Permit		
20 Environmental Site Assessment / Reliance letter		
21 Evidence of Placed-in-Service Status (C.O.)		
22 Part 1 Application		
23 Part 1 Approval Letter		
24 Part 2 Application		
25 Part 2 Approval Letter		
26 Part 3 Application		
27 Cost Certification (audit)		
28 Part 3 Approval Letter		
29 Form PTEs		
30 Project inspection		



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

# **Tab Q:**

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



## CITY OF RICHMOND

### Housing and Community Development

To: Ronald H. Hunt, Genesis Properties

From: Michelle Peters, Deputy Director HCD <sup>MP</sup>

CC: Edward Solarz, Genesis Properties  
Jessica Stevenson, Genesis Properties

Date: March 15, 2022

**RE: The Affordable Housing Partial Tax Exemption Program  
3448 ½ Maury Street-Application #03820211**

The Department of Housing and Community Development (HCD) is in receipt of the letter from Genesis Properties, Inc. dated March 9, 2022 withdrawing the application from the former 10-year Partial Tax Exemption Program administered by the Office of the City Assessor for the above-referenced property. The letter also articulated your interest to proceed with the application submitted to HCD on December 21, 2021 for the new Affordable Housing Partial Tax Exemption Program. In addition, HCD received a letter from the Office of the City Assessor confirming that your original application is no longer active.

Your December 21, 2021 application is moving forward under HCD's new program and attached to this memorandum is the Base Value Determination Letter for the property at 3448 ½ Maury Street-application #03820211. You may now begin the rehabilitation work on this property. All work must be completed within two (2) years from the date of your application. The identified completion date is also provided in your Base Value Determination Letter.

Remember, you must file the *Qualification Release Form* with HCD when the rehab work has been completed and a final *Certificate of Occupancy (CO)* has been issued. HCD will send a copy of the form to the Office of the City Assessor to schedule the *Final Value Inspection*. The *Rehab Credit* will be determined when the *Final Value Inspection* is completed and verification that minimum qualifications have been met. Only those improvements completed by the expiration date will be considered in determining the *Rehab Credit*.

If your project is completed earlier than the expiration date and you wish to receive early *Rehab Credit*, you must also file the same *Qualification Release Form* with HCD. HCD will send a copy of the form to the Office of the City Assessor to schedule the *Final Value Inspection*.

A copy of the *Qualification Release Form* is attached for your convenience. A fillable *Qualification Release Form* will also be sent electronically to the email included in the application.



**CITY OF RICHMOND**  
**Housing and Community**  
**Development**

If you have any questions, please feel free to give Mr. Kelley a call at (804) 646-6428 or myself at (804) 646-3975.

HCD wishes you great success with your rehabilitation project!

Attachments



## Department of Housing and Community Development

March 15, 2022

**SOUTH GATE APARTMENTS LLC  
101 W COMMERCE RD FL 2  
RICHMOND, VA 23224**

**Attention: Ronald H. Hunt**

RE: Application for Affordable Housing Partial Exemption from Real Estate Taxes  
Base Value Determination

Dear Mr. Hunt:

The initial *Base Value* inspection for this property has been completed as per guidelines of the *Application for Affordable Housing Partial Exemption from Real Estate Taxes* you recently filed. The following information applies to this application:

<i>Property Address:</i>	<b>3448 1/2 Maury St</b>	<i>Base Land Value:</i>	<b>\$475,000.00</b>
<i>Parcel ID:</i>	<b>S0071164002B</b>	<i>Base Bldg Value:</i>	<b>\$4,250,000.00</b>
<i>Rehab Application #:</i>	<b>03820211</b>	<i>Base Total Value:</i>	<b>\$4,725,000.00</b>
<i>Date of Application:</i>	<b>12/20/2021</b>	<i>Final Land Value:</i>	<b>(TBD)</b>
<i>Date of Base Inspection:</i>	<b>1/1/2021</b>	<i>Final Bldg Value:</i>	<b>(TBD)</b>
<i>Application Expiration Date:</i>	<b>12/20/2023</b>	<i>Final Total Value:</i>	<b>(TBD)</b>

The *Rehab Credit* will be determined when the *Final Value* inspection is completed no later than the *Application Expiration Date*, and verification that minimum qualifications have been met. Only those improvements completed by the expiration date will be considered in determining the *Rehab Credit*. If your project is completed earlier than the expiration date and you wish to receive early *Rehab Credit*, you must notify us by filing the *Qualification Release Form*. Housing and Community Development will then notify the Office of the City Assessor.

If you believe this *Base Value* determination is incorrect, you must file a written appeal with documentation supporting your contention of value within 30 days of the date of this letter. Please refer to the rehab application number when making inquiries about this property. This information should be submitted to the Office of the City Assessor at 900 E. Broad Street, Room 802 Richmond, VA 23219. You may also reach them by telephone at 804-646-7500. A copy should also be emailed to [HCD@RVA.gov](mailto:HCD@RVA.gov).

Sincerely,

*Michelle Peters*

Michelle Peters  
Deputy Director



**City of Richmond, Virginia**  
**Application for Partial Tax Exemption**

**QUALIFICATION RELEASE FORM**

This *Qualification Release Form* must be filled by the applicant (a) before the *Application Expiration Date* in order to initiate the *Final Value* inspection process, or (b) no later than December 31<sup>st</sup> of the prior year should the applicant request early start of the *Rehab Credit*.

Please note the following:

1. Review the *Program Guidelines* of the *Application for Partial Tax Exemption* for compliance;
2. Deadlines and expiration dates are set by city ordinance, extensions will not be considered;
3. Should the property not qualify for *Rehab Credit*, the applicant may submit a new application and a new *Base Value* will be assigned to the property.

---

**CERTIFICATION**

*I hereby confirm that as of this date the rehabilitation of this property is ready for Final Value Inspection. A City of Richmond appraiser will contact me and set an appointment to complete the mandatory Final Value Inspection. I understand that any work not complete as of the Application Expiration Date will not be considered in the Final Value determination. To assist the appraiser, I am providing contact and other information necessary to complete the Rehab Credit Application.*

Property Address: \_\_\_\_\_ Parcel ID: \_\_\_\_\_

\_\_\_\_\_  
(Day-time Phone #)

\_\_\_\_\_  
(Other Phone #)

\_\_\_\_\_  
(Email Address)

\_\_\_\_\_  
Signature of Owner/Agent

\_\_\_\_\_  
Please Print Name

# **Tab R:**

Documentation of Operating Budget and Utility Allowances

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$6,000
2. Office Salaries			\$60,000
3. Office Supplies			\$3,500
4. Office/Model Apartment	(type		\$0
5. Management Fee			\$49,000
<u>3.49% of EGI</u>		<u>\$437.50</u>	Per Unit
6. Manager Salaries			\$117,000
7. Staff Unit (s)	(type		\$0
8. Legal			\$3,580
9. Auditing			\$4,000
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$2,000
12. Tax Credit Monitoring Fee			\$2,500
13. Miscellaneous Administrative			\$10,000
<b>Total Administrative</b>			<b>\$257,580</b>

**Utilities**

14. Fuel Oil			\$0
15. Electricity			\$8,400
16. Water			\$34,251
17. Gas			\$500
18. Sewer			\$36,525
<b>Total Utility</b>			<b>\$79,676</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$37,000
20. Janitor/Cleaning Supplies			\$3,500
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$3,500
23. Trash Removal			\$8,900
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$4,000
26. Grounds Supplies			\$2,750
27. Grounds Contract			\$10,000
28. Maintenance/Repairs Payroll			\$49,000
29. Repairs/Material			\$20,000
30. Repairs Contract			\$20,000
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$5,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,500
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$20,000
<b>Totals Operating &amp; Maintenance</b>			<b>\$185,150</b>

**Taxes & Insurance**

38. Real Estate Taxes			\$56,700
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**M. OPERATING EXPENSES**

39. Payroll Taxes	\$31,270
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$28,500
42. Fidelity Bond	\$0
43. Workman's Compensation	\$0
44. Health Insurance & Employee Benefits	\$0
45. Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$116,470</b>
<b>Total Operating Expense</b>	<b>\$638,876</b>

**Total Operating Expenses Per Unit** \$5,704 **C. Total Operating Expenses as % of EGI** 45.54%

**Replacement Reserves** (Total # Units X \$300 or \$250 New Const. Elderly Minimum) \$33,600

<b>Total Expenses</b>	<b>\$672,476</b>
-----------------------	------------------

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

## Virginia Housing | Housing Choice Voucher Program

**Allowances for  
Tenant-Furnished Utilities  
and Other Services**

<b>Family Name:</b> _____
<b>Unit Address:</b> _____
<b>Voucher Size*:</b> _____ <b>Unit Bedroom Size*:</b> _____
<i>*Use smaller size to calculate tenant-supplied utilities and appliances.</i>

		Unit Type: 3 Exposed Walls					Effective Date: 07/01/2021			
Utility	Usage	Monthly Dollar Amount								
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR	
<b>Appliance</b>	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
<b>Bottled Gas</b>	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00	
	Home Heating	\$51.00	\$72.00	\$91.00	\$112.00	\$142.00	\$163.00	\$183.00	\$204.00	
	Water Heating	\$19.00	\$27.00	\$34.00	\$41.00	\$53.00	\$61.00	\$68.00	\$76.00	
<b>Electricity</b>	Cooking	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00	
	Cooling (A/C)	\$6.00	\$7.00 ✓	\$9.00 ✓	\$12.00 ✓	\$15.00	\$17.00	\$19.00	\$21.00	
	Home Heating	\$21.00	\$28.00	\$36.00	\$43.00	\$55.00	\$63.00	\$70.00	\$78.00	
	Other Electric	\$10.00	\$14.00 ✓	\$18.00 ✓	\$22.00 ✓	\$28.00	\$32.00	\$36.00	\$40.00	
	Water Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00	
<b>Natural Gas</b>	Cooking	\$2.00	\$2.00 ✓	\$3.00 ✓	\$3.00 ✓	\$4.00	\$5.00	\$5.00	\$6.00	
	Home Heating	\$9.00	\$13.00 ✓	\$17.00 ✓	\$21.00 ✓	\$25.00	\$30.00	\$33.00	\$37.00	
	Water Heating	\$4.00	\$5.00 ✓	\$6.00 ✓	\$8.00 ✓	\$10.00	\$11.00	\$13.00	\$14.00	
<b>Oil</b>	Home Heating	\$30.00	\$42.00	\$53.00	\$65.00	\$83.00	\$95.00	\$107.00	\$118.00	
	Water Heating	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00	
<b>Sewer</b>	Other	\$21.00	\$29.00 ✓	\$38.00 ✓	\$46.00 ✓	\$59.00	\$67.00	\$76.00	\$84.00	
<b>Trash Collection</b>	Other	\$14.00	\$14.00 ✓	\$14.00 ✓	\$14.00 ✓	\$14.00	\$14.00	\$14.00	\$14.00	
<b>Water</b>	Other	\$18.00	\$24.00 ✓	\$31.00 ✓	\$37.00 ✓	\$48.00	\$54.00	\$61.00	\$68.00	
<b>UTILITY ALLOWANCE TOTAL:</b>		\$	\$	\$	\$	\$	\$	\$	\$	

**From:** [Owen, Danielle](#)  
**To:** [Jessica Stevenson](#)  
**Cc:** [Jennifer Heller](#); [Ed Solarz](#)  
**Subject:** RE: Virginia Housing Utility Allowances  
**Date:** Thursday, April 28, 2022 10:03:09 AM  
**Attachments:** [image001.png](#)

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**EXTERNAL EMAIL**

Good morning Jessica, You may use the PHA allowances from Virginia Housing (VH) or RRHA and do not need approval for this method. Please keep in mind that VH has UAs based on exposed walls so I would request a breakdown of which units have each (1, 2, etc). RRHA has UAs based on unit/building type so if there are different types then I would request that breakdown.

I would be requesting the breakdown information during a file review or unless there may be a need to complete a rent/UA check. If third party UAs are going to be utilized then approval from VH would be required and you would still have to have the PHA UA to for any voucher holders.

Please let me know if you have any additional questions.

**Danielle E. Owen, HCCP, C7P, CPO, CAM**  
Senior Compliance Officer – Virginia Housing  
601 South Belvidere Street, Richmond, VA 23220-4528  
Phone- (804) 343-5672 Fax- (804) 343-8643  
[www.virginiahousing.com](http://www.virginiahousing.com)



Please consider the environment before printing this email. Thank You.

[Please Click Here to Sign Up for VH Program Updates](#) to ensure you receive all notifications pertaining to LIHTC and Multifamily Compliance including HDS NextGen updates.

Please e-mail your HDS NextGen system related requests, questions, feedback and concerns to [HDSAdmin@VirginiaHousing.com](mailto:HDSAdmin@VirginiaHousing.com)

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**From:** Jessica Stevenson <[JessicaStevenson@genesisproperties.com](mailto:JessicaStevenson@genesisproperties.com)>  
**Sent:** Thursday, April 28, 2022 9:50 AM  
**To:** Owen, Danielle <[Danielle.Owen@virginiahousing.com](mailto:Danielle.Owen@virginiahousing.com)>  
**Cc:** Jennifer Heller <[jenniferheller@genesisproperties.com](mailto:jenniferheller@genesisproperties.com)>; Ed Solarz <[edsolarz@genesisproperties.com](mailto:edsolarz@genesisproperties.com)>  
**Subject:** Virginia Housing Utility Allowances

**CAUTION:** This email originated from outside of Virginia Housing. Use caution when clicking on links or opening attachments.

Good morning Danielle,

I was referred to you by our in-house compliance officer, Jennifer Heller. Genesis Properties is working on the pre-development proforma for a 150-unit new construction apartment building in Southside Richmond along the Richmond 300 priority growth corridor. We are applying for Virginia Housing's tax-exempt bonds and will seek LIHTC 4% credits for the community, which is to be for residents making 60% of AMI or less.

My question is regarding which utility allowances we should use to calculate our rents. I understand that Genesis Properties has been using UAs provided by Virginia Housing for several of our current properties and want to know if we should be calculating rents using Virginia Housing's UAs for our new developments as well. Please advise as we want to make sure we are meeting UA expectations for this and all future properties.

Thank you,

**Jessica Stevenson**

Development Analyst

101 W Commerce Rd, 2nd Fl, Richmond, VA 23224

Main (804) 230-1220

Direct (804) 977-0765

[www.GenesisProperties.com](http://www.GenesisProperties.com)



Virginia Housing

?

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# **Tab S:**

Supportive Housing Certification

Tab S- N/A

# **Tab T:**

Funding Documentation



## CITY OF RICHMOND

Department of Housing and  
Community Development

### MEMORANDUM

**To:** Mr. Maury DeFreitas  
Chief Executive Officer  
Genesis Properties, Inc.

Mr. Edward Solarz, Vice President - Development  
Genesis Properties, Inc.

**From:** Sherrill Hampton, Director 

**CC:** Sharon L. Ebert, Deputy Chief Administrative Officer for Planning & Economic Development

**Date:** March 24, 2022

**Re:** Notice of Recommendation for ARPA Award

The City of Richmond allocated \$10,000,000 under its first tranche of ARPA funding for affordable housing activities, including housing-related services. The City received forty (40) applications totaling over \$29,000,000 in requests.

I am pleased to provide notice that your application for funding to undertake the following activity was recommended for an ARPA award:

- *Acquisition and rehabilitation of the 112-unit South Gate Apartments, which will provide housing for persons with total household incomes at 60% AMI and below*

The recommended award amount is \$1,000,000. Note that all recommendations for an award must be approved by Richmond City Council. Recommendations are anticipated to be introduced at the March 28<sup>th</sup> Council meeting.

Applications were reviewed and funding recommendations were provided by a review panel. Funding recommendations were based on the merits of each application, local needs given the negative impacts of COVID-19, priorities articulated in the NOFA/Application Packet, and the adopted City Plans, as well as available funding.

Thank you and the Genesis Team for your partnership to provide quality affordable housing in Richmond.

/sh

# **Tab U:**

Acknowledgement by Tenant of the availability of Renter  
Education provided by Virginia Housing



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

This letter is to inform tenants that free renter education is available through Virginia Housing' website at <https://www.virginiahousing.com/renters/education>. This information includes a Renter eBook guide, Fair Housing Resources, Renter Rights and Responsibilities, and an Online Learning Center.

Topics included in the Renter eBook guide include:

1. Financial readiness
2. Credit explained
3. Finding an apartment or house
4. The application process
5. Understanding the lease agreement
6. Security deposits
7. Rights and Responsibilities
8. Housekeeping, maintenance, & repairs
9. Terminating a lease

By signing below, I acknowledge that Genesis Properties has informed me of these free resources.

Sincerely,

---

Name

---

Date

**Our Mission: To manage and develop real estate for the benefit of the resident, employee, and investor in an environment based on trust, excellence, integrity and teamwork.**

# **Tab V:**

Nonprofit or LHA Purchase Option or Right of First  
Refusal

Tab V- N/A

# **Tab W:**

Internet Safety Plan and Resident Information Form (if internet amenities selected)



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

## **South Gate Apartments Internet Safety Plan**

Dear Resident,

The Wi-Fi at South Gate Apartments is provided by SkyWire. All internet support, including issues, education, and security, will be handled by SkyWire. Upon move in, you will be provided with a contact sheet for Skywire and a user guide for your Wi-fi. Below, we have provided a sample list of support services provided by SkyWire and Security Features. We have also provided the Wireless Connections Security Tips provided by the Federal Communication Commission. Most importantly, follow any Wi-Fi Security protocol issued by the electronics manufacturer.

### **SkyWire Services**

- Individualized SSID/ Password per unit.
- WIFI Password reset assistance.
- Wifi performance education, training, and channel tweaking.
- Reset Router Settings to factory default at each unit turn.
- Performance monitoring and assistance.
- Device connectivity issues.
- Access to certain services issues.
- Copyright issues such as downloading or sharing illegal content

### **WIFI Security Features**

- Network segregation / port isolation.
- MAC based network authentication.
- Customizable firewall security levels.
- Intrusion detection and prevention.
- Multilevel access policy.
- Security and service segregation per SSID.
- Parental control - device time and access control.
- 24/7 Network and Device Stability and Performance Monitoring.

### **SkyWire Contact Information**

For any questions or issues, please contact SkyWire at (804)591-0500 ext 2. Or send an email to [support@vaskywire.com](mailto:support@vaskywire.com)

Sincerely,

South Gate Apartments Management

# Resident Acknowledgement Form

I, \_\_\_\_\_ (Resident Name) hereby confirm that I have received a copy of the South Gate Apartments Internet Security Plan. I understand who to contact if I have any questions.

\_\_\_\_\_  
Tenant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Property Manager Signature

\_\_\_\_\_  
Date

CC  
Tenant File



## Wireless Connections and Bluetooth Security Tips

Wi-Fi networks and Bluetooth connections can be vulnerable points of access for data or identity theft. Fortunately, there are many ways to decrease your chances of becoming a victim.

Encryption is the best way to keep your personal data safe. It works by scrambling the data in a message so that only the intended recipients can read it. When the address of a website you're visiting starts with "https" instead of "http," that indicates encryption is taking place between your browser and site.

The two most common types of encryption are Wired Equivalent Privacy (WEP), and Wi-Fi Protected Access (WPA). The strongest one commonly available is WPA2, so use that if you have the option. Home Wi-Fi systems and public Wi-Fi access points, or "hotspots," usually will inform you of the encryption they use.

### Public Wi-Fi Access

Many Wi-Fi users prefer choose to use public networks instead of their devices' data plans for accessing the internet remotely. But the convenience of public Wi-Fi does not come without risk. If you're not careful, a hacker can access your connection in a matter of seconds, and potentially put sensitive information stored on your device and in online accounts at risk. Here are some steps you can take to minimize the risk:

- Check the validity of available Wi-Fi hotspots. If more than one hotspot appears claiming to belong to an establishment that you're in, check with the staff to avoid connecting to an imposter hotspot.
- Make sure all websites you exchange information with have "https" at the beginning of the web address. If so, your transmitted data will be encrypted.
- Install an app add-on that forces your web browsers to use encryption when connecting to websites -- even well-known sites that may not normally encrypt their communications.
- Adjust your smartphone's settings so it does not automatically connect to nearby Wi-Fi networks. This gives you more control over where and when you connect.
- If you use public Wi-Fi hotspots on a regular basis, consider using a virtual private network, which will encrypt all transmissions between your device and the internet. Many companies offer VPNs to their employees for work purposes, and individuals may subscribe to VPNs on their own.
- When transmitting sensitive information, using your cellphone data plan instead of Wi-Fi may be more secure.

### Bluetooth Security

Bluetooth connections to your mobile devices can be very useful, from connecting a wireless headset to transferring files to enabling hands-free calling while you drive. Most of the time, a user must allow a Bluetooth connection to occur before data is shared – a process called “pairing” – which provides a measure of data security. But just like Wi-Fi connections, Bluetooth can put your personal data at risk if you are not careful. Here are some steps you may wish to take when using Bluetooth:



- Turn Bluetooth off when not in use. If you keep Bluetooth active, a hacker may be able to discover what other devices you connected to before, spoof one of those devices, and gain access to your device.
- If you connect your mobile phone to a rental car, a good deal of data from your phone may get shared with the car. Be sure to unpair your phone from the car and clear any personal data, such as call logs and saved numbers, from the car before you return it. Take the same steps when selling a car that has Bluetooth.
- Use Bluetooth in “hidden” mode rather than “discoverable” mode. This prevents other unknown devices from finding your Bluetooth connection.

## Home Wireless Network Security

Home wireless networks are exceedingly popular, in large part because they enable computers and mobile devices to share one broadband connection to the internet without having to use up minutes on a cellular data plan. They also provide the convenience of not having to connect all these devices with wires to do so. But like all other wireless network technologies, home wireless networks present vulnerabilities that could be exploited by hackers to obtain sensitive data and commit other crimes. To help protect your home wireless network from unwanted users, consider the following steps:

- Turn the encryption on. Wireless routers often come out of the box with the encryption feature disabled, so be sure to check that encryption is turned on shortly after you or your broadband provider installs the router.
- Change the network’s default network name, also known as its service set identifier or “SSID.” When a computer with a wireless connection searches for and displays the wireless networks nearby, it lists each network that publicly broadcasts its SSID. Manufacturers usually give all of their wireless routers a default SSID, which is often the company’s name. It is a good practice to change your network’s SSID, but to protect your privacy do not use personal information such as the names of family members.
- Change the network’s default password. Most wireless routers come with preset passwords for administering a device’s settings (this is different from the password used to access the wireless network itself). Unauthorized users may be familiar with the default passwords, so it is important to change the router device’s password as soon as it is installed. Again, longer passwords made up of a combination of letters, numbers and symbols are more secure.
- Consider using the MAC address filter in your wireless router. Every device that can connect to a Wi-Fi network has a unique ID called the “physical address” or “MAC” (Media Access Control) address. Wireless routers can screen the MAC addresses of all devices that connect to them, and users can set their wireless network to accept connections only from devices with MAC addresses that the router will recognize. To create another obstacle to unauthorized access, consider activating your wireless router’s MAC address filter to include your devices only.
- Turn off your wireless router when it will not be in use for any extended period of time.
- Use anti-virus and anti-spyware software on your computer, and use similar apps on your devices that access your wireless network.

## Passwords

Remembering all of your assorted passwords can be a pain. Web browsers and other programs may offer to remember passwords for you, which can be a significant timesaver. However, certain password shortcuts can leave you less safe secure. The following best practices may help keep your personal information safer:

- Don't use the same password for multiple accounts, especially for the most sensitive ones, such as bank accounts, credit cards, legal or tax records and files containing medical information. Otherwise, someone with access to one of your accounts may end up with access to many others.
- Don't have your web browser remember passwords and input them for you, particularly for your most important financial, legal and medical accounts. If an unauthorized person gains access to your computer or smartphone, they could access any account that your browser automatically logs into.
- Don't use passwords that can be easily guessed, such as common words and birthdays of family members. Instead, use a combination of letters, numbers and symbols. The longer and stronger the password, the safer your information.

## Consumer Help Center

For more information on consumer issues, visit the FCC's Consumer Help Center at [www.fcc.gov/consumers](http://www.fcc.gov/consumers).

## Alternate formats

To request this article in an alternate format - braille, large print, Word or text document or audio - write or call us at the address or phone number at the bottom of the page, or send an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov).

Last Reviewed: 10/08/19



# **Tab X:**

Marketing Plan for units meeting accessibility  
requirements of HUD section 504

Tab X- N/A

# **Tab Y:**

Inducement Resolution for Tax Exempt Bonds

**NOTICE OF PUBLIC HEARING BEFORE THE  
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR  
SOUTH GATE APARTMENTS MULTIFAMILY HOUSING FACILITY**

Notice is hereby given that the Richmond Redevelopment and Housing Authority (the “Authority”) will hold a public hearing on the request of VST South Gate LLC, or an affiliate thereof controlled by such entity (the “Borrower”), whose address is 101 W. Commerce Road, 2<sup>nd</sup> Floor, Richmond, Virginia 23224, for the issuance by the Authority of a maximum stated principal amount of \$10,000,000 of its revenue bonds (the “Bonds”) to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of fourteen buildings containing approximately 112 units, property office and maintenance buildings to be known as South Gate Apartments (the “Project”) on approximately 4.312 acres of land located at East 36<sup>th</sup> and Maury Streets in the City of Richmond, Virginia, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the “Plan of Finance”). The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project is expected to be owned and used by the Borrower or a party related to the Borrower. The public hearing, which may be continued or adjourned, will be held at \_\_:\_\_.m. on July \_\_, 2022 before representatives of the Authority at 901 Chamberlayne Parkway, Richmond, Virginia 23220

The Bonds will not pledge the credit or the taxing power of the Authority or the City of Richmond, Virginia but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing will provide an opportunity for interested persons to be heard and communications and writings to be received and considered. Interested persons wishing to express their views on the Plan of Finance may also submit written comments prior to the time of the hearing to the Authority’s co-bond counsel, Michael W. Graff, Jr., Esq., 1750 Tysons Boulevard, Suite 1800, Tysons, Virginia 22102, and Nancy Griffin Chambliss, Esq., 707 East Main Street, Suite 1000, Richmond, Virginia 23219. The hearing shall provide the fullest opportunity for the expression of opinion, for argument on the merits, and for the introduction of documentary evidence pertinent to the issuance of the Bonds.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

Advertised: June \_\_ and July \_\_, 2022

July 20, 2022

City Council  
City of Richmond  
Richmond, Virginia

**Richmond Redevelopment and Housing Authority  
Proposed Financing for South Gate Apartments**

VST South Gate LLC, or an affiliate thereof controlled by such entity (the “Borrower”), has requested that the Richmond Redevelopment and Housing Authority (the “Authority”), issue up to \$10,000,000 of its revenue bonds (the “Bonds”) to assist the Borrower or a related entity in financing or refinancing a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of fourteen buildings containing approximately 112 units, property office and maintenance buildings to be known as South Gate Apartments (the “Project”) on approximately 4.312 acres of land located at East 36<sup>th</sup> and Maury Streets in the City of Richmond, Virginia, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the “Plan of Finance”).

As set forth in the resolution of the Authority attached hereto (the “Resolution”), the Authority has agreed to issue the Bonds as requested. The Authority has conducted a public hearing (the “Public Hearing”) on the proposed financing of the Plan of Finance and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the “Virginia Code”), and Section 36-19(9) of the Virginia Code.

Attached hereto are: (1) a certificate evidencing the conduct of the Public Hearing, including (a) a copy of the Resolution, (b) a summary of the comments expressed at the Public Hearing and (c) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities; and (2) the form of resolution suggested by counsel to evidence your approval.

---

Secretary, Richmond Redevelopment and  
Housing Authority

## CERTIFICATE

The undersigned Secretary of the Richmond Redevelopment and Housing Authority (the “Authority”) certifies as follows:

1. A public hearing of the Authority was duly called and held at \_\_: \_\_ .m. on July \_\_, 2022 before representatives of the Authority in accordance with applicable federal and Virginia law. The hearing was open to the public. The time and place of the hearing and the means by which the hearing was held provided a reasonable opportunity for persons of differing views to appear and be heard.

2. Representatives of the Authority announced the commencement of a public hearing on the application of VST South Gate LLC and that notice of the hearing was published once a week for two successive weeks in two newspapers having general circulations in the City of Richmond, Virginia (the “Notices”), with one of the second publications appearing not less than six days nor more than twenty-one days prior to the hearing date. Copies of the Notices have been filed with the records of the Authority and are attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution adopted at a meeting of the Authority held on July 20, 2022 by a majority of the Commissioners present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to the matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

5. Attached as Exhibit D is the applicant’s Fiscal Impact Statement.

WITNESS my hand and the seal of the Authority, this 20<sup>th</sup> day of July, 2022.

---

Secretary, Richmond Redevelopment and  
Housing Authority

[SEAL]

Exhibits:

A – Copies of Certified Notices

B – Summary of Statements

C – Resolution

D – Fiscal Impact Statement

EXHIBIT A

NOTICES OF PUBLIC HEARING

[See Attached]

## EXHIBIT B

### SUMMARY OF STATEMENTS

Representatives of VST South Gate LLC, the applicant, and McGuireWoods LLP and Harrell & Chambliss LLP, co-bond counsel to the Authority, appeared before the Authority's representatives at the public hearing to present the proposed plan of financing. No members of the public appeared at the hearing.

EXHIBIT C

RESOLUTION

[See Attached]

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date: July 20, 2022

Agenda Item No. \_\_\_\_\_

TITLE: RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 112-UNIT SOUTH GATE APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA

RESOLUTION:

**WHEREAS**, the Richmond Redevelopment and Housing Authority (the "Authority") is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the "Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"), to issue its bonds for the purpose, among others, of financing the Plan of Finance (as hereinafter defined), located within the territorial boundaries of the City of Richmond, Virginia (the "City"); and

**WHEREAS**, VST South Gate LLC, or an affiliate thereof controlled by such entity (the "Borrower"), has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an aggregate maximum principal amount of \$10,000,000 (the "Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of fourteen buildings containing approximately 112 units, property office and maintenance buildings to be known as South Gate Apartments (the "Project") on approximately 4.312 acres of land located at East 36<sup>th</sup> and Maury Streets in the City of Richmond, Virginia and expected to be owned and used by the Borrower or a party related to the Borrower, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") as permitted under the Act; and

**WHEREAS**, the Project shall be established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, the Borrower has indicated that it will work in good faith with the Authority to endeavor to provide certain employment and/or contracting opportunities to the residents and businesses of the neighborhoods surrounding the Project (the "Borrower's Special Commitments"); and;

**WHEREAS**, preliminary plans for the Plan of Finance have been described to the Authority and a public hearing (the "Public Hearing") has been held on July \_\_, 2022 with respect to the Plan of Finance and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906, as applicable to housing authorities, of the Virginia Code; and

**WHEREAS**, the Authority has determined that it is in the best interest of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance the Plan of Finance.

**NOW, THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY THAT:**

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.

2. It is hereby found and determined that the Plan of Finance will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.

3. It is hereby found and determined that the Project will constitute "residential buildings" as that term is defined in the Act.

4. To induce the Borrower to undertake the Plan of Finance and maintain the Project as a "qualified residential rental project" within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrower in financing the Plan of Finance by undertaking the issuance of (and hereby declares its official intent to issue) its multifamily housing revenue bonds therefor in an aggregate maximum principal stated amount of \$10,000,000 upon the terms and conditions to be mutually agreed upon between the Authority and the Borrower. The Bonds shall be issued in form and pursuant to terms to be set by the Authority. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.

5. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Plan of Finance are hereby ratified, approved and confirmed.

6. The Authority hereby designates McGuireWoods LLP, Tysons, Virginia, and Harrell & Chambliss LLP, Richmond, Virginia, to serve as co-bond counsel ("Bond Counsel") and hereby appoints such firms to supervise the proceedings and approve the issuance of the Bonds.

7. The Borrower agrees to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.

8. All costs and expenses in connection with the financing and the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, any application fee and/or origination fee), Bond Counsel, counsel for the Authority and any placement agent or underwriter for the sale of the Bonds shall be paid from the proceeds of the Bonds (but only to the extent permitted by applicable law) or by the Borrower. If for any reason such Bonds are not

issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

9. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

10. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrower and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the Authority to issue the Bonds for any reason. Any obligation of the Authority to exercise its powers in the City to issue the Bonds as requested by the Borrower is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrower for any damages, direct or consequential, resulting from the Authority's failure to issue Bonds for the Plan of Finance for any reason, including but not limited to, the failure of the City Council of the City (the "City Council") to approve the issuance of the Bonds.

11. The Authority recommends that the City Council approve the issuance of the Bonds, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$10,000,000 for the purpose of undertaking the Plan of Finance as required by Section 147(f) of the Code.

12. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary and any Assistant Secretary of the Authority is authorized and directed to deliver to the City Council (1) a reasonably detailed summary of the comments, if any, expressed at July \_\_, 2022 Public Hearing, (2) a fiscal impact statement concerning the Plan of Finance and (3) a copy of this resolution.

13. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary or any Assistant Secretary of the Authority, or the designee of any of them, is hereby authorized to request an allocation or allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceeding shall be paid for by the Borrower.

14. No Bonds may be issued pursuant to this resolution until such time as (a) the issuance of the Bonds has been approved by the City Council, and (b) the Bonds have received an

allocation or allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder.

15. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Plan of Finance or of the Borrower.

16. This resolution is a Declaration of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Code. Based upon the representations of the Borrower, the Authority reasonably expects that certain costs of the Project may be reimbursed with the proceeds of the Bonds.

17. The issuance of the Bonds in the aggregate principal amount of up to \$10,000,000 pursuant to the definitive bond documents to be prepared or reviewed by Bond Counsel (the "Bond Documents") is hereby authorized and approved. The Chair, Vice Chair, Secretary-Treasurer, Chief Executive Officer and any other officer of the Authority, any of whom may act alone (the "Authorized Official"), are each hereby authorized and directed to execute the Bonds, which shall bear interest at the rates (which may be variable or fixed), shall mature on such dates and shall be subject to redemption at such times as are set forth in the Bond Documents. The Authorized Official is hereby authorized to approve the final terms of the Bonds; provided that the interest rates borne by the Bonds shall not exceed 8% per annum, the final maturities of the Bonds shall not be later than forty (40) years after the date of the initial issuance of the Bonds, and the aggregate principal amount of the Bonds shall not exceed \$10,000,000. Such approvals shall be evidenced conclusively by the execution and delivery of the Bonds.

18. The Bond Documents shall be in substantially the same forms as prepared or reviewed by Bond Counsel and submitted to the Authority, which are hereby approved, with such completions, omissions, insertions and changes (including, without limitation, changes of the dates thereof and the captions of the Bonds) as may be approved by the Authorized Official executing them, his or her execution to constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes. The Bond Documents shall contain upon their execution and delivery provisions obligating the Borrower to comply with the Borrower's Special Commitments with respect to the Project. The execution, delivery and performance by the Authority of the Bond Documents are hereby authorized and directed.

19. The Authorized Official is hereby authorized and directed to execute on behalf of the Authority and to deliver the Bonds, the Bond Documents, the related documents to which the Authority is a party and such other agreements, certificates, documents and instruments (collectively, the "Documents"), and to do and perform such things and acts, as are authorized hereby or contemplated by the Documents, and, if required, the Secretary-Treasurer or any other officer of the Authority is authorized and directed to affix the seal of the Authority to the Bonds and the other Documents and to attest such seal. The signatures of the Authorized Official and the seal of the Authority on the Bonds may be by facsimile.

20. This resolution shall take effect immediately upon its adoption.

EXPLANATION: This is a resolution giving the Richmond Redevelopment and Housing Authority's ("RRHA") approval to the proposed bond financing of the South Gate Apartments. It allows the Borrower to go forward with the proposed bond financing project; however, no bonds can be issued before the City Council approval and the obtaining of volume cap allocation from the state ceiling administered by the Virginia Department of Housing and Community Development. The resolution authorizes RRHA's officers to execute all necessary documents on behalf of RRHA in connection with the bond financing. It provides that the bonds shall be limited obligations of RRHA payable solely from revenues of the applicant's project. No commissioners, officers, agents or employees of RRHA, past, present or future, or any person executing the bonds, shall be personally liable for the bonds. The applicant is obligated to pay all associated fees, costs and expenses, to indemnify RRHA and its commissioners, officers, agents and employees and to comply with the Borrower's Special Commitments described in the resolution

READ AND ADOPTED: July 20, 2022

**CERTIFICATE OF VOTES**

Record of the roll-call vote by the Richmond Redevelopment and Housing Authority, upon reading on a resolution titled "**RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 112-UNIT SOUTH GATE APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA**" taken at a meeting of the Authority held on July 20, 2022:

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
M. Barrett Hardiman				
Veronica G. Blount				
William R. Johnson, Jr.				
Charlene Pitchford				
Patrice Shelton, CCHWSr				

Dated: July 20, 2022

**(SEAL)**

\_\_\_\_\_  
Chair, Richmond Redevelopment and  
Housing Authority

**ATTEST:** \_\_\_\_\_  
Secretary

The undersigned Secretary of the Richmond Redevelopment and Housing Authority hereby certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Authority's commissioners present and voting at a meeting duly called and held on July 20, 2022, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

**WITNESS** my hand and the seal of the Authority this 20th day of July, 2022.

**RICHMOND REDEVELOPMENT  
AND HOUSING AUTHORITY**

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

EXHIBIT D

FISCAL IMPACT STATEMENT

[See Attached]

FISCAL IMPACT STATEMENT  
FOR PROPOSED BOND FINANCING

Date: July 20, 2022

Applicant: VST South Gate LLC

Facility: Multifamily Housing Facility in the City of Richmond, Virginia to be known as South Gate Apartments

1.	Maximum amount of financing sought.	\$10,000,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality.	\$6,830,000
3.	Estimated real property tax per year using present tax rates.	\$56,700
4.	Estimated personal property tax per year using present tax rates.	\$0
5.	Estimated merchants' capital tax per year using present tax rates.	\$0
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.	\$593,322
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$0
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$115,239
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality.	\$0
7.	Estimated number of regular employees on year round basis.	4
8.	Average annual salary per employee.	\$45,000

---

Chair, Richmond Redevelopment and Housing Authority

**RESOLUTION APPROVING THE ISSUANCE BY THE  
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION,  
CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE  
APPROXIMATELY 112-UNIT SOUTH GATE APARTMENTS MULTIFAMILY  
HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA**

WHEREAS, the Richmond Redevelopment and Housing Authority (the “Authority”) is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority (a) has considered the application of VST South Gate LLC, or an affiliate thereof controlled by such entity (the “Borrower”), requesting that the Authority issue its revenue bonds (the “Bonds”) in a maximum stated principal amount of \$10,000,000 to assist the Borrower or a party related to the Borrower in financing or refinancing a portion of (i) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of fourteen buildings containing approximately 112 units, property office and maintenance buildings to be known as South Gate Apartments (the “Project”) on approximately 4.312 acres of land located at East 36<sup>th</sup> and Maury Streets in the City of Richmond, Virginia and expected to be owned and used by the Borrower or a party related to the Borrower, (ii) the funding of reserve funds as permitted by applicable law and (iii) the costs incurred in connection with the issuance of the Bonds (collectively, the “Plan of Finance”) and (b) has held a public hearing in connection therewith on July \_\_, 2022 (the “Public Hearing”); and

WHEREAS, the Project shall be established and maintained as a “qualified residential rental project” within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, Section 147(f) of the Code provides that the applicable elected representatives of the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of such bonds; and

WHEREAS, the Authority issues its bonds on behalf of the City of Richmond, Virginia (the “City”) and the Project is located in the City; and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the City Council of the City (the “Council”) constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority’s resolution approving the issuance of the Bonds, a certificate of the Public Hearing, a summary of the statements expressed at the Public Hearing

and the fiscal impact statement concerning the Plan of Finance have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHMOND, VIRGINIA:

1. The Council approves the issuance of the Bonds by the Authority, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$10,000,000 for the benefit of the Borrower or a party related to the Borrower, as required by Section 147(f) of the Code, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the “Virginia Code”) and Section 36-19(9) of the Virginia Code to permit the Authority to assist in the financing of the Plan of Finance.

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Plan of Finance or the Borrower.

3. The Bonds shall provide that neither the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that neither the faith and credit nor the taxing power of the City or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. In adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, and hereby disclaim all liability for, any damages to any person, direct or consequential, resulting from the Authority’s failure to issue the Bonds for any reason.

5. This resolution shall take effect immediately upon its adoption.

Adopted by the City Council of the City of Richmond, Virginia this 25<sup>th</sup> day of July, 2022.

**CERTIFICATE**

Record of the roll-call vote by the City Council of the City of Richmond, Virginia, upon reading on a resolution titled “**RESOLUTION APPROVING THE ISSUANCE BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 112-UNIT SOUTH GATE APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA,**” taken at a meeting of the City Council held on July 25, 2022:

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Hon. Cynthia I. Newbille, President				
Hon. Andreas D. Addison				
Hon. Katherine Jordan				
Hon. Ann-Frances Lambert				
Hon. Kristen Nye				
Hon. Stephanie A. Lynch				
Hon. Ellen F. Robertson, Vice President				
Hon. Reva M. Trammell				
Hon. Michael J. Jones				

Dated: July 25, 2022

CITY COUNCIL OF THE CITY OF RICHMOND, VIRGINIA

The undersigned Clerk of the City Council of the City of Richmond, Virginia, hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the City Council at its meeting duly called and held on July 25, 2022, in accordance with law, and that such resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

**WITNESS** my hand and the seal of the City of Richmond, Virginia this 25th day of July, 2022.

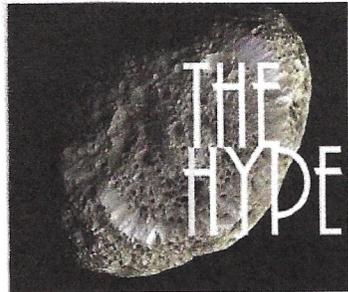
[SEAL]

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Clerk, City Council of the City of  
Richmond, Virginia

# **Tab Z:**

Documentation of team member's Diversity, Equity and  
Inclusion Designation



# THE HYPERION GROUP

A Certified MBE Firm

P.O. Box 24206  
Richmond, Virginia 23224  
P (804) 714-2543  
F (804) 714-2483  
www.thehyperiongroup.net

Class "A" Contractor

~~January 4<sup>th</sup>, 2021~~  
February 22<sup>nd</sup>, 2021

**Minority Business Enterprise**

## PROPOSAL rev. 2

Attn: Ed Solarz  
Genesis Properties  
Richmond, VA

Mr. Solarz:

**The Hyperion Group is pleased to provide consulting services to Genesis Properties for the following:**

**RE: Village South**

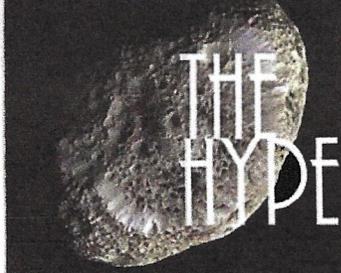
Diversity & Section 3 Inclusion Services:

THG strives to provide our clients with distinctive solutions to all projects we are fortunate enough to participate on. We customize our diversity inclusion strategies to your specific needs, to help you meet your goals. For this project, our approach is as follows:

- Provide feedback and insight to Owner as it relates to Section 3 / Diversity Inclusion
- ~~Assistance with scope development for qualified MBE firms and Section 3 business concerns~~
- ~~Analysis of GC and trade contractor proposals and policies to encourage participation of MBE and Section 3 firms~~
- ~~Communications with Residents via Community Meet n' Greets~~
- ~~MWBE / Section 3 firm capacity assessment~~
- ~~MWBE / Section 3 Spend Tracking~~
- ~~Track and confirm progress payments are being made timely to MWBE / Section 3 firms~~
- ~~Review of MWBE / Section 3 certifications including but not limited to State, Federal and local municipality certifying agencies~~
- ~~Assist qualified MWBE / Section 3 firms with obtaining certifications and tracking~~
- ~~Work with program managers and prime contractor's estimators to assist with sub-tier scope development~~
- ~~"Pass thru" detection and prevention~~
- ~~Assistance with Dispute resolution~~

Our Base Fee of Ninety Thousand Dollars (\$90,000) breaks down as follows:

Preconstruction Phase	\$15,000.00
Construction Phase	\$90,000.00
<b>Total:</b>	<b>\$90,000.00</b>



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**Page 2**

**1/4/2021 rev 1 2/22/201 rev 2**

**Genesis – Village South - Diversity**

Duration of our services is not to exceed fifteen (15) months from date of the contract.

In addition to the Base Fee, reimbursable expenses will be invoiced at our cost plus a ten percent handling charge.

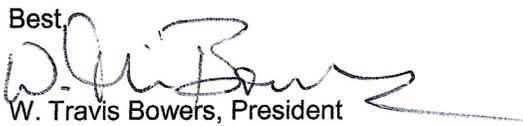
Services outside of the above-listed scope of work are available to you as Additional Services, at our standard hourly billing rates, or at a fixed fee, to be negotiated at such time that additional services are requested.

We understand the need to provide our services in a timely manner so that you can meet project schedule while at the same time engaging the community. **In addition to providing timely input to allow for informed decisions to be made**, we are prepared to work with you by assisting with developing and meeting project goals.

If you need further information or would like to discuss a change to the proposed scope of services and associated fees, please call at any time.

Thank you for the opportunity to submit this proposal. We look forward to working together with you on this project.

Best,



W. Travis Bowers, President

THG

(804) 640-2933 mobile

Attachments

**Page 3**

~~1/4/2021 rev 1~~ 2/22/201 rev 2

**Genesis – Village South - Diversity**

**SCOPE OF WORK (Detailed items TBD)**

**Base Fee/Scope is based on the following assumptions:**

1. Fifteen (15) Month Duration of Construction Project
2. Access to Project Team's General Contract and Tier Subcontracts
3. Independent authority to act on behalf of Genesis Properties during construction process

**Exclusions:**

1. Any work related to certified payroll.
2. Attending GC subcontractor coordination meetings.
3. Attending Owner / Architect / Contractor (OAC) meetings.
4. Any work not specifically listed above.

**SCHEDULE A**

Genesis Properties - Village South  
MBE / Section 3 Consulting Services

**SCHEDULE OF HOURLY BILLING RATES**

Principal-in-Charge	\$175.00 per hour
Project Manager	\$150.00 per hour
Assistant Project Manager	\$110.00 per hour
Support Staff	\$65.00 per hour

Subconsultants at a rate of one and one-tenth (1.10) times the amount billed to THG by the subconsultant.

Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by THG and THG's employees and consultants in the interest of the Project.

Reimbursable Expenses are billed at a rate of one and one-tenth (1.10) times the amount expended on behalf of the Project.

**Note:**

These rates are effective through **March 31<sup>st</sup>, 2021** THG assumes no liability for overall project outcome.

**BREAKDOWN BY PHASE**

- \$30,000 attributable to Holly Spring
- \$30,000 attributable to Swansboro
- \$30,000 attributable to South Gate

## **AR. Diversity, Equity and Inclusion Incentive**

SWAM CONTRACT CERTIFICATION  
(TO BE PROVIDED AT TIME OF APPLICATION)

LIHTC Applicant Name VST South Gate LLC

Name of SWaM Service Provider The Hyperion Group Inc

Part II, 13VAC10-180-60(E)(5)(e) of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority" formerly VHDA) for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended, provides that an applicant may receive five (5) points toward its application for Credits for entering into at least one contract for services provided by a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's Small, Women-owned, and Minority-owned Business certification program (SWaM Program). Any applicant seeking points from Part II, 13VAC10-180-60(E)(5)(e) of the Plan must provide in its application this certification together with a copy of the service provider's certification from the Commonwealth of Virginia's SWaM Program. The certification and information requested below will be used by the Authority in its evaluation of whether an applicant meets such requirements.

Complete a separate form for each SWaM Service Provider.

**INSTRUCTIONS:**

***Please complete all parts below. Omission of any information or failure to certify any of the information provided below may result in failure to receive points under Part II, 13VAC10-180-60(E)(5)(e) of the Plan.***

1. The SWaM Service Provider will provide the following services and roles eligible for points under the Plan:
  - consulting services to complete the LIHTC application;
  - ongoing development services through the placed in service date;
  - general contractor;
  - architect;
  - property manager;
  - accounting services; or
  - legal services.
  
2. Please describe in the space below the nature of the services contracted for with the SWaM certified service provider listed above. Include in your answer the scope of services to be provided, when said services are anticipated to be rendered, and the length of the contract term.

The Hyperion Group is a consultant the owner works with to ensure that our General Contractor is sourcing subcontractors that are Section 3 Qualified and/ or minority owned businesses to maintain inclusive and diverse hiring practices. Hyperion also hosts on-site job fairs to assist our tenants in finding gainful employment.

3. Attach to this certification a copy of the service provider's current certification from the Commonwealth of Virginia's SWAM Program.
4. The undersigned acknowledge by their signatures below that prior to the Authority's issuance of an 8609 to the applicant, the undersigned will be required to certify that the SWaM service provider successfully rendered the services described above, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the Plan, and that the undersigned service provider is still a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's SWaM) Program.

[Contract Certification and signatures appear on following page]

CONTRACT CERTIFICATION

The undersigned do hereby certify and acknowledge that they have entered into with each another at least one contract for services as described herein, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the Plan, that the undersigned service provider is a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's SWaM Program, and that it is the current intention of the undersigned that the services be performed (i.e., the contract is *bona fide* and not entered into solely for the purpose of obtaining points under the Plan). The undersigned do hereby further certify that all information in this certification is true and complete to the best of their knowledge, that the Authority is relying upon this information for the purpose of allocating Credits, and that any false statements made herein may subject both the undersigned applicant and the undersigned service provider to disqualification from current and future awards of Credits in Virginia.

APPLICANT:

VST Swansboro LLC

Name of Applicant



Signature of Applicant

Edward K. Solarz

Printed Name and Title of Authorized Signer

SWAM CERTIFIED SERVICE PROVIDER:

The Hyperion Group

Name of SWaM Certified Service Provider



Signature of SWaM Certified Service Provider

Travis Bowers /ceo

Printed Name and Title of Authorized Signer

# COMMONWEALTH OF VIRGINIA



## DEPARTMENT OF SMALL BUSINESS & SUPPLIER DIVERSITY

101 N. 14th Street, 11th Floor  
Richmond, VA 23219

### THE HYPERION GROUP, INC.

is a certified Small, Minority Owned  
Business meeting all the requirements set forth under the Code of Virginia Section 2.2-16.1 et seq.  
and Administrative Code 7VAC 13-20 et seq.

Certification Number: 675826

Valid Through: Jul 30, 2023

Accordingly Certified

A handwritten signature in blue ink, reading "Tracey G. Wiley".

Tracey G. Wiley, Director



# **Tab AA:**

Priority Letter from Rural Development

Tab AA- N/A

# **Tab AB:**

Socially Disadvantaged Population  
Documentation

Tab AB- N/A