



# Tab A:

Signed PDF of the Excel Application(MANDATORY)

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# 2023 Federal Low Income Housing Tax Credit Program

## Application For Reservation

### Deadline for Submission

#### 9% Competitive Credits

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

#### Tax Exempt Bonds

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



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

## INSTRUCTIONS FOR THE VIRGINIA 2023 LIHTC APPLICATION FOR RESERVATION

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

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

### Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **12:00 PM** Richmond Virginia time on **March 16, 2023**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

#### **Please Note:**

Applicants should submit all application materials in electronic format only.

There should be distinct files which should include the following:

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

#### **IMPORTANT:**

**Virginia Housing only accepts files via our work center sites on Procorem. Contact [TaxCreditApps@virginiahousing.com](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
- Also note that some cells contain error messages such as “#DIV/0!” as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

#### Assistance:

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

#### Virginia Housing LIHTC Allocation Staff Contact Information

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

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## 2023 Low-Income Housing Tax Credit Application For Reservation

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

- |                                     |  |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study <b>(MANDATORY - Application will be disqualified if study is not submitted with application)</b>   |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans and Unit by Unit writeup <b>(MANDATORY)</b>   |
| <input checked="" 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 checked="" type="checkbox"/> | Tab A: Scanned Copy of the <u>Signed</u> Tax Credit Application with Attachments (excluding market study, 8609s and plans & specifications) <b>(MAN</b>                                  |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab F: RESNET Rater Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion <b>(MANDATORY)</b>   |
| <input checked="" 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>   |
|                                     | Tab K: Documentation of Development Location:  |
| <input checked="" type="checkbox"/> | K.1 Revitalization Area Certification  |
| <input checked="" type="checkbox"/> | K.2 Location Map   |
| <input checked="" type="checkbox"/> | K.3 Surveyor's Certification of Proximity To Public Transportation   |
| <input checked="" 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 checked="" type="checkbox"/> | Tab P: Development Experience and Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement <b>(MANDATORY)</b> |
| <input checked="" type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property  |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Operating Budget and Utility Allowances  |
| <input checked="" type="checkbox"/> | Tab S: Supportive Housing Certification and/or Resident Well-being   |
| <input type="checkbox"/>            | Tab T: Funding Documentation   |
| <input checked="" type="checkbox"/> | Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing  |
| <input checked="" type="checkbox"/> | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal  |
| <input checked="" type="checkbox"/> | Tab W: Internet Safety Plan and Resident Information Form (if internet amenities selected)   |
| <input checked="" type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504  |
| <input type="checkbox"/>            | Tab Y: Inducement Resolution for Tax Exempt Bonds  |
| <input checked="" type="checkbox"/> | Tab Z: Documentation of team member's Diversity, Equity and Inclusion Designation  |
| <input type="checkbox"/>            | Tab AA: Priority Letter from Rural Development   |
| <input checked="" type="checkbox"/> | Tab AB: Social Disadvantage Certification  |

VHDA TRACKING NUMBER **2023-C-32**

**A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT**

Application Date: **3/16/23**

1. Development Name: **Overlook Ridge**
  
2. Address (line 1): **off of White Hill Road/Montague Court**  
 Address (line 2):  
 City: **Stuarts Draft** State: **VA** Zip: **24477**
  
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: **-79.05122** Latitude: **38.03493**  
 (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 **▶ Augusta County**
  
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: **711.02**
  
7. Development is located in a **Qualified Census Tract**..... **FALSE** *Note regarding DDA and QCT*
  
8. Development is located in a **Difficult Development Area**..... **FALSE**
  
9. Development is located in a **Revitalization Area based on QCT** ..... **FALSE**
  
10. Development is located in a **Revitalization Area designated by resolution** ..... **TRUE**
  
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%
<b>FALSE</b>	<b>TRUE</b>	<b>FALSE</b>

**Enter only Numeric Values below:**

13. Congressional District: **6**
- Planning District: **6**
- State Senate District: **24**
- State House District: **20**

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

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

Overlook Ridge will consist of the new construction of 50 multifamily apartment units targeted to individuals and families earning between 30% and 80% of the Area Median Income.

**A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT**

Application Date: 3/16/23

**16. Local Needs and Support**

- a. Provide the name and the address of the chief executive officer (City Manager, Town Manager, or County Administrator of the political jurisdiction in which the development will be located:

Chief Executive Officer's Name: Timothy Fitzgerald  
 Chief Executive Officer's Title: County Administrator Phone: 540-245-5600  
 Street Address: 18 Government Center Lane  
 City: Verona State: VA Zip: 24482

Name and title of local official you have discussed this project with who could answer questions for the local CEO: G.L. "Butch" Wells, Vice-Chair, Board of Supervisors

- 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:

Northwest / North Central VA Pool

or

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

[Redacted]

For Tax Exempt Bonds, where are bonds being issued?

[Redacted]

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

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

Carryforward Allocation

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2023.

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

**3. Select Building Allocation type:**

New Construction

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

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

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

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

If true, provide name of companion developm [Redacted]

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

b. List below the number of units planned for each allocation request. **This stated split of units cannot be changed or 9% Crec**

Total Units within 9% allocation request? 0

Total Units within 4% Tax Exempt allocation Request? 0

Total Units: 0

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

**6. Extended Use Restriction**

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

**Must Select One:** 30

**Definition of selection:**

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

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

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

**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: Overlook Ridge VA LLC

Developer Name: Surber Development and Consulting LLC

Contact: M/M  Ms.  First: Jen MI:  Last: Surber

Address: 120 Green Tree Circle

City: Bristol St.  VA  Zip: 24201

Phone: (276) 698-8760 Ext.  Fax:

Email address: jensurber@surberdev.com

Federal I.D. No.  (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.

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

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

<u>Names **</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>	
<u>Overlook Ridge MM LLC</u>	<u>(276) 698-8760</u>	<u>Managing Member</u>	<u>0.000%</u>	<i>need.</i>
<u>Surber Development and Consulting LLC</u>	<u>(276) 698-8760</u>	<u>Managing Member</u>	<u>0.000%</u>	<i>need.</i>
<u>Jennifer E. H. Surber</u>	<u>(276) 698-8760</u>	<u>Managing Member</u>	<u>65.000%</u>	
<u>Spanish Oak LLC</u>	<u>(276) 285-1774</u>	<u>Member</u>	<u>0.000%</u>	<i>need.</i>
<u>Kyle L. Sensabaugh</u>	<u>(276) 285-1774</u>	<u>Managing Member</u>	<u>25.000%</u>	
<u>Southeastern Housing Preservation, Inc.</u>	<u>(704) 335-9112</u>	<u>Member</u>	<u>10.000%</u>	
<u>Ira Slomka</u>		<u>President</u>	<u>0.000%</u>	<i>need.</i>
			<u>0.000%</u>	

C. OWNERSHIP INFORMATION

			0.000%
			0.000%

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

### C. OWNERSHIP INFORMATION

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

**ACTION:**

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

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

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

### 3. Developer Experience:

*May select one or more of the following choices:*

TRUE a. The development has an experienced sponsor (as defined in the manual) that has placed at least one LIHTC development in service in Virginia within the past 5 years.  
**Action:** Provide one 8609 from qualifying development. **(Tab P)**

TRUE b. The development has an experienced sponsor (as defined in the manual) that has placed at least three (3) LIHTC developments in service in any state within the past 6 years (in addition to any development provided to qualify for option d. above)  
**Action:** Provide one 8609 from each qualifying development. **(Tab P)**

FALSE c. Applicant is competing in the Local Housing Authority pool and partnering with an experienced sponsor (as defined in the manual), other than a local housing authority.  
**Action:** Provide documentation as stated in the manual. **(Tab P)**

**D. SITE CONTROL**

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

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

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

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

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

Applicant controls site by (select one):

Select Type:   ▶ Option

Expiration Date:   10/30/23

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

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

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

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

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

Only one of the following statement should be True.

- a. FALSE ..... Owner already controls site by either deed or long-term lease.
- b. TRUE ..... Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 3/31/24 .
- c. FALSE ..... There is more than one site for development and more than one expected date of acquisition by Owner

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

**D. SITE CONTROL**

**3. Seller Information:**

Name: Overlook Land Company, LC

Address: 28 Imperial Drive

City: Staunton St.: VA Zip: 24401

Contact Person: Frank Root Phone: (540) 294-2007

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

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

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

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

**E. DEVELOPMENT TEAM INFORMATION**

Complete the following as applicable to your development team.

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

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

1. Tax Attorney:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	
2. Tax Accountant:	Tim Smith	This is a Related Entity.	FALSE
Firm Name:	Bernard Robinson & Company, L.L.P.	DEI Designation?	FALSE
Address:	1501 Highwoods Boulevard; Suite 300; Greensboro, North Carolina 2741		
Email:	tsmith@brccpa.com	Phone:	(336) 294-4494
3. Consultant:	Jen Surber	This is a Related Entity.	TRUE
Firm Name:	Surber Development and Consulting LLC	DEI Designation?	TRUE
Address:	120 Green Tree Circle		
Email:	jensurber@surberdev.com	Role:	Managing Member
		Phone:	(276) 698-8760
4. Management Entity:	Ann Hanson	This is a Related Entity.	FALSE
Firm Name:	EXCEL Property Management, Inc.	DEI Designation?	FALSE
Address:	1004 Bullard Court; Suite 106; Raleigh, North Carolina 27615		
Email:	ahanson@excelpropertymanagement.c	Phone:	(919) 878-0522
5. Contractor:	TBD	This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:	TBD	Phone:	
6. Architect:	Donald C. Harwood	This is a Related Entity.	FALSE
Firm Name:	Donald C. Harwood, PLLC	DEI Designation?	FALSE
Address:	13 Kenwood Lane; Greenville, South Carolina 29609		
Email:	dharwood08@gmail.com	Phone:	(864) 915-2116
7. Real Estate Attorney	David Pryzwansky	This is a Related Entity.	FALSE
Firm Name:	The Pryzwansky Law Firm	DEI Designation?	FALSE
Address:	1130 Situs Court; Suite 244; Raleigh, North Carolina 27606		
Email:	david@pryzlaw.com	Phone:	(919) 828-8668
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	TRUE
Address:			
Email:		Phone:	
9. Other:	Ryne Johnson	This is a Related Entity.	FALSE
Firm Name:	Astoria, LLC	DEI Designation?	FALSE
Address:	3450 Lady Marian Court; Midlothian, Vir		
Email:	rynejohnson@astoriallc.com	Role:	Consultant
		Phone:	(804) 320-0585

**F. REHAB INFORMATION**

**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development. FALSE  
**Action:** If true, provide an electronic copy of the Existing Condition Questionnaire and Appraisal
- b. This development has received a previous allocation of credits..... FALSE  
 If so, when was the most recent year that this development received c 0
- c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... FALSE
- d. This development is an existing RD or HUD S8/236 development..... FALSE  
**Action:** (If True, provide required form in **TAB Q**)

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

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

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

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

**F. REHAB INFORMATION**

**3. Rehabilitation Credit Information**

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

**b. Minimum Expenditure Requirements**

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

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

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

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

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

G. NONPROFIT INVOLVEMENT

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

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

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

- 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 compliance period...
FALSE d. Own, either directly or through a partnership or limited liability company, 100% of the partnership or managing member interest.
FALSE e. Not be affiliated with or controlled by a for-profit organization.
FALSE f. Not have been formed for the principal purpose of competition in the Non Profit Pool.
FALSE g. Not have any staff member, officer or member of the board of directors materially participate, directly or indirectly, in the proposed development as a for profit entity.

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

Nonprofit meets eligibility requirements for nonprofit pool and points. FALSE

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Owner

Name: Southeastern Housing Preservation, Inc.

Contact Person: Ira Slomka

Street Address: 1515 Mockingbird Lane; Suite 1010

City: Charlotte State: NC Zip: 28209

Phone: ##### Contact Email: ira@fitchirick.com

G. NONPROFIT INVOLVEMENT

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

Specify the nonprofit entity's percentage ownership of the general partnership 10.0%

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

A. TRUE

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

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

Name of Local Housing Authority

B. FALSE

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

Action: Provide Homeownership Plan (TAB N)

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

**H. STRUCTURE AND UNITS INFORMATION**

**# General Information**

a. Total number of <b>all</b> units in development	50	bedrooms	122
Total number of <b>rental</b> units in development	50	bedrooms	122
Number of low-income rental units	50	bedrooms	122
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	50	bedrooms	122
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development)			0
d. Total Floor Area For The Entire Development.....		71,634.52	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....		380.38	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....		0.00	
g. Total Usable Residential Heated Area.....		71,254.14	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .		100.00%	
i. Exact area of site in acres .....	4.860		
j. Locality has approved a final site plan or plan of development.....		FALSE	
If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).			
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.



**H. STRUCTURE AND UNITS INFORMATION**

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

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

h. Development contains an elevator(s).	<u>TRUE</u>
If true, # of Elevators.	<u>1</u>
Elevator Type (if known)	<u>TBD</u>

i. Roof Type	▶ <u>Sloped</u>
j. Construction Type	▶ <u>Frame</u>
k. Primary Exterior Finish	▶ <u>Combination</u>

**# Site Amenities (indicate all proposed)**

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

l. Describe Community Facilities: A community room of at least 749 square feet

m. Number of Proposed Parking Spaces	<u>113</u>
Parking is shared with another entity	<u>FALSE</u>

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 s TRUE  
 If **True**, Provide required documentation (**TAB K3**).

**H. STRUCTURE AND UNITS INFORMATION**

**# 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.

**# 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	3.40%
Project Wide Capture Rate - Market Units	n/a
Project Wide Capture Rate - All Units	3.40%
Project Wide Absorption Period (Months)	9

**J. ENHANCEMENTS**

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

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

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

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

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

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

**REQUIRED:**

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

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 50.00% b1. Percentage of brick covering the exterior walls.
- 50.00% 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.
- FALSE 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.
- TRUE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- TRUE k. Cooking surfaces are equipped with fire prevention features
- or
- FALSE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- TRUE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- TRUE o. All interior doors within units are solid core.
- TRUE p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- 20% r. Percentage of development's on-site electrical load that can be met by a renewable energy electric system (for the benefit of the tenants)
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

**J. ENHANCEMENTS**

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

- 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:

- |              |  |              |  |
|--------------|--|--------------|--|
| <b>FALSE</b> | Earthcraft Gold or higher certification        | <b>TRUE</b>  | National Green Building Standard (NGBS) certification of Silver or higher. |
| <b>FALSE</b> | U.S. Green Building Council LEED certification | <b>FALSE</b> | 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.)

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

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

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

- 50** b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:  
100% of Total Rental Units

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

If not, please explain:

**NA**

	<b>Architect of Record initial here that the above information is accurate per certification statement within this application.</b>
--	---

J. ENHANCEMENTS

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

- FALSE a. All cooking ranges have front controls.
- FALSE b. Bathrooms have an independent or supplemental heat source.
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2. Green Certification

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

The applicant will also obtain one of the following:

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

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

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

- FALSE Zero Energy Ready Home Requirements       FALSE Passive House Standards

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

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

- 50 b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:  
100% of Total Rental Units

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

If not, please explain:  NA

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

**I. UTILITIES**

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	0	70	73	0
Air Conditioning	0	0	0	0	0
Cooking	0	0	0	0	0
Lighting	0	0	0	0	0
Hot Water	0	0	0	0	0
Water	0	0	69	83	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$0	\$139	\$156	\$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 Southern Energy Manager

**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.

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

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

**TRUE**

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

# **Special Housing Needs/Leasing Preference:**

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

**####**

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

**####**

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

**TRUE**

Supportive Housing (as described in the Tax Credit Manual)

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

**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.

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

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

TRUE

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

bch

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

# **Special Housing Needs/Leasing Preference:**

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

####

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

####

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

TRUE

Supportive Housing (as described in the Tax Credit Manual)

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

**K. SPECIAL HOUSING NEEDS**

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

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

**# 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: Staunton Redevelopment and Housing Authority

Contact person: Wanda Stevens

Title: Executive Director

Phone Number: (540) 886-3413

**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: 22  
% of total Low Income Units 44%

**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)**

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

First Name: Kathy

Last Name: Kristiansen

Phone Number: (540) 887-3200 Email: kkristiansen@vcsb.org



**L. UNIT DETAILS**

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

Note: In order to qualify for any tax credits, a development must meet one of three minimum threshold occupancy tests. Either (i) at least 20% of the units must be rent-restricted and occupied by persons whose incomes are 50% or less of the area median income adjusted for family size (this is called the 20/50 test), (ii) at least 40% of the units must be rent-restricted and occupied by persons whose incomes are 60% or less of the area median income adjusted for family size (this is called the 40/60 test), or (iii) 40% or more of the units are both rent-restricted and occupied by persons whose income does not exceed the imputed income limitation designated in 10% increments between 20% to 80% of the AMI, and the average of the imputed income limitations collectively does not exceed 60% of the AMI (this is called the Average Income Test (AIT)). All occupancy tests are described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

**a. Units Provided Per Household Type:**

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
5	10.00%	30% Area Median
0	0.00%	40% Area Median
21	42.00%	50% Area Median
6	12.00%	60% Area Median
0	0.00%	70% Area Median
18	36.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	<b>Total</b>

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
5	10.00%	30% Area Median
0	0.00%	40% Area Median
21	42.00%	50% Area Median
6	12.00%	60% Area Median
0	0.00%	70% Area Median
18	36.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	<b>Total</b>

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

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

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

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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	2 BR - 1.5 Bath	30% AMI	5		1078.28	\$398.00	\$1,990
Mix 2	2 BR - 1.5 Bath	50% AMI	21	3	1078.28	\$757.00	\$15,897
Mix 3	2 BR - 1.5 Bath	60% AMI	2		1078.28	\$936.00	\$1,872
Mix 4	3 BR - 2 Bath	60% AMI	4		1291.96	\$1,086.00	\$4,344
Mix 5	3 BR - 2 Bath	80% AMI	18	2	1291.96	\$1,150.00	\$20,700
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0

**L. UNIT DETAILS**

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

Note: In order to qualify for any tax credits, a development must meet one of three minimum threshold occupancy tests. Either (i) at least 20% of the units must be rent-restricted and occupied by persons whose incomes are 50% or less of the area median income adjusted for family size (this is called the 20/50 test), (ii) at least 40% of the units must be rent-restricted and occupied by persons whose incomes are 60% or less of the area median income adjusted for family size (this is called the 40/60 test), or (iii) 40% or more of the units are both rent-restricted and occupied by persons whose income does not exceed the imputed income limitation designated in 10% increments between 20% to 80% of the AMI, and the average of the imputed income limitations collectively does not exceed 60% of the AMI (this is called the Average Income Test (AIT)). All occupancy tests are described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

**a. Units Provided Per Household Type:**

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
5	10.00%	30% Area Median
0	0.00%	40% Area Median
21	42.00%	50% Area Median
6	12.00%	60% Area Median
0	0.00%	70% Area Median
18	36.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	<b>Total</b>

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
5	10.00%	30% Area Median
0	0.00%	40% Area Median
21	42.00%	50% Area Median
6	12.00%	60% Area Median
0	0.00%	70% Area Median
18	36.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	<b>Total</b>

- b. The development plans to utilize average income..... TRUE  
 If true, should the points based on the units assigned to the levels above **be waived** and therefore not required for con  
 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.

KCH 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 compliance	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	2 BR - 1.5 Bath	30% AMI	5		1078.28	\$398.00	\$1,990
Mix 2	2 BR - 1.5 Bath	50% AMI	21	3	1078.28	\$757.00	\$15,897
Mix 3	2 BR - 1.5 Bath	60% AMI	2		1078.28	\$936.00	\$1,872
Mix 4	3 BR - 2 Bath	60% AMI	4		1291.96	\$1,086.00	\$4,344
Mix 5	3 BR - 2 Bath	80% AMI	18	2	1291.96	\$1,150.00	\$20,700
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0

**L. UNIT DETAILS**

Mix 12								\$0
Mix 13								\$0
Mix 14								\$0
Mix 15								\$0
Mix 16								\$0
Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
Mix 30								\$0
Mix 31								\$0
Mix 32								\$0
Mix 33								\$0
Mix 34								\$0
Mix 35								\$0
Mix 36								\$0
Mix 37								\$0
Mix 38								\$0
Mix 39								\$0
Mix 40								\$0
Mix 41								\$0
Mix 42								\$0
Mix 43								\$0
Mix 44								\$0
Mix 45								\$0
Mix 46								\$0
Mix 47								\$0
Mix 48								\$0
Mix 49								\$0
Mix 50								\$0
Mix 51								\$0
Mix 52								\$0
Mix 53								\$0
Mix 54								\$0
Mix 55								\$0
Mix 56								\$0
Mix 57								\$0
Mix 58								\$0
Mix 59								\$0
Mix 60								\$0
Mix 61								\$0
Mix 62								\$0
Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0

**L. UNIT DETAILS**

Mix 68										\$0
Mix 69										\$0
Mix 70										\$0
Mix 71										\$0
Mix 72										\$0
Mix 73										\$0
Mix 74										\$0
Mix 75										\$0
Mix 76										\$0
Mix 77										\$0
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>			50	5						\$44,803

<b>Total</b>	<b>50</b>	<b>Net Rentable SF: TC Units</b>	<b>58,614.96</b>
<b>Units</b>		<b>MKT Units</b>	<b>0.00</b>
		<b>Total NR SF:</b>	<b>58,614.96</b>

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

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$1,200
2. Office Salaries			\$0
3. Office Supplies			\$2,350
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$20,500
<u>4.04%</u> of EGI	<u>\$410.00</u>	Per Unit	
6. Manager Salaries			\$31,000
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$600
9. Auditing			\$0
## Bookkeeping/Accounting Fees			\$0
## Telephone & Answering Service			\$4,600
## Tax Credit Monitoring Fee			\$2,000
## Miscellaneous Administrative			\$500
<b>Total Administrative</b>			<b>\$62,750</b>

**Utilities**

## Fuel Oil			\$0
## Electricity			\$2,096
## Water			\$4,100
## Gas			\$0
## Sewer			\$4,100
<b>Total Utility</b>			<b>\$10,296</b>

**Operating:**

## Janitor/Cleaning Payroll			\$0
## Janitor/Cleaning Supplies			\$0
## Janitor/Cleaning Contract			\$0
## Exterminating			\$2,350
## Trash Removal			\$4,100
## Security Payroll/Contract			\$0
## Grounds Payroll			\$0
## Grounds Supplies			\$0
## Grounds Contract			\$23,000
## Maintenance/Repairs Payroll			\$9,400
## Repairs/Material			\$8,300
## Repairs Contract			\$13,000
## Elevator Maintenance/Contract			\$2,350
## Heating/Cooling Repairs & Maintenance			\$0
## Pool Maintenance/Contract/Staff			\$0
## Snow Removal			\$1,750
## Decorating/Payroll/Contract			\$2,000
## Decorating Supplies			\$1,500
## Miscellaneous			\$6,500
<b>Totals Operating &amp; Maintenance</b>			<b>\$74,250</b>

**M. OPERATING EXPENSES**

**Taxes & Insurance**

## Real Estate Taxes	\$40,242
## Payroll Taxes	\$5,150
## Miscellaneous Taxes/Licenses/Permits	\$1,200
## Property & Liability Insurance	\$28,900
## Fidelity Bond	\$0
## Workman's Compensation	\$0
## Health Insurance & Employee Benefits	\$6,104
## Other Insurance	\$4,896
<b>Total Taxes &amp; Insurance</b>	<b>\$86,492</b>

**Total Operating Expense** **\$233,788**

**Total Operating Expenses Per Unit** \$4,676 **C. Total Operating Expenses as % of** 46.11%

**Replacement Reserves** (Total # Units X \$300 or \$250 New Const. Elderly Mini \$15,000

<b>Total Expenses</b>	<b>\$248,788</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	9/10/21	Jen Surber
b. Site Acquisition	March, 2024	Jen Surber
c. Zoning Approval	IN PLACE	IN PLACE
d. Site Plan Approval	1/1/24	Jen Surber
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
i. Loan Application	December, 2023	Jen Surber
ii. Conditional Commitment	February, 2024	Jen Surber
iii. Firm Commitment	February, 2024	Jen Surber
<b>b. Permanent Loan - First Lien</b>		
i. Loan Application	December, 2023	Jen Surber
ii. Conditional Commitment	February, 2024	Jen Surber
iii. Firm Commitment	February, 2024	Jen Surber
<b>c. Permanent Loan-Second Lien</b>		
i. Loan Application	October, 2023	Jen Surber
ii. Conditional Commitment	February, 2024	Jen Surber
iii. Firm Commitment	February, 2024	Jen Surber
<b>d. Other Loans &amp; Grants</b>		
i. Type & Source, List	AHP	Jen Surber
ii. Application	January, 2024	Jen Surber
iii. Award/Commitment	March, 2024	Jen Surber
<b>2. Formation of Owner</b>	1/26/22	Jen Surber
<b>3. IRS Approval of Nonprofit Status</b>	3/16/94	Ira Slomka
<b>4. Closing and Transfer of Property to Owner</b>	March, 2024	Jen Surber
<b>5. Plans and Specifications, Working Drawings</b>	November, 2023	Donald C. Harwood
<b>6. Building Permit Issued by Local Government</b>	February, 2024	Jen Surber
<b>7. Start Construction</b>	April, 2024	Jen Surber
<b>8. Begin Lease-up</b>	February, 2025	Ann Hanson
<b>9. Complete Construction</b>	April, 2025	Jen Surber
<b>10. Complete Lease-Up</b>	November, 2025	Ann Hanson
<b>11. Credit Placed in Service Date</b>	May, 2025	Jen Surber

**O. PROJECT BUDGET - HARD COSTS**

**Cost/Basis/Maximum Allowable Credit**

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

Complete cost column and basis column(s) as appropriate

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

<b>Item</b>	<b>(A) Cost</b>	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><u>Must Use Whole Numbers Only!</u></b>				
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	8,854,213	0	0	8,854,213
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
<b>Total Structure</b>	8,854,213	0	0	8,854,213
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input checked="" type="checkbox"/> h. Renewable Energy	248,500	0	0	248,500
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	0	0	0	0
p. Site Work	1,350,000	0	0	1,350,000
q. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	1,598,500	0	0	1,598,500
<b>Total Structure and Land</b>	10,452,713	0	0	10,452,713
r. General Requirements	627,163	0	0	627,163
s. Builder's Overhead	209,054	0	0	209,054
( <u>2.0%</u> Contract)				
t. Builder's Profit	627,162	0	0	627,162
( <u>6.0%</u> Contract)				
u. Bonds	0	0	0	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: _____	0	0	0	0
z. Other 2: _____	0	0	0	0
aa. Other 3: _____	0	0	0	0
<b>Contractor Costs</b>	<b>\$11,916,092</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,916,092</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	25,000	0	0	25,000
b.	Architecture/Engineering Design Fee \$1,958 /Unit)	97,880	0	0	97,880
c.	Architecture Supervision Fee \$518 /Unit)	25,900	0	0	25,900
d.	Tap Fees	85,000	0	0	85,000
e.	Environmental	8,500	0	0	8,500
f.	Soil Borings	7,500	0	0	7,500
g.	Green Building (Earthcraft, LEED, etc.)	17,411	0	0	17,411
h.	Appraisal	6,000	0	0	6,000
i.	Market Study	7,500	0	0	7,500
j.	Site Engineering / Survey	130,000	0	0	130,000
k.	Construction/Development Mgt	0	0	0	0
l.	Structural/Mechanical Study	0	0	0	0
m.	Construction Loan Origination Fee	130,000	0	0	130,000
n.	Construction Interest ( 0.0% fo 0 months)	625,000	0	0	468,750
o.	Taxes During Construction	7,500	0	0	7,500
p.	Insurance During Construction	15,000	0	0	15,000
q.	Permanent Loan Fee ( 0.0% )	33,635	0	0	0
r.	Other Permanent Loan Fees	0	0	0	0
s.	Letter of Credit	0	0	0	0
t.	Cost Certification Fee	10,000	0	0	0
u.	Accounting	0	0	0	0
v.	Title and Recording	60,000	0	0	20,000
w.	Legal Fees for Closing	40,000	0	0	30,000
x.	Mortgage Banker	33,635	0	0	0
y.	Tax Credit Fee	83,674	0	0	0
z.	Tenant Relocation	0	0	0	0
aa.	Fixtures, Furnitures and Equipment	25,000	0	0	25,000
ab.	Organization Costs	0	0	0	0
ac.	Operating Reserve	229,246	0	0	0
ad.	Contingency	595,805	0	0	595,805
ae.	Security	0	0	0	0
af.	Utilities	0	0	0	0

**O. PROJECT BUDGET - OWNER COSTS**

ag. Servicing Reserve	0			
(1) Other* specify lease up reserve	40,000	0	0	0
(2) Other* specify construction inspections	35,000	0	0	35,000
(3) Other* specify soft cost contingency	50,000	0	0	50,000
(4) Other* specify	0	0	0	0
(5) Other* specify	0	0	0	0
(6) Other* specify	0	0	0	0
(7) Other* specify	0	0	0	0
(8) Other* specify	0	0	0	0
(9) Other* specify	0	0	0	0
<b>Owner Costs Subtotal (Sum 2A..2(10))</b>	<b>\$2,424,186</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,787,746</b>
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	<b>\$14,340,278</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,703,838</b>
<b>3. Developer's Fees</b>	<b>1,673,645</b>	<b>0</b>	<b>0</b>	<b>1,673,645</b>
<b>Action:</b> Provide Developer Fee Agreement (Tab A)				
<b>4. Owner's Acquisition Costs</b>				
Land	1,200,000			
Existing Improvements	0	0		
Subtotal 4:	\$1,200,000	\$0		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	\$17,213,923	\$0	\$0	\$15,377,483

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

(Provide documentation at Tab E)	\$0	Land
	\$0	Building

**Maximum Developer Fee:** \$1,673,222

Proposed Development's Cost per Sq Foot \$220 **Meets Limits**  
 Applicable Cost Limit by Square Foot: \$328

Proposed Development's Cost per Unit \$315,308 **Meets Limits**  
 Applicable Cost Limit per Unit: \$315,423

**P. ELIGIBLE BASIS CALCULATION**

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
<b>1. Total Development Costs</b>	17,213,923	0	0	15,377,483

**2. Reductions in Eligible Basis**

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

**3. Total Eligible Basis (1 - 2 above)**

0	0	15,377,483
---	---	------------

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	0	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	4,613,245
c. For Green Certification (Eligible Basis x 10%)		0

**Total Adjusted Eligible basis**

0	19,990,728
---	------------

**5. Applicable Fraction**

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

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

0	0	19,990,728
---	---	------------

**7. Applicable Percentage**

9.00%	9.00%	9.00%
-------	-------	-------

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

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

\$0	\$0	\$1,799,166
-----	-----	-------------

(Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)	\$1,799,166 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.	First Bank	12/01/23	01/01/24	\$13,000,000	Chris Clemmons
2.					
3.					
Total Construction Funding:				\$13,000,000	

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

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
				<i>(Whole Numbers only)</i>				
1.	VHDA	12/1/23	2/28/24	\$2,334,149	\$173,591	6.73%	35	35
2.	VHDA	12/1/23	2/28/24	\$1,000,000	\$45,848	2.95%	35	35
3.								
4.	DHCD HIEE	1/15/24	3/15/24	\$1,433,400				
5.	AHP	1/15/24	3/15/24	\$750,000				
6.	VHTF	10/15/23	2/15/24	\$750,000	\$3,775	0.50%	1000	35
7.	NHTF			\$295,986	\$1,490	0.50%	1000	35
8.								
9.								
10.								
Total Permanent Funding:				\$6,563,535	\$224,704			

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

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.					
2.					
3.					
4.					
5.					
6.					

**Q. SOURCES OF FUNDS**

Total Permanent Grants:

\$0

**Q. SOURCES OF FUNDS**

**4. Subsidized Funding**

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

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

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

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

Below-Market Loans

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$1,000,000
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$0
k.	Other:	\$1,366,000
	HIEE	
l.	Other:	\$0

Market-Rate Loans

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

Grants\*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

**Q. SOURCES OF FUNDS**

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

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

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

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

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

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

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

c. **FALSE** Other \_\_\_\_\_

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

**R. EQUITY**

**1. Equity**

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit

Amount of Federal historic credits	\$0	x Equity \$	\$0.000	=	\$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	=	\$0

b. Equity that Sponsor will Fund:

i. Cash Investment	\$0
ii. Contributed Land/Building	\$0
iii. Deferred Developer Fee	\$729,564 (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** \$729,564

**2. Equity Gap Calculation**

a. Total Development Cost	\$17,213,923
b. Total of Permanent Funding, Grants and Equity	- <u>\$7,293,099</u>
c. Equity Gap	\$9,920,824
d. Developer Equity	- <u>\$995</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$9,919,829

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

a. Actual or Anticipated Name of Syndicator: CAHEC/ Community Affordable Housing Equity Corporation

Contact Person: Britni Grimes Phone: (919) 532-1797

Street Address: 7700 Falls of Neuse Road, Suite 200

City: Raleigh State: NC Zip: 27615

b. Syndication Equity

i. Anticipated Annual Credits	\$1,181,050.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.840
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0
v. Net credit amount anticipated by user of credits	\$1,180,932
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$9,919,829

c. Syndication: Private

d. Investors: Corporate

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs \$9,919,829

**5. Net Equity Factor**

Must be equal to or greater than 85% 84.0000091623%

**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>\$17,213,923</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$7,293,099</u>
3. Equals Equity Gap		<u>\$9,920,824</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>84.0000091623%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$11,810,504</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,181,050</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,799,166</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$1,181,050</u>
Credit per LI Units	<u>\$23,621.0000</u>	<b>Combined 30% &amp; 70% PV Credit Requested</b>
Credit per LI Bedroom	<u>\$9,680.7377</u>	

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

**T. CASH FLOW**

**1. Revenue**

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

Total Monthly Rental Income for LIHTC Units	\$44,803
Plus Other Income Source (list) <u>laundry, late fees, etc.</u>	\$630
Equals Total Monthly Income:	<u>\$45,433</u>
Twelve Months	x12
Equals Annual Gross Potential Income	\$545,196
Less Vacancy Allowance <u>7.0%</u>	<u>\$38,164</u>
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>	<b><u>\$507,032</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	<u>\$507,032</u>
b. Annual EGI Market Units	<u>\$0</u>
c. Total Effective Gross Income	<u>\$507,032</u>
d. Total Expenses	<u>\$248,788</u>
e. Net Operating Income	<u>\$258,244</u>
f. Total Annual Debt Service	<u>\$224,704</u>
g. Cash Flow Available for Distribution	<u>\$33,540</u>

**T. CASH FLOW**

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
<b>Eff. Gross Income</b>	507,032	517,173	527,516	538,067	548,828
<b>Less Oper. Expenses</b>	248,788	256,252	263,939	271,857	280,013
<b>Net Income</b>	258,244	260,921	263,577	266,209	268,815
<b>Less Debt Service</b>	224,704	224,704	224,704	224,704	224,704
<b>Cash Flow</b>	33,540	36,217	38,873	41,505	44,111
<b>Debt Coverage Ratio</b>	1.15	1.16	1.17	1.18	1.20

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Eff. Gross Income</b>	559,805	571,001	582,421	594,069	605,951
<b>Less Oper. Expenses</b>	288,413	297,066	305,978	315,157	324,612
<b>Net Income</b>	271,391	273,935	276,443	278,912	281,339
<b>Less Debt Service</b>	224,704	224,704	224,704	224,704	224,704
<b>Cash Flow</b>	46,687	49,231	51,739	54,208	56,635
<b>Debt Coverage Ratio</b>	1.21	1.22	1.23	1.24	1.25

	Year 11	Year 12	Year 13	Year 14	Year 15
<b>Eff. Gross Income</b>	618,070	630,431	643,040	655,900	669,018
<b>Less Oper. Expenses</b>	334,350	344,381	354,712	365,354	376,314
<b>Net Income</b>	283,719	286,050	288,327	290,547	292,704
<b>Less Debt Service</b>	224,704	224,704	224,704	224,704	224,704
<b>Cash Flow</b>	59,015	61,346	63,623	65,843	68,000
<b>Debt Coverage Ratio</b>	1.26	1.27	1.28	1.29	1.30

Estimated Annual Percentage Increase in Revenue 2.00% (Must be < 2%)  
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be > 3%)

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

**Must Complete**

<b>Number of BINS:</b>	1
------------------------	---

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).

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

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

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		50		off of White Hill Road/Montague Court		Stuarts Draft	VA	24477				\$0				\$0	\$19,990,728	05/01/25	9.00%	\$1,799,166
2.												\$0				\$0				\$0
3.												\$0				\$0				\$0
4.												\$0				\$0				\$0
5.												\$0				\$0				\$0
6.												\$0				\$0				\$0
7.												\$0				\$0				\$0
8.												\$0				\$0				\$0
9.												\$0				\$0				\$0
10.												\$0				\$0				\$0
11.												\$0				\$0				\$0
12.												\$0				\$0				\$0
13.												\$0				\$0				\$0
14.												\$0				\$0				\$0
15.												\$0				\$0				\$0
16.												\$0				\$0				\$0
17.												\$0				\$0				\$0
18.												\$0				\$0				\$0
19.												\$0				\$0				\$0
20.												\$0				\$0				\$0
21.												\$0				\$0				\$0
22.												\$0				\$0				\$0
23.												\$0				\$0				\$0
24.												\$0				\$0				\$0
25.												\$0				\$0				\$0
26.												\$0				\$0				\$0
27.												\$0				\$0				\$0
28.												\$0				\$0				\$0
29.												\$0				\$0				\$0
30.												\$0				\$0				\$0
31.												\$0				\$0				\$0
32.												\$0				\$0				\$0
33.												\$0				\$0				\$0
34.												\$0				\$0				\$0
35.												\$0				\$0				\$0

50 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$0

\$0

\$19,990,728

\$0

\$0

\$1,799,166

Number of BINS: 1

**V. STATEMENT OF OWNER**

---

The undersigned hereby acknowledges the following:

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

V. STATEMENT OF OWNER

- 10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or Virginia Housing regulations, or other binding authority.
- 11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
- 12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
- 13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
- 14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
- 15. that undersigned agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.
- 16. that undersigned waives the right to pursue a Qualified Contract on this development.
- 17. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, even if tax credits are not allocated to the undersigned.

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

Legal Name of Owner Overlook Ridge VA LLC  
By: Overlook Ridge MM LLC  
By: Surber Development and Consulting LLC, It'

By: \_\_\_\_\_  
 Its: Managing Member, Jennifer E. H. Surber  
 (Title)

2023 Low-Income Housing Tax Credit Application For Reservation

V. STATEMENT OF OWNER

- 10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or Virginia Housing regulations, or other binding authority.
- 11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
- 12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
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By: Overlook Ridge MM LLC  
By: Surber Development and Consulting LLC, It'

By:   
 Its: Managing Member, Jennifer E. H. Surber  
 (Title)

**V. STATEMENT OF ARCHITECT**

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

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

Legal Name of Architect:	<u>Donald C. Harwood</u>
Virginia License#:	<u>005297</u>
Architecture Firm or Company:	<u>Donald C. Harwood, PLLC</u>

By: \_\_\_\_\_

Its: Member  
(Title)

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

**V. STATEMENT OF ARCHITECT**

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

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

Legal Name of Architect:	<u>Donald C. Harwood</u>
Virginia License#:	<u>005297</u>
Architecture Firm or Company:	<u>Donald C. Harwood, PLLC</u>

By: 

Its: Member  
(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:**

	Included		Score
a. Signed, completed application with attached tabs in PDF format	Y	Y or N	0
b. Active Excel copy of application	Y	Y or N	0
c. Partnership agreement	Y	Y or N	0
d. SCC Certification	Y	Y or N	0
e. Previous participation form	Y	Y or N	0
f. Site control document	Y	Y or N	0
g. RESNET Certification	Y	Y or N	0
h. Attorney's opinion	Y	Y or N	0
i. Nonprofit questionnaire (if applicable)	Y	Y, N, N/A	0
j. Appraisal	Y	Y or N	0
k. Zoning document	Y	Y or N	0
l. Universal Design Plans	Y	Y or N	0
m. List of LIHTC Developments (Schedule A)	Y	Y or N	0
<b>Total:</b>			<b>0.00</b>

**1. READINESS:**

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 to 10	0.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
e. Location in a revitalization area with resolution	Y	0 or 15	15.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
<b>Total:</b>			<b>15.00</b>

**2. HOUSING NEEDS CHARACTERISTICS:**

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	5.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	0.00%	Up to 40	0.00
d. Tax abatement on increase of property's value	N	0 or 5	0.00
e. New project based rental subsidy (HUD or RD)	N	0 or 10	0.00
f. Census tract with <12% poverty rate	10%	0, 20, 25 or 30	25.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
<b>Total:</b>			<b>50.00</b>

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			90.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 50	50.00
or c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Provides approved resident services or eligible childcare services	Y	0 or 15	15.00
e. Provides telephonic or virtual health services	Y	0 or 15	15.00
f. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
g. Development will be Green Certified	Y	0 or 10	10.00
h. Units constructed to meet Virginia Housing's Universal Design standards	100%	Up to 15	15.00
i. Developments with less than 100 low income units	Y	up to 20	20.00
j. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			225.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$83,600	\$71,300

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	44.00%	Up to 15	15.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to	10.00%	Up to 10	10.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	10.00%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	52.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	52.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	52.00%	Up to 50	0.00
Total:			100.00

5. SPONSOR CHARACTERISTICS:

a. Experienced Sponsor - 1 development in Virginia	Y	0 or 5	5.00
b. Experienced Sponsor - 3 developments in any state	Y	0 or 15	15.00
c. Developer experience - life threatening hazard	N	0 or -50	0.00
d. Developer experience - noncompliance	N	0 or -15	0.00
e. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
f. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	0.00
g. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
h. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
i. Socially Disadvantaged Principal owner 25% or greater	Y	0 or 5	5.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
k. Experienced Sponsor partnering with Local Housing Authority pool applicant	N	0 or 5	0.00
Total:			25.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	114.53
b. Cost per unit		Up to 100	63.68
Total:			178.21

7. BONUS POINTS:

a. Extended compliance	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	Y	0 or 60	60.00

or c. Nonprofit or LHA Home Ownership option	N	0 or 5	<u>0.00</u>
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 30	<u>0.00</u>
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	<u>0.00</u>
f. Team member with Diversity, Equity and Inclusion Designation	Y	0 or 5	<u>5.00</u>
g. Commitment to electronic payment of fees	Y	0 or 5	<u>5.00</u>
Total:			<u><u>70.00</u></u>

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

**TOTAL SCORE:** **663.21**

**Enhancements:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance material	40	40.00
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	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	5.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. % of renewable energy electric systems	10	10.00
s. New Construction: Balcony or patio	4	0.00
		<u>90.00</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>90.00</u></b>

X. Development Summary

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

Deal Name: **Overlook Ridge**

Cycle Type: 9% Tax Credits Requested Credit Amount: \$1,181,050  
 Allocation Type: New Construction Jurisdiction: Augusta County  
 Total Units: 50 Population Target: General  
 Total LI Units: 50  
 Project Gross Sq Ft: 71,634.52 Owner Contact: Jen Surber  
 Green Certified? TRUE

**Total Score**  
663.21

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$6,563,535	\$131,271	\$92	\$224,704
Grants	\$0	\$0		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$10,452,713	\$209,054	\$146	60.72%
General Req/Overhead/Profit	\$1,463,379	\$29,268	\$20	8.50%
Other Contract Costs	\$0	\$0	\$0	0.00%
Owner Costs	\$2,424,186	\$48,484	\$34	14.08%
Acquisition	\$1,200,000	\$24,000	\$17	6.97%
Developer Fee	\$1,673,645	\$33,473	\$23	9.72%
<b>Total Uses</b>	<b>\$17,213,923</b>	<b>\$344,278</b>		

Total Development Costs	
Total Improvements	\$14,340,278
Land Acquisition	\$1,200,000
Developer Fee	\$1,673,645
<b>Total Development Costs</b>	<b>\$17,213,923</b>

Income		
Gross Potential Income - LI Units		\$545,196
Gross Potential Income - Mkt Unit:		\$0
Subtotal		\$545,196
Less Vacancy %	7.00%	\$38,164
<b>Effective Gross Income</b>		<b>\$507,032</b>

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$62,750	\$1,255
Utilities	\$10,296	\$206
Operating & Maintenance	\$74,250	\$1,485
Taxes & Insurance	\$86,492	\$1,730
<b>Total Operating Expenses</b>	<b>\$233,788</b>	<b>\$4,676</b>
Replacement Reserves	\$15,000	\$300
<b>Total Expenses</b>	<b>\$248,788</b>	<b>\$4,976</b>

Cash Flow	
EGI	\$507,032
Total Expenses	\$248,788
<b>Net Income</b>	<b>\$258,244</b>
Debt Service	\$224,704
<b>Debt Coverage Ratio (YR1):</b>	<b>1.15</b>

Proposed Cost Limit/Sq Ft: \$220  
 Applicable Cost Limit/Sq Ft: \$328  
 Proposed Cost Limit/Unit: \$315,308  
 Applicable Cost Limit/Unit: \$315,423

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	0
# of 2BR	28
# of 3BR	22
# of 4+ BR	0
<b>Total Units</b>	<b>50</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	5	5
40% AMI	0	0
50% AMI	21	21
60% AMI	6	6
>60% AMI	18	18
Market	0	0

Income Averaging? TRUE

Extended Use Restriction? 30

**Y. Efficient Use of Resources**

**Credit Points for 9% Credits:**

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

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

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

Combined Max	\$1,799,166
Credit Requested	\$1,181,050
% of Savings	34.36%
Sliding Scale Points	114.53

**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	\$16,013,923
Total Square Feet	71,634.52
Proposed Cost per SqFt	\$223.55
Applicable Cost Limit per Sq I	\$328.00
% of Savings	31.84%
Total Units	50
Proposed Cost per Unit	\$320,278
Applicable Cost Limit per Uni	\$315,423
% of Savings	-1.54%
Max % of Savings	31.84%
Sliding Scale Points	63.68

# Tab A:

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

COMMONWEALTH OF VIRGINIA :  
COUNTY OF AUGUSTA :

OVERLOOK RIDGE VA LLC  
LIMITED LIABILITY COMPANY  
OPERATING AGREEMENT

THIS OPERATING AGREEMENT (the "Agreement") made as of the 1<sup>st</sup> day of March, 2023, by and among the undersigned members of Overlook Ridge VA LLC, a Virginia limited liability company (the "Company"), such persons being hereinafter referred to individually as a "Member" and collectively as the "Members."

W I T N E S S E T H:

WHEREAS, the parties hereto desire to organize a limited liability company to engage in any lawful business including ownership and development of that apartment complex in the County of Augusta, Virginia to be known as Overlook Ridge Apartments ("Project").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, and other good and valuable consideration, the parties hereto agree as follows:

1. NAME, BUSINESS, AND REGISTERED OFFICE AND AGENT. The Members do hereby form a limited liability company ("LLC") under the name of Overlook Ridge VA LLC in accordance with and pursuant to the Virginia Limited Liability Company Act (the "Act"), to engage in any lawful business including ownership and development of real property. The organizing Members, or their representatives, shall execute and file Articles of Organization on behalf of the Company in the Office of the State Corporation Commission of Virginia. The Members shall do or cause to be done all such filings, recordings or other acts as may be necessary or appropriate from time to time to comply with the requirements of the Act or otherwise as necessary for the operation of LLCs in the Commonwealth of Virginia. The Company shall promptly reimburse any cost incurred by the Members in connection with the foregoing. The Manager shall select the registered agent. The principal office of the Company need not be the same as the office of the registered agent.

2. TERM. The Company shall begin as of the date of filing the aforementioned Articles, and shall continue perpetually unless sooner terminated as provided in paragraph 15 of this Agreement.

3. CAPITAL; LIABILITY OF MEMBERS.

(a) Initial Capital Contribution. The Members shall make initial capital contributions to the Company in amounts as mutually agreed upon such that their initial capital interests in the Company shall be as follows:

<u>Members</u>	<u>Capital Interest</u>
Overlook Ridge MM LLC	100.00%

(b) Subsequent Capital Contributions. For purposes of paragraphs 3 - 6 of this Agreement, and with respect only to allocations and distributions to a Member, capital contribution obligations, and capital account maintenance rules (but not with respect to any other rights including voting rights of a Member), the term "Member" shall include the assignee, if any, of such Member. Each Member is personally liable for his proportionate part (determined with reference to his interest in profits as provided in paragraph 4(a)) of any capital contribution required for continuation of the Company business as determined reasonably and in good faith by the affirmative vote of at least 100% in voting interest (as determined in paragraph 7(c)) of the Members. In the event that any Member refuses or fails to make any such required capital contribution within thirty (30) days after written notice of the Members' approval of the additional contributions, then such Member (the "Defaulting Member") shall be in default of this Agreement and the other Members and the Company shall have any and all remedies available at law or in equity as a result of such default, including without limitation the right (upon the affirmative vote of a majority in voting interest of all Members other than the defaulting Member) to expel such defaulting Member from the Company, in which event the value to be paid for the defaulting Member's interest and the manner of payment shall be determined in accordance with the provisions of paragraph 12 of this Agreement. In addition, but without limiting any such rights or remedies of the other Members or the Company, the other Members may, but shall not be required to, contribute such deficiency to the Company. To the extent that any Member does contribute any deficiency to the Company for the Member failing to do so, such contribution at the sole election of the contributing Member(s) shall be deemed to be either (i) an additional capital contribution requiring adjustments to the Percentage Interests as set forth in the next paragraph, or (ii) a loan to the defaulting Member repayable on demand which shall bear interest from the date of such contribution at a rate computed to be ONE PERCENT (1%) above the prime rate established by Bank of America, N.A. on the date of such contribution. The defaulting Member shall have no voting rights on matters of Company business, and no further distributions or

withdrawals may be made to or by the defaulting Member, until such loan with interest is paid in full. Any distributions, withdrawals, or rights thereto that would otherwise be distributed to or withdrawn by the defaulting Member (including any distribution made on expulsion of such Member as described below) during the term of any such demand loan shall be paid, credited, or accrued to the Member or Members who contributed the deficiency to the Company and shall be applied as a credit against the amount due from the defaulting Member, but such amounts shall be treated for book and tax purposes as if they had been distributed to the defaulting Member and then paid to the Member or Members actually receiving the same in respect of the loan. Failure to repay any such demand loan within thirty (30) days after written demand therefor shall be deemed sufficient grounds for expulsion of such Member from the Company. In such event, the value to be paid for the defaulting Member's interest and the manner of payment shall be determined in accordance with the provisions of paragraph 12 of this Agreement. Except for the payment to liquidate his membership interest in the Company as herein provided, such defaulting Member shall have no further interest or rights in the Company, its business or assets.

If the contributing Member(s) elect to treat the amount contributed on behalf of the defaulting Member as an additional capital contribution by them to the Company as provided in item “(i)” above, the Percentage Interests in net profits and net losses described in paragraph 4(a) shall be redetermined for each Member based on the ratio of his capital account balance as adjusted for the new contribution and an adjustment made pursuant to the methodology of paragraph 3(e), divided by the total capital account balances of all Members as adjusted above. Following such adjustments to capital accounts and Percentage Interests, the default shall be deemed cured.

(c) Credits and Debits to Capital Account. A separate capital account shall be maintained for each Member

- (i) to which shall be credited:
  - (A) The amount of money and fair market value of other property comprising the Member's capital contributions,
  - (B) Any allocations of Company income, gains, and profits made to the Member for book purposes under paragraph 4, and
  - (C) The amount of any Company liabilities that are assumed by the Member or that are secured by any Company property distributed to the Member; and

(ii) to which shall be debited:

(A) The amount of cash and the fair market value of any Company property distributed to the Member pursuant to any provision of this Agreement,

(B) Any allocations of Company deductions and losses made to the Member for book purposes under paragraph 4, and

(C) The amount of any liabilities of the Member that are assumed by the Company or that are secured by any property contributed by the Member to the Company.

(d) Treasury Regulations Section 1.704-1(b) Compliance. Paragraph 3(c) and any other provisions of this Agreement relating to the maintenance of capital accounts are intended to comply with Treasury Regulations Section 1.704-1(b), as amended, and shall be interpreted, applied, and modified to the extent necessary to comply with such Regulations. For all purposes of this Agreement, the phrase "for book purposes" shall be construed and applied according to the provisions of Treasury Regulations Section 1.704-1(b).

(e) Adjustment of Values. The gross value of Company property for book purposes, and the capital accounts of the Members, shall be simultaneously adjusted to reflect the gross fair market value (as determined in good faith by the affirmative vote of at least 100% in voting interest of the Members as required by paragraph 7(c)) of such assets as if the Company recognized gain or loss (determined with reference to the Company's bases in its assets for book purposes) in an actual disposition of such assets (i) at such times as is permitted under (and pursuant to the rules of) Treasury Regulations Section 1.704-1(b), as amended, and (ii) upon any other change in a Member's Percentage Interest (defined in paragraph 4(a)). Any such adjustment to the individual capital accounts of the Members shall be made by allocations of any such deemed gains or losses in accordance with the Members' relative interests in such gains or losses as provided in paragraph 4 in effect immediately before the triggering event described in items "(i)" and "(ii)" of this subparagraph (e). If the Members are unable to agree by the affirmative vote described above regarding the gross fair market value of Company assets, or if any Member otherwise requests the valuation determination to be made by appraisal, such value shall be determined by appraisal as follows. The Members unanimously shall select two qualified appraisers, such two appraisers shall then appoint a third qualified appraiser, and the three appraisers separately shall appraise such gross fair market

value. The average of the two appraisals which are closest in amount shall be binding upon the parties hereto, and the other appraisal shall be ignored. The Company shall pay all expenses involved with such appraisers unless a Member requests an appraisal determination of value as provided above, in which case the costs of the appraisal shall be paid by the requesting Member. For purposes hereof, a qualified appraiser shall be any entity or person who regularly engages in the valuation of assets of the kind and nature owned by the Company and who holds themselves out as being in such business and qualified to make such valuation.

(f) Transfer of Interest. In the event any interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the capital account of the transferor to the extent it relates to the transferred interest.

(g) Limitation on Personal Liability. Except as otherwise provided by the Act or this Agreement, no Member of the Company, as identified on the signature page hereof or who subsequent to the date hereof becomes a Member, shall be personally liable for or obligated to contribute money or property to or in respect of the debts, liabilities, contracts, or any other obligations of the Company (unless he was so liable prior to becoming a Member). Except as otherwise provided in this Agreement, no Member shall be liable to restore a deficit balance in his capital account.

(h) No Interest to be Paid. No interest shall be paid on the capital accounts of the Members in the Company.

4. PROFIT AND LOSS.

(a) General. Generally, except as otherwise provided in this paragraph 4, the net profits and the net losses of the Company for book and tax purposes shall be allocated to the Members in the proportions of their "Percentage Interests", as follows:

<u>Members</u>	<u>Percentage Interest</u>
Overlook Ridge MM LLC	100.00%

(b) Stop Loss Allocations. Notwithstanding paragraph 4(a), no allocation of loss or deduction shall be made which causes or increases a deficit balance in any Member's capital account as adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(d) (unless such allocation is otherwise permitted by such Section); and any such deduction or loss allocation shall instead be

made to the Members who are permitted to receive the same in accordance with the provisions of this Agreement.

(c) Qualified Income Offset. Notwithstanding paragraph 4(a), allocations of income and gain shall be made to the Members at such times and in such manner as required by the qualified income offset provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) in order to eliminate any "adjusted" (within the meaning of such Section) deficit capital account balances which may exist.

(d) Gross Income Allocations. In the event that any Member receives a distribution that causes or increases a deficit (which he is not liable to restore) capital account balance (as maintained and adjusted pursuant to paragraph 3) after taking into account all other provisions concerning allocations of profits and losses of this Agreement, such Member shall be allocated items of gross income or gain for the tax year of such distribution in an amount sufficient to eliminate such deficit.

(e) Allocations in Respect of Nonrecourse Liabilities. To the extent that the Company incurs any nonrecourse liabilities as described in Treasury Regulations Section 1.704-2, the following provisions shall apply notwithstanding paragraph 4(a) hereof:

(i) Nonrecourse Deductions. Partner nonrecourse deductions shall be allocated to the Members based upon the ratios in which they bear the economic risk of loss for the applicable liability, and allocations of other nonrecourse deductions shall be made to the Members in accordance with their Percentage Interests in effect under Paragraph 4(a); all as determined in compliance with Treasury Regulations Section 1.704-2, as amended or modified from time to time.

(ii) Minimum Gain Chargeback. Allocations of items of income and gain of the Company for any taxable year shall be made, prior to any other allocation for such year under this Agreement or otherwise, to the Members as required by the minimum gain chargeback provisions of Treasury Regulations Section 1.704-2, as amended or modified from time to time.

(f) Curative Allocations. The Members acknowledge that allocations made pursuant to paragraphs 4(b)-(e) above (collectively, the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulation Section 1.704-1(b) and may not be consistent with the manner in which the Members intend to share distributions of the Company. Accordingly, in the event any Regulatory Allocations are made to the Members, subsequent curative allocations provided for in this paragraph shall be made in a manner to prevent the Regulatory Allocations from

distorting the manner in which Company allocations and distributions are shared pursuant to paragraphs 4(a) and 5, respectively. Such curative allocations of items of Company income, gain, loss, and deduction shall be made to the extent possible in any tax year in amounts sufficient such that the aggregate cumulative Regulatory Allocations and the cumulative curative allocations required by this sentence are made to the Members in proportion to their Percentage Interests described in paragraph 4(a) above in effect during the time period affected by such allocations, as if the Regulatory Allocations had not occurred.

(g) Other Allocations Rules. Although it is intended that paragraph 4(a) be the general rule for allocations of book and tax income or loss, such allocations shall be adjusted or modified in any given instance to the extent necessary to comply with Section 704(b) and (c) of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations promulgated thereunder. For purpose of determining the profits, losses, or any other items allocable to any period, profits, losses, and any such other items shall be determined on a daily, monthly, or other basis using any permissible method under Code Section 706 and the Treasury Regulations promulgated thereunder.

## 5. SALARIES AND DISTRIBUTIONS.

(a) Limitation of Member's Salary. No Member shall receive any salary, commission, or fee for services rendered to the Company unless the payment of such salary, commission, or fee is approved by a unanimous vote of the Members.

(b) Distributions of Cash Flow. Subject to paragraph 5(c), the net cash flow of the Company, as reasonably determined by the Managers, shall be distributed at such times as may be determined by the Managers (but no less frequently than annually) to the Members in accordance with the Percentage Interests which are in effect pursuant to paragraph 4(a) at the time of the distribution.

(c) Distribution upon Liquidation. In the event of termination and liquidation of the Company, then the assets of the Company remaining after settlement of Company obligations shall be distributed to the Members in accordance with their positive capital account balances as adjusted to fair market value pursuant to paragraph 3(e), except as otherwise provided in this Agreement. Any distribution to a Member to liquidate his interest in the Company other than during the liquidation of the Company, and except as otherwise provided in this Agreement, shall be in the amount of his positive capital account balance adjusted as provided above.

(d) Distribution in Kind. If any of the assets of the Company are to be distributed in kind, the fair market value of such assets shall be determined in accordance with paragraph 3(e) as of the time of such distribution. Allocations to the Members' capital accounts (using the methodology described in paragraph 3(e)) shall be made of the amount of gain or loss, if any, which would have been realized by the Company if such assets had been sold by the Company for prices equal to their respective fair market values as so determined. Such assets shall be distributed on the basis of the fair market value thereof and any Member entitled to any interest in such assets shall receive the same by separate distribution of such assets or by distributions of undivided interests therein with all other Members so entitled, as is determined by the unanimous agreement of the Members.

6. EXCESS LOAN AND CAPITAL TRANSACTIONS PROCEEDS. In the event that a loan is obtained on security of Company property in substitution or in addition to any existing loan or in the event of the sale or other disposition of such property in whole or in part, then, upon the consummation of such loan or the sale or other disposition of such property, as the case may be, the proceeds thereof shall be applied in the following order: (a) to the discharge of any existing loan, if necessary; (b) to the payment of the expenses incidental to such loan or the expenses of sale, and any unpaid expenses of operation or maintenance of such property, as the case may be; and (c) any remaining balance to be distributed to the Members as provided in paragraph 5(b), subject to paragraph 5(c).

7. MEMBERSHIP.

(a) In General. Any Member identified on the signature page of this Agreement or who becomes a new Member upon compliance with paragraph 18 below shall continue as a Member until his membership in the Company ceases. A Member's membership in the Company shall cease upon the events specified in the Act, including, without limitation: the Member's voluntary withdrawal from the Company (if permitted by paragraph 11), the Member's assignment of its entire interest in the Company in accordance with this Agreement, the removal of the Member as provided in this Agreement, an act of Bankruptcy by the Member as defined in paragraph 12, the Member's death or adjudication of incompetency, termination of a trust which is a Member, liquidation of a Member which is a partnership, LLC, or corporation, or distribution of its entire interest in the Company by an estate or trust Member or by a partnership, corporate, or LLC Member. When the Member's membership in the Company ceases, he shall have no rights greater than those of an assignee as provided in the Act.

(b) Rights Accruing to Members. All Members shall have access to such information and records of the Company as provided in the Act, subject to the limitations provided therein.

(c) Action by Members. For purposes of this Agreement, whenever a decision or action by the Members on behalf of the Company is called for and except as otherwise provided in this Agreement, then each Member shall be entitled to one vote (or fraction thereof) for each percentage point of his Percentage Interest as provided in paragraph 4(a) at such time. Except as otherwise provided in this Agreement, a majority vote of the Members shall be required to approve any such action or decision, provided that the following matters shall require the affirmative vote of at least 100% in voting interest of the Members:

(i) The amendment of this Agreement (except as to any matter the approval of which would require a greater affirmative vote, or except as to any of the economic rights of the Members, the amendment of which shall require the unanimous vote of the Members).

(ii) Merger of the Company,

(iii) The encumbrance, sale, transfer, or other disposition of all or substantially all of the assets of the Company,

(iv) The admission of a new Member to the Company, subject to compliance with paragraph 18 below,

(v) The adjustment of capital account balances of the Members described in paragraph 3(e),

(vi) The contribution of additional capital to the Company pursuant to paragraph 3(b),

(vii) The incurrence of indebtedness by the Company other than in the ordinary course of business,

(viii) A fundamental change in the nature of the business of the Company,  
and

(ix) The dissolution and liquidation of the Company as provided in paragraph 15 below.

(d) Waiver of Right of Partition. Each of the Members irrevocably waives during the term of the Company any right to maintain any action for partition with respect to the Company's property.

8. MANAGEMENT.

(a) Initial Manager. All Members are not necessarily managers by virtue of their status as Members, and a manager need not be a Member of the Company. Notwithstanding anything to the contrary herein, the initial manager of the Company (the "Manager(s)") shall be:

Overlook Ridge MM LLC

Each Manager shall continue as a Manager of the Company with all rights, authority, and responsibilities provided in this Agreement until the time that he ceases to be a Manager as provided in paragraph 8(d) below, whereupon his successor shall be appointed as provided therein.

(b) Authority of Manager. Any decisions made by the Managers shall require the affirmative vote of a majority of the Managers. Subject to the voting rights as provided in this Agreement, the Managers shall have all of the rights and powers which may be possessed by Managers under the Act including, without limitation, the right and power to:

(i) acquire by purchase, lease or otherwise any real or personal property which may be necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(ii) operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate and any personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(iii) borrow money and issue evidences of indebtedness necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and secure the same by mortgage, pledge, or other lien on any Company property;

(iv) execute any and all agreements, contracts, documents, certifications, and instruments necessary or convenient in connection with the management, maintenance, development and operation of Company property and Company business;

(v) execute, in furtherance of any or all of the purposes of the Company, any deed, lease, mortgage, deed of trust, mortgage note, promissory note, bill of sale, contract, or other instrument purporting to obligate the Company or convey or encumber any or all of the Company property;

(vi) prepay in whole or in part, refinance, recast, increase, modify, or extend any liabilities affecting the Company property and in connection therewith execute any extensions or renewals of encumbrances on any or all of the Company property;

(vii) care for and distribute funds to the Members by way of cash, income, return of capital, or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objectives of the Company or this Agreement;

(viii) contract on behalf of the Company for the employment and services of employees and independent contractors and delegate to such persons the duty to manage or supervise any of the assets or operations of the Company; and

(ix) engage in any kind of activity and perform and carry out contracts of any kind (including contracts of insurance covering risks to Company property and Managers liability) necessary or incidental to, or in connection with, the accomplishment of the purposes of the Company, as may be lawfully carried on or performed by an LLC under the laws of each state in which the Company is then formed or qualified.

The actions of the Managers hereunder shall be binding upon the Company. Any document, instrument, or agreement shall require the signature of all of the Manager(s) in order to be a valid and binding obligation of the Company. No Manager shall be liable, responsible or accountable in damages or otherwise to any of the Members for any acts performed by the Manager within the scope of his authority except for acts of willful misconduct, fraud, bad faith, gross negligence, or breach of his obligations or representations under this Agreement or any other agreement with or obligation to the Company.

(c) Reimbursement of Expenses. Each of the Members and Managers shall be entitled to reimbursement from the Company for direct expenses attributable to the organization, operation, and management of the Company, provided such expenses are approved as provided in or permitted by this Agreement.

(d) Resignation or Removal of Manager. Any Manager may resign or be removed for cause by the affirmative vote of 100% of the voting interest of the Members as determined in this paragraph 8. The term "for cause" shall mean:

- (i) A Manager's failure or refusal to perform those duties which he is required hereunder or by law to perform in furtherance of the business of the Company;
- (ii) A Manager's intentional activity which causes material injury to the Company;
- (iii) A Manager's committing a fraud against the Company or using or appropriating for personal use or benefit funds or properties of the Company when not authorized to do so;
- (iv) A Manager's committing an act of gross negligence regarding the business of the Company; or
- (v) In conducting his own affairs or those of the Company, a Manager's jeopardizing the status of the Company for purposes of federal income taxation in accordance with the then existing provisions of the Internal Revenue Code, as amended, and the regulations promulgated thereunder, or the policies of the Internal Revenue Service.

Upon a Manager's resignation, removal, death, adjudication or other determination (as provided below) of incompetence, or upon any other event specified in the Act, the affected Manager shall cease to be a Manager and the Members upon the agreement of a majority in voting interest shall elect a successor Manager to replace the former Manager. A Manager shall be deemed incompetent (for purposes of the preceding sentence) upon the agreement of at least 50% in voting interest of the Members, and the written certification of incompetence by a duly licensed physician selected by at least 50% in voting interest of the Members. If the Members fail to elect a successor Manager leaving the Company without one, then the Company shall liquidate and terminate as provided in paragraph 5(c).

(e) Other Rights of Managers. Each of the Managers and Members may have other business interests and may engage in any other business or trade, profession, or employment whatsoever, on his own account, or in partnership with or as an employee of or as an officer, director, shareholder, manager, member or partner of any person, firm, corporation, LLC, or partnership, and he shall not be required to devote his entire time to the business of the Company. No Manager or Member shall be obligated to devote more time and attention to the conduct of the

business of the Company than shall be required for the supervision of the ownership, development, operation, and management of the Company's property and business.

(f) Contracting with Manager. The Company is expressly permitted in the normal course of its business to enter into transactions with a Manager or with any Affiliate (as hereinafter defined) of a Manager, provided that the price and other terms of such transactions are fair to the Company and that the price and other terms of such transaction are not less favorable to the Company than those generally prevailing with respect to comparable transactions. The term "Affiliate" shall mean any member, manager, shareholder or partner in or of a Manager, or any LLC, corporation, partnership or other entity in which a Manager or any member, manager, shareholder or partner of a Manager has an interest, or any person related by blood or marriage to the Manager.

(g) Partnership Representative. The person specifically authorized to act as the "Partnership Representative" under the Code and in any similar capacity under federal, state or local law is: Overlook Ridge MM LLC

9. INDEMNIFICATION. The Company shall indemnify every Manager in respect of payments made and personal liabilities reasonably incurred by the Manager in the authorized conduct of the Company's business or for the preservation of its business or property. Except as provided below or as otherwise provided in the Act, no Manager shall be personally liable for monetary damages for breach of any duty to the Company, and the Company shall indemnify any Manager or Member against judgements, settlements, penalties, fines, or expenses incurred in a proceeding to which such Manager or Member is a party because he is or was a Manager or Member of the Company, as provided in the Act. Notwithstanding the foregoing, the personal liability of a Manager shall not be limited and the Company shall not indemnify him with respect to (i) acts or omissions that the Manager knew at the time of such acts or omissions were clearly in conflict with the interests of the Company, (ii) any transaction from which the Manager derived an improper personal benefit, (iii) acts or omissions occurring prior to the date of this Agreement, all as provided in the Act, or (iv) matters expressed in the last sentence of paragraph 8(b) for which the Manager would be liable.

10. ASSIGNMENT.

(a) General Prohibition on Assignment. Except as otherwise provided in this Agreement, each Member is prohibited from selling, assigning, transferring, setting over, mortgaging, creating a security interest in, or hypothecating his interest in the Company or the Company assets in any

manner whatsoever, including without limitation transfers incident to separation, divorce, or equitable distribution, nor may the interest of any of the Members in the Company or the Company assets be transferred by operation of law or by any assignment by operation of law, unless otherwise agreed in writing by all Members. Any assignment in violation of this paragraph 10 shall be null and void.

(b) Right of First Refusal. The foregoing notwithstanding, if a Member ("Selling Member") desires to sell his interest in the Company, the Selling Member shall in writing express such an intention and make an offer ("the Offer") to the other Members to purchase the Selling Member's interest at a Purchase Price equal to the book value of the Selling Member's capital account plus the Selling Member's share of one hundred fifty percent (150%) of the average of the prior two (2) calendar years earnings as determined by the certified public accountant regularly employed by the Company for the most recent reporting period preceding the purchase and upon the payment terms contained in paragraph 12(b) herein. The other Members shall have sixty (60) days from receipt of the Offer within which to accept the Offer. Any of the other Members collectively desiring to purchase all, but not less than all, of the membership interest being offered, shall do so in the proportions that their Percentage Interests bear one to the other; provided that if any such Member does not want to purchase the full portion of the interest to which he is entitled, such portion may be purchased by the other purchasers in the manner provided above. Alternatively, if all of the other Members agree, the Company may exercise this first right of refusal and purchase and liquidate the Selling Member's interest upon the terms and conditions of this paragraph. If the other Members or the Company do not accept the Offer to purchase the entire membership interest being offered within sixty (60) days of its receipt, then the Selling Member may transfer his interest pursuant to a bona fide purchaser provided that such transfer occurs within ninety (90) days after the receipt of the Offer by the other Members. Such transfer shall only entitle the transferee to the transferor's interests in the Company's profits and losses, distributions, and capital as an assignee in accordance with the Act, and the transferee shall receive the same only as provided in this Agreement. Such transfer shall not entitle the transferee to become a Member in the Company and the transferee can only become a Member pursuant to the provisions of paragraph 18 hereof. In the event that the Selling Member shall not make such transfer within the aforesaid time period then the preceding provisions of this paragraph shall again be complied with and a new offer shall be made before any transfer may thereafter be made. Any transferee or assignee of an interest pursuant to this

Agreement (who has not become a Member) shall have all the obligations imposed upon a Member as set forth in this Agreement with respect to the transferred interest.

(c) Special Assignment Rights. Notwithstanding the foregoing, each Member may from time to time transfer a portion or portions of his interest in the Company as a gift directly to or in trust for the benefit of his spouse, children, and issue provided the Grantor-Member remains as a Member and retains some interest in the Company. In the event of any such family transfer, all of such transferred membership interest shall be attributed to the Grantor-Member for purposes of obligations hereunder including contribution among the Members, and the transferee is entitled to become a Member of the Company only as provided in paragraph 18.

11. WITHDRAWAL. Without the unanimous written consent of the Members, except as provided below a Member may not voluntarily withdraw from the Company and thereby require the Company to dissolve and liquidate or to purchase or redeem such Member's interest.

12. EXPULSION.

(a) Default of a Member. Should any Member (a "defaulting Member") violate any of the provisions of this Agreement including (but not limited to) the failure to make any capital contribution required under paragraph 3 (which violation remains uncured thirty (30) days after written notice thereof to the defaulting Member, or in the case of a requirement to contribute money to the Company, within five (5) days after written request therefor has been given); or withdraw or attempt to withdraw from the Company in breach of this Agreement; or transfer or attempt to transfer his interest in breach of this Agreement; or become Bankrupt as defined in paragraph 12(c); (any of such events constituting a "default") then, a majority in voting interest of the remaining Members shall have the right within the six (6) month period after the event constituting the default (irrespective of any cure or attempt to cure subsequent to the default) to elect that the defaulting Member's interest in the Company be purchased and redeemed by the Company, the election to be exercised by written notice to the defaulting Member. If such written notice is given, the defaulting Member shall be deemed to withdraw from the Company on the date fixed in such notice (the "Effective Date"), which must be on the last day of a month not later than sixty (60) days after such notice is given. On such withdrawal, the defaulting Member shall be entitled to be paid by the Company an amount for his membership interest calculated and payable as provided below. Any loss due to such default shall be charged against the capital account of the defaulting Member before he is entitled to receive the above payment. A defaulting Member shall not be entitled to any voting

rights as to any matter of Company business while any such default shall remain uncured. For all purposes of this paragraph 12, any such event of default by (i) an assignee of a membership interest hereunder (if such assignee has not in fact become a Member), or (ii) a shareholder, partner, or member of a Member which is a corporation, partnership, or LLC, shall be deemed a default by such assignee or Member and shall subject such assignee's or such Member's interest to the purchase options of this paragraph.

(b) Price to Be Paid. The price to be paid for a defaulting Member's interest shall be equal to eighty percent (80%) of the capital account balance of the defaulting Member as of the Effective Date, which valuation is intended to reflect liquidated damages as a compensatory measure in favor of the nondefaulting Members as a result of the default. Unless otherwise agreed to by the parties, the purchase price shall be paid on a level payment amortization basis, with principal and interest being due and payable in three (3) equal annual installments beginning one (1) year after the Effective Date, with interest on the unpaid balance accruing from the Effective Date at a fixed rate equal to the Prime Rate as established by Bank of America, N.A. existing on the Effective Date but in no event less than the applicable federal rate established pursuant to the Code for such month. The Company shall execute a promissory note in the amount of the purchase price in accordance with the terms hereof which shall be secured as provided in paragraph 14. The closing of the purchase shall occur within thirty (30) days after the Effective Date.

(c) Special Provisions. For purposes of this Agreement, the term "Bankruptcy" shall mean and a Member shall be deemed "Bankrupt" upon (i) the entry of a decree or order for relief of such Member or adjudication of such Member's insolvency by a court of competent jurisdiction in any involuntary case involving such Member under any bankruptcy, insolvency or other similar law now or hereafter in effect; (ii) the Member's seeking, consenting to, or acquiescing in, the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar agent for such Member or for any substantial part of such Member's assets or property; (iii) the ordering of the winding up or liquidation of such Member's affairs or of any substantial part of such Member's assets or property; (iv) the Member's filing of a petition or answer seeking for such Member any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation; (v) the commencement by such Member of a voluntary case under any bankruptcy, insolvency or other similar law now or hereafter in effect; (vi) the Member's filing an answer or other pleading admitting or failing to contest the material allegations of a petition

filed against the Member in any proceeding described in the prior items of this paragraph; (vii) the making by such Member of any general assignment for the benefit of creditors; (viii) the continuation of any proceeding against the Member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, for 120 days after the commencement thereof; or (ix) the appointment of a trustee, receiver, or liquidator for the person or all or any substantial part of the person's properties without the Member's agreement or acquiescence, which appointment is not vacated or stayed for 120 days or, if the appointment is stayed, for 120 days after the expiration of the stay during which period the appointment is not vacated

13. DEATH. Upon the death of any Member or assignee, the surviving Members shall have the right to purchase all of the decedent's interest in the Company exercisable upon written notice to the decedent's personal representative (the "P.R.") within six (6) months after the date of death. The P.R. shall continue as a Member (if decedent was a Member) until the decedent's estate transfers its interest in the Company as provided below. Such right to purchase shall be exercised by all surviving Members desiring to participate in the purchase in the proportions that their Percentage Interests bear one to the other; provided that if any such Member does not want to purchase the full portion of the interest to which he is entitled, such portion may be purchased by the other purchasers in the manner provided above. Such rights to purchase shall apply only to and be effective only for all of the decedent's interest in the Company. The purchase price shall be equal to the decedent's capital account balance plus the decedent's share of one hundred fifty percent (150%) of the average of the prior two (2) calendar years earnings as determined by the certified public accountant regularly employed by the Company for the most recent reporting period preceding the event which triggers the purchase.

Payment of the purchase price shall be made in the same manner as that provided in paragraph 12 above, except that the Effective Date of withdrawal of the decedent shall be the date of such written notice to the P.R., the closing of such purchase shall occur within thirty (30) days after the Effective Date, and any deferred payment shall be secured as provided in paragraph 14. Alternatively, if all remaining Members agree the Company may exercise this option to purchase and liquidate the decedent's interest upon the terms and conditions of this paragraph. If the Company and the Company business are continued as provided in paragraph 15 then, subject to the foregoing options, the decedent's heir, legatee or beneficiary, as the case may be, shall succeed to the

decedent's interest in the Company in the same manner and in all respects as the decedent and become a Member if decedent was a Member, upon execution of a written undertaking to become a party to this Agreement.

14. SECURITY FOR PAYMENT. Except as otherwise provided in this Agreement, if any part of the purchase price payable to a Member hereunder is paid by the purchaser's delivery of a promissory note payable to the selling Member, then the purchaser shall secure such deferred payment as follows. If the purchaser is another Member, then the purchasing Member shall grant to the selling Member a security interest in the membership interest being purchased. The security interest shall be perfected by the purchaser's (i) executing financing statements in form suitable to the selling Member and filing the same in the Secretary of State's office in Virginia and in the Register of Deeds' office in the county of residence of the purchasing Member and in such other places as shall be necessary to perfect the security interest of the selling Member, and (ii) undertaking any other actions as shall be necessary to perfect the security interest of the selling Member. If the purchaser is the Company, the Company shall deliver with its promissory note to the selling Member a deed of trust on the Company's real property (subject to any existing deed of trust or other encumbrance on the same) in form suitable to the selling Member, which deed of trust shall be recorded as required by law to perfect the selling Member's security in the same. If the Company has no real property, the Company shall grant to the selling Member a security interest in its personal property (subject to any existing perfected security interest thereon), which shall be perfected by the Company's executing and filing financing statements as provided above. So long as any part of the purchase price is unpaid, the selling Member shall have all of the rights, elections and remedies available to a secured party under the Uniform Commercial Code as in effect in the State of Virginia.

15. DISSOLUTION AND WINDING UP. The Company shall be dissolved and its affairs wound up upon the time specified in paragraph 2 for termination or upon the vote of the Members as provided in paragraph 7(c). Unless otherwise required by law or this paragraph, no event, including a Member's cessation of membership in the Company, shall dissolve the Company. Notwithstanding the foregoing, if any such dissolution of the Company occurs pursuant to requirement of law or otherwise, the Company shall continue and not be liquidated and terminated if (i) there is at least one remaining Member and (ii) the remaining Members elect to continue the Company pursuant to the affirmative vote of a majority of the voting interests of the remaining Members, such election to be made within ninety (90) days after the event of dissolution. If the

Company is dissolved and is not continued as provided above, the Managers shall wind up the affairs of the Company and liquidate and terminate the Company in accordance with the provisions of the Act and paragraph 5(c).

16. BANKING. All funds of the Company shall be deposited in its name in such checking account or accounts as shall be designated unanimously by the Managers. All withdrawals therefrom are to be made upon checks signed by a signatory designated to the bank by the Managers.

17. BOOKS. The Company shall maintain such books and records as the Managers unanimously shall deem adequate. All books, records and accounts of the Company shall be open to all Members during normal business hours. For the purpose of Company accounting and for income tax reporting, the books shall be maintained on a cash or accrual basis as the Managers unanimously shall determine. The Company's fiscal year shall be the calendar year. At the close of each fiscal year, the Company's books shall be closed and the Managers may cause the books to be audited, reviewed, or compiled by an independent certified public accountant. Statements showing the results of operation shall be prepared and supplied to all Members.

18. ADMISSION OF MEMBERS. Except as otherwise provided in this Agreement, new Members shall be admitted into the Company only upon the vote of the Members as provided in paragraph 7(c), and such new Member's 1) making any capital contribution to the Company required by the Managers, and 2) signing an agreement to observe and be bound by all terms and provisions of this Agreement.

19. NOTICES. All notices shall be given in person, or by registered or certified mail or by overnight mail carrier addressed to the Members at their most recent addresses as maintained in the books and records of the Company. Any Member may change such address by written notice sent by registered or certified mail to the Company.

20. APPLICABLE LAW. This Agreement, the relations, rights, and duties of the Members among themselves, and all matters pertaining to the Company and its property shall be governed by the statutes and laws of the State of Virginia applicable to limited liability companies.

21. INUREMENT. The covenants and agreements contained herein shall inure to the benefit of and be binding upon all of the parties hereto and their respective executors, personal representatives, successors in interest, heirs or legatees, and assigns.

22. RIGHT OF FIRST REFUSAL AGREEMENT. The Company shall enter a Right of First Refusal Agreement with Southeastern Housing Preservation, Inc., a North Carolina nonprofit

corporation in a form reasonably acceptable to the Company, Southeastern Housing Preservation, Inc. and Virginia Housing and Development Authority.

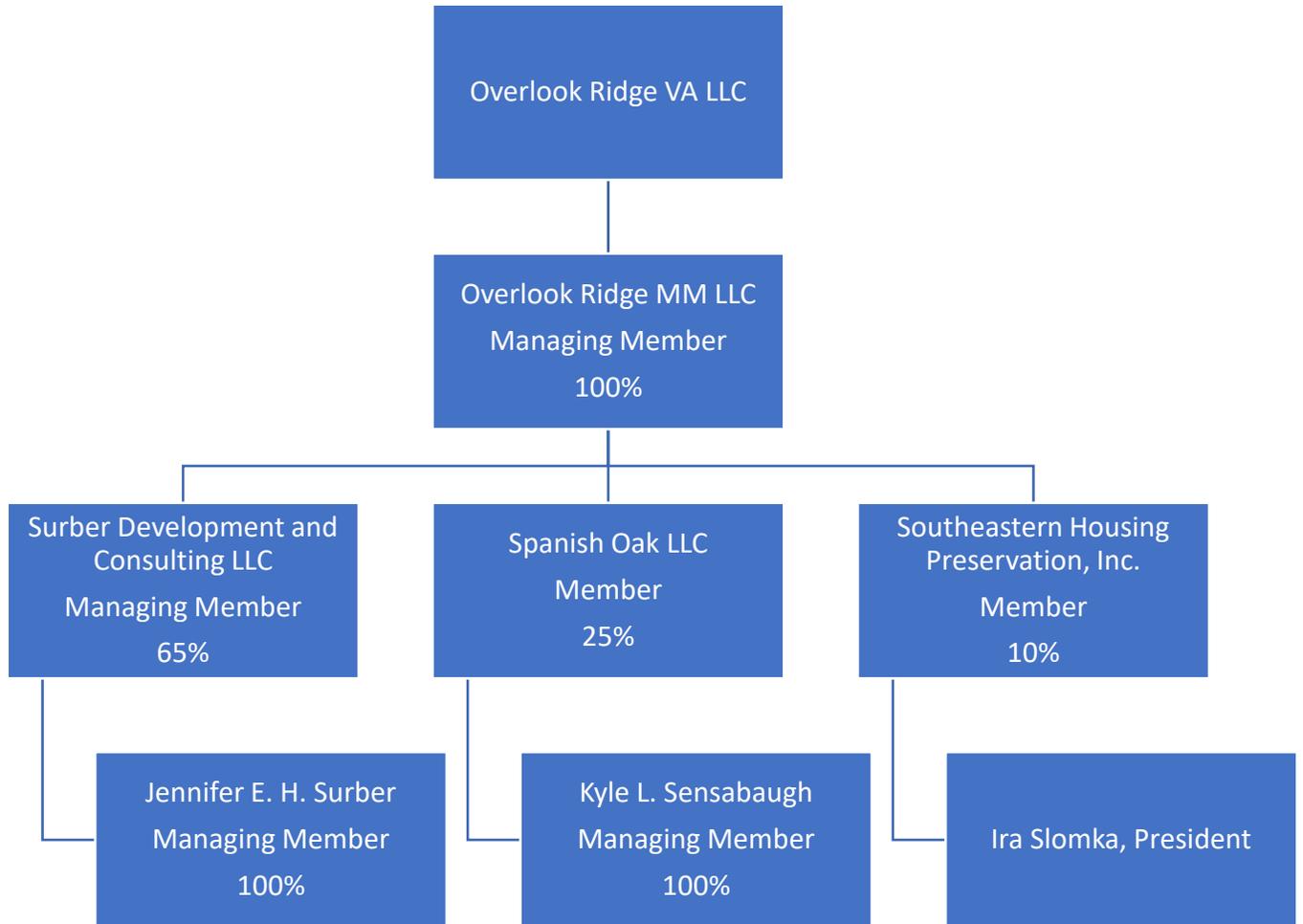
[signature on following page]

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the day and year first above written.

Overlook Ridge MM LLC

By: Surber Development and Consulting LLC, Managing Member

By:  \_\_\_\_\_  
Jennifer E. H. Surber, Managing Member



## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (this “*Agreement*”) is made and entered into as of the 1<sup>st</sup> day of March, 2023, between **OVERLOOK RIDGE VA LLC**, a Virginia limited liability company (“**Company**”), and **SURBER DEVELOPMENT AND CONSULTING LLC**, a Virginia limited liability company (“*Developer*”).

### RECITALS:

**WHEREAS**, the Company was formed to develop, construct, rehabilitate, own, maintain and operate a residential rental property intended for rental to low and moderate income tenants (the “*Project*”) and to qualify for low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the “*Code*”), to be known as Bellevue Gardens Apartments located in Stuarts Draft, Augusta County, Virginia; and

**WHEREAS**, the Company desires to appoint the Developer to provide certain services for the Company with respect to overseeing the development of the Project until all development work is completed.

**NOW, THEREFORE**, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

**1. Appointment.** The Company hereby appoints the Developer to render services to the Company, and confirms and ratifies the appointment of the Developer with respect to services rendered for the Company to date, in supervising and overseeing the development of the Project as herein contemplated.

**2. Authority.** The Developer shall have the authority and the obligation to perform the services described in Paragraphs 3, 4, 5 and 6 below. Developer’s services shall be performed in the name of and on behalf of the Company.

**3. Determination of Project Size, Structure and Composition.** The Developer shall perform all of the following services:

- (a) Conduct a preliminary market study.
- (b) Negotiate with, select, and hire a housing marketing analyst to conduct an independent market study for the proposed development, if required by the Company.
- (c) Determine the number of units in the Project and their size.
- (d) Determine the appropriate unit mix and amenities.
- (e) Identify potential sources of construction financing.
- (f) Analyze competitiveness of Project against others in the market area.
- (g) Make preliminary estimates of Project costs and determine Project feasibility.

**4. Pre-Construction.** The Developer shall perform all of the following services:

- (a) Prepare or obtain an environmental impact assessment of the proposed development.
- (b) Choose the products and materials necessary to equip the Project in a manner consistent with its intended use.
- (c) If appropriate, prepare pre-qualification criteria for bidders interested in the Project, establish bidding schedules and conduct pre-bid conferences to familiarize bidders with the bidding documents and management techniques with any special systems, materials or methods.
- (d) Assist the Company in dealing with local organizations, adjoining landowners and other parties interested in the development of the Project.
- (e) Secure all necessary land use approvals.
- (f) Select the architect (“*Architect*”) and other professional advisors.
- (g) Negotiate and cause to be executed in the name of the Company, agreements for architectural, engineering, testing or consulting services for the Project.
- (h) Negotiate and determine the terms of construction financing.
- (i) Prepare a preliminary critical path schedule.

**5. Plans and Specifications.** The Developer shall perform the following services:

- (a) Coordinate the preparation of the plans and specifications (the “*Plans and Specs*”) and recommend alternative solutions whenever design details affect construction feasibility or schedules.
- (b) Ensure that the Plans and Specs are in compliance with all applicable codes, laws, ordinances, rules and regulations.
- (c) In collaboration with the Architect, establish and implement procedures for expediting the processing and approval of shop drawings and samples.

**6. Construction Services.** The Developer shall perform the following services:

- (a) Establish and implement appropriate administrative and financial controls for the construction of the Project, including, but not limited to:
  - (i) Coordination and administration of the Architect or engineer, the general contractor and other contractors, professionals and consultants employed in connection with the construction or rehabilitation of the Project;
  - (ii) Administration of any construction contracts on behalf of the Company;

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

(iv) The rendering of advice and recommendations as to the selection procedures for and selection of subcontractors and suppliers;

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

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

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

(viii) Furnishing such consultation and advice relating to the Project as may be reasonably required;

(ix) Keeping the Company fully informed on a regular basis of the progress of the design and construction of the Project, including the preparation of such reports as are provided for herein or as may reasonably be requested; and

(x) Giving or making Company's instructions, requirements, approvals and payments provided for in the agreements with the Architect, general contractor, and other contractors, professionals and consultants retained for the Project.

(b) Cause construction of the Project to be performed in a diligent and efficient manner including:

(i) Obtain required building permits;

(ii) Ensuring all construction is consistent with the Plans and Specs, including any required off-site work;

(iii) General administration and supervision of construction of the Project, including but not limited to activities of subcontractors and their employees and agents, and others employed by the Project in a manner which complies in all respects with the Plans and Specs;

(iv) Compliance with any and all zoning regulations, county ordinances, including health, fire and safety regulations, and any other requirements of federal, state and local laws, rules, regulations and ordinances applicable to construction of the Project; and

(v) Insuring that the Project is constructed free and clear of all mechanics' and materialmen's liens.

(c) Receive bids, prepare bid analysis and make recommendations to the Company for award of contracts or rejection of bids.

(d) Investigate and recommend a schedule for purchase by the Company of all materials and equipment requiring long lead time procurement.

(e) Coordinate schedule with Architect and expedite and coordinate delivery of purchases.

(f) Develop and implement a procedure for the review and processing of applications by subcontractors for progress and final payments and monitor disbursement and payment of amounts owed Architects and the subcontractors.

(g) Record the progress of the Project and submitting written progress reports to the Company and Architect, including the percentage of completion and the number and amounts of change orders.

(h) Keep, or cause to be kept, accounts and cost records as to the construction of the Project; assemble and retain all contracts, agreements and other records and data as may be necessary to carry out Developer's functions hereunder.

(i) Make available to the Company, during normal business hours and upon the Company's written request, copies of all material contracts and subcontracts.

(j) Provide, and periodically update, Project construction time schedule which coordinates and integrates Architect's services with construction schedules.

(k) Coordinate the work of Architect to complete the Project in accordance with the objectives as to cost, time and quality, and provide sufficient personnel at the Project with authority to achieve such objectives.

(l) Provide a detailed schedule of realistic activity sequences and durations, allocation of labor and materials and processing of shop drawings and samples.

(m) Provide regular monitoring of the schedule as construction progresses, identify potential variances between scheduled and probable completion dates, review the schedule for work not started or incomplete, recommend to the Company adjustments in the schedule to meet the probable completion date, provide summary reports of such monitoring, and document all changes in the schedule.

(n) Recommend courses of action to the Company when requirements of subcontracts are not being fulfilled.

(o) Revise and refine the approved estimate of construction cost, incorporate changes as they occur, and develop cash flow reports and forecasts as needed.

(p) Provide regular monitoring of the approved estimate of construction costs, show actual costs for activities in process and estimates for uncompleted tasks, identify variances between actual and budgeted or estimated costs and advise the Company whenever projected costs exceed budgets or estimates.

(q) Develop and implement a system for review and processing of change orders as to construction of the Project.

(r) Deliver to the Company a dimensioned as-built survey of the real property (locating only buildings) and as-built drawings of the Project construction.

(s) Obtain an Architect's certificate that the work on the Project is substantially complete, and inspect the Architect's work.

(t) Obtain certificates of occupancy for all of the Residential Units of the Project.

(u) Take all other actions necessary to provide the Company with a facility ready for lease to tenants.

(v) Maintain, or cause to be maintained, at its expense, all office and accounting facilities and equipment necessary to adequately perform the foregoing functions.

**7. Excluded Services.** The Developer shall not be required to perform any of the following services pursuant to this Agreement and, if any such services are performed with the consent of the Company, shall be separately compensated therefore as the parties may mutually agree:

(a) Locate, evaluate the suitability of, negotiate the purchase or lease of, or arrange the financing for the land on which the Project is to be located.

(b) Arrange, or negotiate the terms and conditions of, the permanent financing.

(c) Arrange, or negotiate the terms and conditions of, the capital contributions of an investor member in the Company.

(d) Perform or assist in the marketing or leasing of units in the Project.

Notwithstanding the foregoing, the Developer shall be obligated to provide information to the Company (in the form requested by the Company) regarding budgets, cost estimates, the status of the construction and the accomplishment of its duties hereunder, and any other information to the extent necessary or helpful to assist the Company or a person retained by it in performing such excluded services.

**8. Development Fee.** For services provided and to be performed under this Agreement the Company agrees to pay the developer a fee (the "***Development Fee***") in the aggregate amount of \$\_\_\_\_\_, as provided in this Paragraph 8. The Development Fee shall be earned as follows:

(a) Ten percent (10%) of the Development Fee shall be earned as the services described in Paragraph 3 are performed. In the event that at the end of any billing or fiscal period, a significant portion (but not all) of such services have been performed, a proportionate amount of such portion of the Development Fee shall be deemed earned.

(b) Ten percent (10%) of the Development Fee shall be earned as the services described in Paragraph 4 are performed. In the event that at the end of any billing or fiscal period, a significant portion (but not all) of such services have been performed, a proportionate amount of such portion of the Development Fee shall be deemed earned.

(c) Five percent (5%) of the Development Fee shall be earned as the services described in Paragraph 5 are performed. In the event that at the end of any billing or fiscal period, a significant portion (but not all) of such services have been performed, a proportionate amount of such portion of the Development Fee shall be deemed earned.

(d) Seventy-five percent (75%) of the Development Fee shall be earned as the services described in Paragraph 6 are performed. The Development Fee shall be payable at a mutually agreeable time; provided that (i) any portion of the Development Fee not treated as a Deferred Development Fee shall be payable on or before the date of the final capital contribution of the investor member in the Company; and (ii) any Deferred Development Fee shall be payable when and as funds are available to the Company to pay such fee, but in all events immediately after the close of the credit period (the “*Credit Period*” as that term is defined in Section 42(f)(1) of the Code) with respect to the Project. The Developer agrees that it shall recognize the entire fee is taxable income not later than the year following the end of the Credit Period. A Deferred Development Fee shall mean any portion of the Development Fee so treated as provided in the Operating Agreement. Any Deferred Development Fee shall be evidenced by a note in the form attached hereto as Exhibit A.

**9. Reimbursement of Company Expenses.** In addition to the Development Fee payable herein, the Developer shall receive reimbursement from the Company for any costs, fees or expenses paid to third parties and incurred in connection with the construction and development of the Project, including, without limitation of the generality of the foregoing, payments to any third party constructor for construction, engineering, appraisal market study, surveying or similar services and payments of any cash escrows or letters of credit, attorneys fees, accountants fees, or other consulting fees incurred in connection with the Project.

**10. Allocation of Fee.** At the request of the Company, the Developer will prepare a schedule allocating its Development Fee among the services performed by it (including, for example, an allocation between items that are or are not includable in eligible basis determined for purposes of Section 42 of the Code). The Developer will retain and provide to the Company books and records substantiating its allocation of the Development Fee.

**11. Fee Unconditional.** It is expressly understood and agreed by the parties hereto that the Development Fee and the reimbursement of costs incurred by the Developer in connection with the development of the Project shall be payable without regard to the income or profits of the Company.

**12. Withholding of Fee Payments.** In the event that (i) the Developer shall not have substantially complied with any material provisions under this Agreement, or (ii) any construction financing commitment, or any agreement entered into by the Company for construction financing related to the Project shall have terminated prior to its respective termination date(s), or (iii) foreclosure proceedings shall have been commenced against the Project by a construction lender, then the Developer shall be in default of this Agreement, and the Company shall withhold payment of any installment of the fee not yet earned by the Developer. All amounts so withheld by the Company shall be promptly released to the Developer only after cures of the default justifying the withholding, as demonstrated by evidence reasonably acceptable to the Company.

**13. Right of Offset.** The Company shall have the right to offset amounts owed hereunder to the Developer against any obligation of the Developer to the Company or its members, whether such obligation is incurred in its capacity as Developer, member manager, guarantor or otherwise.

**14. Assignment of Fees.** Without the consent of the Company, the Developer shall not assign, pledge or otherwise encumber, for security or otherwise, the Development Fee, or any portion(s) thereof or any right(s) of the Developer thereto. Any such assignment, pledge or encumbrance shall be null and void.

**15. Successors and Assigns, Termination.** This Agreement shall be binding on the parties hereto and their heirs, successors, and assigns. However, this Agreement may not be assigned by any party hereto without the consent of all of the members of the Company, nor may it be terminated without the consent of all of the members of the Company (except in the case of a material breach hereunder by the Developer); such consent shall not be unreasonably withheld.

**16. Defined Terms.** Capitalized terms used in this Agreement and not specifically defined herein shall have the same meanings assigned to them in the operating agreement of the Company, as such agreement may be amended from time to time.

**17. Severability.** If any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall remain unimpaired and shall continue in full force and effect.

**18. Counterparts.** This Agreement may be executed in two or more 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.

**19. No Continuing Waiver.** The waiver by any party or any breach of this Agreement shall not operate or be construed to be a waiver at any subsequent breach.

**20. Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter as of the date hereof and supersedes all prior understandings, representations, proposals, discussions and negotiations whatsoever, whether oral or written, between the parties hereto.

**21. Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

*[signature page follows]*

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

**DEVELOPER:**

Surber Development and Consulting LLC,  
a Virginia limited liability company

By:  \_\_\_\_\_  
Jennifer E.H. Surber, Managing Member

**COMPANY:**

Overlook Ridge VA LLC,  
a Virginia limited liability company

By: Overlook Ridge MM LLC, Managing Member

By: Surber Development and Consulting LLC,  
Managing Member

By:  \_\_\_\_\_  
Jennifer Elizabeth Hunter Surber,  
Managing Member

# **Tab B:**

Virginia State Corporation Commission Certification  
(MANDATORY)

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

Richmond, January 26, 2022

This is to certify that the certificate of organization of

### **Overlook Ridge VA 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 26, 2022



STATE CORPORATION COMMISSION

Attest:

A handwritten signature in cursive script, reading "Bernard J. St. John".

Clerk of the Commission

# **Tab C:**

Principal's Previous Participation Certification  
(MANDATORY)

## Appendices continued

### Previous Participation Certification

Development Name Overlook Ridge

Name of Applicant (entity) Overlook Ridge VA LLC

#### **I hereby certify that:**

1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily rental property, no property has been foreclosed upon, in default or assigned to the mortgage insurer (governmental or private); nor has mortgage relief by the mortgagee been given;
3. During any time that any of the participants were principals in any multifamily rental property, there has not been any breach by the owner of any agreements relating to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership;
4. That at no time have any principals listed in this certification been required to turn in a property to the investor or have been removed from a multifamily rental property ownership structure;
5. That to the best of my knowledge, there are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the participants were principals;
6. During any time that any of the participants were principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for the property;
7. None of the participants has been convicted of a felony and is not presently, to my knowledge, the subject of a complaint or indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less;
8. None of the participants has been suspended, debarred or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity; and
9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the participants is a Virginia Housing employee or a member of the immediate household of any of its employees.
11. None of the participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state

## Appendices continued

governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.

12. None of the participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the participant was a principal in such property. This does not refer to corrected 8823's.
14. None of the participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
15. None of the participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

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

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

  
\_\_\_\_\_  
Signature

Jennifer E. H. Surber  
\_\_\_\_\_  
Printed Name

February 27, 2023  
\_\_\_\_\_  
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: Overlook Ridge  
 Name of Applicant: Overlook Ridge VA 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 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Overlook Ridge VA LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property?\* N Y or N

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

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

# List of LIHTC Developments (Schedule A)



Development Name: Overlook Ridge  
 Name of Applicant: Overlook Ridge VA 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 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Overlook Ridge MM LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property?\* Y Y or N

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

# List of LIHTC Developments (Schedule A)



Development Name: Overlook Ridge  
 Name of Applicant: Overlook Ridge VA 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 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Warsaw Manor/Warsaw, VA	Warsaw Manor VA LLC/276-698-8760	Y	56	56	1/1/2014	9/12/2014	N
2	Lily Ridge/Ruckersville, VA	Lily Ridge VA LLC/276-698-8760	Y	48	48	9/4/2015	3/9/2016	N
3	The Shire/Chesapeake, VA	The Shire VA LLC/276-698-8760	Y	40	40	12/22/2015	6/24/2016	N
4	Iron Bridge Road Apartments; Chester, VA	Iron Bridge Road Apartments VA LLC/276-698-8760	Y	80	80	10/28/2016	2/21/2017	N
5	Ada Park/Newport News, VA	Ada Park VA LLC/276-698-8760	Y	42	42	12/20/2017	9/6/2018	N
6	Robinson Park/Harrisonburg, VA	Robinson Park VA LLC/276-698-8760	Y	88	88	8/31/2017	12/20/2017	N
7	Blacksburg Terrace/Blacksburg, SC	Blacksburg Terrace SC LLC/276-698-8760	Y	32	32	4/28/2017	9/12/2017	N
8	Timberland Park/Charlottesville, VA	Timberland Park VA LLC/276-698-8760	Y	80	80	12/26/2018	8/5/2019	N
9	Bennetts Pointe/Bennettsville, SC	Bennetts Pointe SC LLC/276-698-8760	Y	32	32	4/4/2018	12/19/2018	N
10	Marion Manor/Marion, VA	Marion Manor VA LLC/276-698-8760	Y	91	91	5/30/2019	11/26/2019	N
11	Mountain Laurel Manor/Staunton, VA	Mountain Laurel Manor VA LLC/276-698-8760	Y	48	48	12/23/2019	9/2/2020	N
12	Bickerstaff Crossing/Henrico, VA	Bickerstaff Crossing VA LLC/276-698-8760	Y	60	60	12/5/2022	TBD	N
13	East Gate Village/Gordonsville, VA	East Gate Village VA LLC/276-698-8760	Y	24	24	10/13/2020	6/16/2021	N
14	Mountain Laurel Manor II/Staunton VA	Mountain Laurel Manor II VA LLC/276-698-8760	Y	48	48	10/15/2020	3/31/2021	N
15	East Gate Village II/Gordonsville, VA	East Gate Village II VA LLC/276-698-8760	Y	37	37	10/7/2022	TBD	N
16	Mountain Laurel Manor III/Staunton VA	Mountain Laurel Manor III VA LLC/276-698-8760	Y	48	48	TBD	TBD	N
17	Grande Oak VA LLC/Williamsburg, VA	Grande Oak VA LLC/276-698-8760	Y	49	49	TBD	TBD	N
18	Watermark Gardens VA LLC/Chesterfield, VA	Watermark Gardens VA LLC/276-698-8760	Y	80	80	TBD	TBD	N
19	Grande Oak III/Williamsburg, VA	Grande Oak III VA LLC/276-698-8760	Y	49	49	TBD	TBD	N
20	Grande Oak II/Williamsburg, VA	Grande Oak II VA LLC/276-698-8760	Y	49	49	TBD	TBD	N
21	New Hope Place/Goldsboro, NC	New Hope Place LLC/276-698-8760	Y	80	80	TBD	TBD	N
22	Saratoga Place/Williamsburg, VA	Saratoga Place VA LLC/276-698-8760	Y	76	76	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,237 1,237 LIHTC as % of Total Units 100%

ADD ADDITIONAL PROPERTIES USING NEXT TAB

# List of LIHTC Developments (Schedule A)



Development Name: Overlook Ridge  
 Name of Applicant: Overlook Ridge VA 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 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Warsaw Manor/Warsaw, VA	Warsaw Manor VA LLC/276-698-8760	Y	56	56	1/1/2014	9/12/2014	N
2 Lily Ridge/Ruckersville, VA	Lily Ridge VA LLC/276-698-8760	Y	48	48	9/4/2015	3/9/2016	N
3 The Shire/Chesapeake, VA	The Shire VA LLC/276-698-8760	Y	40	40	12/22/2015	6/24/2016	N
4 Iron Bridge Road Apartments; Chester, VA	Iron Bridge Road Apartments VA LLC/276-698-8760	Y	80	80	10/28/2016	2/21/2017	N
5 Ada Park/Newport News, VA	Ada Park VA LLC/276-698-8760	Y	42	42	12/20/2017	9/6/2018	N
6 Robinson Park/Harrisonburg, VA	Robinson Park VA LLC/276-698-8760	Y	88	88	8/31/2017	12/20/2017	N
7 Blacksburg Terrace/Blacksburg, SC	Blacksburg Terrace SC LLC/276-698-8760	Y	32	32	4/28/2017	9/12/2017	N
8 Timberland Park/Charlottesville, VA	Timberland Park VA LLC/276-698-8760	Y	80	80	12/26/2018	8/5/2019	N
9 Bennetts Pointe/Bennettsville, SC	Bennetts Pointe SC LLC/276-698-8760	Y	32	32	4/4/2018	12/19/2018	N
10 Marion Manor/Marion, VA	Marion Manor VA LLC/276-698-8760	Y	91	91	5/30/2019	11/26/2019	N
11 Mountain Laurel Manor/Staunton, VA	Mountain Laurel Manor VA LLC/276-698-8760	Y	48	48	12/23/2019	9/2/2020	N
12 Bickerstaff Crossing/Henrico, VA	Bickerstaff Crossing VA LLC/276-698-8760	Y	60	60	12/5/2022	TBD	N
13 East Gate Village/Gordonsville, VA	East Gate Village VA LLC/276-698-8760	Y	24	24	10/13/2020	6/16/2021	N
14 Mountain Laurel Manor II/Staunton VA	Mountain Laurel Manor II VA LLC/276-698-8760	Y	48	48	10/15/2020	3/31/2021	N
15 East Gate Village II/Gordonsville, VA	East Gate Village II VA LLC/276-698-8760	Y	37	37	10/7/2022	TBD	N
16 Mountain Laurel Manor III/Staunton VA	Mountain Laurel Manor III VA LLC/276-698-8760	Y	48	48	TBD	TBD	N
17 Grande Oak VA LLC/Williamsburg, VA	Grande Oak VA LLC/276-698-8760	Y	49	49	TBD	TBD	N
18 Watermark Gardens VA LLC/Chesterfield, VA	Watermark Gardens VA LLC/276-698-8760	Y	80	80	TBD	TBD	N
19 Grande Oak III/Williamsburg, VA	Grande Oak III VA LLC/276-698-8760	Y	49	49	TBD	TBD	N
20 Grande Oak II/Williamsburg, VA	Grande Oak II VA LLC/276-698-8760	Y	49	49	TBD	TBD	N
21 New Hope Place/Goldsboro, NC	New Hope Place LLC/276-698-8760	Y	80	80	TBD	TBD	N
22 Saratoga Place/Williamsburg, VA	Saratoga Place VA LLC/276-698-8760	Y	76	76	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,237 1,237 LIHTC as % of Total Units 100%

ADD ADDITIONAL PROPERTIES USING NEXT TAB

# List of LIHTC Developments (Schedule A)



Development Name: Overlook Ridge  
 Name of Applicant: Overlook Ridge VA 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 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Grande Oak III/Williamsburg, VA	Grande Oak III VA LLC 276-698-8760	N	49	49	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 49 49 LIHTC as % of Total Units 100%

ADD ADDITIONAL PROPERTIES USING NEXT TAB

# List of LIHTC Developments (Schedule A)



Development Name: Overlook Ridge  
 Name of Applicant: Overlook Ridge VA 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 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Kyle L. Sensabaugh Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N  
Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Grande Oak III/Williamsburg, VA	Grande Oak III VA LLC 276-698-8760	N	49	49	TBD	TBD	N
2							
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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: 49 49 LIHTC as % of  
 100% Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Overlook Ridge  
 Name of Applicant: Overlook Ridge VA LLC

**INSTRUCTIONS:**

- 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.
- 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.
- List only tax credit development experience since 2004 (i.e. for the past 15 years)
- Use separate pages as needed, for each principal.

Principal's Name: Southeastern Housing Preservation, Inc. Controlling GP (CGP) or "Named" Managing Member of Proposed property? N Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or "Named" Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Mclver Manor, Dyersburg, TN	Dyersburg, Associates, 704-357-6000	N	48	48	N/A	N/A	N
2 George E's Place, Tarboro, NC	Metro/Tarboro, LLC, 704-357-6000	N	24	24	12/10/2003	4/5/2004	N
3 Pine Terrace, Wadesboro, NC	Pine Terrace LP, 704-357-6000	N	24	24	12/1/2002	9/2/2003	N
4 Lenox Station, Rockingham, NC	Lenox Station Apts. LP, 704-357-6000	N	41	41	10/2/2003	12/19/2003	N
Aviemore Village, Clyde, NC	Aviemore Village Limited Partnership 704-357-6000	N	24	24	2/19/2004	5/1/2004	N
5 Bailey Springs, Lincolnton, NC	Bailey Springs Apts. LP, 704-357-6000	N	28	28	1/5/2005	3/22/2005	N
6 Holly Park, Raeford, NC	Holly Park Apartments, LLC 704-357-6000	N	28	28	6/21/2005	8/5/2005	N
7 Fieldale Apts, Bishopville, SC	Fieldale Apartments, LLC, 704-357-6000	N	30	30	8/19/2005	11/13/2006	N
8 Bailey Gardens, Lake City, SC	Bailey Gardens Apts. LP, 704-357-6000	N	24	24	2/29/2008	5/15/2008	N
9 Magnolia Park, Andrews, SC	Magnolia Park LP, 704-357-6000	N	24	24	2/29/2008	5/15/2008	N
10 Mountain View Senior, Kershaw, NC	Mountain View Senior Apts. LLC, 704-357-6000	N	50	50	7/29/2005	2/16/2006	N
11 Brooke Pointe, Concord, NC	Wexford Pointe Apts. LLC, 704-357-6000	N	106	106	2/10/2010	10/17/2011	N
12 Pope Field Terrace, Easley, SC	Pope Field Terrace SC LLC, 704-357-6000	N	56	56	9/25/2013	2/11/2014	N
13 Warsaw Manor, Warsaw, VA	Warsaw Manor VA LLC, 276-698-8760	N	56	56	1/1/2014	9/12/2014	N
14 Willow Wood, Laurinburg, NC	Willow Wood of Laurinburg, LP, 704-357-6000	N	24	24	N/A	N/A	N
15 Westgate Terrace, Franklin, NC	Westgate Terrace NC LLC, 704-357-6000	N	60	60	2/17/2014	11/15/2014	N
16 Lovington Ridge, Lovington, VA	Lovington Ridge VA LLC, 704-357-6000	N	64	64	1/1/2014	12/22/2014	N
17 New River Gardens II, Radford, VA	New River Gardens II VA LP, 704-357-6000	N	44	44	7/31/2013	9/12/2014	N
18 New River Overlook, Radford, VA	New River Overlook VA LLC, 704-357-6000	N	40	40	10/29/2001	12/11/2015	N
19 The Shire, Ruckersville, VA	The Shire VA LLC, 276-698-8760	N	48	48	12/22/2015	6/24/2016	N
20 Cooper Terrace, Elkin, NC	Cooper Terrace NC LLC, 704-357-6000	N	56	56	7/5/2015	12/18/2015	N
Lily Ridge, Ruckersville, VA	Lily Ridge VA, LLC 276-698-8760	N	48	48	9/4/2015	4/12/2016	N
Iron Bridge Road Apartments, Chesterfield, VA	Iron Bridge Road Apartments VA LLC 276-698-8760	N	80	80	10/28/2016	2/21/2017	N
21 Harrison Terrace, Marion, NC	Harrison Terrace NC LLC, 704-357-6000	N	60	60	11/21/2016	6/5/2017	N
22 Ada Park, Newport News, VA	Ada Park VA LLC, 276-698-8760	N	42	42	12/20/2017	9/6/2018	N
23 Village Green, Gloucester, VA	Village Green VA LLC, 704-357-6000	N	32	32	12/6/2016	7/18/2018	N
24 Robinson Park, Harrisonburg, VA	Robinson Park VA LLC, 276-698-8760	N	88	88	8/18/2017	12/20/2017	N
25 Academy Apartments, West Pointe, VA	Academy Apartments VA LLC, 704-357-6000	N	32	32	10/5/2016	8/28/2018	N
26 Enfield Pointe, Enfield, NC	Enfield Pointe LLC, 252-388-9026	N	48	48	6/7/2018	12/12/2018	N
27 Tabor Landing, Tabor City, NC	Tabor Landing LLC, 910-627-4425	N	48	48	6/28/2018	9/13/2018	N
28 Mountain Laurel II, Staunton, VA	Mountain Laurel Manor II VA LLC 276-698-8760	N	48	48	10/15/2020	3/31/2021	N
31 East Gate Village II/Gordonsville, VA	East Gate Village II VA LLC 276-698-8760	N	37	37	10/7/2022	TBD	N
32 Grande Oak III/Williamsburg, VA	Grande Oak III VA LLC 276-698-8760	N	49	49	TBD	TBD	N
33 Watermark Gardens/Chesterfield, VA	Watermark Gardens VA LLC 276-698-8760	N	80	80	TBD	TBD	N
34 Mountain Laurel Manor III/Staunton, VA	Mountain Laurel Manor III VA LLC 276-698-8760	N	48	48	TBD	TBD	N
35 Bickerstaff Crossing/Richmond, VA	Bickerstaff Crossing VA LLC 276-698-8760	N	60	60	12/5/2022	TBD	N
36 Grande Oak/Williamsburg, VA	Grande Oak VA LLC 276-698-8760	N	49	49	TBD	TBD	N
37 Saratoga Place/Suffolk, VA	Saratoga Place VA LLC 276-698-8760	N	76	76	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and para 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,824 1,824 LIHTC as % of Total Units 100%

# **Tab E:**

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

## OPTION AGREEMENT

THIS OPTION AGREEMENT ("Agreement"), made and entered into as of the 10<sup>th</sup> day of SEPTEMBER, 2021 ("Effective Date") by and between **SURBER DEVELOPMENT AND CONSULTING LLC**, a Virginia limited liability company (hereinafter called "Buyer"), and **OVERLOOK LAND COMPANY, LC**, a Virginia limited liability company (hereinafter called "Seller");

### WITNESSETH:

That for and in consideration of Ten Thousand and No/100 Dollars (\$10,000.00) (the "Option Money") and other good and valuable considerations, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises and conditions expressed below, Seller hereby grants to Buyer the sole and exclusive right to purchase, at the price and subject to the terms, conditions and provisions hereinafter stated that property containing approximately 4.86 acres in Stuarts Draft, Augusta County, Virginia as shown on **Exhibit A** attached hereto ("Property").

NOW, THEREFORE, the parties hereto agree each with the other as follows:

1. Term. This Option shall become effective on the Effective Date and shall exist and continue through midnight on the 30th day of October, 2022, at which time it will expire (the foregoing time period and any extended term, if any, shall be deemed the "Option Term").
2. Option Money. The Option Money shall be paid by Buyer to Seller no more than ten (10) days after the Effective Date and shall be credited against the Purchase Price.

Buyer shall apply for a 2022 award of low-income housing tax credits ("Tax Credits") with Virginia Housing Development Authority ("VHDA") for a multifamily apartment complex to be constructed on the Property. No more than ten (10) days after VHDA posts the final rankings for 2022 ("2022 Rankings") which is anticipated to be no later than June 30, 2022, Buyer shall either (i) terminate this Option by July 15, 2022 and the Option Money shall be returned to Buyer or (ii) if the Option is not terminated by July 15, 2022, the Option Money shall become non-refundable and will be credited against the Purchase Price.

3. Exercise of Option. The Option herein granted may be exercised only by the giving of written notice of exercise of the Option to Seller by Buyer prior to the expiration of the Option Term, which notice shall be in accordance with the provisions of Paragraph 13 hereof. If this Option Agreement is not exercised during the Option Term, all rights of Buyer shall cease and terminate and all of the Option Money shall be **returned to Buyer, unless non-refundable in accordance with paragraph 2 above, in which case the deposit shall be retained by Seller.**

4. Purchase Price. The Purchase Price for the Property shall be \$1,200,000.00.
5. Closing Date. Closing shall be no later than March 31, 2023 or earlier upon no less than five (5) days' notice to Seller. Notwithstanding the foregoing, Buyer may extend the Closing by three (3), sixty (60) day periods by providing Seller written notice of extension and \$10,000.00 for each extension ("Extension Fees") prior to the expiration of the then existing Closing. The Extension Fees shall be non-refundable and applicable to the Purchase Price.
6. Title. At Closing, Seller shall deliver to Buyer indefeasible and marketable fee simple title to the Property, free and clear of any deeds of trust, liens, security interests, encumbrances or other restrictions other than matters or conditions (i) currently existing of record, (ii) that would be disclosed by a survey or inspection of the Property, (iii) or which are caused by Buyer, its agents, employees or representatives. No later than thirty (30) days after exercise of the Option, Buyer shall conduct its title search and obtain a title insurance commitment. If the title search reveals any objectionable title matters (in Buyer's reasonable discretion), Buyer shall notify Seller, within 10 days thereafter, in writing of any defect or condition related to the title insurance commitment that materially affects the title to the Property or the use of the Property as a multi-family residential development. Seller shall have five (5) days after the receipt of such written notice to notify Buyer if it intends to correct said defects or conditions. If Seller is unable or unwilling to correct such defects or conditions within thirty (30) days thereafter, and unless Buyer agrees in writing to purchase the Property with the particular defect or condition uncorrected, Buyer shall have the option to terminate this Agreement and receive a return of the Option Money, if any, regardless of whether the Option has been exercised. If Seller declines to correct such defects or is unable or unwilling to correct such defects within said thirty (30) days period, Buyer shall then have five (5) days in which to notify Seller of the Buyer's election to terminate this Agreement. The failure of the Buyer to give Seller written notice of its election to terminate the Agreement shall constitute a waiver of the condition or defect and shall be deemed an election to purchase the Property with the particular defect or condition uncorrected.

Title shall be conveyed by a general warranty deed in recordable form conveying marketable indefeasible, fee simple (in fact, and insurable so to be) title, free and clear of all liens and encumbrances save and except only matters or conditions permitted pursuant to the foregoing paragraph and exceptions consented to by Buyer as set forth in the foregoing paragraph, and ad valorem taxes for the calendar year of Closing (to be prorated on a calendar year basis as of the Closing Date. Except as consented to by Buyer, Seller shall do nothing which impairs such title to the Property as Seller now owns during the Option Term.

Buyer intends to acquire the Property subject to the encroachment of the Dominion Energy power lines onto the Property pursuant to the agreement set forth on **Exhibit B** ("Encroachment"). Seller shall do nothing to terminate the Encroachment.

7. Closing Costs. At closing Seller shall pay the cost of the deed preparation, the statutory Grantor's tax, any instruments which may be required to clear the title of any prior liens, and any counsel fees for counsel employed or retained by Seller. Buyer shall pay for title examination, title policy, surveys, recording fees, all State and Local Grantee tax, and for any

counsel fees Buyer incurs in the transaction. Buyer shall pay the special use permit fees. Rents and ad valorem property taxes shall be prorated on a calendar year basis and the tenant security deposits shall be transferred to Buyer with Buyer being credited with the day of Closing.

8. Subdivision and Rezoning. To the best of Seller's knowledge, Seller represents that no subdivision is legally required to convey the Property to Buyer or in the alternative, if a subdivision is required, Seller shall be responsible for subdividing the Property and recording the subdivision plat, at its sole cost and expense

9. Inspection. Seller does hereby agree to provide access to Buyer and its engineers and agents to the Property for purposes of undertaking such surveys, inspections or such other tests and analyses as Buyer may deem necessary and appropriate. Seller consents to Buyer applying for a reservation of housing tax credits from the Virginia Housing Development Authority, determining the permits, approvals and licenses necessary for its use of the Property, performing tests and audits at the Property, securing any approvals from the Commonwealth of Virginia and local municipalities that Buyer determines necessary, and conducting a survey of the Property. Seller shall cooperate reasonably with Buyer in any applications it files for securing of approvals, licenses and permits; surveying the Property; obtaining title insurance; conducting tests and audits; and inspecting the property, but Seller shall not be required to agree to any proffers, conditions or other obligations that would attach to or be an obligation of the Property or of Seller should Closing not occur, nor shall Seller be required to incur more than incidental costs as part of Buyer's applications and similar approvals. All expenses associated with the inspection of the property and all applications, permitting and similar activities shall be paid for by Buyer. Buyer does hereby agree to indemnify and hold Seller, its members, managers, employees and agents, harmless from any loss or liability that may occur as a result of such inspection activity that may be undertaken by Buyer, its engineers or agents and this obligation shall survive any consummating or termination of this Agreement.

9.1 Buyer agrees that any information obtained by Buyer or Buyer's agents in the conduct of its inspections or other due diligence relating to the Property, from Seller or otherwise, shall be treated as confidential and shall be used only to evaluate the acquisition of the Property from Seller. Buyer agrees not to divulge, and to use best efforts (including, without limitation, informing Buyer's agents of the confidential nature of such information) to cause Buyer's agents not to divulge, the contents of such information.

9.2 In the event of the termination of this Agreement for any reason whatsoever other than a Seller default, Buyer shall deliver to Seller, at no cost to Seller, all documents, work papers, engineering and environmental studies and reports, and all other materials created or ordered by Buyer in connection with the transactions contemplated hereby, such information and documents to be delivered without any warranty or representations of any kind of Buyer.

9.3 Buyer covenants to provide Seller with complete copies of all applications for and documents related to Buyer's permits, applications or other approvals.

9.4 Seller shall provide Buyer copies of any due diligence items concerning

the Property that are in Seller's possession or reasonably obtainable by Seller including, but not limited to, leases, tenant files, title insurance policies, surveys and environmental reports.

10. Condemnation. If prior to Closing all or any portion of the Property is taken by eminent domain, Buyer may at its option close on the Property, or may terminate this Option Agreement and receive a return of the Option Money. If Buyer elects to close, then Seller shall assign to Buyer the entire proceeds resulting from such taking and Buyer shall be entitled to pursue the claim and retain all it is able to collect for such taking.

11. Closing Documents. At Closing Seller will execute, acknowledge and deliver to Buyer a general warranty deed conveying title as hereinbefore required, an assignment of leases and security deposits, a bill of sale for any personal property transferred, such lien waivers or affidavits as Buyer's title insurer may reasonably require to insure against any possible unfiled and unpaid laborer's or materialmen's liens, together with such other papers and documents as may be reasonably necessary in connection with the completion of the closing.

12. Possession. Possession of the Property shall be delivered to Buyer at the time of Closing.

13. Notices. Any notice or other communications hereunder shall be in writing and shall be deemed to have been given (unless otherwise set forth herein), if delivered in person, delivered by facsimile, delivered by email (if delivered by email, a copy shall also be mailed), deposited with an overnight express agency, fees prepaid, or mailed by United States express, certified or registered mail, postage prepaid, return receipt requested, to the appropriate party at the following addresses:

Seller:

c/o Franklin Root  
28 Imperial Drive  
Staunton, VA 24401  
Email: frank@countrysideinc.biz

Buyer:

c/o Jen Surber  
38 Green Tree Circle  
Bristol, VA 24201  
Email: [jensurber@surberdev.com](mailto:jensurber@surberdev.com)

14. Representations of Seller. Seller represents and warrants to Buyer that, to the best of the knowledge of Seller, the following:

a. There is not now, nor has there ever been located in, on, or about the Property any pollutants, contaminants, gas or petroleum products, or other hazardous or toxic materials, the presence of which is either penalized or prohibited or removal required by any local, state, or federal government instrumentality or by applicable laws, statutes, or regulations except as may be disclosed in any prior environmental reports delivered to Buyer by Seller. The parties

acknowledge that Buyer, as a part of its due diligence, may obtain a Phase I Environmental Audit, at the Buyer's sole cost and expense, to determine the environmental condition of the Property. If an environmental condition occurs which adversely affects the Property between the time of the initial Phase I and any Phase I update, then Buyer shall have the right to terminate this Agreement and receive a refund of all Option Money, regardless of whether the Option has been exercised.

b. The Option has been duly executed and delivered by Seller, constitutes the valid and binding agreement of Seller, and is enforceable in accordance with its terms.

c. There is no action, suit, or proceeding, pending or known to be threatened in writing, against Seller, the Property or which would affect the Property.

d. Seller has not filed a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency or bankruptcy law.

e. Seller has fee simple title to the Property, has the exclusive right of possession of the Property and there are no leases affecting the Property.

f. Seller has not entered into any agreement, oral or written, other than this Agreement and matters of record, with reference to the Property.

g. Seller has not received any written notice from any city, county or other governmental authority of any taking of the Property, or any portion thereof, by eminent domain or similar proceeding, and no such taking or other condemnation of the Property, or any portion thereof, shall be threatened or contemplated by any governmental authority.

h. Seller has no knowledge of any change or proposed change in the route, grade or width of or otherwise affecting, any street or road adjacent to or serving the Property.

15. Entire Agreement. This Agreement and any exhibits hereto and other documents incorporated or referred to herein, contains the entire Agreement of the parties and there are no representations, inducements or other provisions other than those expressed in writing. All changes, additions or deletions hereto must be in writing and signed by all the parties. Any and all references herein to the Seller or Buyer shall be deemed to include their respective successors, heirs or permitted assigns.

16. Buyer's Representations and Warranties.

a. The persons executing this Agreement on behalf of Buyer are duly authorized to do so and thereby bind Buyer hereto.

b. Buyer has all requisite power and authority to enter into and perform this Agreement and to incur the obligations provided for herein and has taken all action necessary to authorize the execution, delivery and performance of this Agreement.

c. This Agreement is valid, binding and enforceable in accordance with its terms.

17. Brokerage. Buyer and Seller warrant and represent to each other that they have dealt with no brokers or agents in this transaction except Seller is represented by Cottonwood Commercial whose commission of 3% of the Purchase Price will be paid by Seller pursuant to a separate agreement. If any other commission may be due and owing, the party whose alleged actions form the basis for such claim shall be fully responsible for such claim, without recourse to the other, each party hereby agreeing to save the other harmless from the payment of any such commission.

18. Assignment. At any time prior to Closing, Buyer shall have the right to assign all of its right, title and interest in and to this Agreement to any affiliate or any entity owned and controlled by, controlling, or under common control in whole or in part with Buyer or its principals. Otherwise, Buyer shall not have the right to transfer, convey or assign any or all of its right, title or interest in the Property or in and to this Agreement, without the prior written consent of Seller which may not be unreasonably withheld, conditioned or delayed.

19. Default. Should Buyer default under this Option and if and such default is not cured within ten (10) days of written notice from Seller to Buyer (or such additional period of time as shall be necessary to effect a cure provided Buyer is proceeding in good faith with a cure), there shall be deemed an event of default hereunder by Buyer. For any event of default by Buyer hereunder, Seller shall retain the Option Money as its sole and exclusive remedy.

In the event Seller shall default hereunder, Buyer may either elect to (i) terminate this Option, receive a return of the Option Money or (ii) seek specific performance of Seller's obligation to convey title to the Property to Buyer in accordance herewith. Under no circumstances shall Seller be liable to Buyer for any consequential, special or punitive damages of any kind.

20. Post Closing Soil Addition. The parties acknowledge that the Property is not level which will impede the development of the Property as a multifamily apartment complex. Seller agrees that after Closing at a no additional cost, Buyer may import such soil (up to 7500 cubic yards) from the adjacent property labeled "Overlook Single Family Portion" as shown on Exhibit C until the Property is sufficiently level to enable Buyer's development of the Property as a multifamily apartment complex in the reasonable judgment of Buyer's engineer. This provision shall survive closing.

21. Situs. This Agreement shall be governed in all respects by and construed under the laws of the Commonwealth of Virginia.

22. Effective Date. For the purposes of this Option, the "Effective Date" shall be the last date on which this Option is executed by either Buyer or Seller.

23. Time is of the Essence. Time is of the essence of this Agreement.

[signatures on following page]

IN WITNESS WHEREOF, Seller and Buyer, intending to be legally bound, have executed this Agreement as of the day and year first above written.

BUYER:

Surber Development and Consulting LLC,  
a Virginia limited liability company

By:   
Jennifer Elizabeth Hunter Surber,  
Managing Member

SELLER:

Overlook Land Company, LC,  
a Virginia limited liability company

By:   
Franklin L. Root,  
Manager

THIS FIRST AMENDMENT TO OPTION AGREEMENT ("First Amendment") is made as of the 13<sup>th</sup> day of May, 2022, by and between **SURBER DEVELOPMENT AND CONSULTING LLC**, a Virginia limited liability company ("Buyer"), and ~~OVERLAND~~ **LAND COMPANY, LC**, a Virginia limited liability company ("Seller");

**OVERLOOK**

*MR*  
*9/8*

WITNESSETH:

WHEREAS, Seller and Buyer entered into that certain Option Agreement dated September 10, 2021 ("Option") under which Seller granted Buyer an option to purchase that certain real property located in Stuarts Draft, Augusta County, Commonwealth of Virginia as more particularly described in the Option; and

WHEREAS, Seller and Buyer wish to amend the Option as more particularly set forth herein.

NOW, THEREFORE, the parties hereto, in consideration of One and 00/100 Dollar (\$1.00) and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, hereby agree as follows:

1. The above Recitals are hereby incorporated into this First Amendment.
2. Term. Section 1 of the Option is deleted and replaced with the following:

"This Option shall become effective on the Effective Date and shall exist and continue through midnight on the 30th day of October, 2023 at which time it will expire (the foregoing time period and any extended term, if any, shall be deemed the "Option Term").

2. Option Money. Section 2 of the Option is deleted and replaced with the following:

"The Option Money shall be paid by Buyer to Seller no more than ten (10) days after the Effective Date and shall be credited against the Purchase Price. Buyer shall apply for a 2023 award of low income housing tax credits with Virginia Housing Development Authority ("VHDA") for a multifamily apartment complex to be constructed on the Property. No more than ten (10) days after VHDA posts the final rankings for 2023 ("2023 Rankings") which is anticipated to be no later than the week of July 15, 2023, Buyer shall either (i) terminate this Option and the Option Money shall be returned to Buyer or (ii) if the Option is not terminated, the Option Money shall become non-refundable and will be credited against the Purchase Price of the Property."

3. Closing Date. Section 5 of the Option is deleted and replaced with the following:

"Closing shall be no later than March 31, 2024 or earlier upon no less than five (5) days' notice to Seller. Notwithstanding the foregoing, Buyer may extend the Closing by three (3), sixty

(60) day periods by providing Seller written notice of extension and \$10,000.00 for each extension (“Extension Fees”) prior to the expiration of the then existing Closing. The Extension Fees shall be non-refundable and applicable to the Purchase Price.”

4. Unless otherwise herein modified, all defined terms in the Option used herein shall have the same meanings as used in that document. Except as amended herein, all terms and conditions of the Option shall remain in full force and effect. In the event of a conflict between this First Amendment and the Option, this First Amendment shall control. The terms and provisions of this First Amendment shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns, if any.

IN WITNESS WHEREOF, the parties have hereunto set their hands effective as of the day and year first above written.

BUYER:

Surber Development and Consulting LLC,  
a Virginia limited liability company

By:   
Jennifer Elizabeth Hunter Surber, Managing Member

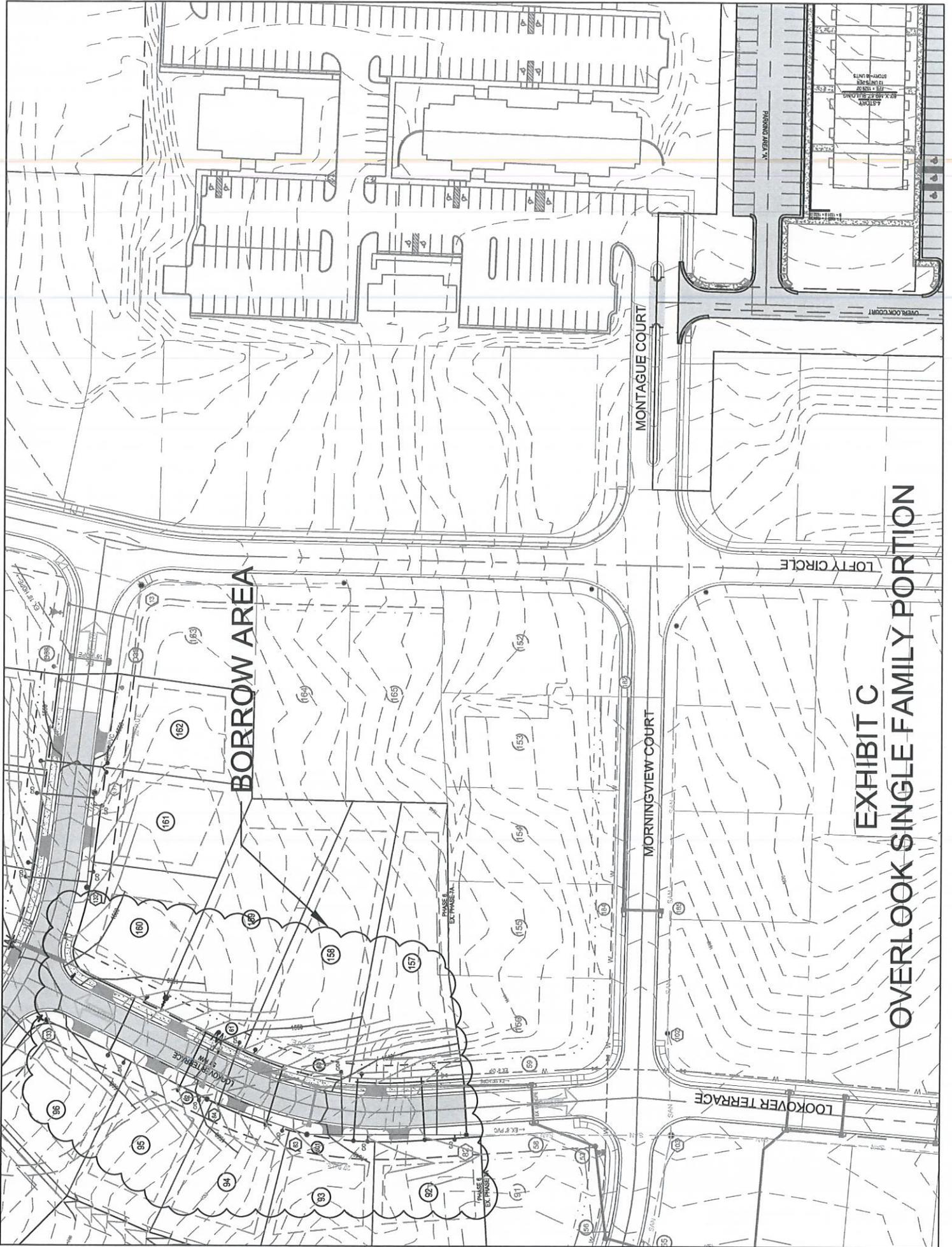
SELLER:

Overlook Land Company, LC,  
a Virginia limited liability company

By:   
Franklin L. Root, Manager







**BORROW AREA**

MONTAGUE COURT

MORNINGVIEW COURT

LOFTLY CIRCLE

LOOKOVER TERRACE

**EXHIBIT C  
OVERLOOK SINGLE FAMILY PORTION**

COMMONWEALTH OF VIRGINIA:

**ASSIGNMENT**

COUNTY OF AUGUSTA :

**OF OPTION AGREEMENT**

This Assignment of Option Agreement is entered as of the 1<sup>st</sup> day of March, 2023. In consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Surber Development and Consulting LLC, a Virginia limited liability company (the "Assignor") hereby assigns to Overlook Ridge VA LLC, a Virginia limited liability company (the "Assignee") all of Assignor's right, title and interest in and to that Option Agreement between Assignor and Overlook Land Company, LC dated September 10, 2021, as amended ("Agreement") with respect to that tract of land containing approximately 6.00 acres located in Stuarts Draft, Augusta County, Virginia as more particularly described in the Agreement ("Property").

Assignor hereby agrees to indemnify Assignee against and hold Assignee harmless from any and all cost, liability, loss, damage, or expense, including, without limitation, reasonable attorney's fees and costs, originating prior to the date of closing of transfer of title of the Property to Assignee and arising out of Assignor's obligations prior to such date under Agreement. Assignee hereby agrees to hold Assignor harmless from any and all cost, liability, loss, damage or expense, including, without limitation, reasonable attorney's fees, originating on or after the date of this Assignment and arising out of the Assignee's obligations from and after such date under the Agreement.

This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment effective as of the date set forth above.

[signatures on following page]

**ASSIGNOR:**

Surber Development and Consulting LLC,  
a Virginia limited liability company

By:  \_\_\_\_\_  
Jennifer Elizabeth Hunter Surber, Managing Member

**ASSIGNEE:**

Overlook Ridge VA LLC, a Virginia limited liability company

Overlook Ridge MM LLC,  
a Virginia limited liability company, Managing Member

By: Surber Development and Consulting LLC,  
a Virginia limited liability company, Managing Member

By:  \_\_\_\_\_  
Jennifer Elizabeth Hunter Surber, Managing Member

RECEIVED OCT 1 8 2022



**AUGUSTA COUNTY TREASURER'S OFFICE**

Richard T. Homes - Treasurer  
PO Box 590  
Verona VA 24482-0590

Phone: 540-245-5660  
email: treasurer@co.augusta.va.us

**TAX YEAR 2022**

Account Number	Ticket Number
<b>40246</b>	<b>26532</b>

**DUE DATE December 05, 2022**

**REAL ESTATE TAX STATEMENT**  
**10.00% PEN. AFTER 12/5/2022**  
**10.00% INT. BEGINNING 12/6/2022**

000545/18--S 0--B 0

OVERLOOK LAND COMPANY LC  
28 IMPERIAL DR  
STAUNTON VA 24401-6654



THE TREASURER ONLY COLLECTS TAXES, DOES NOT ASSESS PROPERTY, FIX VALUATIONS, SET RATES OR GRANT EXEMPTIONS AND HAS NO AUTHORITY TO MAKE CHANGES TO THE TAX ROLL.

Inquiries on Assessments and Address Changes, contact the Commissioner's Office at 540-245-5647.

Code of Virginia 58.1-3913 Delinquent tax MUST be paid FIRST.

IF CHECK IS NOT HONORED BY BANK, RECEIPT IS VOID.

Under Existing law, a 10% late penalty plus interest of 10% per annum, calculated monthly, will be added after the due date.

For a receipt, enclose a self addressed stamped envelope.

**SEE THE BACK OF THIS NOTICE FOR PAYMENT OPTIONS AND ADDITIONAL INFORMATION**

Page 2 of 18

Tax Rate	Land Value Land Use Value	Building and Improvements	Total Value	Annual Tax	Map Number and Description	Acct #	Ticket #	
0.63	291600	0	291600	1837.08	75-45 W SIDE RT 654 & N RT 340 4.86 ACRES	40246	26532	
Tax Year	Half	Ticket Number	TAX		Credits or Delinquents	TOTAL DUE		
2022	2	26532	918.54			918.54		
<b>SECOND HALF - TOTAL DUE THROUGH December 05, 2022</b>							918.54	



# **Tab F:**

RESNET Rater Certification (MANDATORY)

# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 03/06/2023

Registry ID:

Ekotrope ID: dE1mKmpd

## HERS® Index Score:

# 60

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

## Annual Savings

# \$866

\*Relative to an average U.S. home

## Home:

Stuarts Draft, VA

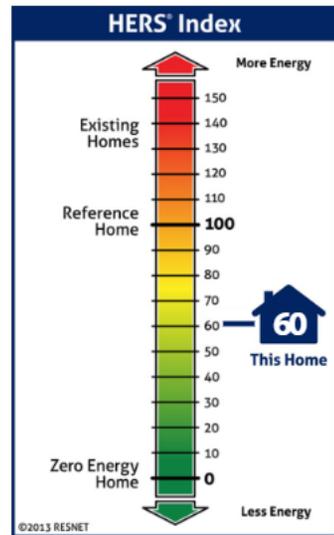
## Builder:

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	8.7	\$278
Cooling	1.2	\$38
Hot Water	5.3	\$170
Lights/Appliances	12.7	\$411
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>27.8</b>	<b>\$976</b>

## This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1  
ENERGY STAR MF v1.0  
ENERGY STAR v3.1  
ENERGY STAR v3



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	2Br base
Community:	Overlook Ridge
Conditioned Floor Area:	1,144 ft <sup>2</sup>
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	75 CFM (unmeasured) • 26.3 Watts
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-20
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

## Rating Completed by:

**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

**Rating Company:** Southern Energy Management MES  
5908 Triangle Drive

**Rating Provider:** Southern Energy Management  
5908 Triangle Drive, Raleigh, NC 27617  
919-836-0330

Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/8/23 at 9:39 AM



# ENERGY STAR MF V1 Home Report

## Property

Stuarts Draft, VA  
Model: 2Br base  
Community: Overlook Ridge

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Inspection Status

Results are projected

Overlook Ridge\_2Br UA

## Builder

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to applicable requirements.
- ✓ Total building thermal envelope UA meets or exceeds applicable requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Total window thermal properties meet or exceed the applicable requirements
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## ERI (HERS) Index Target

Reference Home ERI (HERS)	71
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	<u>71</u>
As Designed Home ERI (HERS)	60
As Designed Home ERI (HERS) w/o PV	60

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

	ENERGY STAR	As Designed
Heating	11.6	12.2
Cooling	4.1	2.3
Water Heating	6.5	4.6
Lights and Appliances	14.4	12.3
<b>Total</b>	<b>36.6</b>	<b>31.4</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.0

## Energy Cost Savings

	\$/yr
Heating	22
Cooling	28
Water Heating	68
Lights & Appliances	65
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>183</b>

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

# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 03/06/2023

Registry ID:

Ekotrope ID: Lbp9G9av

## HERS® Index Score:

# 60

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

## Annual Savings

# \$953

\*Relative to an average U.S. home

## Home:

Stuarts Draft, VA

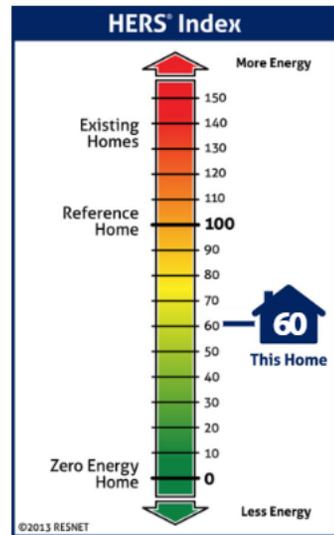
## Builder:

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	8.9	\$282
Cooling	1.3	\$43
Hot Water	6.7	\$215
Lights/Appliances	14.3	\$462
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>31.2</b>	<b>\$1,081</b>

## This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1  
ENERGY STAR MF v1.0  
ENERGY STAR v3.1  
ENERGY STAR v3



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3Br base
Community:	Overlook Ridge
Conditioned Floor Area:	1,348 ft <sup>2</sup>
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	75 CFM (unmeasured) • 26.3 Watts
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-20
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

## Rating Completed by:

**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

**Rating Company:** Southern Energy Management MES  
5908 Triangle Drive

**Rating Provider:** Southern Energy Management  
5908 Triangle Drive, Raleigh, NC 27617  
919-836-0330

Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/8/23 at 9:39 AM



# ENERGY STAR MF V1 Home Report

## Property

Stuarts Draft, VA  
 Model: 3Br base  
 Community: Overlook Ridge

## Organization

Southern Energy Manager  
 Benoit Rivard  
 9196228441

## Inspection Status

Results are projected

Overlook Ridge\_3Br UA

## Builder

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to applicable requirements.
- ✓ Total building thermal envelope UA meets or exceeds applicable requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Total window thermal properties meet or exceed the applicable requirements
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## ERI (HERS) Index Target

Reference Home ERI (HERS)	70
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	<u>70</u>
As Designed Home ERI (HERS)	60
As Designed Home ERI (HERS) w/o PV	60

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

	ENERGY STAR	As Designed
Heating	11.1	12.4
Cooling	4.5	2.7
Water Heating	8.3	6.0
Lights and Appliances	16.4	14.0
<b>Total</b>	<b>40.3</b>	<b>35.1</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.1

## Energy Cost Savings

	\$/yr
Heating	16
Cooling	32
Water Heating	78
Lights & Appliances	75
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>201</b>

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

## R. RESNET Rater Certification

### RESNET Rater Certification of Development Plans

Deal Name \_\_\_\_\_

Deal Address \_\_\_\_\_

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.

\_\_\_\_\_ **Earthcraft Certification** – The development's design meets the criteria to obtain Viridian's EarthCraft Multifamily program Gold certification or higher.

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

# Appendices continued

## Additional Optional Certifications continued

\_\_\_\_\_ **National Green Building Standard (NGBS)** – The development’s design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification.

\_\_\_\_\_ **Enterprise Green Communities** – The development's design meets the criteria for 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.**

Printed Name Benoit Rivard 3/8/23  
RESNET Rater Date

Signature 

Resnet Provider Agency \_\_\_\_\_

Signature 

Provider Contact & Phone/Email \_\_\_\_\_  
\_\_\_\_\_

03/08/2023

## Energy Model & Preliminary Green Checklist Assumptions Disclosure

Southern Energy Management has built energy models for Overlook Ridge following the *ANSI/RESNET/ICC 301-2019 Standard for the Calculation and Labeling of the Energy Performance of Dwelling and Sleeping Units using an Energy Rating Index*.

The inputs in the energy models & selected green credits (if applicable) that are used to demonstrate initial compliance with the Virginia QAP standards are based upon the initial, preliminary plans provided to Southern Energy Management. These plans are assumed to be the latest version and a representation of what will be constructed on site.

Unless otherwise indicated, building envelope performance values are assumed to be code minimum for the applicable jurisdiction and are also subject to change after on-site testing is performed.

Southern Energy Management does not guarantee nor attest compliance with the applicable QAP requirements based on these preliminary models or plan set(s) as our review is based on ENERGY STAR for Multifamily New Construction compliance and/or green program qualification. All inputs listed in the following Building File Report are subject to change with any alterations or modifications in the construction documents plan set as well as differences observed during on-site inspections.

## About Southern Energy Management

SEM is a HERS rater training provider that has been committed to improving the way people create, consume, and conserve energy since 2001. We are a team of over 160 building performance and solar experts, we believe what you do is important, and how you do it matters just as much. SEM provides consultations, inspections, testing and third party verification for

multifamily & commercial green building certification programs including (but not limited to): HERS Ratings, ENERGY STAR, National Green Building Standard, LEED, Green Globes, EarthCraft, Fitwel, etc.

## As Modeled Unit Type Table

<b>2 BR Unit Type</b>	<b>1,144 Sq. Ft.</b>	<b>3 BR Unit Type</b>	<b>1,348 Sq. Ft.</b>
-----------------------	----------------------	-----------------------	----------------------

**Note:** Plans used to generate these scores are preliminary and may not be representative of the final design. The average HERS index below are not confirmed ratings:

**Average HERS for the development: 60**

- 2 Bedroom HERS: 60
- 3 Bedroom HERS: 60



# Solar Energy

The attached Solar Feasibility Study from Southern Energy Management shows that by installing 82.7 kW of solar panels at Overlook Ridge, approximate overall electric savings will be 20%, or \$11,000 in the first year. Savings from the solar panels will be recognized at the master meter level.

In order to provide the solar benefit to the residents of Overlook Ridge, the project will apply the savings to a Supportive Services Escrow. This escrow will be used to provide a range of supportive services to tenants, including Telehealth as described in Tab S. Lines 44 and 45 in the Budget reflect the anticipated Supportive Services budget.



# Overlook

Date Submitted: March 10, 2023

*\* Proposal First Draft*

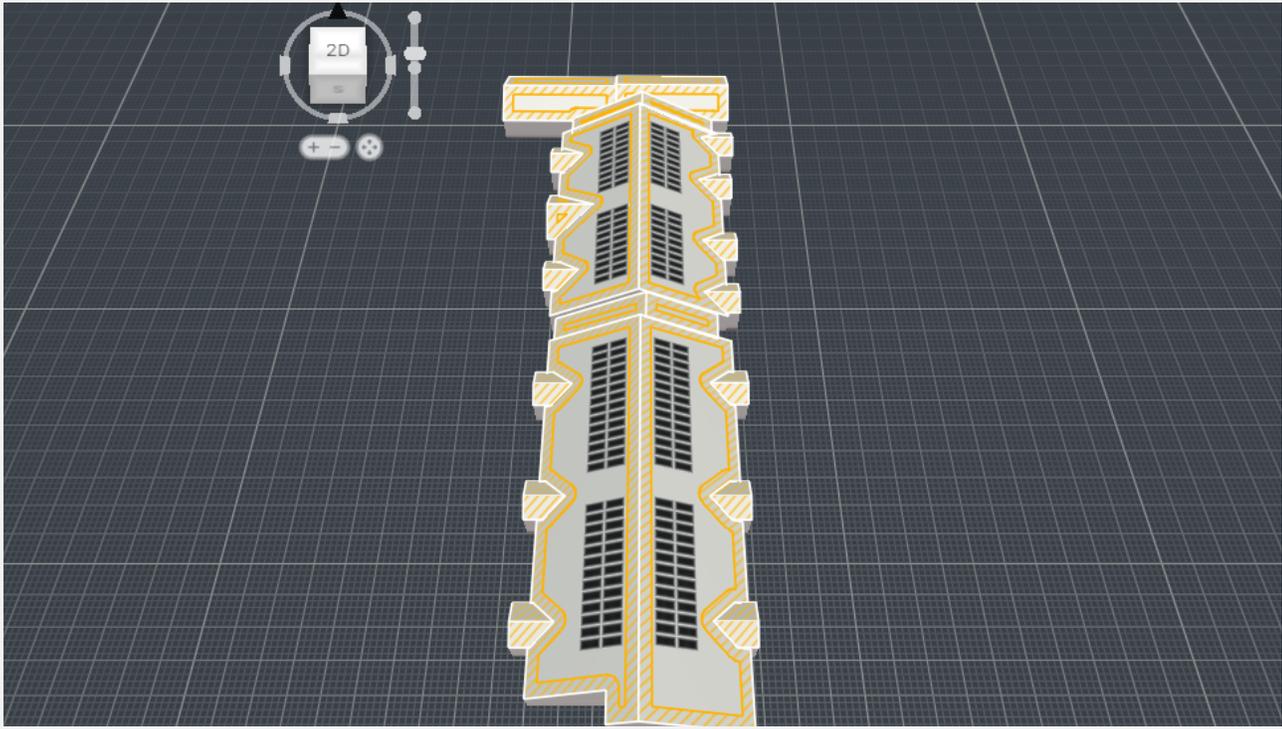
<b>Proposed Scope(s) of Work</b>	Initial Solar Satellite Estimate
<b>Project Location</b>	Stuarts Draft, VA
<b>Estimated kW</b>	82.7 kW
<b>Estimated Cost</b>	~\$248,500
<b>Estimated Annual Offset</b>	20%
<b>Solar Feasibility Grade</b>	A: Positive Outlook for Solar Potential.

## Overlook

## SOUTHERN ENERGY MANAGEMENT

**Mickey Fanney**  
**Solar Designer**  
919-441-9686  
Mickey@southern-energy.com

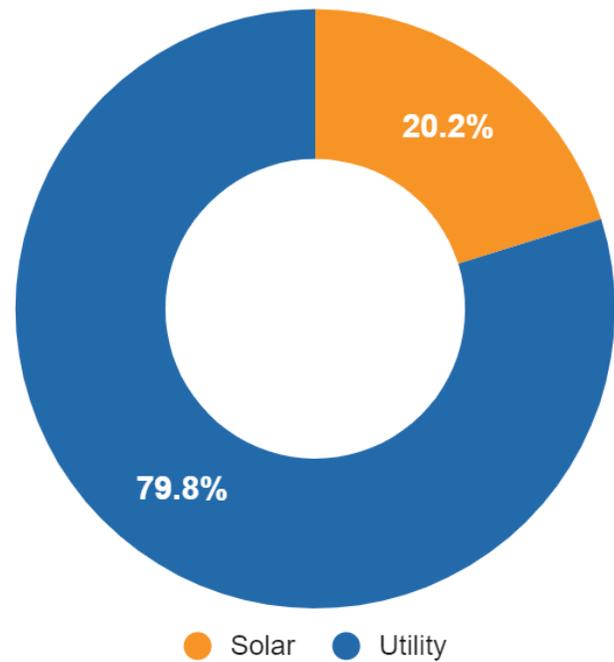
## Solar Design Overview



### Key Findings

- From our preliminary modeling, we estimate that the current electric usage is 500,000 kWh per year.
- After solar installation, we predict you will save approximately **~\$11,000 your first year**. \*based off of residential A-13 Shenandoah Valley Electric
- You will save 4.3 million lbs of CO2 over the next 30 years, offsetting 20% of your electric consumption.
- Based on SEM analysis, this is a viable project for solar.

### Annual Energy Mix



# **Tab G:**

Zoning Certification Letter (MANDATORY)



March 8, 2023

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

RE: ZONING CERTIFICATION

Name of Development: Overlook Ridge

Name of Owner/Applicant: Overlook Ridge VA LLC

Name of Seller/Current Owner: Overlook Land Company, LLC

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

DEVELOPMENT DESCRIPTION:

Development Address:

West side of White Hill Road (Rte. 654), approximately 0.3 miles north of the intersection of White Hill Road and Stuarts Draft Highway

Legal Description:

Tax Map 75-45 with instrument number 1000003794, approximately 4.86 acres

Proposed Improvements:

- New Construction: 50 # Units 1 # Buildings 71,635 Approx. Total Floor Area Sq. Ft.  
 Adaptive Reuse: \_\_\_\_\_ # Units \_\_\_\_\_ # Buildings \_\_\_\_\_ Approx. Total Floor Area Sq. Ft.  
 Rehabilitation: \_\_\_\_\_ # Units \_\_\_\_\_ # Buildings \_\_\_\_\_ Approx. Total Floor Area Sq. Ft.

Current Zoning: MF allowing a density of 20 units per acre, and the following other applicable conditions: N/A



Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following as appropriate:

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

Signature: 

Printed Name: F. Cameron Palmore, PE, LS

Director of Housing and Education  
Title of Local Official or Civil Engineer

804-200-1929  
Phone:

March 08, 2023  
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.

# **Tab H:**

Attorney's Opinion (MANDATORY)

THE PRYZWANSKY LAW FIRM, P.A.

1 130 SITUS COURT, SUITE 244  
RALEIGH, NC 27606  
919.828.8668 PHONE

DAVID T. PRYZWANSKY  
DAVID@PRYZLAW.COM

March 16, 2023

Virginia Housing  
601 South Belvidere Street  
Richmond, Virginia 23220

RE: 2023 Tax Credit Reservation Request

Name of Development: Overlook Ridge

Name of Owner: Overlook Ridge VA LLC

Ladies and Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 16, 2023 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

2. The calculations (a) of the Maximum Allowable Credit available under the Code with 9% 2023

respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

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

4. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.

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

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

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

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

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("Virginia Housing") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by Virginia Housing 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.**

The Pryzwansky Law Firm, P.A.

By   
David T. Pryzwansky, Attorney

# 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)

### Nonprofit Questionnaire

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

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

#### 1. General Information

- a. Name of development \_\_\_\_\_
- b. Name of owner/applicant \_\_\_\_\_
- c. Name of nonprofit entity \_\_\_\_\_
- d. Address of principal place of business of nonprofit entity  
\_\_\_\_\_  
\_\_\_\_\_

Indicate funding sources and amount used to pay for office space

\_\_\_\_\_  
\_\_\_\_\_

- e. Tax exempt status     501(c)(3)     501(c)(4)     501(a)
- f. Date of legal formation of nonprofit (must be prior to application deadline) \_\_\_\_\_  
Evidenced by the following documentation \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached) \_\_\_\_\_
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- i. Expected life (in years) of nonprofit \_\_\_\_\_

## Appendices continued

j. Explain the anticipated future activities of the nonprofit over the next five years:

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k. How many full time, paid staff members does the nonprofit and, if applicable, any other nonprofit organization(s) ("related nonprofit(s)") of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related have (i.e. by shared directors, staff, etc.)? \_\_\_\_\_

How many part time, paid staff members? \_\_\_\_\_

Describe the duties of all staff members:

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l. Does the nonprofit share staff with any other entity besides a related nonprofit described above?

YES  NO If yes, explain in detail: \_\_\_\_\_

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m. How many volunteers does the nonprofit and, if applicable, any related nonprofit have?

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

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o. List all directors of the nonprofit, their occupations, their length of service on the board, and their residential addresses \_\_\_\_\_

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## Appendices continued

### 2. Nonprofit Formation

a. Explain in detail the genesis of the formation of the nonprofit: \_\_\_\_\_

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

YES  NO If yes, explain in detail: \_\_\_\_\_

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

YES  NO If yes, explain in detail: \_\_\_\_\_

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

YES  NO If yes, explain in detail: \_\_\_\_\_

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

YES  NO If yes, explain in detail: \_\_\_\_\_

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

YES  NO

## Appendices continued

g. Explain in detail the past experience of the nonprofit including, if applicable, the past experience of any other related nonprofit of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related (by shared directors, staff, etc.) \_\_\_\_\_

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h. If you included in your answer to the previous question information concerning any related nonprofit, describe the date of legal formation thereof, the date of IRS 501(c)(3) or 501(c)(4) status, its expected life, its charitable purposes and its relationship to the non-profit.

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### 3. Nonprofit Involvement

a. Is the nonprofit assured of owning an interest in the Development (either directly or through a wholly owned subsidiary) throughout the Compliance Period (as defined in §42(i)(1) of the Code)?

YES     NO

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

YES     NO

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

YES     NO

If no to either 3a.i or 3a.ii above, specifically describe the nonprofit's ownership interest

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b. (i) Will the nonprofit be the managing member or managing general partner?

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

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(ii) Will the nonprofit be the managing member or own more than 50% of the general partnership interest?     YES     NO

## Appendices continued

c. Will the nonprofit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity?  YES  NO

If yes, where in the partnership/operating agreement is this provision specifically referenced?

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Recordable agreement attached to the Tax Credit Application as TAB V?

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

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d. Is the nonprofit materially participating (regular, continuous, and substantial participation) in the construction or rehabilitation and operation or management of the proposed Development?

YES  NO If yes,

(i) Describe the nature and extent of the nonprofit's proposed involvement in the construction or rehabilitation of the Development:

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

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

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## Appendices continued

e. Explain how the idea for the proposed development was conceived. For example, was it in response to a need identified by a local neighborhood group? Local government? Board member?

Housing needs study? Third party consultant? Other?

Surber Development and Consulting LLC, developer, has worked in the market area and previous market studies documented the need for additional affordable housing units.

f. List all general partners/managing members of the Owner of the Development (one must be the nonprofit) and the relative percentages of their interests:

Overlook Ridge VA LLC will be 100% owned by Overlook Ridge MM LLC (Managing Member). Overlook Ridge MM LLC will be 65% owned by Surber Development and Consulting LLC (Managing Member), 25% owned by Spanish Oak LLC (Member) and 10% owned by SHPI (Member).

g. If this is a joint venture, (i.e. the nonprofit is not the sole general partner/managing member), explain the nature and extent of the joint venture partner's involvement in the construction or rehabilitation and operation or management of the proposed development.  
SHPI's participation is limited to the Right of First Refusal.

h. Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development?  YES  NO If yes,

(i) Explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.  
Surber Development and Consulting LLC is the Managing Member and developer of the project.

(ii) Explain how this relationship was established. For example, did the nonprofit solicit proposals from several for-profits? Did the for-profit contact the nonprofit and offer the services?  
Surber Development and Consulting LLC reached out to SHPI.

## Appendices continued

i. Will the nonprofit or the Owner (as identified in the application) pay a joint venture partner or consultant fee for providing development services?  YES  NO If yes, explain the amount and source of the funds for such payments.

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

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k. Will the joint venture partner or for-profit consultant be compensated (receive income) in any other manner, such as builder's profit, architectural and engineering fees, or cash flow?

YES  NO If yes, explain:

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l. Will any member of the board of directors, officer, or staff member of the nonprofit participate in the development and/or operation of the proposed development in any for-profit capacity?

YES  NO If yes, explain:

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## Appendices continued

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

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n. Is the nonprofit involving any local, community based nonprofit organizations in the development, role and operation, or provision of services for the development?  YES  NO If yes, explain in detail, including the compensation for the other nonprofits amount and timing of such payments.

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#### 4. Virginia and Community Activity

a. Has the Virginia State Corporation Commission authorized the nonprofit to do business in Virginia?  
 YES  NO

b. Define the nonprofit's geographic target area or population to be served:

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c. Does the nonprofit or, if applicable, related nonprofit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)?  YES  NO  
If yes, or no, explain nature, extent and duration of any service:

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## Appendices continued

d. Does the nonprofit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the nonprofit on design, location of sites, development and management of affordable housing?  YES  NO If yes, explain

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e. Has the Virginia Department of Agriculture and Consumer Services (Division of Consumer Affairs) authorized the nonprofit to solicit contributions/donations in the target community?

YES  NO

f. Does the nonprofit have demonstrated support (preferably financial) from established organizations, institutions, businesses and individuals in the target community?

YES  NO If yes, explain:

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g. Has the nonprofit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input?  YES  NO

If yes, describe the meeting dates, meeting locations, number of attendees and general discussion points:

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h. Are at least 33% of the members of the board of directors representatives of the community being served?  YES  NO If yes,

(i) Low-income residents of the community?  YES  NO

(ii) Elected representatives of low-income neighborhood organizations?  YES  NO

i. Are no more than 33% of the members of the board of directors representatives of the public sector (i.e. public officials or employees or those appointed to the board by public officials)?

YES  NO

## Appendices continued

j. Does the board of directors hold regular meetings which are well attended and accessible to the target community?  YES  NO If yes, explain the meeting schedule:

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k. Has the nonprofit received a Community Housing Development Organization (CHDO) designation, as defined by the U.S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction?  YES  NO

l. Has the nonprofit been awarded state or local funds for the purpose of supporting overhead and operating expenses?  YES  NO If yes, explain in detail:

---

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m. Has the nonprofit been formally designated by the local government as the principal community-based nonprofit housing development organization for the selected target area?

YES  NO If yes, explain:

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n. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity?  YES  NO

If yes, note each such application including: the development name and location, the date of application, the nonprofit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).

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## Appendices continued

o. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member?  YES  NO

If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).

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p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before?  YES  NO If yes, explain:

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q. Has the nonprofit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the Virginia Housing Funds?

YES  NO If yes, explain:

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r. Has the nonprofit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources?

YES  NO If yes, explain the need identified:

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s. Has the nonprofit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community?

YES  NO If yes, explain the plan:

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# Appendices continued

## 5. Attachments

Documentation of any of the above need not be submitted unless requested by Virginia Housing.

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

Date March 6, 2023

Owner/Applicant Overlook Ridge VA LLC

By  By: Overlook Ridge MM LLC  
By: Surber Development and Consulting LLC

Its Managing Member  
Title

Date March 6, 2023

Southeastern Housing Preservation, Inc.  
Nonprofit

By  Board Chairman

By  Executive Director

Ira Slomka – COO Fitch Irick Corporation

Length of service on Board – 6 years

Residential Address – 1636 Windy Ridge Road, Charlotte, NC 28270

Hollis Fitch – CEO Fitch Irick Corporation

Length of service on Board – 6 years

Residential Address – 4425 Sharon Road, M411, Charlotte, NC 28211

Casey Stansbury – CFO Fitch Irick Corporation

Length of service on Board – 6 years

Residential Address – 5004 Surrey Drive, Syracuse, NY 13215

Ginger Kimbrell – Retired, over 20 years of experience in development and management of affordable housing

Length of service on Board – 2 years

Residential Address – 6420 Lowder Road, Salisbury, NC 28147

Jason McArthur – Owner, Mission Properties, multi-family developer

Length of service on Board – 2 years

Residential Address – 1022 Arborfield Drive, Matthews, NC 28105

# **Tab J:**

Relocation Plan and Unit Delivery Schedule  
(MANDATORY-Rehab)

NA

# Tab K:

Documentation of Development Location:

# **Tab K.1**

Revitalization Area Certification



2/22, 2023

Virginia Housing  
601 South Belvidere Street Richmond,  
VA 23220

VHDA Tracking Number: ~~FDD~~ 2023-C-32 <sup>(Dw)</sup>  
Development Name: Overlook Ridge Development  
Jurisdiction: Augusta County  
Name of Owner/Applicant: Overlook Ridge VA LLC

**A REVITALIZATION RESOLUTION CONCERNING THE  
OVERLOOK RIDGE PROJECT**

WHEREAS, PURSUANT TO Section 36-55.30:2.A of the Code of Virginia of 1950, as amended, the Board of Supervisors of the County of Augusta, Virginia, desires to designate Tax Map Parcel 075 45 (the "Area") hereto as a revitalization area:

NOW, THEREFORE, BE IT HEREBY DETERMINED as follows: The above-referenced development is located in a Revitalization Area in the County of Augusta, Virginia. The industrial, commercial or other economic development of such area will benefit the 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 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.

Timothy K. Fitzgerald County  
Administrator

ATTEST:

County Attorney

Resolution adopted by the Board of Supervisors of Augusta County, Virginia, the 22 day of February 2023.

**From:** [Angela Michael](#)  
**To:** [Jen Surber](#)  
**Cc:** [Doug Wolfe](#)  
**Subject:** RE: [EXTERNAL]Overlook Ridge - Multifamily Development - Request of Consideration by the Board of Supervisors  
**Date:** Monday, February 27, 2023 2:22:41 PM  
**Attachments:** [image001.png](#)  
[Overlook Ridge Resolution.pdf](#)

---

I have made the change to the resolution.

The minutes will not be available until approved by the Board of Supervisors. I can email them to you when they are available. It will not be until the last meeting in March which is the 22<sup>nd</sup>.

---

**From:** Jen Surber <jensurber@surberdev.com>  
**Sent:** Monday, February 27, 2023 12:51 PM  
**To:** Angela Michael <amichael@co.augusta.va.us>  
**Cc:** Doug Wolfe <dwolfe@co.augusta.va.us>  
**Subject:** RE: [EXTERNAL]Overlook Ridge - Multifamily Development - Request of Consideration by the Board of Supervisors

Angie,

The VHDA tracking number had not yet been assigned when I submitted this to the County. The tracking number is 2023-C-32. Would you mind to please make that change on the form? It's OK for "TBD" to be crossed through and the tracking number written in by hand and initialed if you can't change the PDF.

Also, would you mind to please send me the minutes from the meeting where the resolution was approved? They are required in the application I am submitting to Virginia Housing.

Thank you,

Jen  
276-698-8760 (cell)

---

**From:** Angela Michael <[amichael@co.augusta.va.us](mailto:amichael@co.augusta.va.us)>  
**Sent:** Monday, February 27, 2023 12:27 PM  
**To:** Jen Surber <[jensurber@surberdev.com](mailto:jensurber@surberdev.com)>  
**Cc:** Doug Wolfe <[dwolfe@co.augusta.va.us](mailto:dwolfe@co.augusta.va.us)>  
**Subject:** FW: [EXTERNAL]Overlook Ridge - Multifamily Development - Request of Consideration by the Board of Supervisors

Ms. Surber,

Please see the attached signed resolution regarding the Overlook Ridge Multi-Family Development.

If you have any questions or need anything further please let me know.

Thank you,

Angie Michael, Executive Assistant  
Augusta County Administration  
P.O. Box 590  
Verona, VA 24482  
540-245-5618



---

**From:** Jen Surber <[jensurber@surberdev.com](mailto:jensurber@surberdev.com)>

**Sent:** Tuesday, January 10, 2023 9:26 PM

**To:** Angela Michael <[amichael@co.augusta.va.us](mailto:amichael@co.augusta.va.us)>; Michele Astarb <[mastarb@co.augusta.va.us](mailto:mastarb@co.augusta.va.us)>;  
[marehart@co.augusta](mailto:marehart@co.augusta).; Sandy Bunch <[sbunch@co.augusta.va.us](mailto:sbunch@co.augusta.va.us)>

**Subject:** [EXTERNAL]Overlook Ridge - Multifamily Development - Request of Consideration by the Board of Supervisors

Good evening. We have site control of the attached property (see attached Option First Amendment/Exhibit A) and are planning to submit an application in the 2023 Virginia Housing competitive application cycle for tax credits to develop Overlook Ridge, a 90 unit affordable multifamily property. I am writing to request that the Board of Supervisors please consider adopting the attached revitalization resolution and tax abatement ordinance for this property. The deadline for the Virginia Housing application is March 16, so these would need to be adopted before the application is submitted.

The revitalization resolution is the same language that has been adopted by the Board of Supervisors in the past for the development phases of Mountain Laurel Manor.

The tax abatement request is very minor given the large increase in tax revenue that will be recognized by the County if our development plans move forward (only \$2,000 for 3 years). These 3 years can be counted while the property is under construction and being leased up, so a good portion of the requested time period may already be in a time period before the County would do a new assessment of the property.

I will follow up tomorrow with a call to the County Administrator's office and to Michele to see who is the appropriate person with whom to discuss this request.

Thank you,

Jen Surber  
276-698-8760 (cell)

\*\*\* VIRGINIA FREEDOM OF INFORMATION NOTICE \*\*\*

This e-mail and any of its attachments may constitute a public record under the Virginia Freedom of Information Act. Accordingly, the sender and/or recipient listed above may be required to produce this e-mail and any of its attachments to any requester unless certain limited and very specific exemptions are applicable.

\*\*\* VIRGINIA FREEDOM OF INFORMATION NOTICE \*\*\*

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This e-mail transmission may contain information that is proprietary, privileged and/or confidential and is intended exclusively for the person(s) to whom it is addressed. Any use, copying, retention or disclosure by any person other than the intended recipient or the intended recipient's designees is strictly prohibited. If you are not the intended recipient or their designee, please notify the sender immediately by return e-mail and delete all copies. Thank you. County of Augusta.

\*\*\* VIRGINIA FREEDOM OF INFORMATION NOTICE \*\*\*

This e-mail and any of its attachments may constitute a public record under the Virginia Freedom of Information Act. Accordingly, the sender and/or recipient listed above may be required to produce this e-mail and any of its attachments to any requester unless certain limited and very specific exemptions are applicable.

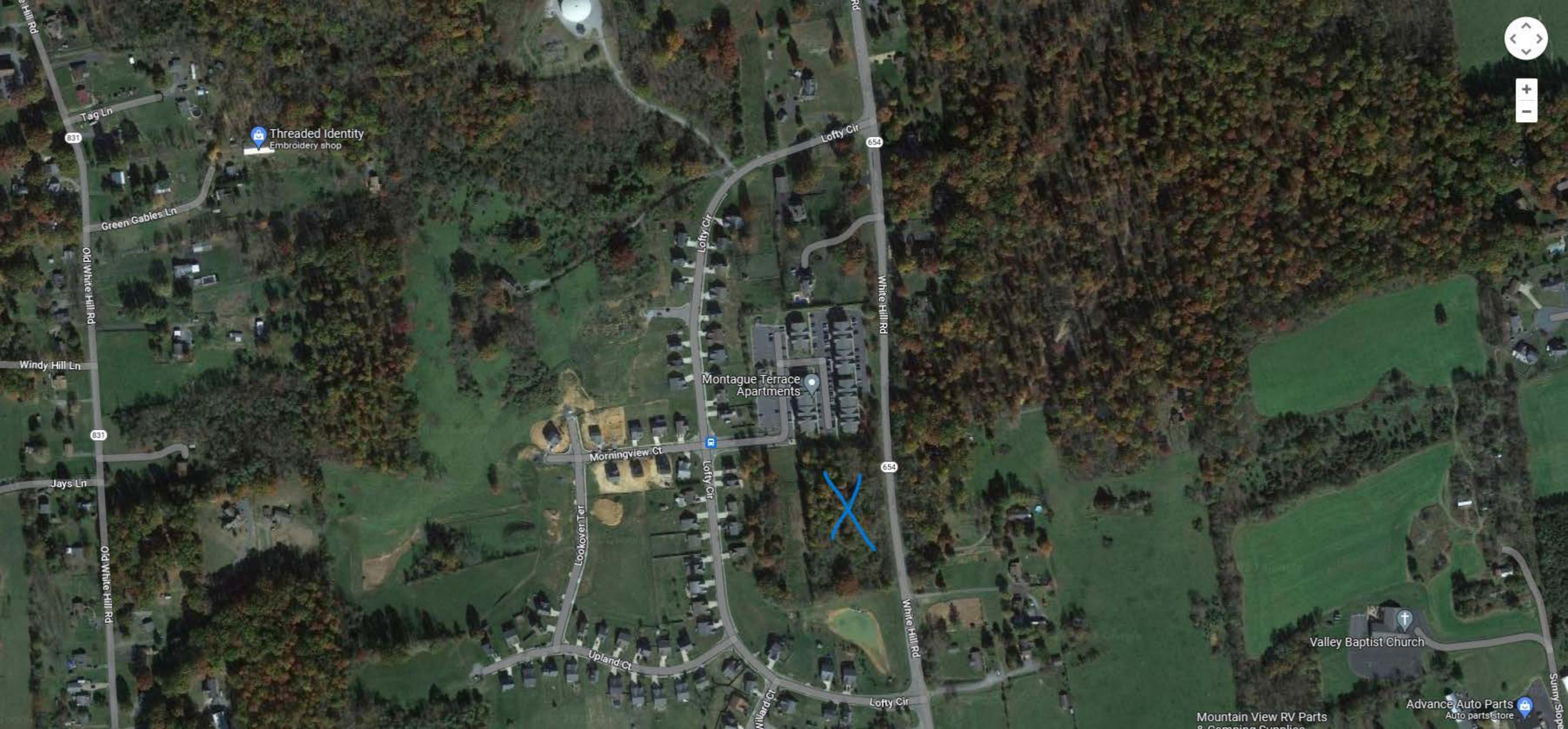
This e-mail transmission may contain information that is proprietary, privileged and/or confidential and is intended exclusively for the person(s) to whom it is addressed. Any use, copying, retention or disclosure by any person other than the intended recipient or the intended recipient's designees is strictly prohibited. If you are not the intended recipient or their designee, please notify the sender immediately by return e-mail and delete all copies. Thank you. County of Augusta.

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# Tab K.2

Location Map



Threaded Identity  
Embroidery shop

Montague Terrace  
Apartments

Valley Baptist Church

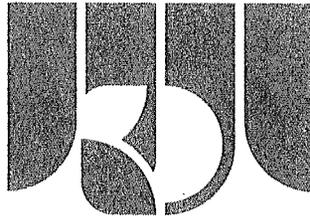
Mountain View RV Parts  
& Camping Supplies

Advance Auto Parts  
Auto parts store



# **Tab K.3**

Surveyor's Certification of Proximity To Public  
Transportation



**KOONTZ BRYANT  
JOHNSON WILLIAMS**

March 8, 2023

Virginia Housing  
601 South Belvidere Street Richmond, Virginia 23220  
RE: 2023 Tax Credit Reservation Request

Name of Development Overlook Ridge

Name of Owner Overlook Ridge VA LLC

Ladies and Gentlemen:

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

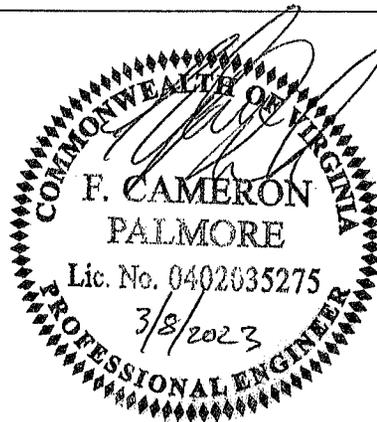
Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- 2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; OR
- 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop.

Firm Name Koontz Bryant Johnson Williams, Inc.

By 

Its Director of Housing and Education  
Title



# Tab L:

PHA / Section 8 Notification Letter

**PHA or Section 8 Notification Letter**

Date \_\_\_\_\_

To \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RE: Proposed Affordable Housing Development

Name of Development \_\_\_\_\_

Name of Owner \_\_\_\_\_

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

**The following is a brief description of the proposed development:**

Development Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Proposed Improvements:**

- New Construction: \_\_\_\_\_ #Units \_\_\_\_\_ #Buildings
- Adaptive Reuse: \_\_\_\_\_ #Units \_\_\_\_\_ #Buildings
- Rehabilitation: \_\_\_\_\_ #Units \_\_\_\_\_ #Buildings

**Proposed Rents:**

- Efficiencies: \$ \_\_\_\_\_ /month
- 1 Bedroom Units: \$ \_\_\_\_\_ /month
- 2 Bedroom Units: \$ \_\_\_\_\_ /month
- 3 Bedroom Units: \$ \_\_\_\_\_ /month
- 4 Bedroom Units: \$ \_\_\_\_\_ /month

**Other Descriptive Information:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Appendices continued

PHA or Section 8 Notification Letter

We appreciate your assistance with identifying qualified tenants.

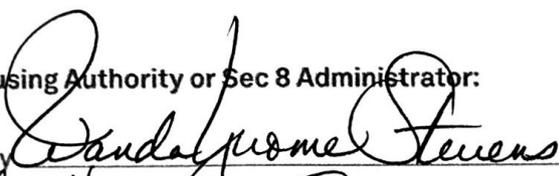
If you have any questions about the proposed development, please call me at (276 ) 698 - 8760 .

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

Sincerely yours,

Name Jen Surber  \_\_\_\_\_  
Title Managing Member \_\_\_\_\_

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

Seen and Acknowledged By  \_\_\_\_\_  
Printed Name: Wanda Yvonne Stevens \_\_\_\_\_  
Title Executive Director \_\_\_\_\_  
Phone 540-886-3413 \_\_\_\_\_  
Date March 6, 2023 \_\_\_\_\_

# Tab M:

Locality CEO Response Letter

NA

# **Tab N:**

Homeownership Plan

NA

# **Tab O:**

Plan of Development Certification Letter

NA

# **Tab P:**

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

Provided In A Separate Tab

# **Tab Q:**

Documentation of Rental Assistance, Tax Abatement  
and/or existing RD or HUD Property

## Memorandum of Understanding between Valley Community Services Board and Overlook Ridge VA LLC

The Valley Community Services Board (VCSB) and Overlook Ridge VA LLC have agreed to enter into this Memorandum of Understanding (MOU) to better serve individuals with disabilities living in VCSB's catchment area of the cities of Staunton and Waynesboro and the counties of Augusta and Highland.

This MOU establishes the working relationship of VCSB and Overlook Ridge VA LLC. VCSB Permanent Supportive Housing (PSH) provides supportive housing for a minimum of 75 individuals with disabilities living in the catchment area. VCSB State Rental Assistance Program (SRAP) provides rental assistance and supportive services for a minimum of 20 individuals with developmental disabilities living in the service area. Overlook Ridge VA LLC is a single-purpose LLC established for the creation/ownership of affordable multifamily housing units in the County of Augusta, Virginia. Through this agreement, Overlook Ridge VA LLC agrees to reserve twelve (12) units for participants in VCSB PSH/SRAP. VCSB PSH/SRAP agrees to provide rental assistance and intensive community-based support services to assist individuals with serious mental illnesses and/or developmental disabilities obtain and retain stable housing in the community.

### Guiding Principles

All parties under this MOU jointly recognize the following:

- Supportive housing tenants are able to choose where they want to live. Tenants cannot be evicted from their housing for rejecting services, nor can they be denied tenancy for rejecting services.
- Supportive housing units are available to people who are experiencing homelessness and/or who have multiple barriers to housing stability, including disabilities and substance abuse.
- Supportive housing units will be similar to other units at Overlook Ridge.
- Supportive housing tenants with disabilities have a right to receive housing and supportive services in the most integrated settings available, including in buildings that include neighbors who do not have disabilities and where there is access to an array of community services and resources used by people with and without disabilities.
- Supportive housing tenant leases confer full rights of tenancy, including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. Tenants can remain in their homes as long as the basic requirements of tenancy are met – paying the rent, not interfering with other tenants' use of their homes, not causing property damage, etc. House rules, if any, are similar to those found in other housing.
- Supportive housing tenants should pay no more than 30% of their incomes towards rent and basic utilities.
- Property managers and supportive services staff will stay in regular communication and coordinate their efforts to help prevent evictions and to ensure tenants facing eviction have access to necessary services and supports.
- There is a functional separation of roles, with the housing elements (rent collection, property maintenance, enforcement of responsibilities of tenancy) carried out by different staff than

those providing services (case management, support coordination, behavioral health treatment).

Through this MOU, VCSB PSH/ SRAP and Overlook Ridge VA LLC agree to the following roles and responsibilities.

Overlook Ridge VA LLC will:

- Prioritize VCSB PSH/SRAP participants for twelve (12) units.
- Execute tenant leases that confer full rights of tenancy including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court.
- Carry out rent collection and administration.
- Oversee tenant relations with respect to notices, evictions, and enforcement of house policies and procedures.
- Provide building and equipment maintenance and repair.
- Provide common area janitorial services.
- Comply with Fair Housing laws.
- Ensure that all tenants understand their right to request a reasonable accommodation and be aware of the formal process for hearing these requests and acting on them.
- Communicate all lease violations with the tenant and the VCSB Housing Specialist.
- Work collaboratively with VCSB PSH/SRAP to promote housing stability.
- Provide dedicated workspace at the property in a private, enclosed space specifically for the provision of Resident Services by VCSB.
- Provide access to community space available to all residents at the property.
- Ensure that the commitment to fully lease the set-aside units with the target populations is fulfilled, including ensuring availability of units that meet the VCSB payment standards for one-bedroom units.
- The Tenant Selection Plan will comport at minimum with Virginia Housing (VH) guidance on such documents.

VCSB PSH/SRAP will:

- Provide a designated housing specialist to be the liaison with property management at Overlook Ridge.
- Identify VCSB PSH/SRAP participants who would like to live in units at Overlook Ridge and assist with completing applications for tenancy.
- Provide rental subsidy for eligible VCSB PSH/SRAP participants.
- Provide intensive housing-related support services and mental health case management to VCSB PSH participants with serious mental illnesses.
- Provide support coordination services to VCSB SRAP participants with developmental disabilities.
- Help VCSB PSH/SRAP participants understand their rights and responsibilities under fair housing and tenant/ landlord laws. This includes responsibilities of a lease, such as paying rent in a timely manner and requesting a repair.

- Under certain conditions or situations, VCSB housing staff may assist a tenant in dissolving the lease agreement with the landlord prior to the lease term ending.
- Work collaboratively with Overlook Ridge VA LLC to promote housing stability.

### Further Acknowledgement and Understanding

- Tenants may be terminated from the VCSB PSH/SRAP program when they no longer meet eligibility for the program. This termination is in no way affiliated with the eviction process, but merely a cessation of programmatic aspects such as rent subsidies, inspections, and support rendered by housing staff.
- Alternatively, eviction, as well as the mutually agreed upon cessation of a lease before its term end, does not mean termination from the program.
- Formal eviction can only take place when some aspect of the lease agreement has been violated and legal action is taken by a respective landlord. Both VCSB and Overlook Ridge VA LLC agree to work toward amelioration of concerns and/or issues prior to the execution of formal eviction proceedings.
- All program participants will be informed of applicable grievance procedures. Program participants will have the opportunity to appeal decisions, including the termination of residency and rental assistance, and the termination of VCSB services.

### Terms

This MOU will begin upon the start of pre-leasing activities at Overlook Ridge VA LLC, expected to be in the Summer-Fall of 2025. This MOU will be automatically renewed with the same terms and conditions annually thereafter except where either party provides written notice of nonrenewal 90 days before the annual termination date. Otherwise, this MOU may be terminated in accordance with the process for Termination described below.

### Termination

Either party may terminate this MOU by giving the other party 90 days prior written notice with or without cause. If a party wishes to terminate for cause, the party wishing to terminate the agreement for cause must provide a written intent to terminate notice to the party alleged to be in breach or default. Such notice will provide 30 days for the party alleged to be in breach or default to respond to said notice with an acceptable plan to cure cause for termination.

### Amendments

This MOU may be amended in writing and authorized by the designated representatives of both Overlook Ridge VA LLC and VCSB.

#### Overlook Ridge VA LLC

Signed:  \_\_\_\_\_  
Date: 2/17/23

#### VCSB Executive Director

Signed:  \_\_\_\_\_  
Date: 2/22/2023

31C9AB4C8758454...

# **Tab R:**

Documentation of Operating Budget and Utility Allowances

**03.07.2023**

Surber Development & Consulting, LLC  
38 Green Tree Circle, Bristol, VA 24201  
jensurber@surberdev.com

**Overlook Ridge - Updated Utility Allowance Estimation**

Dear Jen,

Please find below an updated Utility Allowance (UA) for Overlook Ridge in Stuarts Draft, VA.

In order to estimate the electric utility use, we used RESNET standard approved software (Ekotrope and/or REM/Rate). Below is the projected electric utility allowance cost that represents the 'worst case' unit type (highest projected cost). The inputs used in the energy modeling were from the preliminary plans and attached assumptions of units meeting ENERGY STAR v3 standards. Rates are pulled from their current listed schedules. A 3/4" meter is assumed for each apartment. VHDA rates are also included in these calculations, however, we understand that Virginia no longer provides nor recognizes these rates for this use. It is the responsibility of the developer and/or housing approval team to determine feasibility.

Unit Type	Electricity	Water & Sewer (HUD)	Water & Sewer (VHDA)	Total UA (VHDA + elec)
2 Bedroom	\$70	\$129	\$69	<b>\$139</b>

Unit Type	Electricity	Water & Sewer (HUD)	Water & Sewer (VHDA)	Total UA (VHDA + elec)
3 Bedroom	\$73	\$186	\$83	<b>\$156</b>

These figures are based on a set of assumptions that were needed to complete an initial assessment of development plans, as per *Appendix F – RESNET Rater Certification of Development Plans*, and will be revised accordingly as more detailed plans are developed. Should you have any questions do not hesitate to contact me.

Sincerely,

Jacob Hauser  
Energy & Data Analyst  
Southern Energy Management  
jacob@southern-energy.com



03.14.2023

# **Tab S:**

Supportive Housing Certification

## Appendices continued

### Virginia Housing Permanent Supportive Housing Services Certification

Permanent Supportive Housing is housing consisting of units designated for individuals or families that are homeless, at-risk of homelessness or who have multiple barriers to independent living.

Best practices are described by the U.S. Department of Health and Human Services:  
<http://store.samhsa.gov/shin/content/SMA10-4510/SMA10-4510-06-BuildingYourProgram-PSH.pdf>

For consideration, provide **all** of the following:

1. Attach a list of developments for which you've provided permanent supportive housing services. Describe the types of services that were provided.
2. A signed copy of an MOU with a local service provider agency(ies). If no MOU exists, the service provider must sign this certification. If neither is available, provide an explanation for the lack of demonstrated partnership and describe how the property will receive referrals and from whom the residents will receive services.
3. Describe your target population(s): Individuals and families with serious mental illness or developmental disabilities
4. List the types of supportive services to be offered: mental health case management, support coordination, understanding rights and responsibilities under fair housing and tenant/ landlord laws, linkage to mainstream resources that promote housing stability.
5. Who will be providing supportive services? Valley CSB
6. What percentage of the total number of units will be marketed to and held available for tenants in need of supportive services? 24 %

In addition, I/we certify the following:

#### Services

**Tenant choice.** Supportive housing tenants will have choices in what support services they receive (i.e., not a limited menu of services). Individual Support Plans will reflect tenant-defined needs and preferences. As supportive service tenants' needs change over time, tenants can receive more or less intensive support services.

**Assertive outreach and engagement.** The service team will use a variety of outreach and engagement techniques to bring tenants into helping relationships.

**Case management.** Case managers will serve as the bridge between tenants and the supports that help them achieve stability and long-term tenancy.

## Appendices continued

### Housing

**Tenant choice.** Supportive housing tenants will be able to choose where they want to live. Tenants cannot be evicted from their housing for rejecting services.

**Access.** Supportive housing units will be available to people who are experiencing homelessness, are precariously housed and/or who have multiple barriers to housing stability, including disabilities and substance abuse.

**Quality.** Supportive housing units will be similar to other units in the project.

**Integration.** Supportive housing tenants with disabilities will have a right to receive housing and supportive services in the most integrated settings available, including in buildings that include neighbors who do not have disabilities and where there is access to an array of community services and resources used by people with and without disabilities.

**Rights of tenancy.** Supportive housing tenant leases or subleases will confer full rights of tenancy, including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. Tenants can remain in their homes as long as the basic requirements of tenancy are met — paying the rent, not interfering with other tenants' use of their homes, not causing property damage, etc. House rules, if any, are similar to those found in other housing.

**Affordability.** Supportive housing tenants should pay no more than 30% of their incomes toward rent and basic utilities.

**Coordination between housing and services.** Property managers and support service staff will stay in regular communication and coordinate their efforts to help prevent evictions and to ensure tenants facing eviction have access to necessary services and supports.

**Delineated roles.** There will be a functional separation of roles, with the housing elements (rent collection, property maintenance, enforcement of responsibilities of tenancy) carried out by different staff than those providing services (case management, mental health treatment, wraparound services).

The undersigned Owner certifies that each of the above statements is true and correct.

I/We agree that the commitment to provide supportive housing will remain in place throughout the Compliance Period (as described in the Extended Use Agreement).

Date 2/25/2023

Owner/Applicant Overlook Ridge VA LLC

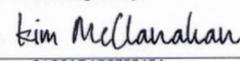
By: Overlook Ridge MM LLC  
By: Surber Development and Consulting LLC

By 

Its Managing Member

Title

Service Provider Valley Community Services Board

DocuSigned By: 

By 31C9AB4C8758454...

Its Executive Director

Title

# DBHDS MOU Approval



### DBHDS MOU Review and Decision

Suber Development and Consulting LLC, Developer of Overlook Ridge (2023-C-32) Low-Income Housing Tax Credit (LIHTC) Applicant and Valley Community Services Board, Resident Service Provider have partnered together through a Memorandum of Understanding (MOU) to provide onsite resident services to tenants of Overlook Ridge, once placed in service. Suber Development and Consulting LLC has requested DBHDS to review and approve the MOU between the parties as required in Virginia Housing’s (VH) LIHTC Qualified Allocation Plan (QAP) for consideration of the extra point (15) incentive *Resident Well Being*.

The MOU:

- Meets minimum review standards
- Does not meet minimum review standards

Required Evidence of Experience:

- DBHDS affirms that as of the date on this letter, Valley Community Services Board, Resident Service Provider has a DBHDS triennial license, in good standing, with no outstanding corrective action plans.
- LIHTC applicant asserts Service Provider meets other experience criteria to be reviewed by Virginia Housing.
- DBHDS attests/does not attest experience evidenced by receipt of a grant or grants by the service provider for provision of direct services to the development’s residents

DBHDS MOU decision:                       APPROVED                       NOT APPROVED

Name and Title:	Janna Wiener, Housing Services Manager - DBHDS
Signature:	
Date:	2/27/2023

## Memorandum of Understanding between Valley Community Services Board and Overlook Ridge VA LLC

The Valley Community Services Board (VCSB) and Overlook Ridge VA LLC have agreed to enter into this Memorandum of Understanding (MOU) to better serve individuals with disabilities living in VCSB's catchment area of the cities of Staunton and Waynesboro and the counties of Augusta and Highland.

This MOU establishes the working relationship of VCSB and Overlook Ridge VA LLC. VCSB Permanent Supportive Housing (PSH) provides supportive housing for a minimum of 75 individuals with disabilities living in the catchment area. VCSB State Rental Assistance Program (SRAP) provides rental assistance and supportive services for a minimum of 20 individuals with developmental disabilities living in the service area. Overlook Ridge VA LLC is a single-purpose LLC established for the creation/ownership of affordable multifamily housing units in the County of Augusta, Virginia. Through this agreement, Overlook Ridge VA LLC agrees to reserve twelve (12) units for participants in VCSB PSH/SRAP. VCSB PSH/SRAP agrees to provide rental assistance and intensive community-based support services to assist individuals with serious mental illnesses and/or developmental disabilities obtain and retain stable housing in the community.

### Guiding Principles

All parties under this MOU jointly recognize the following:

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- Supportive housing units are available to people who are experiencing homelessness and/or who have multiple barriers to housing stability, including disabilities and substance abuse.
- Supportive housing units will be similar to other units at Overlook Ridge.
- Supportive housing tenants with disabilities have a right to receive housing and supportive services in the most integrated settings available, including in buildings that include neighbors who do not have disabilities and where there is access to an array of community services and resources used by people with and without disabilities.
- Supportive housing tenant leases confer full rights of tenancy, including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. Tenants can remain in their homes as long as the basic requirements of tenancy are met – paying the rent, not interfering with other tenants' use of their homes, not causing property damage, etc. House rules, if any, are similar to those found in other housing.
- Supportive housing tenants should pay no more than 30% of their incomes towards rent and basic utilities.
- Property managers and supportive services staff will stay in regular communication and coordinate their efforts to help prevent evictions and to ensure tenants facing eviction have access to necessary services and supports.
- There is a functional separation of roles, with the housing elements (rent collection, property maintenance, enforcement of responsibilities of tenancy) carried out by different staff than

those providing services (case management, support coordination, behavioral health treatment).

Through this MOU, VCSB PSH/ SRAP and Overlook Ridge VA LLC agree to the following roles and responsibilities.

Overlook Ridge VA LLC will:

- Prioritize VCSB PSH/SRAP participants for twelve (12) units.
- Execute tenant leases that confer full rights of tenancy including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court.
- Carry out rent collection and administration.
- Oversee tenant relations with respect to notices, evictions, and enforcement of house policies and procedures.
- Provide building and equipment maintenance and repair.
- Provide common area janitorial services.
- Comply with Fair Housing laws.
- Ensure that all tenants understand their right to request a reasonable accommodation and be aware of the formal process for hearing these requests and acting on them.
- Communicate all lease violations with the tenant and the VCSB Housing Specialist.
- Work collaboratively with VCSB PSH/SRAP to promote housing stability.
- Provide dedicated workspace at the property in a private, enclosed space specifically for the provision of Resident Services by VCSB.
- Provide access to community space available to all residents at the property.
- Ensure that the commitment to fully lease the set-aside units with the target populations is fulfilled, including ensuring availability of units that meet the VCSB payment standards for one-bedroom units.
- The Tenant Selection Plan will comport at minimum with Virginia Housing (VH) guidance on such documents.

VCSB PSH/SRAP will:

- Provide a designated housing specialist to be the liaison with property management at Overlook Ridge.
- Identify VCSB PSH/SRAP participants who would like to live in units at Overlook Ridge and assist with completing applications for tenancy.
- Provide rental subsidy for eligible VCSB PSH/SRAP participants.
- Provide intensive housing-related support services and mental health case management to VCSB PSH participants with serious mental illnesses.
- Provide support coordination services to VCSB SRAP participants with developmental disabilities.
- Help VCSB PSH/SRAP participants understand their rights and responsibilities under fair housing and tenant/ landlord laws. This includes responsibilities of a lease, such as paying rent in a timely manner and requesting a repair.

- Under certain conditions or situations, VCSB housing staff may assist a tenant in dissolving the lease agreement with the landlord prior to the lease term ending.
- Work collaboratively with Overlook Ridge VA LLC to promote housing stability.

### Further Acknowledgement and Understanding

- Tenants may be terminated from the VCSB PSH/SRAP program when they no longer meet eligibility for the program. This termination is in no way affiliated with the eviction process, but merely a cessation of programmatic aspects such as rent subsidies, inspections, and support rendered by housing staff.
- Alternatively, eviction, as well as the mutually agreed upon cessation of a lease before its term end, does not mean termination from the program.
- Formal eviction can only take place when some aspect of the lease agreement has been violated and legal action is taken by a respective landlord. Both VCSB and Overlook Ridge VA LLC agree to work toward amelioration of concerns and/or issues prior to the execution of formal eviction proceedings.
- All program participants will be informed of applicable grievance procedures. Program participants will have the opportunity to appeal decisions, including the termination of residency and rental assistance, and the termination of VCSB services.

### Terms

This MOU will begin upon the start of pre-leasing activities at Overlook Ridge VA LLC, expected to be in the Summer-Fall of 2025. This MOU will be automatically renewed with the same terms and conditions annually thereafter except where either party provides written notice of nonrenewal 90 days before the annual termination date. Otherwise, this MOU may be terminated in accordance with the process for Termination described below.

### Termination

Either party may terminate this MOU by giving the other party 90 days prior written notice with or without cause. If a party wishes to terminate for cause, the party wishing to terminate the agreement for cause must provide a written intent to terminate notice to the party alleged to be in breach or default. Such notice will provide 30 days for the party alleged to be in breach or default to respond to said notice with an acceptable plan to cure cause for termination.

### Amendments

This MOU may be amended in writing and authorized by the designated representatives of both Overlook Ridge VA LLC and VCSB.

#### Overlook Ridge VA LLC

Signed:  \_\_\_\_\_  
Date: 2/17/23

#### VCSB Executive Director

Signed:  \_\_\_\_\_  
Date: 2/22/2023

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# Telehealth

AUGUSTA RESOURCES FOR RESILIENCE, OPPORTUNITY, AND WELLNESS  
STANDARD CONTRACT

This Contract entered into this 28TH day of **February**, by Overlook Ridge VA LLC hereinafter called ( "Overlook" ) and the Augusta Resources for Resilience, Opportunity, and Wellness (hereinafter called ("ARROW")).

**WITNESSETH** that Overlook and ARROW, in consideration of the mutual covenants, promises, and agreements herein contained and/or attached agree as follows:

**SCOPE OF SERVICES:** ARROW shall provide up to two telehealth outpatient counseling sessions to any resident of Overlook Trace at no cost to the resident.

**PERIOD OF PERFORMANCE:** The initial performance period will begin on the date Overlook Trace is placed in service, expected to be July 15, 2025 with one year renewals, thereafter if mutually agreed. Each annual renewal will be based on the initial Placed in Service date.

**COMPENSATION AND METHOD OF PAYMENT:** Per attached proposed fee quote. The contract value from approximately July 15, 2025 through approximately July 15, 2026 will be paid as a single annual payment in the amount of **\$4,896**.

**CONTRACT DOCUMENTS:** The Contract documents shall consist of this signed contract, and Business Associate Agreement all of which contract documents are incorporated herein.

**IN WITNESS THEREOF**, the parties have caused this contract to be duly executed intending to be bound thereby.

**AUGUSTA RESOURCES FOR RESILIENCE, OPPORTUNITY, AND WELLNESS:**

By: Sabrina Burress

Signature: 

Title: Executive Director

Date: February 28, 2023

**Overlook Ridge VA LLC:**

By: Jennifer E. H. Surber

By: Overlook Ridge MM LLC

By: Surber Development and Consulting LLC

Signature: 

Title: Managing Member

Date: February 28, 2023

**BUSINESS ASSOCIATE AGREEMENT**  
**PRIVACY AND SECURITY OF PROTECTED HEALTH INFORMATION**

**THIS BUSINESS ASSOCIATE AGREEMENT** is made as of February 28, 2023 by Augusta Resources for Resilience, Opportunity, and Wellness (herein referred to as “ARROW”), with offices at 11 Middlebrook Avenue; Staunton, VA 24401 and Overlook Ridge VA LLC., (here in referred to as “Business Associate”), a single-purpose LLC established for the creation/ownership of affordable multifamily housing units in Augusta County, Virginia with an office at 120 Green Tree Circle; Bristol, VA 24201.

This BUSINESS ASSOCIATE AGREEMENT (herein referred to as the “Agreement”) constitutes a non-exclusive agreement between the Covered Entity, which administers health services, and the Business Associate named above.

The Covered Entity and Business Associate, as defined in section 160.103 of the Final HIPAA Privacy Rule, have entered into this Business Associate Agreement to comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Final Privacy regulation requirements for such an Agreement, as well as our duty to protect the confidentiality and integrity of Protected Health Information (PHI) required by law, Department policy, professional ethics, and accreditation requirements. Parties signing this Agreement shall fully comply with the provisions of the Regulations implementing HIPAA.

NOW THEREFORE, the parties, intending to be legally bound, agree as follows:

I. Definitions.

As used in this contract, the terms below will have the following meanings:

- a. Business Associate: A person or organization that performs a function or activity on behalf of the Covered Entity, but is not part of the Covered Entity's workforce. A business associate can also be a covered entity in its own right.
- b. Covered Entity: Includes 1) All health care providers who transmit any health information electronically in connection with standard financial or administrative transactions, 2) All health plans, 3) All health care clearinghouses. Covered entities are accountable for PHI.
- c. Protected Health Information (PHI): Any information that is created or received by a Covered Entity that relates to the past, present, or future physical or mental health or condition of an individual, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- d. Privacy Rule: Shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.
- e. Required By Law: Shall have the same meaning as the term “required by law” in 45 CFR 164.501

II. Obligations and Activities of Business Associate

- a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as Required By Law.
- b. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.

- c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- d. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.
- e. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- f. Business Associate agrees to provide access, at the request of Covered Entity, and in a timely manner, to Protected Health Information to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.
- g. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity, available to the Secretary of Health and Human Services, in a timely manner or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- h. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.
- i. Business Associate agrees to provide to Covered Entity or an Individual, in a timely manner, information collected in accordance with Section h of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.

### III. General Use and Disclosure Provisions

- a. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- b. Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- c. Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j) (1).
- d. Where applicable, the following provisions regarding disclosure of confidential substance abuse treatment and diagnostic information will be adhered to in accordance with 42 CFR 2:
  - i. Disclosure *with* consent must state the prohibition on re-disclosure
  - ii. Sharing SA PHI with primary care providers, even physicians co-located at one's site, requires a release and is prohibited from re-disclosure without additional consent
  - iii. PHI may conditionally be disclosed/re-disclosure for Research or Audits & Evaluations

IV. Obligations of Covered Entity

Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions:

- a. Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity in accordance with 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected health Information.
- b. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected health information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.
- c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

V. Permissible Request by Covered Entity

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

VI. Termination

Covered Entity may immediately terminate this Contract if Covered Entity determines that Business Associate has violated a material term of this Contract. This Agreement shall remain in effect unless terminated for cause by [Covered Entity] with immediate effect, or until terminated by either party with not less than thirty (30) days prior written notice to the other party, which notice shall specify the effective date of the termination; provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under any Documents or otherwise under this Agreement before the effective date of termination. Within thirty (30) days of expiration or earlier termination of this Contract, Business Associate shall return or destroy all PHI received from Covered Entity (or created or received by Business Associate on behalf of Covered Entity) that Business Associate still maintains in any form and retain no copies of such PHI. Business Associate shall provide a written certification that all such PHI has been returned or destroyed, whichever is deemed appropriate. If such return or destruction is infeasible, Business Associate shall use such PHI only for purposes that make such return or destruction infeasible and the provisions of this Contract shall survive with respect to such PHI.

VII. Effect of Termination

Upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected health information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected health Information. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction of Protected Health Information is infeasible. Upon negotiation that return or destruction of Protected health Information is infeasible, Business Associate shall extend the protections of this Agreement to such Protected health information and limit further uses and disclosures of such Protected health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such protected Health Information.

VIII. Amendment

Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or of this state relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, Covered Entity may, by written notice to the Business Associate, amend this Agreement in such manner as Covered Entity determines necessary to comply with such law or regulation. If Business Associate disagrees with any such amendment, it shall so notify Covered Entity in writing within thirty (30) days of Covered Entity's notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate this Agreement by written notice to the other.

EACH PARTY has caused this Agreement to be properly executed on its behalf as of the date first above written.

For: ARROW  
11 Middlebrook Avenue  
Staunton, VA 24401

BY:  \_\_\_\_\_

Sabrina Burress, MA HA, MA CMHC, LPC, NCC  
Executive Director

For: Overlook Ridge VA LLC  
120 Green Tree Circle  
Bristol, Virginia 24201

By: Overlook Ridge MM LLC  
By: Surber Development and Consulting LLC

BY:  \_\_\_\_\_

Jennifer E. H. Surber  
Managing Member

# **Tab T:**

Funding Documentation

NA

# **Tab U:**

Acknowledgement by Tenant of the availability of Renter  
Education provided by Virginia Housing

[Type here]

## Overlook Ridge VA LLC

### Virginia Housing Free Housing Education Acknowledgement

I \_\_\_\_\_, have read, understand, and acknowledge, I have been presented information regarding the Virginia Housing free renter education to tenants.

I understand that it is my responsibility to review the website link provided here [www.virginiahousing.com/renters](http://www.virginiahousing.com/renters).

By signing below, I acknowledge that I have read, and understand the terms of all items contained this form.

Resident Name: \_\_\_\_\_

Resident Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# **Tab V:**

Nonprofit or LHA Purchase Option or Right of First  
Refusal

Recording Requested by Overlook Ridge VA LLC

Tax Parcel No: \_\_\_\_\_

## **RIGHT OF FIRST REFUSAL AGREEMENT**

**Overlook Ridge Apartments,**

**Augusta County, Virginia**

RIGHT OF FIRST REFUSAL AGREEMENT (the "Agreement") dated as of March 9, 20 23 by and among **Overlook Ridge VA LLC**, a Virginia limited liability company (the "Owner" or the "Company"), **Southeastern Housing Preservation, Inc.**, a North Carolina nonprofit corporation (the "Grantee"), and is consented to by **Overlook Ridge MM LLC**, a Virginia limited liability company (the "Managing Member"), **[INVESTOR ENTITY]**, a [ \_\_\_\_\_ ] limited liability company (the "**Investor Member**") and [ \_\_\_\_\_ ] **SPECIAL LIMITED PARTNER, L.L.C.**, a [ \_\_\_\_\_ ] limited liability company (the "Special Member"). The Managing Member, the Investor Member and the Special Member are sometimes collectively referred to herein as the "Consenting Members". The Investor Member and Special Member are sometimes collectively referred to herein as the "Non-Managing Members". This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

### Recitals

- A. The Owner, pursuant to its Amended and Restated Operating Agreement dated on or about the date hereof by and among the Consenting Members (the "Operating Agreement"), is engaged in the ownership and operation of an [ 50 ]-unit apartment project for families located in Augusta County, Virginia and commonly known as "Overlook Ridge Apartments" (the "Project"). The real property comprising the Project is legally defined on **Exhibit A**.
- B. The Grantee is a member of the Managing Member of the Owner and is instrumental to the development and operation of the Project; and
- C. The Owner desires to give, grant, bargain, sell and convey to the Grantees certain rights of first refusal to purchase the Project on the terms and conditions set forth herein;
- D. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the "Refusal Right") to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the "Property"), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that is required by Virginia Housing (or the "Credit Authority") or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

- A. After the end of the Compliance Period, the Company agrees that it will not sell the Property or any portion thereof to any Person without first offering the Property to the Grantee (the "Refusal Right"), for the Purchase Price (as defined in Section 3); *provided, however,* that such Refusal Right shall be conditioned upon the receipt by the Company of a "bona fide offer" (the acceptance or rejection of which shall not require the Consent of the Members). The Company shall give the notice of its receipt of such offer (the "Offer Notice") and shall deliver a copy of the Offer Notice to the Grantee. Upon receipt by the Grantee of the Offer Notice, the Grantee shall have 90 days to deliver to Company a written notice of its intent to exercise the Refusal Right (the "Election Notice"). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a "bona fide offer" for purposes of this Agreement. Such offer (i) may be solicited by the Grantee or the Managing Member (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period provided that the Election Notice may not be sent until the end of the Compliance Period) and (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non-Managing Members [or of Virginia Housing].
- B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, or if such Election Notice is delivered but the Grantee does not consummate the purchase of the Project within 270 days from the date of delivery of the Election Notice (each, individually, a "Terminating Event"), then its Refusal Right shall terminate and the Company shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

- A. The purchase price for the Property pursuant to the Refusal Right (the "Purchase Price") shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the "minimum purchase price" as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Non-Managing Members of the Owner (or their constituent partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.
- B. All costs of the Grantee's purchase of the Property pursuant to the Refusal Right,

including any filing fees, shall be paid by Grantee.

C. The Purchase Price shall be paid at Closing in one of the following methods:

- (i) the payment of all cash or immediately available funds at Closing, or
- (ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

#### Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

- (i) the Grantee or its assignee shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary"); and
- (ii) the Project continues to be a "qualified low-income housing project" within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in a writing signed by the Grantee and each of the Consenting Members:

- (i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or
- (ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or
- (iii) the Project ceases to be a "qualified low-income housing project" within the meaning of Section 42 of the Code, or
- (iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes set forth in Section 2 above.

#### Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the "Closing") to occur in Augusta County, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

#### Section 6. Conveyance and Condition of the Property

The Owner's right, title and interest in the Property shall be conveyed by quitclaim deed, subject to such liens, encumbrances and parties in possession as shall exist as of the date of Closing.

The Grantee shall accept the Property "**AS IS, WHERE IS**" and "**WITH ALL FAULTS AND DEFECTS,**"

latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed to the property, an ALTA owner's title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances and other exceptions then affecting the title.

#### Section 7. Transfer

The Refusal Right shall not be transferred to any Person without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right (i) all conditions and restrictions applicable to the exercise of the Refusal Right or the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which Grantee would have been ineligible to exercise such rights hereunder had it not effected such transfer.

#### Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

#### Section 9. Option to Purchase

A. The parties hereto agree that if the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an "option to purchase" pursuant to Section 42(i)(7) of the Code as opposed to a "right of first refusal" without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

B. If the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a "right of first refusal to purchase partner interests" and/or "purchase option to purchase partner interests" pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a "right of first refusal to purchase the Project" without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Member as a partner of the Company for federal income tax purposes) then the parties shall amend this Agreement and the Investor Members shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

#### Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been given and received (i) two (2) business days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one (1) business day after being delivered to a nationally recognized overnight delivery service, (iii) on the day sent by telecopier or other facsimile transmission, answer back requested, or (iv) on the day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other party:

- (i) If to the Owner, at the principal office of the Company set forth in the Operating Agreement;
- (ii) If to a Consenting Member, at their respective addresses set forth in the Operating Agreement;
- (iii) If to the Grantee, Southeastern Housing Preservation, Inc., 1515 Mockingbird Lane,

Suite 1010, Charlotte, NC 28209;

#### Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

#### Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

#### Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the foregoing, Company, Investor Member and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow nonprofit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members [and Virginia Housing].

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project and, in the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right herein granted are covenants running

with the land and the terms and provisions hereof will be binding upon, inure to the benefits of and be enforceable by the parties hereto and their respective successors and assigns.

Section 21. Third Party Beneficiary; Virginia Housing Rights and Powers

The Virginia Housing Development Authority ("Virginia Housing") shall be a third party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. The Authority and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

IN WITNESS WHEREOF, the parties hereto have executed this Right of First Refusal Agreement as of the date first stated above.

**OWNER:**

**Overlook Ridge VA LLC**, a Virginia limited liability company

By: Overlook Ridge MM LLC, a Virginia limited liability company, its managing member

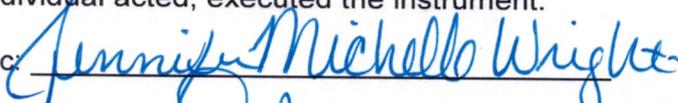
By: Surber Development and Consulting LLC, a Virginia limited liability company, its managing member

By:   
Jennifer E.H. Surber, Managing Member

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF Bristol

On March 9, 2023, before me, the undersigned, a notary public in and for said state, personally appeared Jennifer E.H. Surber, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity as managing member of Surber Development and Consulting LLC, a Virginia limited liability company, the managing member of the Overlook Ridge MM LLC, a Virginia limited liability company, the managing member of Overlook Ridge VA LLC, a Virginia limited liability company and that by her signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public: 

Commission Expires: April 25, 2026

Registration No.: 7995790



**GRANTEE:**

Southeastern Housing Preservation, Inc., a North Carolina nonprofit corporation

By:   
Ira Slomka, President

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

On March 9, 2023, before me, the undersigned, a notary public in and for said state, personally appeared Ira Slomka, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity as President of Southeastern Housing Preservation, Inc., a North Carolina nonprofit corporation, and that by his/her signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public: 

Commission Expires: 05/22/2027

Registration No.: 199713660014



The undersigned hereby consents to the foregoing Right of First Refusal Agreement as of the date first set forth hereinabove.

**MANAGING MEMBER:**

Overlook Ridge MM LLC, a Virginia limited liability company

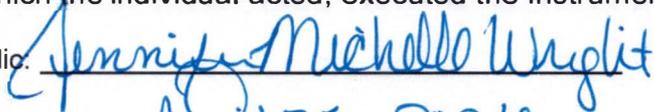
By: Surber Development and Consulting LLC, a Virginia limited liability company, its managing member

By:   
Jennifer E.H. Surber, Managing Member

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF Bristol

On March 9, 2023, before me, the undersigned, a notary public in and for said state, personally appeared Jennifer E.H. Surber, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity as managing member of Surber Development and Consulting LLC, a Virginia limited liability company, the managing member of the Overlook Ridge MM LLC, a Virginia limited liability company, and that by her signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public: 

Commission Expires: April 25, 2026

Registration No.: 7995790



The undersigned hereby consents to the foregoing Right of First Refusal Agreement as of the date first set forth hereinabove.

**INVESTOR MEMBER:**

**[INVESTOR ENTITY]**, a [ \_\_\_\_\_ ] [ \_\_\_\_\_ ]  
limited liability company

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPECIAL MEMBER:**

[ \_\_\_\_\_ ] [ \_\_\_\_\_ ] **SPECIAL LIMITED PARTNER, L.L.C.**, a [ \_\_\_\_\_ ] [ \_\_\_\_\_ ]  
limited liability company

By: [ \_\_\_\_\_ ], LLC, a [ \_\_\_\_\_ ]  
[ \_\_\_\_\_ ] limited liability company, its manager

By: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20 \_\_, before me, the undersigned, a notary public in and for said state, personally appeared [ \_\_\_\_\_ ], personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as [ \_\_\_\_\_ ], the manager of **[Investor Entity]**, a [ \_\_\_\_\_ ] limited liability company, and [ \_\_\_\_\_ ] **Special Limited Partner, L.L.C.**, a [ \_\_\_\_\_ ] limited liability company, and that by his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public \_\_\_\_\_

Commission expires \_\_\_\_\_

P.B. 1, PG. 230

PH. 7  
PH. 2  
PRIVATE A  
FOR PARCEL  
TAX MAP 7:

MORNINGVIEW CT.  
50'R/W

LOFTY CIRCLE  
50' R/W

MONUMENT  
SIGN ESMT.  
LOFTY CIF  
50' R/W

OVERLOOK LC  
T.M. 75-45L  
INST. #100003794  
PLAT BOOK 1, PG. 7774&7775  
95.00 ACRES (INCLUDING ALL  
PHASES AND OPEN SPACE)  
RESIDUE=94.73 ACRES (ALL  
PHASES & OPEN SPACE)  
ZONED: SF

20' POWER  
EASEMENT

20' STORM  
EASEMENT

20' POWER  
EASEMENT

20' POWER  
EASEMENT

20' POWER  
EASEMENT

20' WATERLINE  
EASEMENT

20' WATERLINE  
EASEMENT

20' WATERLINE  
EASEMENT

20' WATERLINE  
EASEMENT

85' ELECTRIC EASEMENT  
D.B. 528, PG. 07

20' SAN. EASEMENT  
SEE DETAIL BELOW

LOOK LC  
75-45L  
#100003794  
BOOK 1, PG. 7774&7775  
95 ACRES (INCLUDING ALL  
PHASES AND OPEN SPACE)  
RESIDUE=94.73 ACRES (ALL  
PHASES & OPEN SPACE)  
ZONED: SF

OVERLOOK LC  
T.M. 75-45  
INST. #100003794  
PB. 1, PG. 7774&7775  
9.53 ACRES (PARCELS A&B)  
ZONED: MF

PARCEL "A"  
4.86 ACRES

OVERLOOK LC  
T.M. 75-45  
INST. #10000379  
PB. 1, PG. 7774&  
9.53 ACRES (PAF  
ZONED: MF

20' WATERLINE EASEMENT  
D.B. 689, PG. 218

20' WATERLINE EASEMENT  
D.B. 689, PG. 218

SANITARY SEWER  
EASEMENT

20' WATERLINE  
EASEMENT

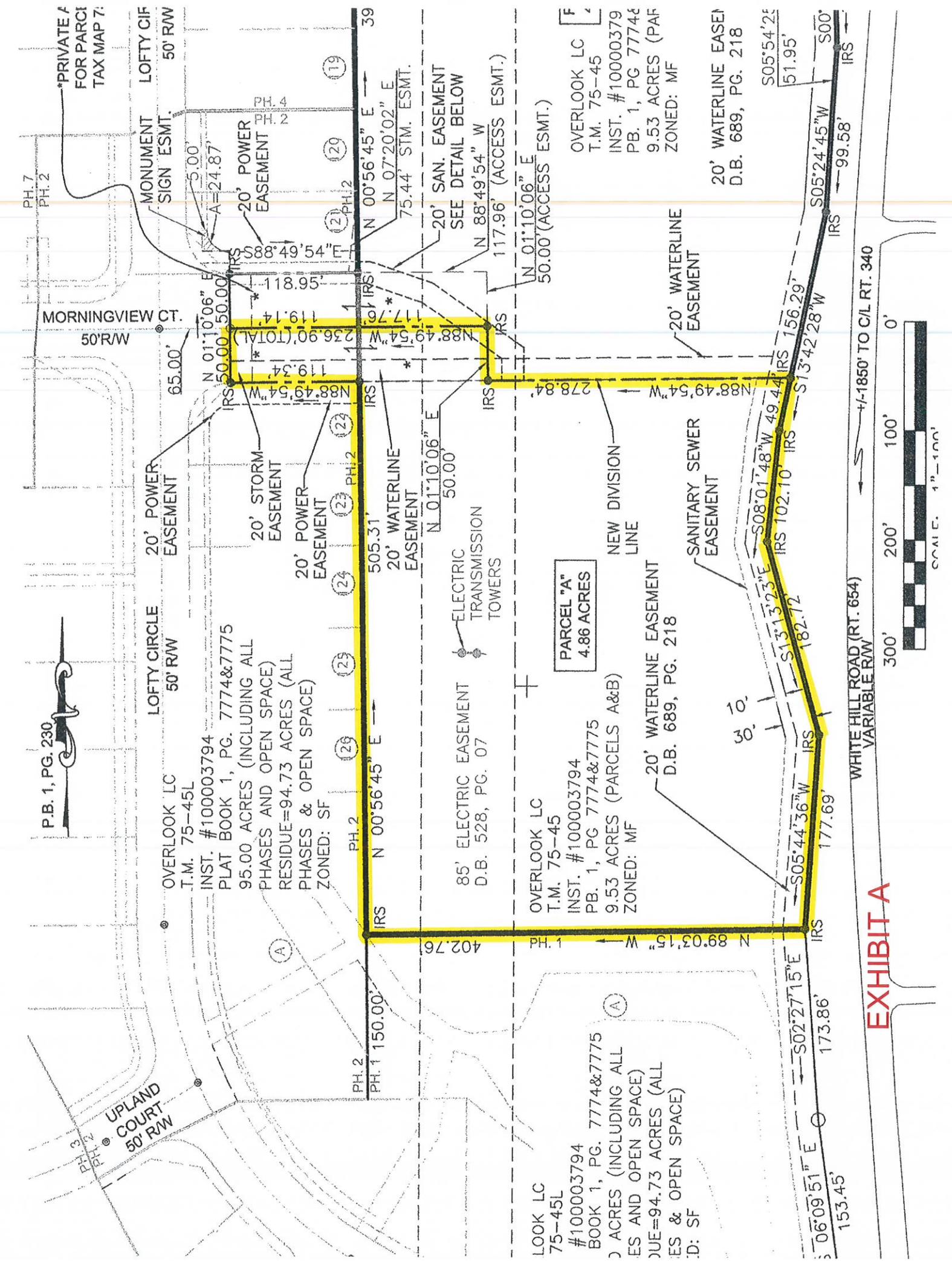
20' WATERLINE EASEMENT  
D.B. 689, PG. 218

WHITE HILL ROAD (RT. 654)  
VARIABLE R/W

EXHIBIT A



SCALE: 1"=100'



# **Tab W:**

Internet Safety Plan and Resident Information Form (if  
internet amenities selected)

## WIRELESS ACCESS POLICY

Use of wireless devices and internet access are increasing as it provides a convenient mechanism for accessing resources. Along with this convenience is a need for management access, as the devices are natively less secure than a hardwired device. The following policy is being implemented to reduce risks related to wireless networks:

- Wireless networks shall be segmented between personnel, residents and guests.
- Wireless access points or routing devices are to be secured with lock access only accessible by the management agent.
- Logical and physical user access to wireless network devices shall be restricted to authorized personnel and residents only.
- The guest access point is to be used by all guests.
- All vendor default settings for wireless devices (e.g. passwords, wireless encryption keys) shall be changed prior to installing wireless equipment.
- Wireless security protocols shall be used that are of the highest encryption possible.
- Strong passwords shall be employed for all wireless SSID and changed on a periodic basis either through the protocol or across the enterprise
- User id will be issued to all users at that time of move in or hire date
- Passwords will expire every 90 days
- Passwords will need to include at least 1 uppercase letter, 1 lowercase letter, a number and special character.
- Passwords are not to be shared with guests, other residents or personnel.

The users of wireless access are responsible for protecting the information and/or devices:

- Devices should be equipped with firewalls and/or virus protection.
- Wireless networks transmitting sensitive information or connected to sensitive information environments recommend use of strong encryption for authentication and transmission.
- Inspections will be conducted semi-annually to assure wireless access points or routing devices are secure.

Residents, personnel or guests found in violation of policy may be subject to lease or employment termination.



# Internet Safety

Playing it safe while playing online



Hi there kids! I am Charlie Cardinal and this is Speedy the Crime Fighting Hamster. We are here to introduce you to the basics of Internet Safety and some of the villains you need to watch out for. There are some bad characters out there, so you have to protect

yourself. Your parents won't always be there to watch out for you, so stay sharp, learn all you can, and stay safe!



# Privacy & Personal Information



Privacy is being able to keep things secret or hidden from others.

Personal Information is information about you or your family such as your address, a social security number, your parent's bank account, or how much money they have.

Criminals love to get people's personal information because they can pretend to be you, or use your money to buy things.

They can also make money off of your information by selling it to others. Companies or other criminals will use your info to send you junk mail or spam emails.

Criminals learning your address can be very bad. They may break in and steal from you. Protect your safety and your belongings, by keeping your information a secret.

These bad people may even use your personal information to trick someone else in your circle of friends and family. People sometimes tell criminals things that they shouldn't if they think that they are communicating with someone they know.



Think before you click



Do you know who sent that email?



# Passwords

One of the most important things you need to learn is how to create strong passwords. A password is a code you type in to let the computer know it is really you.

Having an easy to guess password could allow someone to snoop around in your private information.

The way to make your password strong is to never use your name or your birthday. Use something hard to guess, but easy for you to remember. Make your password at least 8 characters long, and mixing numbers, symbols, and upper and lower case letters makes the password strong just like Speedy. Avoid using the same password over and over. That way if they do figure out your password, they only gain access to one account. And never leave your passwords written down where someone can find it.



A great tool online that creates kid friendly passwords is the website, [www.dinopass.com](http://www.dinopass.com)

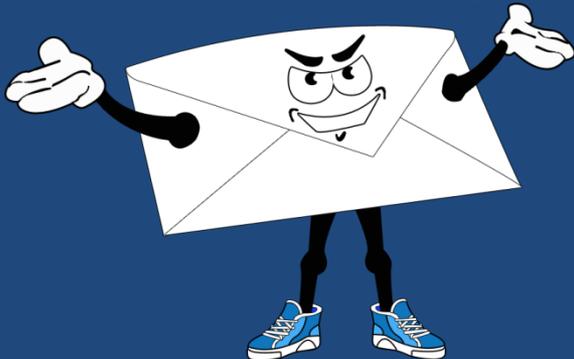
# Spam



Spam is basically email that you receive from different companies or strangers that you did not sign up for. Most times it isn't from real companies and usually the sender is up to no good.

Spam emails can sometimes be a phishing scam. Phishing emails are emails that look like it is from some trusted source. A place like your bank, the IRS where taxes are collected, or some other business you shop with often. They make their email look like it is the real thing with logos, and they put links in the email baiting you to click them. Once you click the link, you could be launching a program that can damage your computer in some way or collect your personal information.

Spam emails can also use winning a sweepstakes or some other type prize to trick you into trusting the email source. After they hook you in, they inform you that to collect your prize, you must give them your credit card number.



How do you know it is spam?

Spam emails typically have a bunch of spelling and grammar errors or a mention of someone you don't know in the subject line. Don't Open It! Delete those emails right away.



# Malware



Malware is a program written with the intent to harm your computer in some way.

Programs such as this, may be waiting for you to do something(a trigger), so that it can run. This could be the clicking of the link or opening an email attachment.

When searching for free downloads online, be very careful. There are a lot of sites out there trying to trick you. They will pay to make their site get returned at the top of the list of search results. Then when you access the page, they use blinking buttons to trick you to click. The result of clicking usually ends up being your computer loaded up with malware.

Once your machine is infected, it can change browser settings, create unusual popup ads on your computer and then pass the malware on to someone else.



Spyware is a program that gets onto your computer through a download or a virus and it gathers information about you and sends this back to its creator.

Some of the types of information spyware might send back to home base is email addresses of you or your contacts, passwords, account numbers, and credit card numbers.

Some spyware out there records how you use your computer and what you search for online.

# Adware

Adware is software that you are allowed to use by the author because of the advertisements that pop up occasionally during the game. Many of these type games you will find in the form of apps on your phone or devices.

Through the addition of advertisements, the developer gains some income that may supplement a discount to the user, sometimes making the software free.

Often after using the product with the ads, a consumer will purchase the software to get rid of the ads.

<http://www.pctools.com/security-news/what-is-adware-and-spyware/>



# Trojan Horse

The name for the Trojan Horse virus was derived from tale of the Trojan Horse constructed by the Greeks to gain access to the city of Troy. The wooden horse was left at the gates as an offering to Athena. The horse was then wheeled into the city and out came Greek fighters hiding inside. <http://www.britannica.com/topic/Trojan-horse>

A Trojan horse virus is a form of malware that is dressed up as something interesting or software from a source we are familiar with. The purpose is to trick the person into installing it. This allows the creator of the Trojan to do damage to data or software on your computer. They also will set up a 'back door' or access point that allows them to access your system.

Trojan viruses don't spread by infecting other files and they cannot duplicate themselves.

<http://www.webopedia.com/DidYouKnow/Internet/virus.asp>



# Worms

Worms are malware that can duplicate itself and spread to other computers. Worms always do something bad, even if it is just slowing things down.

Worms will frequently set up the ability for computers to be taken over by the worm's author by creating backdoors on the host computer. These computers are then called a "zombie computer". "Zombie computers" can be used to send out spam or as a shield to hide the web address of people who want to do bad things.

<http://www.webopedia.com/TERM/Z/zombie.html>





# Virus

A virus is a small program that is created to spread from one computer to the next and to mess up the way your computer works.

Many times viruses hop from computer to computer via email attachments or messages. They can also hide in funny pictures(memes), e-cards, or other desirable file attachments. It can also be sent through an instant message.

A virus can corrupt your data, or worse, delete it. It can also email copies of itself to your friends.

Keeping your anti-virus software up to date is key to protecting against the latest viruses and other security threats.

<https://www.microsoft.com/security/pc-security/virus-whatis.aspx>

# Social Media



Privacy settings on social media accounts are set up as public when you first get one. Unless you want everyone to be able to look at all of your photos and other private stuff, you must go into your account settings and change this.

Something to remember is whatever you post and say on your page can be shared by your friends. Think about what you post online, BEFORE you do it. What you post, could be seen by anyone at any time depending on your settings and the friends you keep. Because we can take pictures of our screens, there is really no setting that can protect you. Think twice about what you are sharing with others, so there are no regrets later.

Make sure you know the people that you accept friend requests from. Sometimes people try to friend you to hack your Facebook account or access your contacts. Once you are hacked they will send out strange messages or friend requests to your contacts. Protect your friends and yourself by being cautious with friends and creating strong passwords for your social media accounts.

# Geotagging



Geotagging is the bit of data that your electronic device packages with your picture that has information about where the picture was taken. This is something that can be turned on and off in your device and typically comes turned on until you change the setting.

When your photo is geotagged, this gives people information about your location. Letting outsiders know where you are, can allow them to plan to steal your belongings or vandalize your home.

Consider if you post a photo every Wednesday in your outfit ready to walk to ball practice and geotagging is turned on. This shows you have a routine and gives a rough area you will be in. A predator could come and take you away.

Another issue with allowing the geotagging to occur is you don't have control of your own privacy. Everyone does not need to know where you are all of the time, keep this information private.

<http://www.nytimes.com/2010/08/12/technology/personaltech>



# Be Careful of What You Say!



Defamation: Defamation is the blanket word used for all types of untrue statements made about others. [Definition of Defamation on Law.com](#)

Slander: When someone orally tells one or more people an untruth about someone, which will harm the reputation of the person it is about. It is not slander if the untruth is in writing of some sort or if it is broadcast through television or radio.

[Definition of Slander on Law.com](#)

Libel: This is where someone publishes to print(including pictures), written word, online posts, blogs, articles, or broadcast through radio, television, or film, an untruth about another which will do harm to the person's reputation. [Definition of Libel on Law.com](#)



# Be Careful of What You Say!



Much of the things people post online may get ignored, and you may get lucky and avoid legal action. But, when someone gets angry and files a lawsuit it can cause a major headache and possibly hit you hard in the wallet.

You might think you should have a right to openly complain about a company and their bad service or lousy product. Well when it comes to this, it is not always that simple. You can get sued for this and even if the judge agrees with you, you still have to pay for a defense attorney. Think twice and make sure that whatever you have to say is worth any headache you may have pop up later.

<http://ideas.time.com/2013/01/07/yelp-reviewers-beware-you-can-get-sued/>

On social media, people get into the habit of letting their emotions get the better of them and they end up speaking their minds about others online. When that person feels that this damages their character, they may opt to sue the other person for defamation. Even if their case is not successful, the stress, money, and time that you spend defending yourself is not worth it. To read more about defamatory social media posts, [click here](#).

# Stranger Danger Online



When you think of being on your computer or other electronic device in your own home, you probably think you are safe. Your mom is in the next room, what could happen?

Well there are people online that are up to no good. They go in chat rooms and pop up on your instant messenger, looking for someone to “groom”.

What is grooming you say? Well, grooming is when a stranger (can be any age) finds someone they are interested in, usually a minor. They act really nice and maybe they pretend they are much younger than they really are, like they are a kid just like you. Then they try to get you to like them and to trust them. They may ask you not to tell anyone you are talking to them. This is not okay and is a warning sign of a possible groomer.

# How to Protect Yourself in Online Chats

- Choose chat sites designed for kids, such as [www.kidzworld.com](http://www.kidzworld.com). Kidzworld is moderated and its aim is to protect kids from unwanted requests and online bullying.
- Beware of people you don't know. If they are asking too many questions or being too friendly they may be up to no good.
- If someone asks you to send them a picture or sends you a picture or video that is inappropriate, tell an adult or report them to the site moderators.
- Don't give out personal information to strangers online
- Don't tell strangers where you live or give them your telephone number
- Don't send strangers pictures of you or others
- If you are being bullied or threatened online, tell an adult or someone you trust





# Cyberbullying

- Cyberbullying is the **willful and repeated harm** inflicted through the use of computers, cell phones, and other electronic devices.
- Using PhotoShop or other tools to create harassing images.
- Posting jokes about another person on the internet
- Using the internet to entice a group to physically harm another person.
- Making threats online using IM, email, social networking sites, or other electronic devices.



# Consequences of Cyberbullying

Anything that you write, pictures that you post, or videos that you upload can be used by your school to suspend you.

College students have been removed from their athletic teams and lost college funding for writing negative comments about their coach.

When applying to colleges, they will search online to see what kind of person you are. They can deny you access if they don't like what they find.

When businesses are looking at people to hire for a job they will many times use social media to see what kind of person they are. Mean or inappropriate type posts can prevent you from getting the job you desire.

Cyberbullying can also be considered a crime and participating in this type of behavior can land you in big trouble.

# Consequences of Cyberbullying

- § 18.2-152.7:1. Harassment by Computer; Penalty makes cyberbullying a crime.
- Carries a \$2500 fine and punishable by up to **12 months in prison.**

There are many websites designed to inform and decrease the number of bullying cases we see each year. The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - [www.stopbullying.gov](http://www.stopbullying.gov)

If you experience cyberbullying or witness it, tell someone such as a school counselor, teacher, or a parent.





# The Effects of Cyberbullying

- Victims feel depressed, sad, angry, and frustrated.
- Victims become afraid and/or embarrassed to attend school.
- Can lead to low self-worth, family problems, academic problems, school violence, and bad behavior.
- Victims can also develop thoughts of killing themselves and possibly act on these feelings.
- There are no positive effects of cyberbullying, only pain and suffering for the victims.
- The affects of being bullied can affect the victim into adulthood and prevent them from being all they can be in the future.



# Dealing with Cyberbullying

- Never do the same thing back, 2 wrongs don't make a right
- Tell them to stop
- Block their access to you
- Report it to the site you are on such as Facebook or Twitter
- NEVER pass along messages from cyberbullies, stop the spread of this behavior
- Set up privacy controls and keep the bully out of your friends list
- Don't be a cyberbully yourself
- If you witness someone getting bullied, tell someone so it can be stopped. Many times the person being bullied won't tell out of fear.
- Spread the word that bullying is not cool
- Don't laugh or encourage the bully, it is not funny and it can lead to major trouble for the person doing the bullying.



# About Sexting



“Sexting” is when someone sends or receives sexually explicit or non-PG Rated pictures or video electronically, mainly via cell phones or tablets.

The numbers on how many teens say that they have sent/posted nude or semi-nude pictures or videos of themselves is upsetting.

20% of teens between 13 to 19 years of age have engaged in sexting.

22% of teen girls

18% of teen boys

11% of teen girls between 13 to 16 years of age have engaged in sexting.

Did you know that if you forward a picture of a sexual or nude photo of someone underage, you are as responsible for the image as the original sender?? You can be charged with a crime.

Many teens don't realize that if you send a picture of yourself that is inappropriate and that picture ends up online, it could be there forever. You can never fully delete things that end up on the web.



# About Sexting



There is no age minimum that protects young people from getting charged with a sexual offense.

Something that you think is okay or just a joke, might land you in a ton of trouble. For example, you might take a picture of your friend naked to embarrass them, but if they are under the age of 18, this is considered production of child pornography.

If you are sent something inappropriate, do not share it and don't delete it. Tell an adult immediately. You may feel like you are getting your friend into trouble, but you are protecting yourself and you are protecting them. They may not be thinking about the consequences or the effect this behavior can have on their future.

Anyone that gets convicted of a sex offense, will have to register as a sex offender. Sex offenders have to keep their address updated and keep a current photo with the police. The information goes on the sex offender registry where anyone can go and see your picture and where you live online.

**REMEMBER:** You can't control what other people do with your photos. Even if you think you are sending it to someone you can trust, they may end up surprising you. You can't trust anyone with something as private as that. Don't Do It!

# Legal Consequences of Sexting

- The Virginia Department of Education has an excellent resource with real life examples of the consequences of sexting that can be found [here](#).
- The Attorney General's Virginia Rules website is designed to give Virginia Youth information on all the laws in the state. [Virginia Rules](#) has extensive information on sexting and other internet security risks.
- This article in The Virginian-Pilot tells a story of five Virginia teens getting charged with felonies for sexting and being in possession of sexually explicit photos of a minor, read more about it [here](#).



Information Provided By:  
Office of the Attorney  
General

202 North Ninth Street  
Richmond, Virginia 23219

(804) 786-2071

[www.ag.virginia.gov](http://www.ag.virginia.gov)

# Overlook Ridge

## Internet Guidelines Acknowledgement

I \_\_\_\_\_, have read, understand, acknowledge and agree to be bound by the recommendations, guidelines, terms, and conditions outlined in The Overlook Ridge Apartments Internet Guidelines Manual (provided to Resident). The Internet Guideline Manual outlines and summarizes the proper use and safety guidelines when using the Internet Services provided at the Overlook Ridge common areas.

I understand that the Internet Guideline Manual and handbook contains information that will assist me and my guests in the proper use of the internet made available by Overlook Ridge. I also understand that I will be held accountable for my behavior, as well as for my guests' behavior, and me be subject to legal and/or financial consequences related to any misuses as outlined in the Internet Guideline Manual.

By signing below, I acknowledge that I have read, agree to, and understand the terms of all items contained in Overlook Ridge's Internet Guideline Manual.

Resident Name: \_\_\_\_\_

Resident Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **Overlook Ridge**

### **INTERNET SECURITY PLAN**

The internet service at Overlook Ridge will have a rotating password that is only accessible to residents. The network router will be in a secure area to which tenants will not have access. The router will have a secure firewall to prevent data breaches.

At move-in, we will provide Tenants with the attached security and safety information and guidelines and will ask Tenants to sign an Acknowledgement of Responsibilities statement to ensure that they are educated in the internet safety and security guidelines.

# **Tab X:**

Marketing Plan for units meeting accessibility  
requirements of HUD section 504

# ***Overlook Ridge***

## ***Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act***

This Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act (the “Marketing Plan”) has been designed to convey to current and potential residents with disabilities that Overlook Ridge will be a new rental housing experience, with a commitment to excellent management and resident service, as well as an expectation of resident responsibility. Therefore, the majority of this plan will address ways in which property management will endeavor to secure qualified tenants, ensure quality tenancy, and effective management and maintenance of the property.

The Management Agent will be responsible for the management of Overlook Ridge. EXCEL Property Management, Inc., the Management Agent, will be responsible for all the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, EXCEL Property Management, Inc. will be responsible for the development and management of community and resident services program.

### **I. Affirmative Marketing**

EXCEL Property Management, Inc. is pledged to the letter and the spirit of the U.S. policy of the achievement of equal housing opportunity throughout the Nation and will actively promote fair housing in the development and marketing of this project. EXCEL Property Management, Inc., its Officers, Directors and employees will not discriminate on the basis of race, creed, color, sex, religion, familial status, elderliness, disability or sexual orientation in its programs or housing. They will also comply with all provisions of the Fair Housing Act (42 U.S.C. 3600, et. Seq.).

Any employee who has discriminated in the acceptance of a resident will be subject to immediate dismissal. All persons who contact the office will be treated impartially and equally with the only qualification necessary for application acceptance being income and credit, and conformity with the requirements of the Section 8 Program and Tax Credit programs. All interested parties will be provided a copy of the apartment brochure/flyer. Any resident who has questions not answered by the housing staff will be referred to the Associate Director or the Executive Director of EXCEL Property Management, Inc..

## II. Marketing and Outreach

Locating people with disabilities to occupy the units which conform to the requirements of Section 504 of the Rehabilitation Act will be accomplished as follows:

### 1. Networking

EXCEL Property Management, Inc. will contact local centers for independent living, disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

- Area Center for Independent Living (540-433-6513)
- Virginia Board for People with Disabilities (804-786-0016)
- Virginia Department for Aging and Rehabilitative Services (540-381-7122)

#### Centers for Independent Living

- Valley Associates for Independent Living (540-433-6313)
- Access Independence, Inc. (540-662-4452)
- Comprehensive Behavior Health (540-688-2646)

### Leasing Preference for Target Population Identified in MOU between the Authority and the Commonwealth

- Unless prohibited by and applicable federal subsidy program.
- A “first preference” will be given for person in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.
- Will obtain tenant referrals from the Virginia Department of Medical Assistance Services (DMAS) or Virginia Department of Behavioral Health and Developmental Services (DBHDS) or any other agency approved by the Authority.
- Will Retain Tenant verification letter, Acknowledgment and Settlement Agreement Target Population Status
- Target Population units will be confirmed by VHDA.

### 2. Internet Search

Overlook Ridge will also be listed on the following websites:

[www.virginiahousingsearch.com](http://www.virginiahousingsearch.com)

[www.hud.gov](http://www.hud.gov)

[www.craigslist.org](http://www.craigslist.org)

[accessva.org](http://accessva.org)

[dbhds.virginia.gov](http://dbhds.virginia.gov)

### 3. Print Media

Print media sources will also be identified in the Augusta County area that cater to people with disabilities as well as the public at large. These sources may include, but are not limited to, rental magazines such as the *Apartment Shoppers Guide*, *Apartments For Rent*, local newspapers, etc. All advertising materials related to the project will contain the Equal Housing Opportunity logo, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available.

### 4. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as it attracts friends who will want to reside together, thus binding the community. ***Residents will be offered incentives, to be determined, for referring qualified applicants who rent at the property.*** Flyers will be distributed to residents along with the resident newsletter announcing the tenant referral program.

### 5. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

- **Brochures or news media coverage** –A simple, two color brochure may be produced at low cost which will effectively sell the apartments and community. A brochure will include a listing of features and amenities. News media may include the local newspaper and/or the local television station coverage.
- **Flyers** - As mentioned earlier, a flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic.
- **Resident Referral** - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. (\$50 - \$100 per referral, paid upon move in). In addition to being distributed to all residents, the referral flyer should be left in the

Management office and should be included in the move in packet. (People are most inclined to refer their friends in the first few weeks of their tenancy.) The flyers will be changed to reflect the season or any type of special referral program.

### **III. Public and Community Relations**

Equal Housing Opportunity promotions - all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office. EXCEL Property Management, Inc. encourages and supports an affirmative marketing program in which there are no barriers to obtaining housing because of race, color, religion, national origin, sex, elderliness, marital status, personal appearance, sexual orientation, familial status, physical or mental disability, political affiliation, source of income, or place of residence or business.

Additionally, a public relations program will be instituted to create a strong relationship between management and local disability organizations, neighborhood civic organizations, city officials, and other sources of potential qualified residents still to be identified.

### **IV. Tenant Selection and Orientation**

The first contact with the management operations is an important one in attracting qualified residents; therefore, the management/leasing offices should convey a sense of professionalism, efficiency, and cleanliness. The management/leasing office is designed to provide a professional leasing atmosphere, with space set aside specifically for applicant interviews and application assistance. The leasing interviews will be used to emphasize the respect afforded to the applicant and the responsibilities which the applicant will be expected to assume.

Times of Operation - the Management Office will be open Monday through Friday from 8:30 A.M. to 4:30 P.M. Applicants will be processed at the Management Office Tuesday, Wednesday and Thursday, in accordance with approved criteria. Move-in process and orientation to property - applicants meet with designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

Management staff will perform housekeeping/home visits, check previous landlord and personal references, perform criminal/sex offender and credit background checks and verify income for each application taken. Tenant Selection will include minimum income limits assigned by the Owner/HUD. New residents will be given an orientation to the property including a review of the rules and regulations, information on the area, proper use of appliances, move-out procedures, maintenance procedures, rent payment procedures, energy conservation, grievance procedures and a review of the Lease documents.

## **Tenant Selection Criteria**

Tenant Selection will include maximum income limits under the Low-Income Tax Credit and Section 8 programs. Selection criteria will also include student status guidelines pursuant to the Low-Income Housing Tax Credit program.

***Management will commit that no annual minimum income requirement that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by tenants receiving rental assistance.***

## **Application Processing**

Application processing will be done at the Management Office by the housing staff who are well versed in Fair Credit Law. As stated before, the processing will include a review of housekeeping/home visit, prior landlord references, personal references, criminal/sex offender and credit reporting and income verification. The housing staff will make further review for inaccuracies in the application. The annual income and family composition are the key factors for determining eligibility. However, the Housing Committee will also use the following criteria in selecting applicants for occupancy:

- Applicants must be individuals, not agencies or groups.
- Applicants must meet the current eligibility income limits for tax credits and any other program requirements.
- We will process the Rental Applications through a credit bureau to determine the credit worthiness of each applicant. If the score is below the threshold, and it has been determined that applicant has no bad credit *and* no negative rental history *and* no criminal history then the application can be conditionally approved after contacting the prior landlord. In these cases, the application must be reviewed by the Associate Director/ housing committee before final approval.

Note- If the applicant's denial is based upon a credit report, the applicant will be advised of the source of the credit report in accordance with the Federal Fair Reporting Act. Guidelines published by the Federal Trade Commission suggest that apartment managers fall under the provisions of the Act and are obligated to advise the person refused an apartment for credit reasons, the name and address of the credit reporting firm in writing. The credit report will not be shown to the applicant, nor will specific information be revealed.

- We will process the Rental Application through a credit bureau to determine any possible criminal conduct. Convictions will be considered, regardless of whether "adjudication" was withheld. A criminal background check will be used as part of the qualifying criteria. An applicant will automatically be denied if;
  - There is a conviction for the manufacture, sale, distribution, or possession with the intent to manufacture, sell or distribute a controlled substance within the past five years.
  - There is evidence in the criminal history that reveals that the applicant has developed a pattern of criminal behavior, and such behavior presents a real or potential threat to residents and/or property.
  - The application will be suspended if an applicant or member of the applicant's family has been arrested for a crime but has not yet been tried. The application will be reconsidered, within the above guidelines, after such legal proceedings have been concluded at applicants' request.
- Applicants must provide complete and accurate verification of all income of all family members. The household's annual income may not exceed the applicable limit and the household must meet the subsidy or assisted Income Limits as established for the area in which Overlook Ridge is located. The annual income is compared to the area's Income Limits to determine eligibility.

- Family composition must be compatible for units available on the property.
- Applicants must receive satisfactory referrals from all previous Landlords.
- Applicants must provide verification of full-time student status for all individuals listed on the application as full-time student for tax credit units.
- Applicants must not receive a poor credit rating from the Credit Bureau and other credit reporting agencies and must demonstrate an ability to pay rent on time.
  
- Applicants must provide a doctor's statement and/or other proof of any handicap or disability.

- Applicants must provide a birth certificate or other acceptable HUD approved form of documentation for all household members.
- Applicants must complete the Application for Lease and all verification forms truthfully.
- Applicants must provide all information required by current Federal regulations and policies.
- Applicants must have the demonstrated ability to maintain acceptable housekeeping standards.
- Applicants must meet current Federal program eligibility requirements for tax credits and any other programs.
- Preference will be given to those households whose family members are handicapped or disabled for housing in the units specifically designated for the handicapped or disabled.
- Applicants who meet the above criteria will be placed on a waiting list based on the date and time of their application. If an applicant turns down a unit for any reason, the applicant will be moved to the bottom of the waiting list. If the applicant turns down a unit for any reason a second time, the applicant will be removed from the waiting list.
- Held Vacant for 60 Days**

**Units must be held vacant for 60 days during which marketing efforts must be documented. However, if marketing to the Target Population is deemed to be conducted satisfactorily on an ongoing basis throughout the year and management can provide sufficient documentation to Virginia Housing's Compliance Officer, management may request the ability to lease 50-point Units to a household not in the Target Population without the unit remaining vacant for the 60-day timeframe. "Ongoing basis" means contact to at least two (2) resources at least monthly in the manner noted below at any time the required number of units is not actually occupied by the Target Population.**

**Each time a vacancy occurs in a 50-point Unit, if a qualified household including a person in the Target Population is not located in the 60-day timeframe, the owner or manager may submit the evidence of marketing to Virginia Housing's Compliance Officer and request approval to rent the unit to an income-qualified household not a part of the Target Population. If the request is approved, the lease must contain a provision that the household must move to a vacant unit of comparable size in the development if a household in the Target Population applies for the unit. The move will be paid for by the owner.**

**If no vacant unit of comparable size is available at that time, the Target Population prospective tenant should be placed on the development's waiting list and placed in the 50-point Unit when the first available vacant comparably sized unit becomes available to move the non-Targeted Population tenant.**

**NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.**

# **Tab Y:**

Inducement Resolution for Tax Exempt Bonds

NA

# **Tab Z:**

Documentation of team member's Diversity, Equity and  
Inclusion Designation

SWAM CONTRACT CERTIFICATION  
(TO BE PROVIDED AT TIME OF APPLICATION)

**LIHTC Applicant Name** Overlook Ridge VA LLC

**Name of SWaM Service Provider** Surber Development and Consulting LLC

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 SWaM, Surber Development and Consulting, is the Managing Member of the owner entity. The Managing Member entity will be actively involved in all aspects of the project.

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:

Overlook Ridge VA LLC  
Name of Applicant

  
Signature of Applicant

Jennifer E. H. Surber, Managing Member of Surber Development and Consulting LLC, Managing Member of Overlook Ridge MM LLC, Managing Member of Overlook Ridge VA LLC  
Printed Name and Title of Authorized Signer

SWAM CERTIFIED SERVICE PROVIDER:

Surber Development and Consulting LLC  
Name of SWaM Certified Service Provider

  
Signature of SWaM Certified Service Provider

Jennifer E. H. Surber, Managing Member  
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

### **SURBER DEVELOPMENT AND CONSULTING LLC**

is a certified Small, Women Owned Business meeting all the eligibility 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: 707474  
Valid Through: Mar 1, 2028

**Accordingly Certified**

*Willis A. Morris*

**Willis A. Morris, Director**



# **Tab AA:**

Priority Letter from Rural Development

NA

# **TAB AB:**

Social Disadvantage Certification

"SOCIAL DISADVANTAGE" CERTIFICATION

Individual's Name Kyle L. Sensabaugh

LIHTC Applicant Name Overlook Ridge VA LLC

Part II, 13VAC10-180-60(E)(5)(f), 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 demonstrating that at least one of its principals is a "socially disadvantaged individual," as such term is defined in 13 CFR 124.103, and that said principal has an ownership interest of at least 25% in the controlling general partner or managing member for the proposed development. The certification and information requested below will be used by the Authority in its evaluation of whether an applicant meets such requirements.

**INSTRUCTIONS:**

***Please complete either IA or 1B and also provide a complete response to II. 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)(f) of the Plan. Though the information requested below is of a personal nature, please note that all information provided on this form shall be subject to the Virginia Freedom of Information Act, § 2.2-3700, et seq.***

**I. SOCIAL DISADVANTAGE**

(Complete only Section I(A) OR I(B) and then acknowledge II below)

A. I am claiming social disadvantage because of my identification as a:

Black American

Hispanic American

Native American (Alaska Natives, Native Hawaiians, or enrolled members of a Federally or State recognized Indian Tribe)

Asian Pacific American [An individual with origins from Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China (including Hong Kong), Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U. S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, The Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, or Nauru]

Subcontinent Asian American (An Individual with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal)

B. \_\_\_\_\_ I am claiming individual social disadvantage because I meet the requirements of 13 CFR 124.103(c)(2), and my social disadvantage has negatively impacted my entry into or advancement in the business world, as described in 13 CFR 124.103(c)(2)(iv).

II. **Ownership and Control**

Describe the ownership interest of the socially disadvantaged individual in the general partner or managing member of the applicant for Credits (provide any supporting documentation necessary to verify said ownership interest, such as the organizational chart provided elsewhere in the application for Credits).

Kyle Lewis Sensabaugh owns 100% of Spanish Oak LLC. Spanish Oak LLC owns 25% of the Managing Member of the owner entity, Overlook Ridge VA LLC.

[Application continues on following page]

CERTIFICATION OF ELIGIBILITY

I hereby certify that the undersigned principal has an ownership interest of at least 25% in the controlling general partner or managing member for the proposed development, as required by the Plan. I hereby further certify that all information in this certification is true and complete to the best of my 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 principal and the undersigned applicant to disqualification from current and future awards of Credits in Virginia.

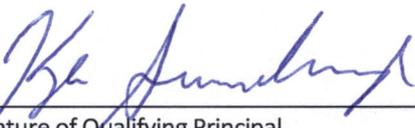
APPLICANT:

Overlook Ridge VA LLC  
Name of Applicant

  
Signature of Applicant

Jennifer E. H. Surber, Managing Member of Surber Development and Consulting LLC, Managing Member of Overlook Ridge MM LLC, Managing Member of Overlook Ridge VA LLC  
Printed Name and Title of Authorized Signer

PRINCIPAL:

  
Signature of Qualifying Principal

Kyle L. Sensabaugh, Managing Member  
Printed Name and Title of Qualifying Principal