
2024 Federal Low Income Housing Tax Credit Program

Application For Reservation

Deadline for Submission

9% Competitive Credits

Applications Must Be Received At Virginia Housing No Later Than **12:00 PM** Richmond, VA Time On **March 14, 2024**

Tax Exempt Bonds

Applications must be received at Virginia Housing No Later Than 12:00 PM Richmond, VA Time for one of the two available 4% credit rounds- January 25, 2024 or July 18, 2024.



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

INSTRUCTIONS FOR THE VIRGINIA 2024 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 14, 2024**. 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 via your specific Procorem workcenter.

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**
7. **Developer Experience Documentation (PDF)**

IMPORTANT:

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

Disclaimer:

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

Entering Data:

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

Please Note:

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

Assistance:

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

Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
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TABLE OF CONTENTS

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

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

2024 Low-Income Housing Tax Credit Application For Reservation

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

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

VHDA TRACKING NUMBER

2024-TEB-18

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 1/24/2024

1. Development Name: Afton Avenue Apartments

2. Address (line 1): 2400-2420 Afton Avenue
 Address (line 2):
 City: Richmond State: VA Zip: 23224

3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000
 (Only necessary if street address or street intersections are not available.)

4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:
 City/County of Richmond City

5. The site overlaps one or more jurisdictional boundaries..... FALSE
 If true, what other City/County is the site located in besides response to #4?.....

6. Development is located in the census tract of: 607.00

7. Development is located in a Qualified Census Tract..... TRUE *Note regarding DDA and QCT*

8. Development is located in a Difficult Development Area..... FALSE

9. Development is located in a Revitalization Area based on QCT TRUE

10. Development is located in a Revitalization Area designated by resolution FALSE

11. Development is located in an Opportunity Zone (with a binding commitment for funding)..... FALSE

(If 9, 10 or 11 are True, Action: Provide required form in TAB K1)

12. Development is located in a census tract with a household poverty rate of.....

3%	10%	12%
FALSE	FALSE	FALSE

Enter only Numeric Values below:

13. Congressional District: 4
 Planning District: 15
 State Senate District: 16
 State House District: 79

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

Afton Avenue Apartments will be a new-construction affordable apartment community directly in the Richmond 300 revitalization zone. The 150-unit apartment building will offer in-demand amenities such as a fitness facility, community room, pet washing station, and package lockers. The area provides an elementary school within walking distance, as well as a bus stop. The proposed Fall Line bike trail will pass next to the apartment building. There will be free on-site parking, as well as bike racks. Unit finishes will include luxury vinyl tile floor throughout, and granite counter tops. Residents will have the option to participate in the community's affordable internet plan.

15. Local Needs and Support

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

VHDA TRACKING NUMBER

2024-TEB-18

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

1/24/2024

Chief Executive Officer's Name: Lincoln Saunders
 Chief Executive Officer's Title: Chief Administrative Officer Phone: (804) 646-3944
 Street Address: 900 E Broad Street
 City: Richmond State: VA Zip: 23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Sherrill Hampton, Director of Dept. Community Housing and Development

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

Chief Executive Officer's Name: N/A
 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: N/A

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

or

b. If requesting Tax Exempt Bond credits, select development type:

For Tax Exempt Bonds, where are bonds being issued?

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

Skip to Number 4 below.

2. Type(s) of Allocation/Allocation Year

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2024.

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, 2024, 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 2024 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

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

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

5. Planned Combined 9% and 4% Developments

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

If true, provide name of companion development:

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

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

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

% of units in 4% Tax Exempt Allocation Request:

6. Extended Use Restriction

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

Must Select One:

Definition of selection:

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

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

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

C. OWNERSHIP INFORMATION

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

1. Owner Information:

Must be an individual or legally formed entity.

a. Owner Name: Afton Avenue Apartments LLC

Developer Name: Genesis Properties Development LLC

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

Address: 101 W Commerce Road, 2nd Floor

City: Richmond St. ▶ VA Zip: 23224

Phone: (804) 977-0778 Ext. Fax:

Email address: edsolarz@genesisproperties.com

Federal I.D. No. 882656430 (If not available, obtain prior to Carryover Allocation.)

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

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

Jessica Stevenson, jessicastevenson@genesisproperties.com, 804-977-0765

- ACTION:**
- a. Provide Owner's organizational documents (e.g. Partnership agreements and Developer Fee agreement) **(Mandatory TAB A)**
 - b. Provide Certification from Virginia State Corporation Commission **(Mandatory TAB B)**
 - c. Provide Principals' Previous Participation Certification **(Mandatory TAB C)**
 - d. 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. FALSE Indicate if at least one principal listed within Org Chart with an ownership interest of at least 25% in the controlling general partner or managing member is a socially disadvantaged individual as defined in the manual.

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

2. 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.
- FALSE 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.
- 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.

D. SITE CONTROL

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

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

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

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

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type: Purchase Contract

Expiration Date:

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

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

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

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

b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 12/1/2024 .

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

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

3. Seller Information:

Name: 2400 Afton Avenue LLC

Address: 101 W Commerce Road, 2nd Floor

City: Richmond St.: VA Zip: 23224

Contact Person: Edward Solarz Phone: (804) 977-0778

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

D. SITE CONTROL

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Jennifer S. Hunt		Member	42.75%
Robert D. Hunt		Member	42.75%
Edward K. Solarz (through Normandy		Member/Manager	11.00%
Jessica Stevenson		Member	2.50%
Laura Hopson		Member	1.00%
			0.00%
			0.00%

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

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

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

1. Tax Attorney:	Richard C. Lawrence	This is a Related Entity.	FALSE
Firm Name:	MeyerGoergen PC	DEI Designation?	FALSE
Address:	1802 Bayberry Court, Suite 200, Richmond, VA 23226		
Email:	lawrence@mg-law.com	Phone:	(804) 622-1246
2. Tax Accountant:	Kevin Rayfield	This is a Related Entity.	FALSE
Firm Name:	FORVIS	DEI Designation?	FALSE
Address:	1829 Eastchester Drive, High Point, NC 27265		
Email:	kevin.rayfield@forvis.com	Phone:	(336) 822-4364
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:		Role:	
Email:		Phone:	
4. Management Entity:	Edward Solarz	This is a Related Entity.	TRUE
Firm Name:	Genesis Properties, Inc.	DEI Designation?	FALSE
Address:	101 W Commerce Road, 2nd Floor, Richmond, VA 23224		
Email:	edsolarz@genesisproperties.com	Phone:	(804) 230-1220
5. Contractor:	Brian Revere	This is a Related Entity.	FALSE
Firm Name:	Breeden Construction LLC	DEI Designation?	FALSE
Address:	1700 Bayberry Court, Suite 200 Richmond, VA 23226		
Email:	brianr@breedenconstruction.com	Phone:	(804) 721-0583
6. Architect:	Daniel Wassum	This is a Related Entity.	FALSE
Firm Name:	Johannas Design Group, P.C.	DEI Designation?	FALSE
Address:	1901 West Cary Street, Richmond, VA 23220		
Email:	daniel@johannasdesign.com	Phone:	(804) 622-1246
7. Real Estate Attorney:	Richard C. Lawrence	This is a Related Entity.	FALSE
Firm Name:	MeyerGoergen PC	DEI Designation?	FALSE
Address:	1802 Bayberry Court, Suite 200, Richmond, VA 23226		
Email:	lawrence@mg-law.com	Phone:	(804) 622-1246
8. Mortgage Banker:	Peter Rawlings	This is a Related Entity.	FALSE
Firm Name:	Capital One Finance	DEI Designation?	FALSE
Address:	1680 Capital One Drive, McLean, VA 22102		
Email:	peter.rawlings@capitalone.com	Phone:	(202) 558-8844
9. Other:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:		Role:	
Email:		Phone:	

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, Unit by Unit Matrix and Appraisal.

b. This development has received a previous allocation of credits..... **FALSE**
 If so, when was the most recent year that this development received credits? **0**

c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... **FALSE**

d. This development is an existing RD or HUD S8/236 development..... **FALSE**
Action: (If True, provide required form in **TAB Q**)

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

i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition..... **FALSE**

ii. Applicant has obtained a waiver of this requirement from Virginia Housing prior to the application submission deadline..... **FALSE**

2. Ten-Year Rule For Acquisition Credits

a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/\$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement..... **FALSE**

b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i),..... **FALSE**

i. Subsection (I)..... **FALSE**

ii. Subsection (II)..... **FALSE**

iii. Subsection (III)..... **FALSE**

iv. Subsection (IV)..... **FALSE**

v. Subsection (V)..... **FALSE**

c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6)..... **FALSE**

d. There are different circumstances for different buildings..... **FALSE**
Action: (If True, provide an explanation for each building in Tab K)

3. Rehabilitation Credit Information

F. REHAB 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 1 must be completed in order to compete in the Non Profit tax credit pool.

All Applicants - Section 2 must be completed to obtain points for nonprofit involvement.

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

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

Name: [Yellow box]

Contact Person: [Yellow box]

Street Address: [Yellow box]

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

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

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

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

G. NONPROFIT INVOLVEMENT

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

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

Action: Provide Option or Right of First Refusal in recordable form using Virginia Housing's template. (TAB V) Provide Nonprofit Questionnaire (if applicable) (TAB I)

Name of qualified nonprofit: [Redacted]

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

Name of Local Housing Authority [Redacted]

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) and contact Virginia Housing for a Pre-Application M

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	150	bedrooms	189
Total number of rental units in development	150	bedrooms	189
Number of low-income rental units	150	bedrooms	189
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	150	bedrooms	189
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.....		124,700.00	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....		0.00	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....		0.00	
g. Total Usable Residential Heated Area.....		124,700.00	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space		100.00%	
i. Exact area of site in acres	1.800		
j. Locality has approved a final site plan or plan of development.....		TRUE	
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....		FALSE	

Definition:

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

2. UNIT MIX

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

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

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

H. STRUCTURE AND UNITS INFORMATION

Eff - Garden	0.00	SF	28	28
1BR Garden	0.00	SF	86	86
2BR Garden	0.00	SF	33	33
3BR Garden	0.00	SF	3	3
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			150	150

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

3. Structures

- a. Number of Buildings (containing rental units)..... 1
- b. Age of Structure:..... 0 years
- c. Maximum Number of stories:..... 4
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use: _____
- f. Development consists primarily of : **(Only One Option Below Can Be True)**
 - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
 - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
 - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE
- g. Indicate **True** for all development's structural features that apply:
 - i. Row House/Townhouse FALSE
 - ii. Garden Apartments TRUE
 - iii. Slab on Grade TRUE
 - iv. Crawl space FALSE
 - v. Detached Single-family FALSE
 - vi. Detached Two-family FALSE
 - vii. Basement FALSE
- h. Development contains an elevator(s). TRUE
 - If true, # of Elevators. 1
 - Elevator Type (if known) _____
- i. Roof Type Combination
- j. Construction Type Frame
- k. Primary Exterior Finish Fiber Cement Siding

4. Site Amenities (indicate all proposed)

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

H. STRUCTURE AND UNITS INFORMATION

c. Exercise Room.....	TRUE	h. Pool.....	FALSE
d. Gated access to Site.....	FALSE	i. Rental Office.....	TRUE
e. Laundry facilities.....	FALSE	j. Sports Activity Ct..	FALSE
		k. Other:	

l. Describe Community Facilities: The community will feature on-site parking and bike spaces. There will be a

m. Number of Proposed Parking Spaces 90
 Parking is shared with another entity FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing public bus stop. TRUE

If **True**, Provide required documentation (**TAB K2**).

5. Plans and Specifications

a. Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):

- i. A location map with development clearly defined.
- ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
- iii. Sketch plans of all building(s) reflecting overall dimensions of:
 - a. Typical floor plan(s) showing apartment types and placement
 - b. Ground floor plan(s) showing common areas
 - c. Sketch floor plan(s) of typical dwelling unit(s)
 - d. Typical wall section(s) showing footing, foundation, wall and floor structure
 Notes must indicate basic materials in structure, floor and exterior finish.

- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
 - i. Phase I environmental assessment.
 - ii. Physical needs assessment for any rehab only development.

NOTE: All developments must meet Virginia Housing's **Minimum Design and Construction Requirements**. By signing and submitting the Application for Reservation of LIHTC, the applicant certifies that the proposed project budget, plans & specifications and work write-ups incorporate all necessary elements to fulfill these requirements.

J. ENHANCEMENTS

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

- a. **New Construction:** must obtain 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. The HERS report should be completed for the whole development and not an individual unit.

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

ACTION: Provide RESNET rater certification of Development Plans (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 with free WIFI access restricted to residents only.
- 0.00% b1. Percentage of brick covering the exterior walls.
- 100.00% 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).
- TRUE d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- FALSE e. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- FALSE f. *Not applicable for 2024 Cycles*
- FALSE g. Each unit is provided free individual broadband/high speed internet access.
(both access point categories have a minimum upload/download speed per manual.)
- FALSE h. Each unit is provided free individual WiFi access.
- FALSE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
TRUE j. Full bath fans are equipped with a humidistat.
- FALSE k. Cooking surfaces are equipped with fire prevention features as defined in the manual
- or
TRUE l. Cooking surfaces are equipped with fire suppression features as defined in the manual
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- 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.
- 0% r. Percentage of development's on-site electrical load that can be met by a renewable energy electric system (for the benefit of the tenants) - Provide documentation at Tab F.

J. ENHANCEMENTS

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

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

FALSE a. All cooking ranges have front controls.

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

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

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

2. Green Certification

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

The applicant will also obtain one of the following:

FALSE Earthcraft Gold or higher certification

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

FALSE LEED Certification

FALSE Enterprise Green Communities (EGC) Certification

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

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

FALSE Zero Energy Ready Home Requirements

FALSE Passive House Standards

FALSE Applicant wishes to claim points from a prior allocation that has received certification for Zero Energy Ready or Passive House Standards. Provide certification at **Tab P**. See Manual for details and requirements.

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

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

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

0% of Total Rental Units

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

If not, please explain: Building will not have market rate units

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

K. SPECIAL HOUSING NEEDS

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

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

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

FALSE

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

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

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

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

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

TRUE

b. Any development in which ten percent (10%) of the total 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.

DPW

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

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

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

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

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

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

FALSE If Supportive Housing is True: Will the supportive housing consist of units designated for tenants that are homeless or at risk of homelessness?

K. SPECIAL HOUSING NEEDS

Action: Provide Permanent Supportive Housing Certification (Tab S)

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

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

3. Leasing Preferences

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

Organization which holds waiting list: Richmond Redevelopment and Housing Authority

Contact person: Steven B. Nesmith

Title: Chief Executive Officer

Phone Number: (804) 780-4200

Action: Provide required notification documentation (TAB L)

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

- c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 3
 % of total Low Income Units 2%

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

[Download Current CMA List from VirginiaHousing.com](http://VirginiaHousing.com)

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

4. Target Population Leasing Preference

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

K. SPECIAL HOUSING NEEDS

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

First Name: Melissa

Last Name: Meloni

Phone Number: (804) 977-0766 Email: melissameloni@genesisproperties.com

5. Resident Well-Being (as defined in the manual)

Action: Provide appropriate documentation for any selection below (Tab S)

FALSE a. Development has entered into a memorandum of understanding (approved by DBHDS) with a resident service provider for the provision of resident services.

FALSE b. Development will provide licensed childcare on-site with a preference and discount to residents or an equivalent subsidy for tenants to utilize licensed childcare of tenant's choice.

FALSE c. Development will provide tenants with free on-call, telephonic or virtual healthcare services with a licensed provider.

6. Rental Assistance

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

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

FALSE Rental Assistance Demonstration (RAD) or other PHA conversion to project based rental assistance.

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 811 Certificates

FALSE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers
*Administering Organization: _____

FALSE State Assistance
*Administering Organization: _____

FALSE Other: _____

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

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

d. Number of units receiving assistance: 0
How many years in rental assistance contract? _____

K. SPECIAL HOUSING NEEDS

Expiration date of contract: _____

There is an Option to Renew..... FALSE

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

7. Public Housing Revitalization

Is this development replacing or revitalizing Public Housing Units? FALSE

If so, how many existing Public Housing units? 0

L. UNIT DETAILS

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

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

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
150	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
150	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
150	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
150	100.00%	Total

b. Indicate that you are electing to receive points for the following deeper targets shown in the chart above and those targets will be reflected in the set-aside requirements within the Extended Use Agreement.

20-30% Levels FALSE 40% Levels FALSE 50% levels FALSE

c. The development plans to utilize average income testing..... FALSE

2. Unit Mix Grid 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.

DPW 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	Efficiency	60% AMI	28	3	472.00	\$1,003.00	\$28,084
Mix 2	1 BR - 1 Bath	60% AMI	86	8	580.00	\$1,063.00	\$91,418
Mix 3	2 BR - 2 Bath	60% AMI	33	3	898.00	\$1,265.00	\$41,745
Mix 4	3 BR - 2 Bath	60% AMI	3	1	1205.00	\$1,450.00	\$4,350
Mix 5							\$0
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0

L. UNIT DETAILS

Mix 9									\$0
Mix 10									\$0
Mix 11									\$0
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
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Mix 26									\$0
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Mix 60									\$0
Mix 61									\$0
Mix 62									\$0
Mix 63									\$0

L. UNIT DETAILS

Mix 64									\$0
Mix 65									\$0
Mix 66									\$0
Mix 67									\$0
Mix 68									\$0
Mix 69									\$0
Mix 70									\$0
Mix 71									\$0
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Mix 91									\$0
Mix 92									\$0
Mix 93									\$0
Mix 94									\$0
Mix 95									\$0
Mix 96									\$0
Mix 97									\$0
Mix 98									\$0
Mix 99									\$0
Mix 100									\$0
TOTALS			150	15					\$165,597

Total Units	150	Net Rentable SF:	TC Units	96,345.00
			MKT Units	0.00
			Total NR SF:	96,345.00

Floor Space Fraction (to 7 decimals) 100.00000%

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$5,698
2. Office Salaries			\$4,800
3. Office Supplies			\$1,250
4. Office/Model Apartment	(type		\$0
5. Management Fee			\$75,000
<u>3.76%</u> of EGI	<u>\$500.00</u>	Per Unit	
6. Manager Salaries			\$140,000
7. Staff Unit (s)	(type		\$0
8. Legal			\$8,900
9. Auditing			\$0
10. Bookkeeping/Accounting Fees			\$19,000
11. Telephone & Answering Service			\$7,900
12. Tax Credit Monitoring Fee			\$26,678
13. Miscellaneous Administrative			\$48,400
Total Administrative			\$337,626

Utilities

14. Fuel Oil			\$0
15. Electricity			\$22,533
16. Water			\$17,626
17. Gas			\$0
18. Sewer			\$20,124
Total Utility			\$60,283

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$2,400
21. Janitor/Cleaning Contract			\$30,000
22. Exterminating			\$12,000
23. Trash Removal			\$35,000
24. Security Payroll/Contract			\$21,800
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$8,855
28. Maintenance/Repairs Payroll			\$135,000
29. Repairs/Material			\$110,000
30. Repairs Contract			\$7,600
31. Elevator Maintenance/Contract			\$3,000
32. Heating/Cooling Repairs & Maintenance			\$12,294
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,000
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$3,000
Totals Operating & Maintenance			\$381,949

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes		\$1,344
39. Payroll Taxes		\$0
40. Miscellaneous Taxes/Licenses/Permits		\$36
41. Property & Liability Insurance	\$667 per unit	\$100,000
42. Fidelity Bond		\$0
43. Workman's Compensation		\$0
44. Health Insurance & Employee Benefits		\$0
45. Other Insurance		\$0
Total Taxes & Insurance		\$101,380

Total Operating Expense

\$881,238

Total Operating Expenses Per Unit

\$5,875

C. Total Operating Expenses as % of EGI

44.12%

Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum)

\$37,500

Total Expenses

\$918,738

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract		Edward Solarz
b. Site Acquisition	9/2/2024	Edward Solarz
c. Zoning Approval	4/2/2022	Jessica Stevenson
d. Site Plan Approval	7/1/2024	Jessica Stevenson
2. Financing		
a. Construction Loan		
i. Loan Application	5/1/2024	Edward Solarz
ii. Conditional Commitment	7/1/2024	Lender TBD
iii. Firm Commitment	8/1/2024	Lender TBD
b. Permanent Loan - First Lien		
i. Loan Application	5/1/2024	Edward Solarz
ii. Conditional Commitment	7/1/2024	Lender TBD
iii. Firm Commitment	8/1/2024	Lender TBD
c. Permanent Loan-Second Lien		
i. Loan Application	N/A	N/A
ii. Conditional Commitment	N/A	N/A
iii. Firm Commitment	N/A	N/A
d. Other Loans & Grants		
i. Type & Source, List	ARPA	Community & Housing Dev
ii. Application	1/1/2022	Jessica Stevenson
iii. Award/Commitment	3/24/2022	Community & Housing Dev
2. Formation of Owner	5/6/2022	Jessica Stevenson
3. IRS Approval of Nonprofit Status	N/A	N/A
4. Closing and Transfer of Property to Owner	9/2/2024	Edward Solarz
5. Plans and Specifications, Working Drawings	6/1/2024	Johannas Design Group
6. Building Permit Issued by Local Government	8/1/2024	Breedon Construction
7. Start Construction	9/3/2024	Breedon Construction
8. Begin Lease-up	3/3/2026	Edward Solarz
9. Complete Construction	3/2/2026	Breedon Construction
10. Complete Lease-Up	1/4/2027	Edward Solarz
11. Credit Placed in Service Date	3/3/2026	Edward Solarz

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

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

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
Must Use Whole Numbers Only!				
1. Contractor Cost				
a. Unit Structures (New)	20,445,216	0	20,445,216	0
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	20,445,216	0	20,445,216	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input checked="" type="checkbox"/> h. Renewable Energy	160,000	0	160,000	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	0	0	0	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	2,172,639	0	2,172,639	0
q. Other Site work	0	0	0	0
Total Land Improvements	2,332,639	0	2,332,639	0
Total Structure and Land	22,777,855	0	22,777,855	0
r. General Requirements	1,917,872	0	1,917,872	0
s. Builder's Overhead (4.7% Contract)	1,072,136	0	1,072,136	0
t. Builder's Profit (0.0% Contract)	0	0	0	0
u. Bonds	61,173	0	61,173	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: GC Business license tax	46,741	0	46,741	0
z. Other 2: GC Liability insurance	49,201	0	49,201	0
aa. Other 3:	0	0	0	0
Contractor Costs	\$25,924,978	\$0	\$25,924,978	\$0

Construction cost per unit: \$171,766.52

MAXIMUM COMBINED GR, OVERHEAD & PROFIT =

\$3,188,900

ACTUAL COMBINED GR, OVERHEAD & PROFIT =

\$2,990,008

O. PROJECT BUDGET - OWNER COSTS

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

MUST USE WHOLE NUMBERS ONLY! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	110,473	0	110,473	0
b. Architecture/Engineering Design Fee \$7,434 /Unit)	1,115,061	0	1,115,061	0
c. Architecture Supervision Fee \$167 /Unit)	25,000	0	25,000	0
d. Tap Fees	125,000	0		0
e. Environmental	6,000	0	6,000	0
f. Soil Borings	15,000	0	15,000	0
g. Green Building (Earthcraft, LEED, etc.)	20,000	0	20,000	0
h. Appraisal	5,000	0	5,000	0
i. Market Study	5,000	0	5,000	0
j. Site Engineering / Survey	8,500	0	8,500	0
k. Construction/Development Mgt	15,000	0	15,000	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	0	0	0	0
n. Construction Interest (5.5% for 24 months)	1,510,488	0	1,510,488	0
o. Taxes During Construction	4,000	0	4,000	0
p. Insurance During Construction	36,000	0	36,000	0
q. Permanent Loan Fee (0.0%)	0			
r. Other Permanent Loan Fees	0			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	36,000	0	0	0
u. Accounting	6,000	0	6,000	0
v. Title and Recording	24,000	0	15,000	0
w. Legal Fees for Closing	30,000	0	15,000	0
x. Mortgage Banker	162,191	0	0	0
y. Tax Credit Fee	113,114			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	40,000	0	40,000	0
ab. Organization Costs	0			
ac. Operating Reserve	898,719			
ad. Contingency	121,703			
ae. Security	125,000	0	125,000	0
af. Utilities	0	0	0	0
ag. Supportive Service Reserves	0			
(1) Other* specify: Advertising	5,000	0	0	0
(2) Other* specify:		0	0	0
(3) Other* specify: Financing Fees	248,090	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(4) Other* specify: Alley Transfer	14,614	0	14,614	0
(5) Other * specify: Landscaping	78,000	0	0	0
(6) Other* specify: REACH Construction Perm	140,000	0	0	0
(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$5,042,953	\$0	\$3,091,136	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)	\$30,967,931	\$0	\$29,016,114	\$0
3. Developer's Fees	2,939,434	0	2,939,434	
4. Owner's Acquisition Costs				
Land	400,000			
Existing Improvements	0	0		
Subtotal 4:	\$400,000	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$34,307,365	\$0	\$31,955,548	\$0

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

(Provide documentation at Tab E)

\$0	Land
\$0	Building

Maximum Developer Fee: \$2,939,434

Proposed Development's Cost per Sq Foot	\$271	Meets Limits
Applicable Cost Limit by Square Foot:	\$344	
Proposed Development's Cost per Unit	\$224,982	Meets Limits
Applicable Cost Limit per Unit:	\$331,194	

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	34,307,365	0	31,955,548	0

2. Reductions in Eligible Basis

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

3. Total Eligible Basis (1 - 2 above)

0	31,955,548	0
---	------------	---

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	9,586,664	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0
Total Adjusted Eligible basis	41,542,212	0

5. Applicable Fraction

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

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

0	41,542,212	0
---	------------	---

7. Applicable Percentage

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

8. Maximum Allowable Credit under IRC §42
(Qualified Basis x Applicable Percentage)

\$0	\$1,661,688	\$0
-----	-------------	-----

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

\$1,661,688
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. Virginia Housing Construction Perm			\$9,513,236	
2. Virginia Housing REACH			\$7,000,000	
3. Bridge			\$701,380	
Total Construction Funding:			\$17,214,616	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. Virginia Housing Tax-Exempt Bonds			\$9,513,236	\$588,797	5.50%	40	40
2. ARPA Forgivable Loan			\$1,000,000		0.00%	30	30
3. REACH Construction Perm			\$7,000,000	\$348,461	3.95%	40	40
4. Virginia Trust Fund			\$700,000		0.00%	30	30
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$18,213,236	\$937,258			

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

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

4. Subsidized Funding

Source of Funds	Date of Commitment	Amount of Funds
1. ARPA Forgivable Loan	3/1/2022	\$1,000,000

Q. SOURCES OF FUNDS

2.			
3.			
4.			
5.			
Total Subsidized Funding			\$1,000,000

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$17,214,616
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$7,000,000
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$700,000
k.	Other: ARPA	\$1,000,000
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.

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

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **53.20%**

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

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

--

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. Housing Opportunity Tax Credit Request (paired with 4% credit requests only)				
Amount of State HOTC	\$0	x Equity \$	\$0.000	= \$0
c. Equity that Sponsor will Fund:				
i. Cash Investment	\$0			
ii. Contributed Land/Building	\$0			
iii. Deferred Developer Fee	\$2,020,064			(Note: Deferred Developer Fee cannot be negative.)
iv. 45L Credit Equity	\$300,000			
v. 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 \$2,320,064

2. Equity Gap Calculation

a. Total Development Cost	\$34,307,365
b. Total of Permanent Funding, Grants and Equity	- <u>\$20,533,300</u>
c. Equity Gap	\$13,774,065
d. Developer Equity	- <u>\$1,380</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$13,772,685

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator: ▶ TBD

Contact Person: Phone:

Street Address:

City: State: Zip:

b. Syndication Equity	
i. Anticipated Annual Credits	\$1,601,635.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.860
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	\$1,601,475
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$13,772,685

c. Syndication: Private

d. Investors: Select?

4. Net Syndication Amount \$13,772,685
 Which will be used to pay for Total Development Costs

5. Net Equity Factor 86.0000087800%
 Must be equal to or greater than 85%

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>\$34,307,365</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u><u>\$20,533,300</u></u>
3. Equals Equity Gap		<u>\$13,774,065</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u><u>86.0000087800%</u></u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$16,016,353</u>
Divided by ten years		<u><u>10</u></u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,601,635</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,661,688</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$1,601,635</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$10,677.5667</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$8,474.2593</u>	

9. **Action:** Provide Attorney’s Opinion using Virginia Housing template (**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	\$165,597
Plus Other Income Source (list): <u>Pet Fees, Pet Rent, App Fees, Term Fees, La</u>	\$13,363
Equals Total Monthly Income:	<u>\$178,960</u>
Twelve Months	x12
Equals Annual Gross Potential Income	\$2,147,520
Less Vacancy Allowance <u>7.0%</u>	<u>\$150,326</u>
Equals Annual Effective Gross Income (EGI) - Low Income Units	<u>\$1,997,194</u>

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

Total Monthly Income for Market Rate Units:	\$0
Plus Other Income Source (list): <u></u>	<u>\$0</u>
Equals Total Monthly Income:	<u>\$0</u>
Twelve Months	x12
Equals Annual Gross Potential Income	\$0
Less Vacancy Allowance <u>7.0%</u>	<u>\$0</u>
Equals Annual Effective Gross Income (EGI) - Market Rate Units	<u>\$0</u>

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$1,997,194
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,997,194
d. Total Expenses	\$918,738
e. Net Operating Income	\$1,078,456
f. Total Annual Debt Service	\$937,258
g. Cash Flow Available for Distribution	\$141,198

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	1,997,194	2,037,137	2,077,880	2,119,438	2,161,827
Less Oper. Expenses	918,738	946,300	974,689	1,003,930	1,034,048
Net Income	1,078,456	1,090,837	1,103,191	1,115,508	1,127,779
Less Debt Service	937,258	937,258	937,258	937,258	937,258
Cash Flow	141,198	153,579	165,933	178,250	190,521
Debt Coverage Ratio	1.15	1.16	1.18	1.19	1.20

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	2,205,063	2,249,164	2,294,148	2,340,031	2,386,831
Less Oper. Expenses	1,065,069	1,097,021	1,129,932	1,163,830	1,198,745

T. CASH FLOW

Net Income	1,139,994	1,152,143	1,164,216	1,176,201	1,188,087
Less Debt Service	937,258	937,258	937,258	937,258	937,258
Cash Flow	202,736	214,885	226,958	238,943	250,829
Debt Coverage Ratio	1.22	1.23	1.24	1.25	1.27

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	2,434,568	2,483,259	2,532,924	2,583,583	2,635,255
Less Oper. Expenses	1,234,707	1,271,748	1,309,901	1,349,198	1,389,674
Net Income	1,199,861	1,211,511	1,223,024	1,234,385	1,245,581
Less Debt Service	937,258	937,258	937,258	937,258	937,258
Cash Flow	262,603	274,253	285,766	297,127	308,323
Debt Coverage Ratio	1.28	1.29	1.30	1.32	1.33

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

U. Building-by-Building Information

Must Complete

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

Number of BINS: 1

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit				
		TAX CREDIT UNITS	MARKET RATE UNITS					Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	
		Street Address 1	Street Address 2	City	State	Zip														
1.		150	0	2400 Afton Avenue		Richmond	VA	23224	\$0	03/01/26	4.00%	\$0	\$41,542,212	03/01/26	4.00%	\$1,661,688				\$0
2.									\$0			\$0				\$0				\$0
3.									\$0			\$0				\$0				\$0
4.									\$0			\$0				\$0				\$0
5.									\$0			\$0				\$0				\$0
6.									\$0			\$0				\$0				\$0
7.									\$0			\$0				\$0				\$0
8.									\$0			\$0				\$0				\$0
9.									\$0			\$0				\$0				\$0
10.									\$0			\$0				\$0				\$0
11.									\$0			\$0				\$0				\$0
12.									\$0			\$0				\$0				\$0
13.									\$0			\$0				\$0				\$0
14.									\$0			\$0				\$0				\$0
15.									\$0			\$0				\$0				\$0
16.									\$0			\$0				\$0				\$0
17.									\$0			\$0				\$0				\$0
18.									\$0			\$0				\$0				\$0
19.									\$0			\$0				\$0				\$0
20.									\$0			\$0				\$0				\$0
21.									\$0			\$0				\$0				\$0
22.									\$0			\$0				\$0				\$0
23.									\$0			\$0				\$0				\$0
24.									\$0			\$0				\$0				\$0
25.									\$0			\$0				\$0				\$0
26.									\$0			\$0				\$0				\$0
27.									\$0			\$0				\$0				\$0
28.									\$0			\$0				\$0				\$0
29.									\$0			\$0				\$0				\$0
30.									\$0			\$0				\$0				\$0
31.									\$0			\$0				\$0				\$0
32.									\$0			\$0				\$0				\$0
33.									\$0			\$0				\$0				\$0
34.									\$0			\$0				\$0				\$0
35.									\$0			\$0				\$0				\$0

150 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$0

\$0

\$41,542,212

\$1,661,688

\$0

\$0

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

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

V. STATEMENT OF OWNER

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

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

Legal Name of Owner: Afton Avenue Apartments LLC

By: *Edward K Soloy*
Its: Manager of its managing member
(Title)

V. STATEMENT OF ARCHITECT

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

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

Legal Name of Architect: DANIEL PAUL WASSUM
 Virginia License#: 0401017270
 Architecture Firm or Company: JOHANNAS DESIGN GROUP

By: 
 Its: ARCHITECT
 (Title)

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

W. LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

MANDATORY ITEMS:

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

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

1. READINESS:

- a. Virginia Housing notification letter to CEO (via Locality Notification Information App)
- b. Local CEO Opposition Letter
- c. Plan of development
- d. Location in a revitalization area based on Qualified Census Tract
- e. Location in a revitalization area with resolution
- f. Location in a Opportunity Zone

Y	0 or -50	0.00
N	0 or -25	0.00
Y	0 to 10	10.00
Y	0 or 10	10.00
N	0 or 15	0.00
N	0 or 15	0.00
Total:		20.00

2. HOUSING NEEDS CHARACTERISTICS:

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

Y	0 or up to 5	5.00
N	0 or 20	0.00
2.91%	Up to 40	5.83
Y	0 or 5	5.00
N	0 or 10	0.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
Y	Up to 20	20.00
Total:		35.83

3. DEVELOPMENT CHARACTERISTICS:

- a. Enhancements (See calculations below) 40.00
- b. Project subsidies/HUD 504 accessibility for 5 or 10% of units 0.00
- or c. HUD 504 accessibility for 10% of units 20.00
- d. Provides approved resident services or eligible childcare services 0.00
- e. Provides telephonic or virtual health services 0.00
- f. Proximity to public transportation Y10 10.00
- g. Development will be Green Certified N 0.00

		40.00
N	0 or 50	0.00
Y	0 or 20	20.00
N	0 or 15	0.00
N	0 or 15	0.00
Y10	0, 10 or 20	10.00
N	0 or 10	0.00

h. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
i. Developments with less than 100 low income units	N	up to 20	0.00
j. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			70.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$109,400	\$73,800

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	2.00%	Up to 15	0.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			0.00

5. SPONSOR CHARACTERISTICS:

a. Experienced Sponsor - 1 development in Virginia	Y	0 or 5	5.00
b. Experienced Sponsor - 3 developments in any state	N	0 or 15	0.00
c. Developer experience - uncorrected 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. Developer experience - more than 2 requests for Final Inspection	0	0 or -5 per item	0.00
j. Socially Disadvantaged Principal owner 25% or greater	N	0 or 5	0.00
k. Management company rated unsatisfactory	N	0 or -25	0.00
l. Experienced Sponsor partnering with Local Housing Authority pool applicant	N	0 or 5	0.00
Total:			5.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	101.03
b. Cost per unit		Up to 100	63.50
Total:			164.53

7. BONUS POINTS:

a. Extended Use Restriction	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	N	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 30	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Diversity, Equity and Inclusion Designation	N	0 or 5	0.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N	0 or 20	0.00
Total:			5.00

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

TOTAL SCORE: 300.36

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	20.00
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00

e. Rehab only: Infrastructure for high speed internet/broadband	1	0.00
f. N/A for 2022	0	0.00
g. Each unit provided free individual high speed internet access	10	0.00
h. Each unit provided free individual WiFi	12	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. % of renewable energy electric systems	10	0.00
s. New Construction: Balcony or patio	4	0.00
		40.00
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
		0.00
Total amenities:		40.00

X. Development Summary

Summary Information 2024 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Afton Avenue Apartments

Cycle Type: 4% Tax Exempt Bonds Credits **Requested Credit Amount:** \$1,601,635
Allocation Type: New Construction **Jurisdiction:** Richmond City
Total Units: 150 **Population Target:** General
Total LI Units: 150
Project Gross Sq Ft: 124,700.00 **Owner Contact:** Edward Solarz
Green Certified? FALSE

Total Score
300.36

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$18,213,236	\$121,422	\$146	\$937,258
Grants	\$0	\$0		
Subsidized Funding	\$1,000,000	\$6,667		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$22,777,855	\$151,852	\$183	66.39%
General Req/Overhead/Profit	\$2,990,008	\$19,933	\$24	8.72%
Other Contract Costs	\$157,115	\$1,047	\$1	0.46%
Owner Costs	\$5,042,953	\$33,620	\$40	14.70%
Acquisition	\$400,000	\$2,667	\$3	1.17%
Developer Fee	\$2,939,434	\$19,596	\$24	8.57%
Total Uses	\$34,307,365	\$228,716		

Total Development Costs	
Total Improvements	\$30,967,931
Land Acquisition	\$400,000
Developer Fee	\$2,939,434
Total Development Costs	\$34,307,365

Proposed Cost Limit/Sq Ft: \$271
Applicable Cost Limit/Sq Ft: \$344
Proposed Cost Limit/Unit: \$224,982
Applicable Cost Limit/Unit: \$331,194

Income	
Gross Potential Income - LI Units	\$2,147,520
Gross Potential Income - Mkt Units	\$0
Subtotal	\$2,147,520
Less Vacancy %	7.00%
	\$150,326
Effective Gross Income	\$1,997,194

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$337,626	\$2,251
Utilities	\$60,283	\$402
Operating & Maintenance	\$381,949	\$2,546
Taxes & Insurance	\$101,380	\$676
Total Operating Expenses	\$881,238	\$5,875
Replacement Reserves	\$37,500	\$250
Total Expenses	\$918,738	\$6,125

Unit Breakdown	
Supp Hsg	0
# of Eff	28
# of 1BR	86
# of 2BR	33
# of 3BR	3
# of 4+ BR	0
Total Units	150

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	150	150
>60% AMI	0	0
Market	0	0

Income Averaging? FALSE

Extended Use Restriction? 30

Cash Flow	
EGI	\$1,997,194
Total Expenses	\$918,738
Net Income	\$1,078,456
Debt Service	\$937,258
Debt Coverage Ratio (YR1):	1.15

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	\$1,661,688
Credit Requested	\$1,601,635
% of Savings	3.61%
Sliding Scale Points	101.03

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	\$33,907,365	
Total Square Feet	124,700.00	
Proposed Cost per SqFt	\$271.91	
Applicable Cost Limit per Sq Ft	\$344.00	
% of Savings	20.96%	
Total Units	150	
Proposed Cost per Unit	\$226,049	
Applicable Cost Limit per Unit	\$331,194	
% of Savings	31.75%	
Max % of Savings	31.75% Sliding Scale Points	63.50

Tab A:

Partnership or Operating Agreement, including
Org Chart with percentages of ownership interest

**OPERATING AGREEMENT
OF
AFTON AVENUE APARTMENTS MANAGING MEMBER LLC**

THIS OPERATING AGREEMENT (this “Operating Agreement”), dated this ____ day of _____, 2022, by Jennifer S. Hunt, Trustee of The Michael C. Hunt Family Trust U/A/D, Robert D. Hunt, Maury DeFreitas, Laura H. Hopson, Winnie Spaulding, and Normandy II LLC, the members of Afton Avenue Apartments Managing Member LLC, a Virginia limited liability company (the “Company”), provides as follows:

RECITALS:

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

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

AGREEMENT

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

ARTICLE I
DEFINITIONS

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

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

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

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

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

(e) Capital Contribution shall mean any contribution to the capital of the Company by

a Member in cash, property, or services, or a binding obligation to contribute cash, property, or services, whenever, made. "Initial Capital Contribution" shall mean the initial contribution to the capital of the Company of a Member pursuant to this Operating Agreement.

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

(g) Company shall refer to Afton Avenue Apartments Managing Member LLC.

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

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

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

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

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

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

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

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

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

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

(q) Non-Voting Member shall mean a Member owning less than 10% of the Member Interest in the Company.

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

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

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

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

(v) Voting Member shall mean a Member owning 10% or more of the Member Interest in the Company.

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

ARTICLE II

PURPOSES AND POWERS OF COMPANY

2.01 Purpose. The purpose of the Company shall be to engage in any lawful act or activity for which limited liability companies may be formed under Virginia Limited Liability Company Act, Virginia Code Sections 13.1-1000, et seq., as now in effect or hereafter amended (the “Act”), including but not limited to act as the managing member of Afton Avenue Apartments LLC, a Virginia limited liability company (the “Project Owner LLC”), and to sign any and all documents on behalf of the Project Owner LLC and to do all things necessary for Project Owner LLC to (a) submit an application for an allocation/reservation of low income housing tax credits; (b) acquire, construct/renovate, own, finance, lease, maintain and operate a housing development to be located at 2400 Afton Avenue, Richmond, Virginia (the “Project”); (c) to eventually sell or otherwise dispose of the housing development; (d) to construct and/or rehabilitate the housing development; and (e) to engage in all other activities incidental or related thereto.

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

connection therewith.

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

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

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

<u>Name and Address</u>	<u>Percentages</u>
Normandy II LLC 4305 Augusta Avenue Richmond, VA 23230	10.00%
THE MICHAEL C. HUNT FAMILY TRUST U/A/D NOVEMBER 25, 2019 Jennifer S. Hunt, Trustee 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	42.75%
Maury DeFreitas 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	2.5.00%
Robert D. Hunt 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	42.75%
Laura Hopson 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	1.0%
Winnie Spaulding 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	1.0%

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

ARTICLE IV
VOTING POWERS, MEETINGS, ETC. OF MEMBER

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

4.02 Actions Requiring Approval of Members.

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

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

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

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

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

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

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

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

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

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

ARTICLE V **MANAGERS**

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

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

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

(c) Collecting of funds due to the Company.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE VI
CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS

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

Normandy II LLC	\$10.00
THE MICHAEL C. HUNT FAMILY TRUST U/A/D NOVEMBER 25, 2019	\$42.75
Maury DeFreitas	\$2.50
Robert D. Hunt	\$42.75
Laura Hopson	\$1.00
Winnie Spaulding	<u>\$1.00</u>
Total	\$100.00

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE VII

ASSIGNMENT; RESIGNATION

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

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

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

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

7.04 Purchaser of Certain Memberships.

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

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



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

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

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

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

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

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

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

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

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

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

Company shall be One Dollar (\$1.00).

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

ARTICLE VIII **DISSOLUTION AND TERMINATION**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9.04 Power of Attorney.

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

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

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

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

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

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

9.05 Partnership Representative.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE X
MISCELLANEOUS PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MEMBERS:

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

By. Jennifer S. Hunt
Its: Trustee


Maury DeFretas

Robert D. Hunt


Laura H. Hopson


Winnie Spaulding

Normandy II LLC,
a Virginia limited liability company

By: 
Edward K. Solarz, Manager

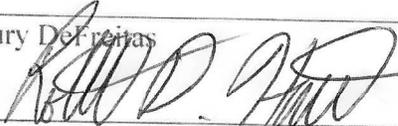
Company, unanimously adopted by the Members of the Company as of the date first written above.

MEMBERS:

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

By, Jennifer S. Hunt
Its: Trustee

Maury DeFreitas



Robert D. Hunt

Laura H. Hopson

Winnie Spaulding

Normandy II LLC,
a Virginia limited liability company

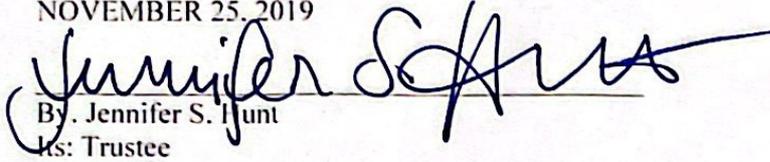
By: 

Edward K. Solarz, Manager

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

MEMBERS:

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


By: Jennifer S. Hunt
As: Trustee

Maury DeFreitas

Robert D. Hunt

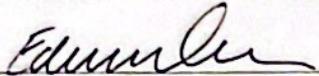
Laura H. Hopson

Winnie Spaulding

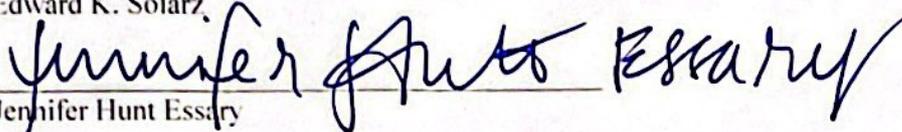
Normandy II LLC,
a Virginia limited liability company

By: 
Edward K. Solarz, Manager

MANAGERS:



Edward K. Solarz



Jennifer Hunt Essary

**BILL OF SALE
AND
ASSIGNMENT AND ASSUMPTION**

THIS BILL OF SALE AND ASSIGNMENT AND ASSUMPTION is made as of the 31 day of March 2023, by and between **MAURY DeFREITAS** (the "Assignor"), and **JESSICA STEVENSON** (the "Assignee").

WITNESSETH:

That Assignor, for and in consideration of Two and 50/100 Dollars (\$2.50) cash in hand paid, Assignee's assumption of Assignor's obligations of ownership in AFTON AVENUE APARTMENTS MANAGING MEMBER LLC, a Virginia limited liability company (the "Company") and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and further acknowledging that Assignor is the owner, free and clear of all other interests, of the membership interest hereby assigned, does hereby sell, transfer, assign, convey and deliver to Assignee, its successors and assigns, all of Assignor's right, title and interest, in and to, his two and one-half percent (2.5%) membership interest in the Company; and

That Assignee, for and in consideration of Assignor's assignment of Assignor's two and one-half percent (2.5%) membership interest in the Company to Assignee, does hereby assume all of Assignor's obligations of ownership in the Company.

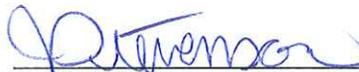
WITNESS the following signatures.

ASSIGNOR:



Maury DeFreitas

ASSIGNEE:



Jessica Stevenson

**BILL OF SALE
AND
ASSIGNMENT AND ASSUMPTION**

THIS BILL OF SALE AND ASSIGNMENT AND ASSUMPTION is made as of the ____ day of December 2022, by and between WINNIE SPAULDING (the "Assignor"), and THE MICHAEL C. HUNT FAMILY TRUST under agreement dated November 25, 2019 (the "Assignee").

WITNESSETH:

That Assignor, for and in consideration of one dollars (\$1.00) cash in hand paid, Assignee's assumption of Assignor's obligations of ownership in AFTON AVENUE APARTMENTS MANAGING MEMBER LLC, a Virginia limited liability company (the "Company") and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and further acknowledging that Assignor is the owner, free and clear of all other interests, of the membership interest hereby assigned, does hereby sell, transfer, assign, convey and deliver to Assignee, its successors and assigns, all of Assignor's right, title and interest, in and to, her one percent (1.0%) membership interest in the Company; and

That Assignee, for and in consideration of Assignor's assignment of Assignor's one percent (1.0%) membership interest in the Company to Assignee, does hereby assume all of Assignor's obligations of ownership in the Company.

WITNESS the following signatures.

ASSIGNOR:


Winnie Spaulding

ASSIGNEE:

THE MICHAEL C. HUNT FAMILY TRUST
under agreement dated November 25, 2019

By: 
Jennifer S. Hunt, Trustee

**FIRST AMENDED AND RESTATED
OPERATING AGREEMENT
OF
AFTON AVENUE APARTMENTS LLC**

This First Amended and Restated Operating Agreement (“Agreement”) of Afton Avenue Apartments LLC, a Virginia limited liability company (the “Company”), is made as of January 19, 2024 nunc pro tunc May 6, 2022, by Afton Avenue Apartments Managing Member LLC, a Virginia limited liability company (the “Member”), as the sole Member and Manager of the Company.

WHEREAS, the following individuals and entities (collectively, the “Erroneous Members”) previously executed that certain Operating Agreement of Afton Avenue Apartments LLC dated May 9, 2022 (as amended or otherwise modified from time to time, the “Erroneous Operating Agreement”): Jennifer S. Hunt, Trustee of The Michael C. Hunt Family Trust U/A/D, Robert D. Hunt, Maury DeFreitas, Laura Hopson, Winnie Spaulding, and Normandy II LLC.

WHEREAS, the only Member and Manager of the Company since its formation is, and was intended to be, Afton Avenue Apartments Managing Member LLC. Accordingly, the Erroneous Operating Agreement was executed in error by the Erroneous Members.

WHEREAS, the parties desire to correct the Erroneous Operating Agreement by correcting, amending, and restating it in its entirety.

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

ARTICLE I
FORMATION AND PURPOSE

1.01 Formation. The above recitals are hereby incorporated by reference. Further, the Member:

(a) acknowledges the formation of the Company as a limited liability company pursuant to the Virginia Limited Liability Company Act, as amended from time to time (the “Act”), by virtue of Articles of Organization filed with the Virginia State Corporation Commission effective as of May 6, 2022;

(b) confirms and declares its status as the sole Member of the Company upon the terms and conditions set forth in this Agreement; and

(c) executes and adopts this Agreement as an Operating Agreement of the Company pursuant to § 13.1-1023 of the Act and hereby corrects, amends, and restates the Erroneous Operating Agreement in its entirety.

1.02 Name. The name of the Company shall be Afton Avenue Apartments LLC.

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

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

1.05 Purposes. The purpose of the Company shall be to engage in any lawful act or activity for which limited liability companies may be formed under Virginia Limited Liability Company Act, Virginia Code Sections 13.1-1000, et seq., as now in effect or hereafter amended (the "Act"), including but not limited to acquire, construct/renovate, own, finance, lease, maintain and operate a housing development to be located on land located Richmond, Virginia identified in the City of Richmond Virginia's tax assessment records as parcel numbers S008023707 and S0080237001 (the "Afton Property"); (c) to eventually sell or otherwise dispose of the housing development; (d) to construct and/or rehabilitate the housing development; and (e) to engage in all other activities incidental or related thereto.

ARTICLE II **MEMBERS**

2.01 Member. The Member, whose address is 101 W. Commerce Street, Richmond, Virginia 23224, is the sole Member of the Company.

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

ARTICLE III **MANAGEMENT**

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

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

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

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

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

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

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

(c) The Company shall promptly take all such actions and make all such determinations (through the determination of the Manager, or if the Manager is party to the proceeding, by special legal counsel selected by the Manager) as shall be necessary or

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

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

ARTICLE IV

TERM AND TERMINATION OF THE COMPANY

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

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

(a) The determination in writing of the Member to dissolve the Company;

(b) Except upon the Member's (including any substitute Member) determination to continue the business of the Company within six months of the following events, in which case the Company shall not be dissolved and the Company and the business of the Company shall be continued:

(i) The sale, transfer, or other disposition of substantially all of the non-cash assets of the Company (other than debt instruments);

(ii) The adjudication of the Company as insolvent, or the entry of any order of relief with respect to the Company, under any applicable insolvency or bankruptcy laws, or the filing of an involuntary petition in bankruptcy against the Company (which is not dismissed within 90 days), or the filing against the Company of a petition for reorganization under the Federal Bankruptcy Code or any state statute (which is not dismissed within 90 days), or a general assignment by the Company for the benefit of creditors, or the voluntary claim (by the Company) that it is insolvent or entitled to relief under any provisions of the Federal Bankruptcy Code (or any state insolvency statute), or the appointment for the

Company of a temporary or permanent receiver, trustee, custodian or sequestrator if such receiver, trustee, custodian or sequestrator is not dismissed within 90 days;

(iii) The dissolution or bankruptcy (which shall mean being the subject of an order for relief under Title 11 of the United States Code) of the Member, or occurrence of any other event that terminates the continued membership of any Member in the Company;

(iv) When so required in accordance with other provisions of this Agreement; or

(v) As otherwise required by the Act.

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

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

ARTICLE V

TRANSFERS AND THE ADDITION, SUBSTITUTION, AND WITHDRAWAL OF A MEMBER

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

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

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

ARTICLE VI
ADMINISTRATIVE PROVISIONS

6.01 Principal Office and Registered Agent.

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

(b) The name and address of the registered agent for purposes of the Act is Corporation Service Company, with an address of 100 Shockoe Slip, 2nd Floor, Richmond, VA 23219, and who is duly qualified to conduct business in Virginia. The Manager may at any time change the location of the principal office or registered agent.

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

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

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

ARTICLE VII
MISCELLANEOUS

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

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

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

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

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

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

Afton Avenue Apartments Managing Member LLC,
a Virginia limited liability company

By: _____ (seal)

Name: _____

Title: _____

The undersigned, being all of the Erroneous Members, join this Agreement for purposes of acknowledging their agreement with, approval of, and consent to the terms hereof including, without limitation, those matters set forth in the above recitals:


Jennifer S. Hunt, Trustee of
The Michael C. Hunt Family
Trust U/A/D.

Robert D. Hunt

Maury DeFreitas

Laura Hopson

Winnie Spaulding

Normandy II LLC

By: _____
Edward K. Solarz, Manager

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

Afton Avenue Apartments Managing Member LLC,
a Virginia limited liability company

By: _____ (seal)

Name: _____

Title: _____

The undersigned, being all of the Erroneous Members, join this Agreement for purposes of acknowledging their agreement with, approval of, and consent to the terms hereof including, without limitation, those matters set forth in the above recitals:

Jennifer S. Hunt, Trustee of
The Michael C. Hunt Family
Trust U/A/D,

Robert D. Hunt



Maury DeFreitas

Laura Hopson

Winnie Spaulding

Normandy II LLC

By: _____
Edward K. Solarz, Manager

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

Afton Avenue Apartments Managing Member LLC,
a Virginia limited liability company

By: _____ (seal)

Name: _____

Title: _____

The undersigned, being all of the Erroneous Members, join this Agreement for purposes of acknowledging their agreement with, approval of, and consent to the terms hereof including, without limitation, those matters set forth in the above recitals:

Jennifer S. Hunt, Trustee of
The Michael C. Hunt Family
Trust U/A/D,



Robert D. Hunt

Maury DeFreitas

Laura Hopson

Winnie Spaulding

Normandy II LLC

By: _____
Edward K. Solarz, Manager

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

Atron Avenue Apartments Managing Member LLC,
a Virginia limited liability company

By: _____ (seal)

Name: _____

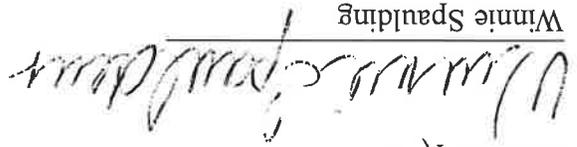
Title: _____

The undersigned, being all of the Erroneous Members, join this Agreement for purposes of acknowledging their agreement with, approval of, and consent to the terms hereof including, without limitation, those matters set forth in the above recitals:

Jennifer S. Hunt, Trustee of
The Michael C. Hunt Family
Trust U/A/D,

Robert D. Hunt

Maury DeFreitas

Laura Hopson

Winnie Spaulding

Normandy II LLC

By: _____
Edward K. Solarz, Manager

**BILL OF SALE
AND
ASSIGNMENT AND ASSUMPTION**

THIS BILL OF SALE AND ASSIGNMENT AND ASSUMPTION is made as of the 1st day of January 2023, by and between **WINNIE SPAULDING** (the "Assignor"), and **NORMANDY CONSULTING LLC**, a Virginia limited liability company (the "Assignee").

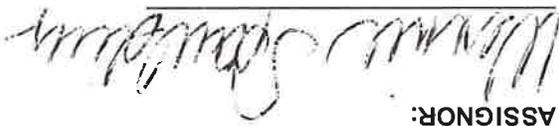
WITNESSETH:

That Assignor, for and in consideration of One Dollar (\$1.00) cash in hand paid, Assignee's assumption of Assignor's obligations of ownership in 2400 AFTON AVENUE LLC, a Virginia limited liability company (the "Company") and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and further acknowledging that Assignor is the owner, free and clear of all other interests, of the membership interest hereby assigned, does hereby sell, transfer, assign, convey and deliver to Assignee, its successors and assigns, all of Assignor's right, title and interest, in and to, her one percent (1.0%) membership interest in the Company; and

That Assignee, for and in consideration of Assignor's assignment of Assignor's one percent (1.0%) membership interest in the Company to Assignee, does hereby assume all of Assignor's obligations of ownership in the Company.

WITNESS the following signatures.

ASSIGNOR:


Winnie Spaulding

ASSIGNEE:

NORMANDY CONSULTING LLC

By: _____

Edward K. Solarz, Manager

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

Afton Avenue Apartments Managing Member LLC,
a Virginia limited liability company

By: Edward K Solarz (seal)

Name: Edward K Solarz

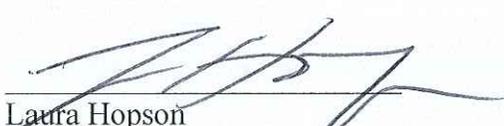
Title: Manager

The undersigned, being all of the Erroneous Members, join this Agreement for purposes of acknowledging their agreement with, approval of, and consent to the terms hereof including, without limitation, those matters set forth in the above recitals:

Jennifer S. Hunt, Trustee of
The Michael C. Hunt Family
Trust U/A/D,

Robert D. Hunt

Maury DeFreitas


Laura Hopson

Winnie Spaulding

Normandy II LLC

By: Edward K Solarz
Edward K. Solarz, Manager

Afton Avenue Apartments
2400-2420 Afton Avenue
Richmond, VA 23224
Property

Afton Avenue Apartments LLC
A Virginia Limited Liability Company
Owner/Borrower

Afton Avenue Apartments Managing Member LLC
A Virginia Limited Liability Company
0.01% Managing Member
Borrower Principal

TBD Investor
A Limited Liability Company
99.99% Member
Borrower Principal

THE MICHAEL C.
HUNT FAMILY TRUST
U/A/D
NOVEMBER 25, 2019
43.75% Member
(0.004375%
indirect interest)
**Borrower Principal
Guarantor**

**Jennifer Hunt
Essary (U.S.
Individual)**
0% Member/ **Co-
Manager**
(0.0% indirect
interest)

**Robert D. Hunt
(U.S. Individual)**
42.75% Member
(0.004275%
indirect interest)
Borrower Principal

**Normandy
Consulting II LLC**
A Limited Liability
Company
10.0% Member
(0.0010 indirect
interest)
Borrower Principal

**Edward K. Solarz
(U.S. Individual)**
0% Member/ **Co-
Manager**
(0.0% indirect
interest)

**Jessica Stevenson
(U.S. Individual)**
2.5% Member
(0.00025% indirect
interest)

**Laura Hopson (U.S.
Individual)**
1.0% Member
(0.0001% indirect
interest)

TBD Syndicator
A Limited Liability
Company
0.01% General
Partner
(0.000001%
indirect interest)

Jennifer S. Hunt (U.S. Individual)
100% Trustee
(0.004275 aggregate interest)
Borrower Principal

Edward K. Solarz (U.S. Individual)
100% Managing Member
(0.0010 aggregate interest)
Borrower Principal

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	\$165,597
Plus Other Income Source (list): Pet Fees, Pet Rent, App Fees, Term Fees, I	\$13,363
Equals Total Monthly Income:	\$178,960
Twelve Months	x12
Equals Annual Gross Potential Income	\$2,147,520
Less Vacancy Allowance 7.0%	\$150,326
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$1,997,194

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

Total Monthly Income for Market Rate Units:	\$0
Plus Other Income Source (list):	\$0
Equals Total Monthly Income:	\$0
Twelve Months	x12
Equals Annual Gross Potential Income	\$0
Less Vacancy Allowance 7.0%	\$0
Equals Annual Effective Gross Income (EGI) - Market Rate Units	\$0

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$1,997,194
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,997,194
d. Total Expenses	\$918,738
e. Net Operating Income	\$1,078,456
f. Total Annual Debt Service	\$937,258
g. Cash Flow Available for Distribution	\$141,198

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5	
Eff. Gross Income	1,997,194	2,037,137	2,077,880	2,119,438	2,161,827	
Less Oper. Expenses	918,738	946,300	974,689	1,003,930	1,034,048	
Net Income	1,078,456	1,090,837	1,103,191	1,115,508	1,127,779	
Less Debt Service	937,258	937,258	937,258	937,258	937,258	Years 1-5
Cash Flow	141,198	153,579	165,933	178,250	190,521	\$829,480.9
Debt Coverage Ratio	1.15	1.16	1.18	1.19	1.20	

	Year 6	Year 7	Year 8	Year 9	Year 10	
Eff. Gross Income	2,205,063	2,249,164	2,294,148	2,340,031	2,386,831	
Less Oper. Expenses	1,065,069	1,097,021	1,129,932	1,163,830	1,198,745	
Net Income	1,139,994	1,152,143	1,164,216	1,176,201	1,188,087	
Less Debt Service	937,258	937,258	937,258	937,258	937,258	Years 6-10
Cash Flow	202,736	214,885	226,958	238,943	250,829	\$1,134,350.3
Debt Coverage Ratio	1.22	1.23	1.24	1.25	1.27	

	Year 11	Year 12	Year 13	Year 14	Year 15	
Eff. Gross Income	2,434,568	2,483,259	2,532,924	2,583,583	2,635,255	
Less Oper. Expenses	1,234,707	1,271,748	1,309,901	1,349,198	1,389,674	
Net Income	1,199,861	1,211,511	1,223,024	1,234,385	1,245,581	
Less Debt Service	937,258	937,258	937,258	937,258	937,258	Years 11-15
Cash Flow	262,603	274,253	285,766	297,127	308,323	\$1,428,071.5
Debt Coverage Ratio	1.28	1.29	1.30	1.32	1.33	

Estimated Annual Percentage Increase in Revenue	2.00% (Must be < 2%)	Total Cash Flow \$3,391,902.6
Estimated Annual Percentage Increase in Expenses	3.00% (Must be >= 3%)	

Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, July 19, 2022

This is to certify that the certificate of organization of

Afton Avenue Apartments Managing Member 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: July 19, 2022



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, May 6, 2022

This is to certify that the certificate of organization of

Afton Avenue Apartments 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: May 6, 2022



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

Tab C:

Principal's Previous Participation Certification
(MANDATORY)

M. Previous Participation Certification

Previous Participation Certification Instructions

General Instructions

The following certification:

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

Definitions

Development - the proposed multifamily rental housing development.

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

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

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

Appendices continued

Please follow guidelines below for listing principals.

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

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

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

Previous Participation Certification

Development Name Afton Avenue Apartments

Name of Applicant (entity) Afton Ave Apartments 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

Edward K Solarz

Printed Name

1/17/24

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: Afton Avenue Apartments
 Name of Applicant: Afton Avenue Apartments LLC

INSTRUCTIONS:

- 1 **1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:**
 - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 - For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- 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 for the past 15 years.
- 4 Use separate pages as needed, for each principal.

Edward K. Solarz

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

Principal's Name:

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Bellevue Apartments, Richmond, VA	Code Genesis Bellevue LLC, 804-230-1220	N	143	143	2018-2019	2019	N
2	Ivy Farms Apartments, Newport News, VA	617 Adams Drive LLC, 804-230-1220	Y	168	168	2022	2023	N
3	Holly Springs, Richmond, VA	VST Holly Springs LLC, 804-230-1220	Y	121	121	2022	TBD	N
4	Swansboro Apartments, Richmond, VA	VST Swansboro LLC, 804-230-1220	Y	62	62	2023	TBD	N
5	South Gate Apartments, Richmond, VA	VST South Gate LLC 804-230-1220	Y	112	112	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: 606 606

LIHTC as % of Total Units 100%

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Afton Avenue Apartments
 Name of Applicant: Afton Avenue Apartments LLC

INSTRUCTIONS:

- 1 **1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:**
 - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 - For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- 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 for the past 15 years.
- 4 Use separate pages as needed, for each principal.

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

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Jefferson Townhouses, Richmond, VA	N	218	218	2008	2008	N
2	Hatcher Tobacco Flats, Richmond, VA	N	152	152	2015	2015	N
3	Bellevue Apartments, Richmond, VA	N	143	143	2018-2019	2019	N
4	Ivy Farms Apartments, Newport News, VA	N	168	168	2022	2023	N
5	Holly Springs, Richmond, VA	N	121	121	2022	TBD	N
6	Swansboro Apartments, Richmond, VA	N	62	62	2023	TBD	N
7	South Gate Apartments, Richmond, VA	N	112	112	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.

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Afton Avenue Apartments
 Name of Applicant: Afton Avenue Apartments LLC

INSTRUCTIONS:

- 1 **1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:**
 - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 - For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- 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 for the past 15 years.
- 4 Use separate pages as needed, for each principal.

Principal's Name: Jessica Stevenson 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 South Gate Apartments, Richmond VA	VST South Gate LLC 804-230-1220	N	112	112	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: 112 112 **LIHTC as % of**
 100% **Total Units**

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Afton Avenue Apartments
 Name of Applicant: Afton Avenue Apartments LLC

INSTRUCTIONS:

- 1 **1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:**
 - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 - For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- 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 for the past 15 years.
- 4 Use separate pages as needed, for each principal.

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

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Swansboro Apartments, Richmond, VA	VST Swansboro LLC, 804-230-1220	N	62	62	2023	TBD	N
2	South Gate Apartments, Richmond, VA	VST South Gate LLC 804-230-1220	N	112	112	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.

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Afton Avenue Apartments
 Name of Applicant: Afton Avenue Apartments LLC

INSTRUCTIONS:

- 1 **1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:**
 - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 - For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- 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 for the past 15 years.
- 4 Use separate pages as needed, for each principal.

Robert Hunt

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

Principal's Name:

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Jefferson Townhouses, Richmond VA	Jefferson Townhouses, LLC, 804-230-1220	N	218	218	2008	2008	N
2 Hatcher Tobacco Flats, Richmond VA	Hatcher Tobacco Genesis LLC, 804-230-1220	N	152	152	2015	2015	N
3 Bellevue Apartments, Richmond VA	Code Genesis Bellevue LLC, 804-230-1220	N	143	143	2018-2019	2019	N
4 Holly Springs Apartments, Richmond VA	VST Holly Springs LLC, 804-230-1220	N	121	121	2022	TBD	N
5 South Gate Apartments, Richmond VA	VST South Gate LLC, 804-230-1220	N	112	112	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

1st PAGE TOTAL: 746 746 LIHTC as % of Total Units 100% v.2024.1

Tab E:

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

REAL ESTATE PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "**Contract**" or "**Agreement**") is made this 20th day of January, 2024, by 2400 Afton Avenue LLC, (the "**Seller**") and Afton Avenue Apartments LLC, a Virginia Limited Liability Company and/or assigns (the "**Purchaser**"). In consideration of the sum of Ten Dollars (\$10.00), other good and valuable consideration, and the mutual agreements herein, the parties agree as follows:

1. **Agreement to Sell and Identification of Real Property.** Subject to the terms of this Agreement, Seller agrees to sell and Purchaser agrees to buy the following:
Real Property: that certain 1.8 acres on two parcel of land thereon known as 2400 and 2420 Afton Avenue, Richmond, VA 23224 and designated as parcel numbers S0080237007 & S0080237001 in the City of Richmond, Virginia Real Estate Assessor's Parcel Mapper database (hereinafter, "**Property**").
2. **Purchase Price:** Two Million Dollars (\$400,000), which will be paid by Purchaser in cash or immediately available funds at Closing (hereafter defined).
3. **Initial Deposit.** An initial fully refundable earnest money deposit (the "Initial Deposit") of Ten Thousand Dollars (\$10,000.00) shall be paid by Purchaser within 5 business days of the execution of the Agreement by the parties. The Initial Deposit shall be placed in escrow with Old Republic National Title Company until Closing, at which- time it shall be credited to Purchaser's Purchase Price. Purchaser shall have the option to terminate the Agreement with written notice to Seller for any reason whatsoever on or before the end of the Feasibility Period (defined below) if, in its sole discretion, the Property does not meet Purchaser's requirements, in which event the Initial Deposit shall be returned to Purchaser. Upon the expiration of the Feasibility Period, Purchaser will apply an additional Ten Thousand Dollar deposit (\$10,000), which together with the Initial Deposit totals a deposit of Twenty Thousand Dollars (\$20,000), (hereafter, the "Deposit").
4. **Feasibility Period.** Purchaser shall have a period of sixty (60) days after the full execution of the Agreement to perform investigations with respect to the Property and Documents as Purchaser may deem necessary in order to determine whether the Property is suitable for Purchaser's intended use thereof (the "Feasibility Period"). Purchaser shall have the option to terminate the Agreement with written notice to Seller for any reason whatsoever on or before the end of the Feasibility Period if, in its sole discretion, the Property does not meet Purchaser's requirements, in which event the Initial Deposit shall be returned to Purchaser as stipulated herein. Seller agrees to cooperate and allow Purchaser and Purchaser's agents, employees, engineers, contractors, invitees and/or designees (collectively, "Purchaser's Agents"), at Purchaser's sole cost and expense, with reasonable access to the Property during normal business hours for the purpose of conducting such soil borings, soil

analyses, engineering tests and studies, wetland studies, environmental tests and studies, topographic tests and/or investigations with respect to the Property as Purchaser may deem necessary in order to determine whether the Property is suitable for Purchaser's intended use thereof. Purchaser shall be responsible for all damage caused to the Property by its examinations and shall restore the Property to its original condition. Purchaser shall indemnify, defend, and hold seller harmless from any and all costs or expenses associated with any damage caused to the Property or any person or persons thereon by Purchaser or Purchasers designated representatives, and this obligation of indemnification shall survive the closing and/or any termination of this Contract. Within five (5) business days after full execution of this Agreement Seller agrees to deliver and/or make available for inspection to Purchaser copies of Documents knowingly in Seller's possession, if any, related to the use, development, or ownership of the Property, (the "Property Documents"). If requested by Purchaser, Seller shall provide, if in Seller's possession, copies of (i) notices of mechanics liens and tax delinquencies; (ii) all warranties, agreements and contracts of subcontractors, materialmen, architects, engineers, manufacturers, and suppliers of equipment in connection with the development of the Property; (iii) any leases or agreements with vendors currently in place or which will be in place in the future but prior to Closing; and (iv) all other documentation relevant to the Property that Purchaser may request.

5. **Closing.** Provided this Agreement has not been terminated as allowed and provided herein, Closing under the Agreement shall be the later of December 1st, 2024, or a date sooner that is mutually agreed upon by the Purchase and the Seller.

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

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

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

defects within 45 days of the written notice, Purchaser may terminate this Agreement by providing written notice of termination within 10 days after the date of delivery of the original written notice, and upon such termination the Deposit shall be refunded to the Purchaser.

7. **Purchaser's Conditions Precedent to Closing.** Sellers Representations, Warranties and Covenants set forth in this Agreement shall be true as of Closing and title to the Property shall be free of liens and encumbrances except for those recorded liens and encumbrances of record not objected to or accepted or waived pursuant to Paragraph 6, and Seller is not in default of any material terms in this Agreement (the "**Purchaser's Conditions Precedent to Closing**"). Purchaser shall have the right to examine the documents referred to in Section 4, if any, and shall certify satisfactory receipt thereof prior to the expiration of the Feasibility Period.
8. **Closing Costs/Expenses.** Seller shall pay the cost of the preparation of the Deed, the Virginia Grantor's Tax, the cost of obtaining releases of all monetary liens encumbering the Property and Seller's attorneys' fees. Purchaser shall pay its own attorneys' fees; any title insurance premiums and examination fees; any intangibles, mortgage, or documentary tax on any mortgage given by Purchaser; all other charges for recording of any instrument or document delivered by Seller to Purchaser; and all transfer taxes payable with respect to the transfer of the Property to Purchaser. All real estate taxes and other similar charges shall be prorated as of the date of each Closing.
9. **Broker Commissions.** Seller has retained Genesis Properties, Inc., as its broker and shall be responsible for all broker fees subject to a separate agreement.
10. **Purchaser's Assignment.** Purchaser shall have the right to assign its rights and obligations under this Agreement in whole without Seller's prior written consent. Such assignee shall be entitled to the benefit of and may enforce Seller's covenants, representations, and warranties hereunder. Any assignee assumes all obligations hereunder and complies with the representations and warranties made by Purchaser.
11. **Risk of Loss.** All risk of loss or damage to any of the Property by fire or other cause, or taking by eminent domain, is assumed by Seller until Closing. In the event of substantial loss or damage to the Property before Closing, Purchaser will have the option of either (a) terminating this Agreement or (b) purchasing the Property, in which event Seller will assign to Purchaser, as to the damaged Property, all of Seller's rights under any applicable policy or policies of insurance and any condemnation awards and pay over to Purchaser any sums received as a result of such loss or damage.

suits pursuant to state or federal bankruptcy or other creditors' rights laws, statutes, rules or regulations) or affecting the Property before any federal, state, County or municipal department, commission, board, bureau, agency or other governmental instrumentality. Seller will give Purchaser prompt written notice of any notice received by Seller relating to any legal actions or suits of any part of the Property. The Seller makes no representations or warranties regarding zoning or related actions.

- d. To the best of Seller's knowledge, no hazardous substances or hazardous materials have been released, deposited, stored or placed in, on, under or above the Property in violation of applicable Federal, state or local laws, ordinances, statutes and regulations, and to Seller's actual knowledge without investigation no such hazardous substances or hazardous materials currently exist in, on, under or above the Property such that their existence would violate applicable Federal, state or local laws, ordinances, statutes and regulations. As used herein, all references to hazardous materials and hazardous substances shall mean and refer to hazardous waste as that term is defined in the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et. seq.), the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. Section 9601, et. seq.), or under any other Federal, state or local law, ordinance, statute, rule or regulation, including, without limitation, any asbestos or asbestos-related products and any oils, petroleum products or pesticides.
- e. At or prior to Closing, Seller shall have paid for all labor that has been performed on or materials furnished to the Property by or on behalf of Seller for which a mechanic's or materialmen's lien could be claimed by any person or entity. The foregoing warranty shall not cover any period prior to Seller's ownership of the Property.

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

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

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

WITNESS the following signatures:

SELLER:

**2400 Afton Avenue LLC
A Virginia Limited Liability Company**



By: Edward K. Solarz
Title: Co-Manager

Date: 1/20/2024

PURCHASER:



By: Edward K. Solarz
Title: Co-Manager

Date: 1/20/2024

Print

Property: 2420 Afton Ave Parcel ID: S0080237001

Assessments

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$70,000	\$0	\$70,000	Reassessment
2023	\$56,000	\$0	\$56,000	Reassessment
2022	\$56,000	\$0	\$56,000	Reassessment
2021	\$25,000	\$0	\$25,000	Reassessment
2020	\$25,000	\$0	\$25,000	Reassessment
2019	\$25,000	\$0	\$25,000	Reassessment
2018	\$25,000	\$0	\$25,000	Reassessment
2017	\$25,000	\$0	\$25,000	Reassessment
2016	\$25,000	\$0	\$25,000	Reassessment
2015	\$25,000	\$0	\$25,000	Reassessment
2014	\$25,000	\$0	\$25,000	Reassessment
2013	\$47,000	\$0	\$47,000	Reassessment
2012	\$47,000	\$0	\$47,000	Reassessment
2011	\$47,000	\$0	\$47,000	CarryOver
2010	\$47,000	\$0	\$47,000	Reassessment
2009	\$47,000	\$0	\$47,000	Reassessment
2008	\$47,000	\$0	\$47,000	Reassessment
2007	\$47,000	\$0	\$47,000	Reassessment
2006	\$24,700	\$0	\$24,700	Reassessment
2005	\$23,500	\$0	\$23,500	Reassessment
2004	\$21,400	\$0	\$21,400	Reassessment
2003	\$20,000	\$0	\$20,000	Reassessment
2002	\$20,000	\$0	\$20,000	Reassessment
1998	\$20,000	\$0	\$20,000	Not Available

Print

Property: 2400 Afton Ave Parcel ID: S0080237007

Assessments

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$70,000	\$0	\$70,000	Reassessment
2023	\$56,000	\$0	\$56,000	Reassessment
2022	\$56,000	\$0	\$56,000	Reassessment
2021	\$25,000	\$0	\$25,000	Reassessment
2020	\$30,000	\$0	\$30,000	Reassessment
2019	\$30,000	\$0	\$30,000	Reassessment
2018	\$30,000	\$0	\$30,000	Reassessment
2017	\$30,000	\$0	\$30,000	Reassessment
2016	\$30,000	\$0	\$30,000	Reassessment
2015	\$30,000	\$0	\$30,000	Reassessment
2014	\$30,000	\$0	\$30,000	Reassessment
2013	\$56,000	\$0	\$56,000	Reassessment
2012	\$56,000	\$0	\$56,000	Reassessment
2011	\$56,000	\$0	\$56,000	CarryOver
2010	\$56,000	\$0	\$56,000	Reassessment
2009	\$56,000	\$0	\$56,000	Reassessment
2008	\$56,000	\$0	\$56,000	Reassessment
2007	\$56,000	\$0	\$56,000	Reassessment
2006	\$29,700	\$0	\$29,700	Reassessment
2005	\$28,300	\$0	\$28,300	Reassessment
2004	\$25,700	\$0	\$25,700	Reassessment
2003	\$25,700	\$0	\$25,700	Reassessment
2002	\$24,000	\$0	\$24,000	Reassessment
1998	\$24,000	\$0	\$24,000	Not Available

Tab F:

RESNET Rater Certification (MANDATORY)

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.

Tab G:

Zoning Certification Letter (MANDATORY)



CITY OF RICHMOND

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

DATE: April 28, 2022

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

RE:
ZONING CERTIFICATION Afton Avenue Apartments
Name of Development: 2400 Afton Avenue LLC
Name of Owner/Applicant: 2400 Afton Avenue LLC
Name of Seller/Current Owner:

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

DEVELOPMENT DESCRIPTION:

Development Address:
2400-2420 Afton Avenue
Richmond, VA 23224

Legal Description:
Please see attached.

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>150</u>	# Units	<u>1</u>	# Buildings	<u>134,268</u>	Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	<u> </u>	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	<u> </u>	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area Sq. Ft.

Zoning Certification, cont'd

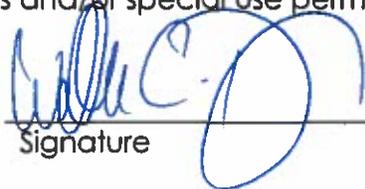
Current Zoning: B-5 (Central Business) allowing a density of _____ units per acre, and the following other applicable conditions: N/A
No density requirement. Unit count is dependent on the number of parking spaces that can be provided

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

William C. Davidson

Printed Name

Zoning Administrator

Title of Local Official or Civil Engineer

804-646-6353

Phone:

April 28, 2022

Date:

Tab H:

Attorney's Opinion (MANDATORY)

MGLAW

MeyerGoergen PC

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

January 24, 2024

Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request

Name of Development: Afton Avenue Apartments

Name of Owner: Afton Avenue Apartments 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 January 24, 2024 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

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

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

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

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

MEYERGOERGEN PC

By: 

Richard C. Lawrence, President

Not Applicable for this Development

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)

Not Applicable for this Development

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

Tab K:

Documentation of Development Location:

Tab K.1

Revitalization Area Certification

C. Revitalization Area Information



Revitalization Area

General Instructions

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

Designation

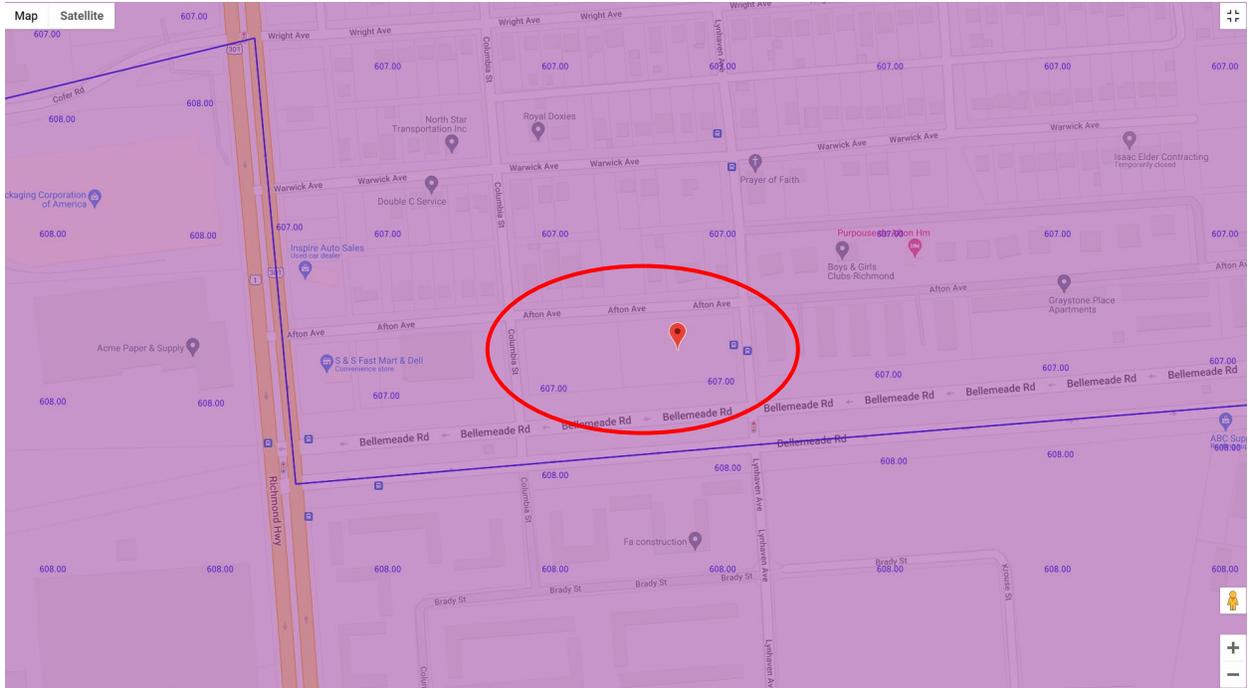
To qualify for revitalization area points, select one of the following (and provide adequate documentation):

1. The development is located in a Qualified Census Tract, as defined by HUD. (10 points)
2. The development is located in a census tract wherein 70% or more of the families have incomes which are \leq 80% statewide median income. **NOTE:** These census tracts are included in the definition of target area for single-family purposes, but do not include ACEDS. (10 points)
3. The development is located in an already established redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to §36-1 et seq. Documentation must show area boundaries and support that the development lies within those boundaries. (10 points)
4. The development is located in a Housing Rehabilitation Zone established through an ordinance created by a city, county or town pursuant to §36-55.64. Documentation must include a copy of the ordinance with support that the development lies within the Rehabilitation Zone. (15 points)
5. The development is located in a defined revitalization area. Documentation must include a resolution from the locality supporting the development's location within the revitalization area. See language below. (15 points)

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

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

6. The development is located in a Qualified Opportunity Zone and has a binding commitment of funding. Documentation must include a firm commitment of funding from a Qualified Opportunity Fund (QOF). Evidence of the self-certification to become a QOF must be provided with the commitment for funding. (15 points)



METROPOLITAN AREA: Richmond, VA MSA

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

Nodes

Nodes are places in Richmond where people and jobs are today and continue to grow into the future. Nodes are the places of convergence of many uses and include offices, shopping, housing, and/or public gathering places as well as access to multiple modes of transportation.

Nodes are important places in Richmond and deserve special attention in the Master Plan to ensure that land use planning, transportation planning, and public policy align to make thriving crossroads in Richmond's communities. The Nodes are places in Richmond that can either 1) accommodate additional growth in jobs and population or 2) are major activity centers today and should be preserved/enhanced. The Nodes Map, as shown in Figure 10, depicts the location and scale of each Node:

Regional/National Node: A center with significant cultural, entertainment, government, and business destinations as well as shopping, housing, and unique place-based attractions.

Neighborhood Node: A local crossroads typically within or next to larger residential areas that offers goods and services to nearby residents, employees, and visitors.

Micro Node: A notable place within a neighborhood that generally provides goods and services to the immediate residents but may attract visitors.

The Nodes map also highlights the **Priority Growth Nodes** where the City is encouraging the most significant growth in population and development over the next 20 years. This section of the Plan includes descriptions for the Nodes designated as primary growth areas.

Descriptions for all the Regional/National Nodes and the Neighborhood Nodes can be found in Appendix C of this Plan. Micro Nodes are not described in detail in the Plan, but are called out on the Node Map because the Micro Nodes provide mixed-use destinations within primarily residential areas and help create a unique sense of place within many of Richmond's historic urban neighborhoods. Micro Nodes are a model for future development as new neighborhoods emerge.

PRIORITY GROWTH NODES

Downtown. As the regional center of employment, the Capital of the Commonwealth of Virginia, and the home to a major state university and hospital system, the Downtown Area contains five sub-Nodes:

- Downtown Core
- Jackson Ward
- Monroe Ward
- Shockoe
- Manchester

Greater Scott's Addition

Route 1/Bellemeade Rd

Route 1/Bells Rd

Southside Plaza

Stony Point Fashion Park

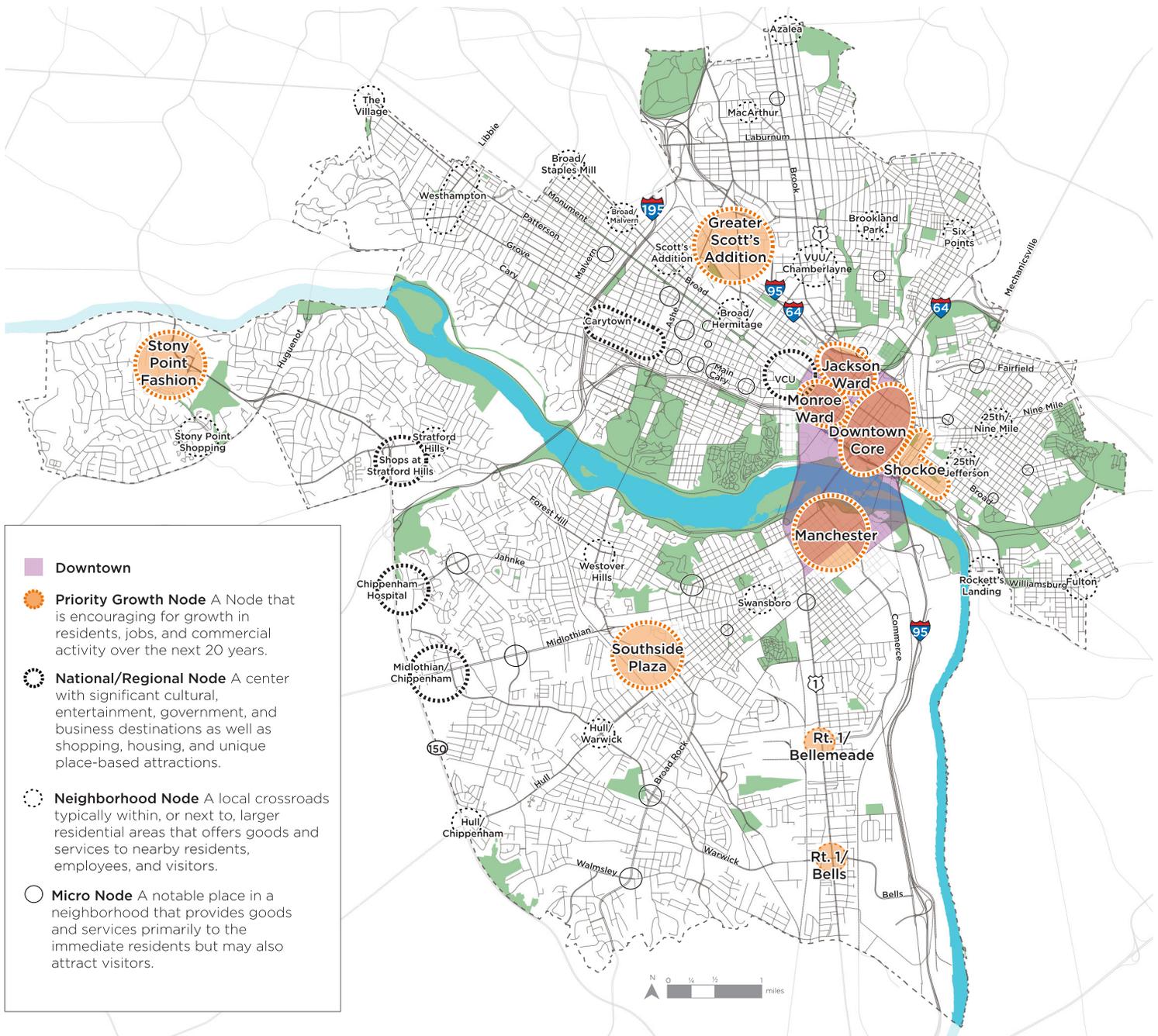


FIGURE 10 // Nodes Map

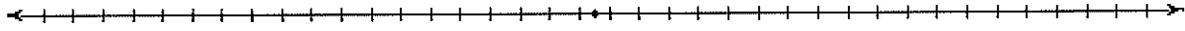
Nodes are places in Richmond that can either 1) accommodate additional growth in jobs and population or 2) are major activity centers today and should be preserved/enhanced.

Tab K.2

Surveyor's Certification of Proximity to
Public Transportation using Virginia
Housing template



201 Twin Ridge Lane Richmond, VA 23235
Ph: (804) 320-2646 Fx: (804) 320-7923



Surveyor's Certification of Proximity to Transportation

Date 1/10/2024

To: Virginia Housing
601 South Belvidere Street
Richmond, VA 23220

RE: 2024 Tax Credit Reservation Request

Name of Development: Afton Avenue Apartments

Name of Owner: 2400 Afton Avenue 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 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.

McKnight and Associates P.C.

Firm Name

By:

Its: President

Title

Tab L:

PHA / Section 8 Notification Letter

Y. Section 8 Waiting List Preference

PHA or Section 8 Notification Letter

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

General Instructions

1. Because of conflicting program requirements regarding waiting list procedures, this letter is not applicable to those developments that have 100% project-based Section 8 or project-based vouchers.
2. This PHA or Section 8 Notification letter (or proof of delivery to the correct PHA/Section 8 Administrator) must be included with the application.
3. 'Development Address' should correspond to the application.
4. 'Proposed Improvements' should correspond with the Application.
5. 'Proposed Rents' should correspond with the Application.
6. 'Other Descriptive Information' should correspond with information in the application.

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

PHA or Section 8 Notification Letter

Date 1/9/2024

To Steven B. Nesmith
Chief Executive Officer
RRHA

RE: Proposed Affordable Housing Development

Name of Development Afton Avenue Apartments

Name of Owner Afton Avenue Apartments LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on Spring 2026 (date).

The following is a brief description of the proposed development:

Development Address 2400-2420 Afton Avenue, Richmond, VA 23224

Proposed Improvements:

- New Construction: 150 #Units 1 #Buildings
- Adaptive Reuse: _____ #Units _____ #Buildings
- Rehabilitation: _____ #Units _____ #Buildings

Proposed Rents:

- Efficiencies: \$ 1,002 /month
- 1 Bedroom Units: \$ 1,043 /month
- 2 Bedroom Units: \$ 1,242 /month
- 3 Bedroom Units: \$ 1,423 /month
- 4 Bedroom Units: \$ _____ /month

Other Descriptive Information:

Afton Avenue Apartments will be a new-construction affordable apartment community directly in the Richmond 300 revitalization zone. The 150-unit apartment building will offer in-demand amenities such as a fitness facility, community room, pet washing station, and package lockers. There will be free on-site parking. Unit finishes will include luxury vinyl tile floor throughout, and granite counter tops.

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 (804) 977 - 0765 .

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

Sincerely yours,

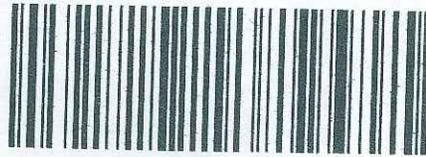
Name  Jessica Stevenson
Title Director of Development

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

Seen and Acknowledged By _____
Printed Name: _____
Title _____
Phone _____
Date _____

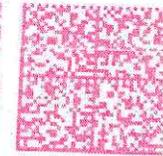
Genesis Properties, Inc.
101 W. Commerce Rd., 2nd Floor
Richmond, VA 23224

CERTIFIED MAIL



7000 0520 0022 7838 5818

FIRST-CLASS



US POSTAGE with PITNEY BOWES



ZIP 23224
02 7H
0006006493

\$ 004.98⁰⁰
JAN 09 2024

Richmond Redevelopment and Housing Authority
600 E Broad St. Floors 4 and 5
Richmond, VA 23219

ALERT: SEVERE WEATHER CONDITIONS ACROSS THE U.S. MAY DELAY FINAL DELIVERY OF Y...

USPS Tracking®

[FAQs >](#)

Tracking Number:

[Remove X](#)

70000520002278385818

[Copy](#)

[Add to Informed Delivery \(https://informedelivery.usps.com/\)](https://informedelivery.usps.com/)

Latest Update

Your item was delivered to the front desk, reception area, or mail room at 2:54 pm on January 18, 2024 in RICHMOND, VA 23219.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Feedback

Delivered

Delivered, Front Desk/Reception/Mail Room

RICHMOND, VA 23219

January 18, 2024, 2:54 pm

[See All Tracking History](#)

[What Do USPS Tracking Statuses Mean? \(https://faq.usps.com/s/article/Where-is-my-package\)](https://faq.usps.com/s/article/Where-is-my-package)

Text & Email Updates



USPS Tracking Plus®



Product Information



See Less ^

[Track Another Package](#)



Enter tracking or barcode numbers

Need More Help?

Contact USPS Tracking support for further assistance.

[FAQs](#)

Not Applicable for this Development

Tab M:

Intentionally Blank

Not Applicable for this Development

Tab N:

Homeownership Plan

Tab O:

Plan of Development Certification Letter



CITY OF RICHMOND

DEPARTMENT OF PLANNING
& DEVELOPMENT REVIEW
LAND USE ADMINISTRATION

October 10, 2022

Lory Markham
208 E Grace St,
Richmond, VA 23219

RE: Plan of Development
2400 Afton Avenue
Richmond VA 23224
Tax Map # S0080237007 & S0080237001
POD- 101235-2021

Dear Lory Markham:

The Director of Planning and Development Review has reviewed and approved the above referenced Plan of Development (POD). Enclosed is a signed copy of the approved POD plans for your records.

Please note that POD approval does not constitute a permit to construct, nor does it relieve obligations including, but not limited to, the City's Building, Zoning and Encroachment Codes. Building permits, Work-in-Street permits, Encroachments and other permits that may be required to construct the improvements identified in this POD must still be applied for, reviewed, and secured.

If you have any questions, please contact me at (804) 646-4468 or Leonard.Mantey@rva.gov.

Sincerely,

Leo Mantey
Deputy Director, Senior

Not Applicable for this Development

Tab P:

Zero Energy or Passive House documentation for
prior allocation by this developer

Not Applicable for this Development

Tab Q:

Documentation of Rental Assistance, Tax Abatement
and/or existing RD or HUD Property

Tab R:

Documentation of Utility Allowance calculation



January 22, 2024

Jessica Stevenson
Genesis Properties, Inc.
101 W Commerce Rd, 2nd Fl
Richmond, VA 23224
JessicaStevenson@genesisproperties.com

RE: Preliminary Utility Allowance for Afton Avenue Apartments

Dear Ms. Stevenson,

Please see the following Preliminary Utility Allowance (UA) for Afton Avenue Apartments located in Richmond, Virginia. Projections were generated with the applicable rates, fees, and taxes of following providers:

Electricity: Dominion Energy Gas: N/A
Water: Richmond City Trash: N/A
Sewer: Richmond City

The utility rates used to produce this UA are no older than the rates in place 60 days prior to the date of this letter. Below is a table depicting the highest monthly UA by each bedroom type. Should you have any questions do not hesitate to contact me.

PRELIMINARY UA*			ALLOWANCES BY BEDROOM SIZE				
Utilities	Utility Type	Paid by	Studio	1-bdr	2-bdr	3-bdr	4-bdr
Heating	Electric	Tenant	\$ 18	\$ 20	\$ 22	\$ 24	N/A
Air Conditioning	Electric	Tenant	\$ 6	\$ 7	\$ 10	\$ 13	N/A
Cooking	Electric	Tenant	\$ 4	\$ 5	\$ 7	\$ 9	N/A
Other Electric	Electric	Tenant	\$ 15	\$ 18	\$ 25	\$ 32	N/A
Hot Water	Gas	Owner	\$ -	\$ -	\$ -	\$ -	N/A
Water	-	Tenant	\$ 30	\$ 35	\$ 44	\$ 52	N/A
Sewer	-	Tenant	\$ 44	\$ 52	\$ 67	\$ 83	N/A
Trash	-	Owner	\$ -	\$ -	\$ -	\$ -	N/A
Total UA costs (Unrounded)			\$ 117.59	\$ 136.04	\$ 174.47	\$ 212.37	\$ -
Total UA for costs paid by tenant			\$ 118	\$ 136	\$ 174	\$ 212	N/A

*Allowances only for New Construction units at Afton Avenue Apartments as an ENERGY STAR project with Larger Apartment Bldgs. (5+ units) and Electric Heat Pump space heating. Due to rounding, the amounts for the UA components may not add up to the Total UA amount.

The water and sewer projections were produced using water fixtures with flow rates of 1.28 gpf toilets, 2.0 gpm showerheads, 2.2 gpm kitchen faucets, and 1.5 gpm lavatory faucets.

Sincerely,

Sean Shanley

Sean Shanley
Deputy Director

Not Applicable for this Development

Tab S:

Supportive House Certification and/or
Resident Well Being MOU

Tab T:

Funding Documentation



CITY OF RICHMOND

Department of Housing and
Community Development

MEMORANDUM

To: Mr. Maury DeFreitas
Chief Executive Officer
Genesis Properties, Inc.

Mr. Edward Solarz, Vice President - Development
Genesis Properties, Inc.

From: Sherrill Hampton, Director 

CC: Sharon L. Ebert, Deputy Chief Administrative Officer for Planning & Economic Development

Date: March 24, 2022

Re: Notice of Recommendation for ARPA Award

The City of Richmond allocated \$10,000,000 under its first tranche of ARPA funding for affordable housing activities, including housing-related services. The City received forty (40) applications totaling over \$29,000,000 in requests.

I am pleased to provide notice that your application for funding to undertake the following activity was recommended for an ARPA award:

- *Construction of Afton Avenue Apartments, a new 150-unit multifamily complex, which will provide housing for persons with total household incomes at 51%-60% AMI*

The recommended award amount is \$1,000,000. Note that all recommendations for an award must be approved by Richmond City Council. The recommendations are anticipated to be introduced at the March 28th Council meeting.

Applications were reviewed and funding recommendations were provided by a review panel. Funding recommendations were based on the merits of each application, local needs given the negative impacts of COVID-19, priorities articulated in the NOFA/Application Packet, and the adopted City Plans, as well as available funding.

Thank you and the Genesis Properties Team for your partnership to provide quality affordable housing in Richmond.

/sh

Tab U:

Acknowledgement by Tenant of the availability of Renter
Education provided by Virginia Housing



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

___ (date)_____

(Resident name)
(Address)
(Apartment XXX)
(City, State Zip)

Dear (Resident)_____:

This letter is to inform tenants that free renter education is available through Virginia Housing’s website at <https://www.virginiahousing.com/renters/education>. This information includes a Renter eBook guide, Fair Housing Resources, Renter Rights and Responsibilities, and an Online Learning Center.

Topics included in the Renter eBook guide include:

1. Financial readiness
2. Credit explained
3. Finding an apartment or house
4. The application process
5. Understanding the lease agreement
6. Security deposits
7. Rights and Responsibilities
8. Housekeeping, maintenance, & repairs
9. Terminating a lease

By signing below, I acknowledge that Genesis Properties has informed me of these free resources.

Sincerely,

Signature

Name

Date

Our Mission: To manage and develop real estate for the benefit of the resident, employee, and investor in an environment based on trust, excellence, integrity and teamwork.

Not Applicable for this Development

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

Tab W:

Internet Safety Plan and Resident Information Form (if
internet amenities selected)



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

Afton Avenue Apartments Internet Safety Plan

Dear Resident,

The Wi-Fi at Afton Avenue Apartments is provided by SkyWire. All internet support, including issues, education, and security, will be handled by SkyWire. Upon move in, you will be provided with a contact sheet for Skywire and a user guide for your Wi-fi. Below, we have provided a sample list of support services provided by SkyWire and Security Features. We have also provided the Wireless Connections Security Tips provided by the Federal Communication Commission. Most importantly, follow any Wi-Fi Security protocol issued by the electronics manufacturer.

SkyWire Services

- Individualized SSID/ Password per unit.
- WIFI Password reset assistance.
- Wifi performance education, training, and channel tweaking.
- Reset Router Settings to factory default at each unit turn.
- Performance monitoring and assistance.
- Device connectivity issues.
- Access to certain services issues.
- Copyright issues such as downloading or sharing illegal content

WIFI Security Features

- Network segregation / port isolation.
- MAC based network authentication.
- Customizable firewall security levels.
- Intrusion detection and prevention.
- Multilevel access policy.
- Security and service segregation per SSID.
- Parental control - device time and access control.
- 24/27 Network and Device Stability and Performance Monitoring.

SkyWire Contact Information

For any questions or issues, please contact SkyWire at (804)591-0500 ext 2. Or send an email to support@vaskywire.com

Sincerely,

Afton Avenue Apartments Management

Resident Acknowledgement Form

I, _____ (Resident Name) hereby confirm that I have received a copy of the Afton Avenue Apartments Internet Security Plan. I understand who to contact if I have any questions.

Tenant Signature

Date

Property Manager Signature

Date

CC
Tenant File



Wireless Connections and Bluetooth Security Tips

Wi-Fi networks and Bluetooth connections can be vulnerable points of access for data or identity theft. Fortunately, there are many ways to decrease your chances of becoming a victim.

Encryption is the best way to keep your personal data safe. It works by scrambling the data in a message so that only the intended recipients can read it. When the address of a website you're visiting starts with "https" instead of "http," that indicates encryption is taking place between your browser and site.

The two most common types of encryption are Wired Equivalent Privacy (WEP), and Wi-Fi Protected Access (WPA). The strongest one commonly available is WPA2, so use that if you have the option. Home Wi-Fi systems and public Wi-Fi access points, or "hotspots," usually will inform you of the encryption they use.

Public Wi-Fi Access

Many Wi-Fi users prefer choose to use public networks instead of their devices' data plans for accessing the internet remotely. But the convenience of public Wi-Fi does not come without risk. If you're not careful, a hacker can access your connection in a matter of seconds, and potentially put sensitive information stored on your device and in online accounts at risk. Here are some steps you can take to minimize the risk:

- Check the validity of available Wi-Fi hotspots. If more than one hotspot appears claiming to belong to an establishment that you're in, check with the staff to avoid connecting to an imposter hotspot.
- Make sure all websites you exchange information with have "https" at the beginning of the web address. If so, your transmitted data will be encrypted.
- Install an app add-on that forces your web browsers to use encryption when connecting to websites -- even well-known sites that may not normally encrypt their communications.
- Adjust your smartphone's settings so it does not automatically connect to nearby Wi-Fi networks. This gives you more control over where and when you connect.
- If you use public Wi-Fi hotspots on a regular basis, consider using a virtual private network, which will encrypt all transmissions between your device and the internet. Many companies offer VPNs to their employees for work purposes, and individuals may subscribe to VPNs on their own.
- When transmitting sensitive information, using your cellphone data plan instead of Wi-Fi may be more secure.

Bluetooth Security

Bluetooth connections to your mobile devices can be very useful, from connecting a wireless headset to transferring files to enabling hands-free calling while you drive. Most of the time, a user must allow a Bluetooth connection to occur before data is shared – a process called “pairing” – which provides a measure of data security. But just like Wi-Fi connections, Bluetooth can put your personal data at risk if you are not careful. Here are some steps you may wish to take when using Bluetooth:



- Turn Bluetooth off when not in use. If you keep Bluetooth active, a hacker may be able to discover what other devices you connected to before, spoof one of those devices, and gain access to your device.
- If you connect your mobile phone to a rental car, a good deal of data from your phone may get shared with the car. Be sure to unpair your phone from the car and clear any personal data, such as call logs and saved numbers, from the car before you return it. Take the same steps when selling a car that has Bluetooth.
- Use Bluetooth in “hidden” mode rather than “discoverable” mode. This prevents other unknown devices from finding your Bluetooth connection.

Home Wireless Network Security

Home wireless networks are exceedingly popular, in large part because they enable computers and mobile devices to share one broadband connection to the internet without having to use up minutes on a cellular data plan. They also provide the convenience of not having to connect all these devices with wires to do so. But like all other wireless network technologies, home wireless networks present vulnerabilities that could be exploited by hackers to obtain sensitive data and commit other crimes. To help protect your home wireless network from unwanted users, consider the following steps:

- Turn the encryption on. Wireless routers often come out of the box with the encryption feature disabled, so be sure to check that encryption is turned on shortly after you or your broadband provider installs the router.
- Change the network’s default network name, also known as its service set identifier or “SSID.” When a computer with a wireless connection searches for and displays the wireless networks nearby, it lists each network that publicly broadcasts its SSID. Manufacturers usually give all of their wireless routers a default SSID, which is often the company’s name. It is a good practice to change your network’s SSID, but to protect your privacy do not use personal information such as the names of family members.
- Change the network’s default password. Most wireless routers come with preset passwords for administering a device’s settings (this is different from the password used to access the wireless network itself). Unauthorized users may be familiar with the default passwords, so it is important to change the router device’s password as soon as it is installed. Again, longer passwords made up of a combination of letters, numbers and symbols are more secure.
- Consider using the MAC address filter in your wireless router. Every device that can connect to a Wi-Fi network has a unique ID called the “physical address” or “MAC” (Media Access Control) address. Wireless routers can screen the MAC addresses of all devices that connect to them, and users can set their wireless network to accept connections only from devices with MAC addresses that the router will recognize. To create another obstacle to unauthorized access, consider activating your wireless router’s MAC address filter to include your devices only.
- Turn off your wireless router when it will not be in use for any extended period of time.
- Use anti-virus and anti-spyware software on your computer, and use similar apps on your devices that access your wireless network.

Passwords

Remembering all of your assorted passwords can be a pain. Web browsers and other programs may offer to remember passwords for you, which can be a significant timesaver. However, certain password shortcuts can leave you less safe secure. The following best practices may help keep your personal information safer:

- Don't use the same password for multiple accounts, especially for the most sensitive ones, such as bank accounts, credit cards, legal or tax records and files containing medical information. Otherwise, someone with access to one of your accounts may end up with access to many others.
- Don't have your web browser remember passwords and input them for you, particularly for your most important financial, legal and medical accounts. If an unauthorized person gains access to your computer or smartphone, they could access any account that your browser automatically logs into.
- Don't use passwords that can be easily guessed, such as common words and birthdays of family members. Instead, use a combination of letters, numbers and symbols. The longer and stronger the password, the safer your information.

Consumer Help Center

For more information on consumer issues, visit the FCC's Consumer Help Center at www.fcc.gov/consumers.

Alternate formats

To request this article in an alternate format - braille, large print, Word or text document or audio - write or call us at the address or phone number at the bottom of the page, or send an email to fcc504@fcc.gov.

Last Reviewed: 10/08/19



Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Afton Avenue Apartments

Marketing Plan for Units Conforming 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 potential residents with disabilities that Afton Avenue Apartments will be a community 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 provide effective management and maintenance of the property.

Genesis Properties will be responsible for the management of Afton Avenue Apartments. The company will be responsible for all of the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications.

I. Affirmative Marketing

Genesis Properties 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. Genesis Properties it’s Officers, Directors and employees will not discriminate on the basis of race, color, national origin, religion, sex, gender identity, sexual orientation, familial status, or disability in its programs or housing. The company 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. Any resident who has questions not answered by the leasing staff will be referred to the Regional Director assigned by Genesis Properties.

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

Genesis Properties will contact local centers for independent living and disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

- The Richmond Disability Services Council
- Department for the Blind and Vision Impaired
- Department of Rehabilitative Services

- Virginia Board for People with Disabilities (804-786-0016)
- Virginia Vocational and Rehabilitation Agency (804-662-7000)
- Department for the Deaf and Hard of Hearing
- Department of Rehabilitative Services

2. Print Media

Print media sources will also be identified in the Richmond 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 logotype, slogan or statement, in compliance with the Fair Housing Act, as well as the fact the units for people with disabilities are available.

3. 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 they attract 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 project newsletter announcing the tenant referral program.

4. 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** –A simple, two-color brochure can be produced at low cost which will effectively sell the apartments and community. This brochure will include the floor plans, and a listing of features and amenities. The floor plans should be printed in as large a format as possible.
- **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. As such, each flyer should include a special offer with a deadline (i.e. "Bring this flyer with you when you visit this weekend and pay no application fee!")
- **Resident Referral** - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. (\$100 per referral, paid upon move in is the industry standard). 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 should be changed several times each year to reflect the season or any type of special referral program.

- **Follow Up Marketing-** All visitors to the Management office should receive a thank you note from the Property Manager. This can be written on a plain thank you card, or for greater impact, on a post card with a photo of the community or a thank you note with the community's logo.
- **Internet Listings -** The property will be listed on www.virginiahousingsearch.com and www.apartments.com

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. Also posted in the Rental Office are instructions for anyone who feels they have been discriminated against to contact the Regional Director at Genesis Properties directly. Genesis Properties encourages and supports an affirmative marketing program in which there are no barriers to obtaining housing because of race, color, national origin, religion, sex, gender identity, sexual orientation, familial status, or disability.

Additionally, a public relations program will be instituted to create a strong relationship between management and local disability organizations, neighborhood civic organizations, churches and synagogues, 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 will be designed to provide a professional leasing atmosphere, with space set aside specifically for resident interviews and application assistance. The leasing interviews will be used to emphasize the respect afforded to the resident and the responsibilities which the resident will be expected to assume.

Times of Operation - the Rental Office will be open Monday through Friday from 9:00 A.M. to 5:00 P.M. Applicants will be processed on site in accordance with approved criteria. After hours inquiries will be received by the answering services which will take messages and forward them to the Management Office to follow up on the next business day. Move-in process and orientation to property - applicants meet with the Community Manager or designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

On-site staff will check previous landlord references, employers, the credit bureau and tenant filings for each application taken. Tenant Standards will include minimum income standards assigned by the Owner. New tenants 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.

Application Processing

Application processing will be done by a third-party vendor, well versed in Fair Credit Law. As stated before, the processing will include a review of employment history, prior landlord references, credit reporting and any tenant filings. The on-site staff will conduct further review for inaccuracies in the application. To the extent possible, the cost of credit checking will be borne by the tenant.

Tenant Selection Criteria

Tenant Standards will include maximum income standards under the Low-Income Tax Credit and Section 8 programs. New tenants 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.

Application Processing

Application processing will be done by a third-party vendor, well versed in Fair Credit Law. As stated before, the processing will include a review of employment history, prior landlord references, credit reporting and any tenant filings. The on-site staff will conduct further review for inaccuracies in the application. To the extent possible, the cost of credit checking will be borne by the tenant. The annual income and family composition are the key factors for determining eligibility. However, the Property Manager 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.

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 Applications through a credit bureau to determine the credit worthiness of each applicant. If the score is below your threshold, but you have determined the applicant has no bad credit and no negative rental history and no criminal history and enough income to qualify, then you can conditionally approve the application after you have contacted the prior landlord. In these cases, the application must be reviewed by the Regional Director before final approval.
- 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 a conviction for the possession of an unregistered firearm or possession of an illegal weapon 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/or has been involved in gang activity, and such behavior presents a real or potential threat to residents and/or property.
 - There is any traffic violation that involves the use of any controlled substance within the past three years.
 - An applicant has completed serving a jail term less than one year ago for any crime referenced in these guidelines.

- 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.
- 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 Cedar Street Apartments is located. The annual income is compared to the area's Income Limits to determine eligibility.
 - Family composition must be compatible with units available on the property. No more than two people may occupy the same bedroom.
 - 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 students 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 if required.
 - Applicants must provide proof of age for all persons 62 years of age or older who will be heads of households if required.
 - Applicants must provide a birth certificate for all persons 18 years or younger.
 - Applicants must fill out the Application for Lease and all verification forms truthfully.
 - Applicants must provide all information required by current Federal regulations and policies.
 - Applicants must not have had any Landlord-Tenant cases filed against them which ended in eviction or judgment for the Landlord.
 - Applicants must have the demonstrated ability to maintain acceptable housekeeping standards.
 - Applicants must have the demonstrated ability to pay the rent for the proposed unit, without spending a disproportionate amount of income for rent.
 - 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 of their application. If an applicant turns down a unit for any reason, the applicant will be removed from the waiting list.

Tab Y:

Inducement Resolution for Tax Exempt Bonds

January 23, 2024

Virginia Housing

Tax Credit Analyst

To Whom it May Concern:

Genesis Properties is seeking a tax credit reservation for Afton Avenue Apartments prior to the inducement resolution. Promptly after submitting the 2024 4% LIHTC Application, the developer will begin the application process to request Virginia Housing tax-exempt bonds. If you have any questions, please contact Jessica Stevenson at jessicastevenson@genesisproperties.com.

Sincerely,

Jessica Stevenson

Not Applicable for this Development

Tab Z:

Documentation of team member's Diversity, Equity and
Inclusion Designation

Not Applicable for this Development

Tab AA:

Priority Letter from Rural Development

Not Applicable for this Development

TAB AB:

Social Disadvantage Certification