
2024 Federal Low Income Housing Tax Credit Program

Application For Reservation

MIXED CONSTRUCTION

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
Jonathan Kinsey	jonathan.kinsey@virginiahousing.com	(804) 584-4717
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Hadia Ali	hadia.ali@virginiahousing.com	(804) 343-5873

TABLE OF CONTENTS

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

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

2024 Low-Income Housing Tax Credit Application For Mixed Construction Reservation

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

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

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

3/14/2024

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:

Chief Executive Officer's Name: Patrick Roberts
 Chief Executive Officer's Title: City Manager Phone: 757-664-4242
 Street Address: 810 Union Street, Suite 1101
 City: Norfolk State: VA Zip: 23510

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Susan Pollock-Hart, Planning Manager

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

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

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

B. RESERVATION REQUEST INFORMATION

1. **Requesting Credits From:**

- a. If requesting 9% Credits, select credit pool: Accessible Supportive Housing 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)

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

Carryforward Allocation

Definitions of types:

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

3. **Select Building Allocation type:**

Mixed Construction

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

- 4. Is this an additional allocation for a development that has buildings not yet placed in service? TRUE
If True, additional Credit Request cannot exceed 10% of the prior credit award.

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. FALSE

If true, provide name of companion development:

- a. Has the developer met with Virginia Housing regarding the 4% tax exempt bond deal? FALSE
- 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?	0	
Total Units within 4% Tax Exempt allocation Request?	0	
Total Units:	0	
% of units in 4% Tax Exempt Allocation Request:	0.00%	

6. **Extended Use Restriction**

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

Must Select One: 30

Definition of selection:

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

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

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: Gosnold II Apartments, LLC

Developer Name: Virginia Supportive Housing

Contact: M/M ▶ Mrs. First: Allison MI: M Last: Bogdanovic

Address: 1900 Cool Lane

City: Richmond St. ▶ VA Zip: 23226

Phone: (804) 788-6825 Ext. Fax: (804) 788-6827

Email address: abogdanovic@virginiiasupportivehousing.org

Federal I.D. No. 880947769 (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.
Elliot Warsof, ewarsof@virginiiasupportivehousing.org, (757) 619-8936

- 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: 12/31/2025

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

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

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

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

b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 12/31/2025 .

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

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

D. SITE CONTROL

3. Seller Information:

Name: Gosnold Apartments, LLC
 Address: P.O. Box 8585
 City: Richmond St.: VA Zip: 23226
 Contact Person: Allison Bogdanovic Phone: (804) 788-6825

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

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Norfolk SRO, Inc.	(804) 788-6825	Managing Member	0.01%
Virginia Supportive Housing	(804) 788-6825	Sole Member of Managing M	
Allison Bogdanovic	(804) 788-6825	Executive Director	
Virginia Supportive Housing	(804) 788-6825	Investor Member	99.99%
Allison Bogdanovic	(804) 788-6825	Executive Director	
			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:	Lauren Nowlin	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen	DEI Designation?	FALSE
Address:	200 South 10th Street, Suite 1600, Richmond, VA 23219		
Email:	lnowlin@williamsmullen.com	Phone:	(804) 420-6585
2. Tax Accountant:	Michael Vicars, C.P.A.	This is a Related Entity.	FALSE
Firm Name:	Dooley & Vicars Certified	DEI Designation?	FALSE
Address:	21 S. Sheppard Street, Richmond, VA 23221		
Email:	mike@dvcpas.com	Phone:	(804) 355-2808
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:		Role:	
Email:		Phone:	
4. Management Entity:	Sheila Parker, Director of Property Managen	This is a Related Entity.	TRUE
Firm Name:	Virginia Supportive Housing	DEI Designation?	FALSE
Address:	1900 Cool Lane, Richmond, VA 23223		
Email:	sparker@virginiassupportivehousing.org	Phone:	(804) 788-6825
5. Contractor:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	
6. Architect:	Scott Campbell	This is a Related Entity.	FALSE
Firm Name:	VIA Design Architects	DEI Designation?	TRUE
Address:	319 E Plume Street, Norfolk, VA 23510		
Email:	scampbell@viadesignarchitects.com	Phone:	(757) 627-1489
7. Real Estate Attorney:	Lauren Nowlin	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen	DEI Designation?	FALSE
Address:	200 South 10th Street, Suite 1600, Richmond, VA 23219		
Email:	lnowlin@williamsmullen.com	Phone:	(804) 420-6585
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	
9. Other:	Jennifer Tiller, Director of Services	This is a Related Entity.	TRUE
Firm Name:	Virginia Supportive Housing	DEI Designation?	FALSE
Address:	1900 Cool Lane, Richmond, VA 23223		
Email:	jtiller@virginiassupportivehousing.org	Role:	Support Services Provider
		Phone:	(804) 788-6825

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..... **TRUE**
 If so, when was the most recent year that this development received credits? **2005**
- c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... **FALSE**
- d. This development is an existing RD or HUD S8/236 development..... **FALSE**
Action: (If True, provide required form in **TAB Q**)

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

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

2. Ten-Year Rule For Acquisition Credits

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section 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:

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: ▶ Applicant

Name: Virginia Supportive Housing

Contact Person: Elliot Warsof

Street Address: 1900 Cool Lane

City: Richmond State: ▶ VA Zip: 23223

Phone: (757) 619-8936 Contact Email: ewarsof@virginiassupportivehousing.org

G. NONPROFIT INVOLVEMENT

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 100.0%

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

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

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

Name of qualified nonprofit: Virginia Supportive Housing

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

Name of Local Housing Authority _____

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

Action: Provide Homeownership Plan **(TAB N)** 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	101	bedrooms	101
Total number of rental units in development	100	bedrooms	100
Number of low-income rental units	100	bedrooms	100
Percentage of rental units designated low-income	100.00%		

If deal has both New/Adaptive Reuse units AND Rehab units, you must request a Mixed Construction Application. Contact Virginia Housing

b. Number of new units:.....	56	bedrooms	56
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	44	bedrooms	44

c. If any, indicate number of planned exempt units (included in total of all units in development)..... **1**

d. Total Floor Area For The Entire Development..... **62,191.35** (Sq. ft.)

e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage)..... **1,172.97** (Sq. ft.)

f. Nonresidential Commercial Floor Area (Not eligible for funding)..... **0.00**

g. Total Usable Residential Heated Area..... **61,018.38** (Sq. ft.)

New Construction	35,953.38
Adaptive Reuse	-
Rehab	25,065.00

h. Percentage of Net Rentable Square Feet Deemed To Be **New Rental Space**..... **58.92%**

i. Exact area of site in acres **1.241**

j. Locality has approved a final site plan or plan of development..... **FALSE**
If True, Provide required documentation (**TAB O**).

k. Requirement as of 2016: Site must be properly zoned for proposed development.
ACTION: Provide required zoning documentation (**MANDATORY TAB G**)

	Adaptive Reuse	Rehab
New Construction	FALSE	FALSE

l. Development is eligible for Historic Rehab credits..... **FALSE** **FALSE** **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 prorate of common space.

Unit Type	Average Sq Foot	SF	# of LIHTC Units	Total Rental Units
Supportive Housing	575.42	SF	100	100
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			100	100

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

H. STRUCTURE AND UNITS INFORMATION

b. New Construction: Specify the average size and number per unit type for the New Construction Units.

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	584.73	SF	56	56
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0

Note: Please be sure to enter the number of units in the appropriate unit category. If not, you will find errors on the self scoresheet.

56
56
Total LI Avg Sq Feet: 32,744.88

c. Adaptive Reuse: Specify the average size and number per unit type for the Adaptive Reuse Units.

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

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

Note: Please be sure to enter the number of units in the appropriate unit category. If not, you will find errors on the self scoresheet.

0
0
Total LI Avg Sq Feet: -

d. Rehab: Specify the average size and number per unit type for the Rehab Units.

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	563.58	SF	44	44
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0

H. STRUCTURE AND UNITS INFORMATION

5. Plans and Specifications

- a. **Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
- i. A location map with development clearly defined.
 - ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
 - iii. Sketch plans of all building(s) reflecting overall dimensions of:
 - a. Typical floor plan(s) showing apartment types and placement
 - b. Ground floor plan(s) showing common areas
 - c. Sketch floor plan(s) of typical dwelling unit(s)
 - d. Typical wall section(s) showing footing, foundation, wall and floor structureNotes 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: All Applicants must commit to provide free Wi-Fi access in the community room and restrict usage to residents only.

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

New Constr. (or all)	Adaptive Reuse	Rehab
----------------------	----------------	-------

TRUE		
0.00%		
100.00%		

FALSE	FALSE	FALSE
-------	-------	-------

TRUE	FALSE	TRUE
------	-------	------

TRUE	Select if True for REHAB portion
------	----------------------------------

FALSE	Choose for all units
or	
TRUE	

TRUE	Choose for all units
or	
FALSE	

TRUE	Choose for all units
or	
FALSE	

FALSE	Select if True for REHAB portion
-------	----------------------------------

TRUE	FALSE	TRUE
------	-------	------

TRUE	FALSE	TRUE
------	-------	------

TRUE	FALSE	TRUE
------	-------	------

TRUE	FALSE	TRUE
------	-------	------

20%

FALSE

- a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only.
- b1. Percentage of brick covering the exterior walls.
- 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.
- c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- e. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- f. *Not applicable for 2024 Cycles*
- g. Each unit is provided free individual broadband/high speed internet access. *(both access point categories have a minimum upload/download speed per manual.)*
- h. Each unit is provided free individual WiFi access.
- i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- j. Full bath fans are equipped with a humidistat.
- k. Cooking surfaces are equipped with fire prevention features as defined in the manual
- l. Cooking surfaces are equipped with fire suppression features as defined in the manual
- m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- n. All Construction types: each unit is equipped with a permanent dehumidification system.
- o. All interior doors within units are solid core.
- p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- 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**.
- s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

J. ENHANCEMENTS

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

- | | | | |
|--------------------------------|--------------------------------|--------------------------------|--|
| <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | a. All cooking ranges have front controls. |
| <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | b. Bathrooms have an independent or supplemental heat source. |
| <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height. |
| <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | <input type="checkbox"/> FALSE | d. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway. |

2. Green Certification

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

The applicant will also obtain one of the following:

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

If Green Certification is selected, no points will be awarded for d. Watersense Bathroom fixtures above.

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

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

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

- | | |
|-------------------------------|--|
| <input type="checkbox"/> TRUE | a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards. |
| <input type="checkbox"/> 100 | b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:

100% of Total Rental Units |

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

If not, please explain:

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

I. UTILITIES

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	0	0	0	0
Air Conditioning	0	0	0	0	0
Cooking	0	0	0	0	0
Lighting	0	0	0	0	0
Hot Water	0	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$0	\$0	\$0	\$0

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

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

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

K. SPECIAL HOUSING NEEDS

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

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

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

TRUE

a. Any development in which (i) the greater of 5 units or 10% of 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.

FALSE

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.

SAC	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

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

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

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

K. SPECIAL HOUSING NEEDS

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

Action: Provide Relocation Plan, 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: Norfolk Redevelopment and Housing Authority

Contact person: Pamela Jones-Watford

Title: Housing Choice Voucher Program Director

Phone Number: (757) 624-8629

Action: Provide required notification documentation (TAB L)

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

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

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

Download Current CMA List from 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.

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

First Name: Sheila

Last Name: Parker

Phone Number: (804) 788-6825 Email: sparker@virginiasupportivehousing.org

K. SPECIAL HOUSING NEEDS

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

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

- TRUE 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..... TRUE

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
- TRUE Section 8 Moderate Rehabilitation
- FALSE Section 811 Certificates
- TRUE Section 8 Project Based Assistance
- FALSE RD 515 Rental Assistance
- FALSE Section 8 Vouchers
*Administering Organization: _____
- FALSE State Assistance
*Administering Organization: _____
- FALSE Other: _____

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

FALSE

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

d. Number of units receiving assistance: 90
 How many years in rental assistance contract? 20.00
 Expiration date of contract: 8/5/2047
 There is an Option to Renew..... TRUE

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
15	15.00%	40% Area Median
35	35.00%	50% Area Median
50	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
100	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
15	15.00%	40% Area Median
35	35.00%	50% Area Median
50	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
100	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 TRUE 50% levels TRUE

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.

SAC 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	40% AMI	8		383.23	\$1,279.00	\$10,232
Mix 2	Efficiency	40% AMI	4		365.23	\$1,279.00	\$5,116
Mix 3	Efficiency	40% AMI	3		369.09	\$1,279.00	\$3,837
Mix 4	Efficiency	50% AMI	7		380.06	\$1,270.00	\$8,890
Mix 5	Efficiency	50% AMI	1		383.23	\$1,279.00	\$1,279
Mix 6	Efficiency	50% AMI	10		383.23	\$866.00	\$8,660
Mix 7	Efficiency	50% AMI	5		462.24	\$1,279.00	\$6,395
Mix 8	Efficiency	50% AMI	12		369.09	\$1,279.00	\$15,348
Mix 9	Efficiency	60% AMI	25	15	383.23	\$1,279.00	\$31,975
Mix 10	Efficiency	60% AMI	25		369.09	\$1,279.00	\$31,975
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0

L. UNIT DETAILS

Mix 14								\$0
Mix 15								\$0
Mix 16								\$0
Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
Mix 30								\$0
Mix 31								\$0
Mix 32								\$0
Mix 33								\$0
Mix 34								\$0
Mix 35								\$0
Mix 36								\$0
Mix 37								\$0
Mix 38								\$0
Mix 39								\$0
Mix 40								\$0
Mix 41								\$0
Mix 42								\$0
Mix 43								\$0
Mix 44								\$0
Mix 45								\$0
Mix 46								\$0
Mix 47								\$0
Mix 48								\$0
Mix 49								\$0
Mix 50								\$0
Mix 51								\$0
Mix 52								\$0
Mix 53								\$0
Mix 54								\$0
Mix 55								\$0
Mix 56								\$0
Mix 57								\$0
Mix 58								\$0
Mix 59								\$0
Mix 60								\$0
Mix 61								\$0
Mix 62								\$0
Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0
Mix 68								\$0
Mix 69								\$0
Mix 70								\$0
Mix 71								\$0
Mix 72								\$0
Mix 73								\$0

L. UNIT DETAILS

Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			100	15				\$123,907

Total Units	100	Net Rentable SF:	TC Units	38,058.26
			MKT Units	0.00
			Total NR SF:	38,058.26

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$2,600	
2. Office Salaries			\$113,099	
3. Office Supplies			\$2,600	
4. Office/Model Apartment	(type	Night Monitor)	\$7,473
5. Management Fee			\$110,513	
	8.00% of EGI	\$1,105.13	Per Unit	
6. Manager Salaries			\$88,053	
7. Staff Unit (s)	(type)	\$0
8. Legal			\$1,144	
9. Auditing			\$250	
10. Bookkeeping/Accounting Fees			\$4,368	
11. Telephone & Answering Service			\$13,500	
12. Tax Credit Monitoring Fee			\$4,500	
13. Miscellaneous Administrative			\$72,430	
Total Administrative			\$420,530	

Utilities

14. Fuel Oil			\$0
15. Electricity			\$65,000
16. Water			\$18,000
17. Gas			\$0
18. Sewer			\$47,000
Total Utility			\$130,000

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$2,080
21. Janitor/Cleaning Contract			\$4,500
22. Exterminating			\$11,232
23. Trash Removal			\$7,210
24. Security Payroll/Contract			\$7,488
25. Grounds Payroll			\$0
26. Grounds Supplies			\$1,040
27. Grounds Contract			\$5,460
28. Maintenance/Repairs Payroll			\$101,159
29. Repairs/Material			\$5,720
30. Repairs Contract			\$4,888
31. Elevator Maintenance/Contract			\$8,500
32. Heating/Cooling Repairs & Maintenance			\$9,500
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$832
35. Decorating/Payroll/Contract			\$520
36. Decorating Supplies			\$0
37. Miscellaneous			\$6,188
Totals Operating & Maintenance			\$176,317

Taxes & Insurance

38. Real Estate Taxes			\$86,760
39. Payroll Taxes			\$29,320

M. OPERATING EXPENSES

40. Miscellaneous Taxes/Licenses/Permits		\$2,800
41. Property & Liability Insurance	\$1,634 per unit	\$165,000
42. Fidelity Bond		\$0
43. Workman's Compensation		\$2,600
44. Health Insurance & Employee Benefits		\$32,000
45. Other Insurance		\$0
Total Taxes & Insurance		\$318,480

Total Operating Expense **\$1,045,327**

Total Operating Expenses Per Unit \$10,350 **C. Total Operating Expenses as % of EGI** 75.67%

Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum) **\$30,000**

Total Expenses	\$1,075,327
-----------------------	--------------------

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	3/7/2022	Elliot Warsof
b. Site Acquisition	10/30/2025	Elliot Warsof
c. Zoning Approval	1/25/2022	Julie Anderson
d. Site Plan Approval	10/30/2025	Elliot Warsof
2. Financing		
a. Construction Loan		
i. Loan Application	2/24/2023	Elliot Warsof
ii. Conditional Commitment	3/17/2023	Elliot Warsof
iii. Firm Commitment	4/20/2023	Elliot Warsof
b. Permanent Loan - First Lien		
i. Loan Application	9/1/2024	Elliot Warsof
ii. Conditional Commitment	2/28/2025	Elliot Warsof
iii. Firm Commitment	5/30/2025	Elliot Warsof
c. Permanent Loan-Second Lien		
i. Loan Application	10/31/2022	Elliot Warsof
ii. Conditional Commitment	3/21/2023	Elliot Warsof
iii. Firm Commitment	6/1/2024	Elliot Warsof
d. Other Loans & Grants		
i. Type & Source, List	Locality, DHCD, Foundations	Elliot Warsof
ii. Application	1/6/2023	Elliot Warsof
iii. Award/Commitment	10/30/2025	Elliot Warsof
2. Formation of Owner	1/25/2022	Elliot Warsof
3. IRS Approval of Nonprofit Status	7/1/1988	Allison Bogdanovic
4. Closing and Transfer of Property to Owner	10/30/2025	Elliot Warsof
5. Plans and Specifications, Working Drawings	8/1/2025	Elliot Warsof
6. Building Permit Issued by Local Government	11/25/2025	Elliot Warsof
7. Start Construction	12/1/2025	Elliot Warsof
8. Begin Lease-up	8/5/2027	Sheila Parker
9. Complete Construction	8/1/2027	Elliot Warsof
10. Complete Lease-Up	12/31/2027	Sheila Parker
11. Credit Placed in Service Date	12/31/2027	Elliot Warsof

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

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

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

		Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(A) Cost	(B) Acquisition	(C) Rehab/ New Construction
Must Use Whole Numbers Only!				
1. Contractor Cost				
a. Unit Structures (New)	8,823,925	0	0	8,823,925
b. Unit Structures (Rehab)	5,408,213	0	0	5,408,213
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	14,232,138	0	0	14,232,138
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input checked="" type="checkbox"/> h. Renewable Energy	200,000	0	0	200,000
i. Roads & Walks	0	0	0	0
j. Site Improvements	405,032	0	0	303,774
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	154,931	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	324,612	0	0	324,612
p. Site Work	0	0	0	0
q. Other Site work	0	0	0	0
Total Land Improvements	1,084,575	0	0	828,386
Total Structure and Land	15,316,713	0	0	15,060,524
r. General Requirements	1,251,702	0	0	1,251,702
s. Builder's Overhead (2.6% Contract)	399,344	0	0	399,344
t. Builder's Profit (2.6% Contract)	399,344	0	0	399,344
u. Bonds	0	0	0	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: Wood Report	2,500	0	0	2,500
z. Other 2:	0	0	0	0
aa. Other 3:	0	0	0	0
Contractor Costs	\$17,369,603	\$0	\$0	\$17,113,414

Construction cost per unit: \$169,996.07

MAXIMUM COMBINED GR, OVERHEAD & PROFIT = \$2,144,340

ACTUAL COMBINED GR, OVERHEAD & PROFIT = \$2,050,390

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	85,000	0	0	85,000
b. Architecture/Engineering Design Fee \$5,000 /Unit)	500,000	0	0	500,000
c. Architecture Supervision Fee \$1,500 /Unit)	150,000	0	0	150,000
d. Tap Fees	0	0	0	0
e. Environmental	40,000	0	0	40,000
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	26,500	0	0	26,500
h. Appraisal	10,000	0	0	10,000
i. Market Study	10,300	0	0	10,300
j. Site Engineering / Survey	15,000	0	0	15,000
k. Construction/Development Mgt	85,000	0	0	85,000
l. Structural/Mechanical Study	4,525	0	0	4,525
m. Construction Loan Origination Fee	100,000	0	0	100,000
n. Construction Interest (7.0% for 20 months)	800,000	0	0	400,000
o. Taxes During Construction	100,000	0	0	100,000
p. Insurance During Construction	91,160	0	0	91,160
q. Permanent Loan Fee (1.5%)	100,000			
r. Other Permanent Loan Fees	50,000			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	20,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	100,000	0	0	50,000
w. Legal Fees for Closing	50,000	0	0	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	88,546			
z. Tenant Relocation	844,125			
aa. Fixtures, Furnitures and Equipment	350,000	0	0	350,000
ab. Organization Costs	0			
ac. Operating Reserve	593,000			
ad. Contingency	218,983			
ae. Security	0	0	0	0
af. Utilities	35,000	0	0	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: Lease Up Reserve	50,000	0	0	
(2) Other* specify: Replacement Reserve	30,000	0	0	0
(3) Other* specify: Legal	280,000	0	0	0
(4) Other* specify: Predevelopment Loan Fees	62,500	0	0	0
(5) Other* specify: Labor Compliance Monitori	40,000	0	0	0
(6) Other* specify: Construction Inspections	59,500	0	0	59,500
(7) Other* specify: Marketing, Printing, Pre-Lea	80,000	0	0	0
(8) Other* specify:		0	0	0
(9) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$5,069,139	\$0	\$0	\$2,076,985
Subtotal 1 + 2 (Owner + Contractor Costs)	\$22,438,742	\$0	\$0	\$19,190,399
3. Developer's Fees	2,186,572	0	0	2,186,572
4. Owner's Acquisition Costs				
Land	689,600			
Existing Improvements	2,684,500	2,684,500		
Subtotal 4:	\$3,374,100	\$2,684,500		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$27,999,414	\$2,684,500	\$0	\$21,376,971

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:

\$2,495,027

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

\$393 **Meets Limits**
\$520

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

\$241,835 **Meets Limits**
\$550,481

O.1 Distribution of Costs by Construction Type

1. Provide details of costs broken out by construction type:

Cost Type	Actual Costs	New Construction	Adaptive Reuse	Rehab
a. Contractor Costs	\$17,369,603	\$10,769,154	\$0	\$6,600,449
Separate Commercial Space Costs		\$0	\$0	\$0
% of Contractor Costs		\$1	\$0	\$0
b. Owner Costs				
Tap Fees	\$0	\$0	\$0	\$0
Operating Reserves	\$593,000	\$367,660	\$0	\$225,340
All Other Owner Costs (exclude Developer Fee)	\$4,476,139	\$2,775,206	\$0	\$1,700,933
c. Land Cost	\$689,600	\$427,552	\$0	\$262,048
d. Building Acquisition Costs (see note for previously owned buildings)	\$2,684,500		\$0	\$2,684,500
f. Developer's Fee	\$2,186,572	\$1,355,675	\$0	\$830,897
Total	\$27,999,414	\$15,695,247	\$0	\$12,304,167
Less: Tap Fees, Operating Reserves, Commercial Space and Land		\$795,212	\$0	\$487,388
Net		\$14,900,035	\$0	\$11,816,779
Number of Units from Structure:	101	56	0	44
% of Overall Units:		55%	0%	44%
Proposed Development's Cost per Sq Ft		\$414	\$0	\$471
Proposed Development's Cost per Unit		\$266,072	\$0	\$268,563
Applicable Cost Limits per Sq Ft		\$520	\$520	\$390
Applicable Cost Limits per Unit		\$550,481	\$550,481	\$471,516

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	27,999,414	2,684,500	0	21,376,971
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)		2,684,500	0	21,376,971
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			0	6,413,091
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			0	27,790,062
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		2,684,500	0	27,790,062
7. Applicable Percentage		4.00%	4.00%	9.00%
8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage)		\$107,380	\$0	\$2,501,106
(Must be same as BIN total and equal to or less than credit amount allowed)		\$2,608,486 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. Construction Loan	02/24/23	03/17/23	\$10,000,000	Rene Shepperson, Atlantic Union Bank
2.				
3.				
Total Construction Funding:			\$10,000,000	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. Virginia Housing - REACH	9/1/2024	2/28/2025	\$1,732,976	\$91,456	3.95%	35	35
2. DHCD NHTF	10/31/2022	3/21/2023	\$900,000	\$9,000	1.00%	35	35
3. DHCD VHTF	10/31/2022	3/21/2023	\$900,000	\$9,000	1.00%	35	35
4. DHCD HIEE	10/31/2022	3/21/2023	\$2,000,000		0.00%	35	35
5. Foundations / DHCD HTF	5/1/2024	4/1/2025	\$2,498,334				
6. Norfolk CDBG/HOME-ARP	1/6/2023	11/14/2023	\$4,290,075				
7. HUD - Community Project	3/7/2023	5/30/2024	\$500,000				
8. DHCD HOME-ARP	5/1/2024	4/1/2025	\$1,000,000				
9. Existing HOME			\$500,000				
10. VSH - Seller Note	2/1/2025	5/30/2025	\$2,874,100				
Total Permanent Funding:			\$17,195,485	\$109,456			

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

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

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	DHCD NHTF	3/21/2023	\$900,000
2.	DHCD VHTF	3/21/2023	\$900,000
3.	DHCD HIEE	3/21/2023	\$1,860,235
4.	Norfolk CDBG/HOME-ARP, Chesapeake	11/14/2023	\$3,890,075
5.			
Total Subsidized Funding			\$7,550,310

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

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$1,732,976
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$900,000
j.	Virginia Housing Trust Fund	\$900,000
k.	Other: Locality Funds (CDBG/HOME-ARP)	\$4,290,075
l.	Other: DHCD HOME-ARP and HTF	\$1,100,000

Market-Rate Loans

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

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

Q. SOURCES OF FUNDS

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

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

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

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

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

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

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

c. **FALSE** Other _____

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

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit			
Amount of Federal historic credits	\$0	x Equity \$	\$0.000 = \$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000 = \$0
b. 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	\$101		
ii. Contributed Land/Building	\$0		
iii. Deferred Developer Fee	\$0	(Note: Deferred Developer Fee cannot be negative.)	
iv. 45L Credit Equity	\$0		
v. Other: Solar Credit Equity	\$49,195		
ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at TAB A.			
Equity Total	<u>\$49,296</u>		

2. Equity Gap Calculation

a. Total Development Cost	\$27,999,414
b. Total of Permanent Funding, Grants and Equity	- \$17,244,781
c. Equity Gap	\$10,754,633
d. Developer Equity	- \$1,079
e. Equity gap to be funded with low-income tax credit proceeds	\$10,753,554

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	▶ Virginia Community Development Corporation (VCDC)		
Contact Person:	Steve Bleile	Phone:	804-682-6231
Street Address:	115 South 15th Street, Suite 501		
City:	Richmond	State:	VA
		Zip:	23219
b. Syndication Equity			
i. Anticipated Annual Credits			\$1,250,663.00
Breakdown of Credits by Type			
	New Construction		\$700,372.00
	Adaptive Reuse		\$0.00
	Rehab		\$550,291.00
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			\$1,250,538
vi. Total to be paid by anticipated users of credit (e.g., limited partners)			\$10,753,554
c. Syndication: Private			
d. Investors: Corporate			

4. Net Syndication Amount

Which will be used to pay for Total Development Costs	<u>\$10,753,554</u>
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5. Net Equity Factor

Must be equal to or greater than 85%	<u>85.9914258513%</u>
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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>\$27,999,414</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$17,244,781</u>
3. Equals Equity Gap		<u>\$10,754,633</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>85.9914258513%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$12,506,634</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,250,663</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$2,608,486</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$1,250,663</u>
Credit per LI Units	<u>\$12,506.6300</u>	
Credit per LI Bedroom	<u>\$12,506.6300</u>	
	Combined 30% & 70% PV Credit Requested	\$1,250,663

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		\$123,707
Plus Other Income Source (list):	Laundry	\$75
Equals Total Monthly Income:		\$123,782
Twelve Months		x12
Equals Annual Gross Potential Income		\$1,485,384
Less Vacancy Allowance	7.0%	\$103,977
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$1,381,407

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

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

Warning: Documentation must be submitted to support vacancy rate of less than 7%.

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$1,381,407
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,381,407
d. Total Expenses	\$1,075,327
e. Net Operating Income	\$306,080
f. Total Annual Debt Service	\$109,456
g. Cash Flow Available for Distribution	\$196,624

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	1,381,407	1,409,035	1,437,216	1,465,960	1,495,279
Less Oper. Expenses	1,075,327	1,107,587	1,140,814	1,175,039	1,210,290
Net Income	306,080	301,448	296,402	290,921	284,989
Less Debt Service	109,456	109,456	109,456	109,456	109,456
Cash Flow	196,624	191,992	186,946	181,465	175,533
Debt Coverage Ratio	2.80	2.75	2.71	2.66	2.60

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,525,185	1,555,689	1,586,803	1,618,539	1,650,909
Less Oper. Expenses	1,246,599	1,283,997	1,322,517	1,362,192	1,403,058
Net Income	278,586	271,692	264,286	256,347	247,852
Less Debt Service	109,456	109,456	109,456	109,456	109,456
Cash Flow	169,130	162,236	154,830	146,891	138,396
Debt Coverage Ratio	2.55	2.48	2.41	2.34	2.26

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,683,928	1,717,606	1,751,958	1,786,997	1,822,737
Less Oper. Expenses	1,445,150	1,488,504	1,533,159	1,579,154	1,626,529
Net Income	238,778	229,102	218,799	207,843	196,209
Less Debt Service	109,456	109,456	109,456	109,456	109,456
Cash Flow	129,322	119,646	109,343	98,387	86,753
Debt Coverage Ratio	2.18	2.09	2.00	1.90	1.79

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

U. Building-by-Building Information

Must Complete

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

Number of BINS: 1

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

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

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.	VA2331001	100		2425 Gosnold Avenue		Norfolk	VA	23517	\$2,684,500	08/01/27	4.00%	\$107,380				\$0	\$27,790,062	08/01/27	9.00%	\$2,501,106
2.												\$0				\$0				\$0
3.												\$0				\$0				\$0
4.												\$0				\$0				\$0
5.												\$0				\$0				\$0
6.												\$0				\$0				\$0
7.												\$0				\$0				\$0
8.												\$0				\$0				\$0
9.												\$0				\$0				\$0
10.												\$0				\$0				\$0
11.												\$0				\$0				\$0
12.												\$0				\$0				\$0
13.												\$0				\$0				\$0
14.												\$0				\$0				\$0
15.												\$0				\$0				\$0
16.												\$0				\$0				\$0
17.												\$0				\$0				\$0
18.												\$0				\$0				\$0
19.												\$0				\$0				\$0
20.												\$0				\$0				\$0
21.												\$0				\$0				\$0
22.												\$0				\$0				\$0
23.												\$0				\$0				\$0
24.												\$0				\$0				\$0
25.												\$0				\$0				\$0
26.												\$0				\$0				\$0
27.												\$0				\$0				\$0
28.												\$0				\$0				\$0
29.												\$0				\$0				\$0
30.												\$0				\$0				\$0
31.												\$0				\$0				\$0
32.												\$0				\$0				\$0
33.												\$0				\$0				\$0
34.												\$0				\$0				\$0
35.												\$0				\$0				\$0

100 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$2,684,500

\$107,380

\$0

\$0

\$27,790,062

\$2,501,106

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 terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. that, for the purposes of reviewing this application, Virginia Housing is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.
8. that Virginia Housing may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.
9. that reservations of credits are not transferable without prior written approval by Virginia Housing at its sole discretion.

V. STATEMENT OF OWNER

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

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

Legal Name of Owner: Gosnold II Apartments, LLC
By: Gosnold II Managing Member, LLC, its managing member
By: Virginia Supportive Housing, its sole and managing member

By: *Alison Boydanovic*
 Its: Executive Director
 (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:	Scott Campbell
Virginia License#:	0401015897
Architecture Firm or Company:	VIA design architects

By:  _____

Its: Principal
(Title)

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

W. LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

MANDATORY ITEMS:

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

1. READINESS:

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 to 10	0.00
d. Location in a revitalization area based on Qualified Census Tract	Y	0 or 10	10.00
e. Location in a revitalization area with resolution	N	0 or 15	0.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
Total:			10.00

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	0.50
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	26.97%	Up to 40	40.00
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
e. New project based rental subsidy (HUD or RD)	Y	0 or 10	10.00
f. Census tract with <12% poverty rate	10%	0, 20, 25 or 30	25.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
Total:			100.50

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			68.30
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 50	50.00
or c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Provides approved resident services or eligible childcare services	Y	0 or 15	15.00
e. Provides telephonic or virtual health services	N	0 or 15	0.00
f. Proximity to public transportation	Y10	0, 10 or 20	10.00
g. Development will be Green Certified	Y	0 or 10	10.00
h. Units constructed to meet Virginia Housing's Universal Design standards	100%	Up to 15	15.00
i. Developments with less than 100 low income units	N	up to 20	0.00
j. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			168.30

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$100,500	\$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	0.00%	Up to 15	0.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	15.00%	Up to 10	10.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.00%	Up to 50	0.00
Total:			60.00

Must opt to received points for deeper targets on Unit Details Tab.

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	200.00
b. Cost per unit		Up to 100	100.00
Total:			300.00

7. BONUS POINTS:

a. Extended Use Restriction	0	Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	Y		0 or 60	60.00
or c. Nonprofit or LHA Home Ownership option	N		0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N		Up to 30	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N		0 or 10	0.00
f. Team member with Diversity, Equity and Inclusion Designation	Y		0 or 5	5.00
g. Commitment to electronic payment of fees	Y		0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N		0 or 20	0.00
Total:				70.00

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

TOTAL SCORE: 713.80

Enhancements:

All units have:

- a. Community Room
- b. Exterior walls constructed with brick and other low maintenance materials

Type:

% of Units

Max Pts

	New Constr.	Adaptive Reuse	Acq. Rehab
% of Units	55%	0%	44%

c. Sub metered water expense	5	0	0	0	0.00
d. Watersense labeled faucets, toilets and showerheads	3	1.66	0	1.31	2.97
e. Rehab only: Infrastructure for high speed internet/broadband	1			0.44	0.44
f. N/A for 2024					
g. Each unit provided free individual high speed internet access	10	One selection per deal			12.00
h. Each unit provided free individual WiFi	12	One selection per deal			
i. Bath Fan - Delayed timer or continuous exhaust	3	One selection per deal			3.00
j. Baths equipped with humidistat	3	One selection per deal			
k. Cooking Surfaces equipped with fire prevention features	4	One selection per deal			4.00
l. Cooking surfaces equipped with fire suppression features	2	One selection per deal			
m. Rehab only: dedicated space to accept permanent dehumidification system	2			0	0.00
n. Provides Permanently installed dehumidification system	5	2.77	0	2.18	4.95
o. All interior doors within units are solid core	3	1.66	0	1.31	2.97
p. USB in kitchen, living room and all bedrooms	1	0.55	0	0.44	0.99
q. LED Kitchen Light Fixtures	2	1.11	0	0.87	1.98
r. % of renewable energy electric systems	10				10.00
s. New Construction: Balcony or patio	4	0			0.00
All elderly units have:					
t. Front-control ranges	1	0	0	0	0.00
u. Independent/suppl. heat source	1	0	0	0	0.00
v. Two eye viewers	1	0	0	0	0.00
w. Shelf or Ledge at entrance within interior hallway	2	0	0	0	0.00

Total Enhancements Pts.

68.30

X. Development Summary

Summary Information

2024 Low-Income Housing Tax Credit Application For Mixed Construction Reservation

Deal Name: Gosnold II Apartments

Cycle Type: 9% Tax Credits
Allocation Type: Mixed Construction
Total Units: 100
Total LI Units: 100
Project Gross Sq Ft: 62,191.35
Green Certified? TRUE

Requested Credit Amount: \$1,250,663
Jurisdiction: Norfolk City
Population Target: Homeless
Owner Contact: Allison Bogdanovic

Total Score
713.80

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$17,195,485	\$171,955	\$276	\$109,456
Grants	\$0	\$0		
Subsidized Funding	\$7,550,310	\$75,503		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$15,316,713	\$153,167	\$246	54.70%
General Req/Overhead/Profit	\$2,050,390	\$20,504	\$33	7.32%
Other Contract Costs	\$2,500	\$25	\$0	0.01%
Owner Costs	\$5,069,139	\$50,691	\$82	18.10%
Acquisition	\$3,374,100	\$33,741	\$54	12.05%
Developer Fee	\$2,186,572	\$21,866	\$35	7.81%
Total Uses	\$27,999,414		\$279,994	

Total Development Costs	
Total Improvements	\$22,438,742
Land Acquisition	\$3,374,100
Developer Fee	\$2,186,572
Total Development Costs	\$27,999,414

Income		
Gross Potential Income - LI Units		\$1,485,384
Gross Potential Income - Mkt Units		\$0
Subtotal		\$1,485,384
Less Vacancy %	7.00%	\$103,977
Effective Gross Income		\$1,381,407

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$420,530	\$4,205
Utilities	\$130,000	\$1,300
Operating & Maintenance	\$176,317	\$1,763
Taxes & Insurance	\$318,480	\$3,185
Total Operating Expenses	\$1,045,327	\$10,453
Replacement Reserves	\$30,000	\$300
Total Expenses	\$1,075,327	\$10,753

Cash Flow	
EGI	\$1,381,407
Total Expenses	\$1,075,327
Net Income	\$306,080
Debt Service	\$109,456
Debt Coverage Ratio (YR1):	2.80

Unit Breakdown	
Supp Hsg	100
# of Eff	0
# of 1BR	0
# of 2BR	0
# of 3BR	0
# of 4+ BR	0
Total Units	100

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	15	15
50% AMI	35	35
60% AMI	50	50
>60% AMI	0	0
Market	0	0

Income Averaging? FALSE

Extended Use Restriction? 30

Y. Efficient Use of Resources

Credit Points for 9% Credits:

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

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

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

Combined Max	\$2,608,486
Credit Requested	\$1,250,663
% of Savings	52.05%
Sliding Scale Points	200

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	\$24,625,314		
Total Square Feet	62,191.35		
Proposed Cost per SqFt	\$395.96		
Applicable Cost Limit per Sq Ft	\$520.00		
% of Savings	23.85%		
Total Units	101		
Proposed Cost per Unit	\$243,815		
Applicable Cost Limit per Unit	\$550,481		
% of Savings	55.71%		
Max % of Savings	55.71%	Sliding Scale Points	100.00

Tab A:

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

**OPERATING AGREEMENT
OF
GOSNOLD II APARTMENTS, LLC**

This Operating Agreement (“Agreement”) of **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (the “Company”), is made and entered into as of February 25, 2022, by and between Gosnold II Managing Member, LLC, a Virginia limited liability company, as the Managing Member, and Virginia Supportive Housing, a Virginia nonstock corporation, as the Investor Member (collectively, the “Initial Members”).

**Article I.
Operating Agreement and Purpose**

A. *Formation.* The Members acknowledge and affirm the formation of this limited liability company on February 25, 2022 and execute and adopt this Agreement pursuant to the Virginia Limited Liability Company Act, Section 13.1-1000 et seq., as amended and in force from time to time (the “Act”).

B. *Name.* The name of the limited liability company is **GOSNOLD II APARTMENTS, LLC** (the “Company”).

C. *Purpose.* The primary purpose of the Company is to acquire, finance, develop, own, maintain, improve, operate, lease and, if appropriate or desirable, sell or otherwise dispose of certain interests in real and personal property. The Company may engage in any and all other lawful activities as may be necessary, incidental or convenient to carrying out the business of the Company as contemplated by this Agreement. The Company may also pursue any other lawful activity that is approved by the Members.

D. *Office.* The principal office of the Company shall be located at 8002 Discovery Drive, Suite 201, Richmond, Virginia 23229, or at such other place as the Manager may from time to time designate. The Company may have other offices at any place of places as may be determined by the Manager.

E. *Term.* The term of the Company commenced on the date of Certification of the Articles of Organization by the Virginia State Corporation Commission, and shall continue for so long as is provided for in the Articles of Organization, unless sooner dissolved and terminated as provided in this Agreement.

F. *Tax Matters Manager.*

1. Designation and Authority of the Tax Matters Manager.

a. Generally. The Manager is designated as the Company’s “Tax Matters Manager” (as such term is used herein). The Company and the Members acknowledge and agree that Carter Dages is authorized by the Tax Matters Manager to act on its behalf with respect to its authority as the Tax Matters Manager of the Company pursuant to this Agreement; provided that the Tax Matters Manager may revoke such authorization at any time and/or authorize other representatives to act on its behalf in its capacity as Tax Matters Manager. The Tax Matters Manager is authorized to represent the Company in connection with all examinations of the Company’s affairs by tax authorities or any administrative or judicial tax proceedings with respect to the Company, and to expend Company funds for professional services and costs associated therewith, and the Company will reimburse the Tax Matters Manager for any such costs or other costs associated with carrying out its role as Tax Matters Manager that it incurs directly. The Tax Matters Manager will have sole discretion to determine whether the

Company (either on its own behalf or on behalf of the Members) will contest or continue to contest any tax deficiencies assessed or proposed to be assessed by any tax authority with respect to the Company and whether the Company will make any elections with respect to any tax assessment or proceeding. The Tax Matters Manager shall keep the Members reasonably informed of any material tax proceedings and any material action to be taken by the Company or the Tax Matters Manager on behalf of the Company with respect to any tax proceeding for the Company.

b. New Partnership Audit Procedures. For each taxable year of the Company beginning after December 31, 2017, the Company shall designate, pursuant to Treasury Regulations Section 301.6223-1 (and any successor Treasury Regulations and other applicable guidance) on its United States federal income tax return for each such taxable year of the Company, the Tax Matters Manager as the “partnership representative” for the Company and Carter Dages or such other individual selected by the Tax Matters Manager as the “designated individual” for the Tax Matters Manager and the Company for purposes of the laws and procedures set forth in Subchapter C of Chapter 63 of Subtitle F of the Internal Revenue Code of 1986, as amended (the “Code”), as modified by Section 1101 of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, and including any successor statutes thereto or Treasury Regulations promulgated or official guidance issued thereunder (the “New Partnership Audit Procedures”) and shall make such corresponding designations under any corresponding provisions of applicable foreign, state, or local tax law. The Tax Matters Manager, in its capacity as the “partnership representative,” shall (i) determine all matters with respect to any examination of the Company by any taxing authority (including, without limitation, the allocation of any resulting taxes, penalties and interest among the Members and whether to make an election under Section 6226 of the Code (and any similar provision under applicable foreign, state, or local tax law) with respect to any audit or other examination of the Company) and, (ii) notwithstanding anything herein to the contrary, make such elections as it deems appropriate pursuant to the provisions of the New Partnership Audit Procedures.

2. Obligations of Members.

a. Generally. Each Member and former Member agrees to cooperate, and to cause its direct and indirect owners to cooperate with the Tax Matters Manager and to do or refrain from doing any or all things reasonably requested by the Tax Matters Manager with respect to the conduct of any tax proceedings, in each case regardless whether then a Member or after ceasing to be a Member. Any deficiency for taxes imposed on any Member or former Member or its direct or indirect owners (including penalties, additions to tax or interest imposed with respect to such taxes) will be paid by such Member or former Member or its direct or indirect owners as applicable, and if required to be paid (and actually paid) by the Company, such Member or former Member shall indemnify the Company for such amounts within thirty (30) days of such payment by the Company, in each case regardless of whether then a Member or after ceasing to be a Member.

b. New Partnership Audit Procedures. At the request of the Tax Matters Manager, in connection with an adjustment of any item of income, gain, loss, deduction, or credit of the Company or any subsidiary entity in which the Company has an interest, directly or indirectly, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, promptly file one or more amended tax returns in the manner contemplated by Section 6225(c) of the Code (and any Treasury Regulations or official guidance relating thereto, and, if applicable, any corresponding or similar provisions under state or local law) and pay any tax due with respect to such returns. If the Tax Matters Manager makes an election for the Company pursuant to Section 6226 of the Code with respect to an imputed underpayment, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, comply with the requirements under such section (and any

Treasury Regulations or official guidance relating thereto). At the request of the Tax Matters Manager, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, provide the Tax Matters Manager and the Company with any information available to such Member or former Member (or its direct or indirect owners or representatives) and with such representations, certificates, or forms relating to such Member or former Member (or its direct or indirect owners or representatives) and any other documentation, in each case, that the Tax Matters Manager determines, in its reasonable discretion, are necessary to modify an imputed underpayment under Section 6225(c) of the Code or the Treasury Regulations or other official guidance thereunder. In the event that any imputed underpayment is paid or payable by the Company under Section 6225(a)(1) of the Code, each Member and former Member shall indemnify the Company in an amount equal to such Member's or former Member's share (as determined by the Tax Matters Manager with the advice of the Company's tax counsel) of the imputed underpayment and any associated interest and penalties) paid or payable by the Company; provided, however, that the Tax Matters Manager may determine, in its discretion, to allocate the burden of such amount to such Member without requiring payment by such Member to the Company.

c. Survival of Obligations. Each Member's obligations to comply with the requirements of this Article I.F shall survive the Member's transfer of all or any portion of its interest in the Company, otherwise ceasing to be a Member of the Company and/or the termination, dissolution, liquidation and winding up of the Company, to the extent applicable.

3. Exculpation and Indemnification of Tax Matters Managers, Partnership Representatives and Designated Individual. Any Tax Matters Manager or any person acting as a "partnership representative" or "designated individual" pursuant to this Article I.F shall, when acting in such capacity (a "Tax Matters Person"), be deemed to be a manager for purposes of the Act. The liability of any such Tax Matters Person shall be eliminated to the maximum extent the liability of a manager may be eliminated under Section 13.1-1025.B of the Act. In addition, any Tax Matters Person shall be entitled to indemnification under Article V.

G. *Registered Office and Registered Agent.* The Company's initial registered agent for service of process on the Company shall be T. Preston Lloyd, who is a resident of Virginia and a member of the Virginia State Bar, or any successor as appointed by the Members, and the address of such agent shall be Williams Mullen Center, 200 South 10th Street, Richmond, Virginia 23219, or any other address designated from time to time by the Members. The registered office and the registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the State Corporation Commission of Virginia pursuant to the Act.

Article II. Capital Contributions

A. *Capital Contributions.* The initial capital contributions to the Company by the Initial Members are set forth on Schedule A attached hereto, which is incorporated in this Agreement by this reference. Additional capital contributions shall only be made as agreed upon by all the Members at that time. The initial capital contributions and the additional capital contributions shall be collectively referred to as the "Capital Contributions."

B. *Membership Interests.* The percentage interest of each Member in the Company ("Membership Interest" or "Interest") is as set forth on Schedule A attached hereto, which is incorporated in this Agreement by this reference.

C. *Member.* The term “Member” or “Members” shall include the Initial Members and any other contributor of capital for a Membership Interest and any assignee, transferee, successor, legatee or disposee of all or any part of a Membership Interest who is admitted to the Company as a Member pursuant to Article VII. The terms “Member” or “Members” shall also include any transferee of a Membership Interest who is not admitted as a Member, but such transferee’s rights and obligations hereunder shall only be as set forth in Article VII.A.

D. *Capital Accounts.* Capital Accounts will be maintained in accordance with Section 704 of the Code and the Treasury Regulations promulgated thereunder. It is the intent of the Members to comply with the purposes of these laws and this Agreement should be construed accordingly. Property contributions will be reflected in these accounts on the basis of fair market value at the time of contribution, even though the tax basis to the Company may be different.

E. *Interest and Return of Capital Contributions.* No Member shall be entitled to interest on its Capital Contribution. No Member shall be entitled to withdraw any part of its Capital Contribution or its Capital Account or to receive any distribution from the Company, and there shall be no obligation to return to any Member or withdrawn Member any part of such Member’s Capital Contributions for so long as the Company continues in existence, except as specifically provided in this Agreement.

F. *Loans.* Loans or advances by any Member to the Company shall not be considered Capital Contributions and shall not increase the Capital Account balance of the lending or advancing Member. No Member shall be required under any circumstances to contribute or lend any money or property to the Company.

Article III. Allocation of Profits and Losses

A. *Profits and Losses.* “Profits” and “Losses” shall mean the taxable income or loss, as the case may be, for a period (or from a transaction) as determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), but computed with the following adjustments:

1. Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss;

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

3. In the event of any adjustment to the book value of any Company asset as permitted by the Treasury Regulations under Section 704(b) of the Code, the amount of such adjustments shall be taken into account as gain or loss from the disposition of such asset;

4. In the event the book value of any asset has been adjusted, gain or loss resulting from the disposition of such asset shall thereafter be computed by reference to its adjusted book value, which shall reflect depreciation deductions which take into account the adjustments made to the book value thereof, notwithstanding the fact that the adjusted tax basis of such asset may be different; and

5. Notwithstanding any other provisions of this definition, any items which are specially allocated pursuant to Article III.C. shall not be taken into account in computing Profits or Losses.

B. *Allocation of Profits and Losses.* After giving effect to the special allocations provided in Article III.C, including any curative allocations as provided therein, the Profits and Losses of the Company for any fiscal year shall be allocated to the Members in proportion to their respective Membership Interests.

C. *Special and Curative Allocations.*

1. The provisions of the final and temporary Treasury Regulations promulgated under Section 704(b) of the Code relating to the qualified income offset, minimum gain chargeback, minimum gain chargeback with respect to partner nonrecourse debt, the allocation of nonrecourse deductions and the allocation of items of deduction, loss or expenditure relating to partner nonrecourse debt are hereby incorporated in this Agreement by this reference and shall be applied to the allocation of Company items of income, gain, loss or deduction in the manner provided in such Treasury Regulations. However, the Members do not intend that the “deficit restoration obligation” described in Section 1.704-1(b)(2)(ii)(b) or (c) of the Treasury Regulations or any successor provision thereto be incorporated into this Agreement.

2. The foregoing regulatory allocations are intended to comply with certain requirements of the Treasury Regulations. However, it is the intent of the Members that, to the extent possible, all of the regulatory allocations shall be offset either with other regulatory allocations or with special allocations of other items of Company income, gain, loss or deduction. Therefore, notwithstanding any other provision of this Article III (other than the regulatory allocations), the Members shall make such offsetting allocations of Company income, gain, loss or deduction in whatever manner the Member’s determine appropriate so that, after such offsetting allocations are made, each Member’s Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the regulatory allocations were not a part of this Agreement and all Company items were allocated pursuant to Article III.B. The Members may take into account future regulatory allocations which, although not yet made, are likely to offset other regulatory allocations made under this Article III.C.

D. *Other Allocation Rules.*

1. For purposes of determining the profits, losses, or any other items allocable to any period, profits, losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Members using any permissible method under Section 706 of the Code and the Treasury Regulations thereunder.

2. Except as otherwise provided in this Agreement, all items of the Company’s income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the year.

3. Except as otherwise provided in this Agreement, all items of income, gain, loss or deduction for federal income tax purposes shall be allocated to the Members in the same manner as the corresponding book allocations of such items as provided in this Article III.

4. Notwithstanding anything herein to the contrary, in the event that the principles of Section 704(c) of the Code, and the Treasury Regulations promulgated thereunder, require allocations of taxable income or loss of the Company in a manner different than that set forth above, including any

instances in which the book value of Company's assets has been adjusted as permitted under the Treasury Regulations, the provisions of Section 704(c) and the regulations thereunder shall control such allocations among the Members.

E. *Distributions.*

1. Except as otherwise provided in Article III.E.2 hereof, all distributions to the Members of cash or other property, except distributions upon the Company's dissolution (which shall be governed by Article X) shall be made solely upon the affirmative vote of Members holding a majority of the Membership Interests. Notwithstanding the foregoing, in the event any distribution is made it shall be in accordance with the Members' respective Membership Interests in the Company. All amounts withheld pursuant to the Code or pursuant to any provisions of federal, 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 Article III.E.1. All distributions shall be subject to the terms of the Act and such other governmental restrictions as are now and may hereafter become effective.

2. Notwithstanding anything herein to the contrary, the Company shall make distributions to the Members during, or within ninety (90) days after the close of, each tax year of the Company which, when aggregated with all other distributions paid by the Company during the applicable tax year, are at least equal to the sum necessary to enable the Members to pay their federal and state income tax liabilities attributable to the taxable income allocated to them by the Company for such tax year of the Company. Such amount shall be determined using the maximum income tax rate of any Member.

F. *Tax Year and Accounting Methods.* It is the intent of the Members that this Company be treated as a partnership solely for federal and state tax purposes. The taxable year of the Company shall be the calendar year. The Company books and records shall be maintained on such basis of accounting as may be determined as proper by the certified public accountant regularly employed by the Company at that time (the "Company's Accountant"). The Company's Accountant is authorized to use good judgment in making determinations with respect to the treatment of particular items which are not clearly covered here or which would result in a violation of federal or state income tax laws as they exist from time to time.

Article IV.
Management and Rights of Members

A. *Managers.* The Company shall be managed under the direction of a Manager. The Manager shall be elected and removed by the Members as provided in Section IV.D. The initial Manager of the Company shall be Gosnold II Managing Member, LLC.

B. *General Powers of the Manager.*

1. Except as otherwise limited in this Operating Agreement, the Manager shall have the exclusive right to manage the Company and to make all decisions regarding the business of the Company. The Manager shall carry out the policies, directions, orders and resolutions of the Members in the manner described in this Operating Agreement and as authorized and directed by the Members from time to time. To the extent not inconsistent with the Act, the Articles or the express provisions of this Operating Agreement, the Managers shall have the same rights, powers and authority with respect to the Company. The Manager may delegate prescribed functions to any employee, agent or consultant.

2 The Manager is granted the right, power and authority to do in the name of, and on behalf of, the Company all things that, in his sole judgment, are necessary, proper or desirable to carry out the purposes of the Company, including, but not limited to, the right, power and authority to:

a. Enter into, make and perform contracts, agreements and other undertakings binding the Company that may be necessary, appropriate or advisable in furtherance of the purposes of the Company.

b. Open and maintain bank accounts, investment accounts and other arrangements, draw checks and other orders for the payment of money, and designate individuals with authority to sign or give instructions with respect to those accounts and arrangements; provided, that Company funds shall not be commingled with funds from other sources and shall be used solely for the benefit of the Company.

c. Collect funds due to the Company.

d. Acquire, utilize for the Company's purposes, maintain and dispose of any assets of the Company.

e. Pay debts and obligations of the Company, to the extent that funds of the Company are available therefor.

f. Borrow money or otherwise commit the credit of the Company for Company activities, and voluntarily prepay or extend any such borrowings.

g. Employ from time to time persons, firms or corporations for the operation and management of the Company, including, without limitation, managing agents, contractors, subcontractors, architects, engineers, laborers, supplies, accountants and attorneys, on such terms and for such compensation as the Manager shall determine, notwithstanding the fact that the Manager or any Member may have a financial interest in such firms or corporations.

h. Make elections available to the Company under the Code.

i. Register the Company as a tax shelter with the Internal Revenue Service and furnish to the Internal Revenue Service lists of investors in the Company, if required, pursuant to applicable provisions of the Code.

j. Obtain general liability, property and other insurance for the Company, as the Managers deems proper.

k. Take such actions as may be directed by the Members in furtherance of their approval of any matter set forth in Article IV hereof.

l. Do and perform all such things and execute, acknowledge and deliver 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.

m. To own, acquire by lease or purchase, develop, maintain, and provide, grant options with respect to, sell, convey, finance, assign, mortgage, or lease real estate and/or personal property

and to cause to have constructed improvements upon any real estate necessary, convenient or incidental to the accomplishment of the purposes of Company.

3. All actions taken by the Manager on behalf of the Company from the date of its organization to the execution of this Agreement are ratified and confirmed.

C. *Tenure.* The Manager shall hold office until his death, resignation, disqualification or removal.

D. *Removal; Vacancy.* A Manager may be removed only for cause, which for these purposes shall mean a Manager's material default in the performance of its duties hereunder and failure to cure such material default within sixty (60) days. Such removal shall be without prejudice to the contractual rights, if any, of the person so removed. Any vacancy created or caused by removal, death, resignation or disqualification shall be filled by the affirmative vote of the Members holding a majority of the Membership Interests entitled to vote.

E. *Compensation.* The compensation, if any, of the Manager shall be fixed from time to time by the Members. The Managers shall be entitled to reimbursement for expenses incurred by them in performing their duties, according to the policies set by the Members from time to time. Any amount paid as compensation to a Manager who is also a Member shall be treated as a guaranteed payment in accordance with Section 707(c) of the Code.

F. *Power of Attorney.*

1. Each Member does hereby irrevocably constitute and appoint the Manager serving in office from time to time, and each of them, as the Company's true and lawful attorney-in-fact, with full power and authority in their or 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:

a. Any certificate or other instrument that 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 to the extent the Manager deems any such filing to be necessary or desirable;

b. Any instrument or document which may be required to effect the continuation of the Company, the admission of an additional or substitute Member, or the dissolution and termination of the Company pursuant to the provisions of this Operating Agreement; and

c. Any agreement, instrument, lease, deed, deed of trust, promissory note, certificate or other document in the name or on behalf of the Company which is necessary or appropriate to implement, effectuate or otherwise carry out any transaction to which the Company is a party or to which the Company or any of its assets is or may be subject, provided such transaction has been approved by the Manager or the Members, as the case may be, in accordance with the provisions of this Operating Agreement.

2. The appointment by each Member of the Manager of the Company as his attorney-in-fact is irrevocable and shall be deemed to be a power coupled with an interest and shall survive the disability, incompetence, bankruptcy, death or dissolution of any person given such power, except, that in the event of an assignment by a Member of all or any part of his membership interest, this power of attorney shall survive such assignment only until such time, if any, as the successor in interest

shall have been admitted to the Company as a substitute member and all required documents and instruments shall have been duly executed, filed and recorded to effect such substitution.

G. *Managers Have No Exclusive Duty to Company.* Unless otherwise expressly provided hereunder or under any other agreement entered into between the Company and such Manager, a Manager shall not be required to manage the Company as his sole and exclusive function, and he may have other business interests and may engage in other activities in addition to those relating to the Company, and neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of such Manager or to the income or proceeds derived therefrom.

H. *Transactions with Managers.* The Managers (a) may appoint, employ, contract or otherwise deal with any person, including the Manager or an affiliate thereof, and with persons that have a financial interest in the Manager or in which the Manager has a financial interest, for transacting the Company's business, including the performance of any and all services or purchases of goods or other property which may at any time be necessary, proper, convenient or advisable in carrying on the business and affairs of the Company or in disposing of some or all of its assets; and (b) may otherwise enter into business transactions (including but not limited to the sale, merger, or other disposition of the Company or all or substantially all of its assets) with any such persons.

I. *Special Meetings.* A meeting of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by any Member or group of Members holding at least thirty percent (30.0%) of the Membership Interests entitled to vote. The Members will meet for the transaction of Company business at such places and times as are mutually convenient to them. Nothing in this Agreement will be construed as limiting the ability of the Members to transact Company business by unanimous written consent without a formal meeting.

J. *Notice of Meetings.* Written notice stating the place, day and hour of the meeting and 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 entitled to vote at such meeting.

K. *Meeting of all Members.* If all of the Members meet at any time and place, either within or outside of the Commonwealth of Virginia, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken.

L. *Quorum.* Members holding at least a majority of the Membership Interests entitled to vote at a meeting of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members.

M. *Proxies.* At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

N. *Action by Members Without a Meeting.* Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if one or more written consents to such action are signed by each Member entitled to vote and such consent or consents are filed with the minutes of the proceedings of the Members. Action taken under this paragraph is effective when all Members entitled to vote have signed the consent or consents, unless the consent or consents specifies a different effective date.

The record date for determining Members entitled to take action without a meeting shall be the date the first Member signs a written consent.

O. *Waiver of Notice.* When any notice is required to be given to any Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

P. *Majority Vote.* Except as otherwise provided in this Agreement, all decisions made by the Members will be made by an affirmative vote of the Members holding a majority of the Membership Interests entitled to vote. Recipients of a Membership Interest who have not been admitted as a Member shall have no voting rights except as required by law.

Q. *Other Ventures.* The Members may be involved in other business ventures, independently or with others, and neither the Company nor any of the Members shall have any rights by virtue of this Agreement in the independent ventures or the income or profits derived from them.

Article V. Indemnification

A. *Indemnification of Members and Managers.* The Members acknowledge, agree and desire that the liability of any Member or Manager to the Company or to any of the other Members shall be eliminated, to the maximum extent possible, pursuant to Virginia Code Section 13.1-1025, as amended. The provisions of this Article are in addition to, and not in substitution for, any other right to indemnity to which any person who is or may be indemnified by or pursuant to this Article may otherwise be entitled, and to the powers otherwise accorded by law to the Company to indemnify any such person and to purchase and maintain insurance on behalf of any such person against any liability asserted against or incurred by him in any capacity referred to in this Article or arising from his status as serving or having served in any such capacity (whether or not the Company would have the power to indemnify against such liability).

B. *Effect of Invalid Provisions.* If any provision of this Article shall be adjudicated invalid or unenforceable, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Company may have under the laws of the Commonwealth of Virginia.

C. *Survival of Indemnification Provisions.* No amendment or repeal of this Section shall limit or eliminate the right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal.

D. *No Personal Liability to Members.* Notwithstanding the above, the indemnification provided in this Article or otherwise shall in no event cause the Members to incur any liability beyond their total Capital Contributions plus their share of any undistributed profits of the Company, nor shall it result in any liability of the Members to any third party.

Article VI.
Transfer of Membership Interest

A. *No Right to Withdraw.* No Member shall have any right to voluntarily resign or otherwise withdraw from the Company during its term as provided for in the Articles of Organization without the prior written consent of all remaining Members of the Company. Any attempted resignation or withdrawal without the requisite consent shall be null and void and have no legal effect.

B. *Transfer of Interest.* No Member shall, directly or indirectly, transfer, sell, give, encumber, assign, pledge, or otherwise deal with or dispose of all or any part of his Membership Interest now owned or subsequently acquired by him, other than as provided for in this Agreement. Any transfer in violation of and without full compliance with this Agreement shall be void and without legal effect.

C. *Permitted Transfers.*

1. Notwithstanding the above, any Member (the “Transferring Member”) may transfer all or any portion of the Member’s Interest at any time to any of the following, hereinafter referred to as “Permitted Transferees”:

a. Other Members;

b. The children or other descendants of any Member; or

c. A trustee who holds such Membership Interest in trust for the exclusive benefit of any one or more of such persons listed in paragraphs C.1.a. and C.1.b. of this Article IV, except that the spouse of a lineal descendant of the Transferring Member may hold an income interest in such a trust and/or a limited power to appoint the income and/or principal of such trust to a lineal descendant (or a trust for the benefit of a lineal descendant) of the Transferring Member.

2. Notwithstanding the restrictions set forth in paragraphs A. and B. above, any Membership Interest that is held by a custodian for a minor under the laws of the Commonwealth of Virginia or any other state shall be fully transferable and assignable to the minor when the minor reaches the age of termination of such custodianship under applicable law.

D. *Option Events in the Event of Death or Bankruptcy.*

1. A Member (the “Transferring Member”) shall be deemed to have offered to sell all of such Member’s Interest in the Company to the Company and the other Members (referred to as “Remaining Members”), as provided below, on the date of the occurrence of any of the following events (an “Option Event”):

a. The death of the Member, unless the deceased Member’s interest is transferred by will, intestate succession or otherwise to a Permitted Transferee as provided for in Article VI.C.1.

b. The bankruptcy (voluntary or involuntary) as adjudicated by a court, appointment of a receiver, or assignment for the benefit of the creditors of the Member.

The Transferring Member shall deliver written notice of any such event to the Company and each of the Remaining Members within ninety (90) days after the Option Event. If notice is not given within such ninety (90) day period, the Company and Remaining Members may, but shall not be required to, treat such notice as having been given on the 90th day and proceed with their rights to purchase as provided below. Failure to exercise such right shall not be deemed a waiver of such right until actual notice is delivered and the respective option periods have expired. No interest shall accrue on the purchase price for such Interest until the actual Closing Date.

2. *Remaining Member's Right of Refusal.* Within sixty (60) days after receipt of the notice provided for in Article VI.D.1., the Remaining Members shall have the right to purchase all or any part of the Transferring Member's Interest in proportion to their Membership Interest in the Company (excluding the Transferring Member's Interest), or in such proportions as they may otherwise unanimously agree, at the price and upon the terms specified in Articles VIII and IX of this Agreement, respectively. Written notice of acceptance must be mailed or delivered to the Transferring Member within such sixty (60) day period.

3. *Company's Right of Refusal.* If the Remaining Members fail to exercise their options with respect to the Interest of the Transferring Member, the Company, by a majority vote of the Interests of the Remaining Members, shall have the right, for a period of fifteen (15) days after the expiration of the Remaining Members' sixty (60) day option period, to purchase all or any part of the remaining Interest of the Transferring Member at the price and upon the terms specified in Articles VIII and IX of this Agreement, respectively. Written notice of the Company's acceptance must be mailed or delivered to the Transferring Member within such fifteen (15) day period.

4. *Failure to Exercise Options.* If the Company and the Remaining Members fail to acquire all of the Transferring Member's Interest upon such offering, then the Transferring Member may transfer his remaining and unpurchased Interest to whomever he so designates. However, the transferee shall not become a Member unless admitted as such as provided in Article VII of this agreement.

E. *Non-Member's Interest.* For purposes of determining the Remaining Members' proportionate Interest in the Company as provided for in this Article, the Interest of Members who have not been admitted as such shall be ignored.

Article VII. Admission of a New Member

A. *Rights of Transferee.* Except as provided below for Permitted Transferees, any transfer of a Membership Interest as set forth in Article VI shall be effective only to give the transferee the right to receive the share of tax allocations and distributions to which the Transferring Member would otherwise be entitled. A Permitted Transferee, unless the Transferring Member expressly provides otherwise, shall have the right to become a substitute Member, if such Permitted Transferee agrees to be bound by all the terms and conditions of the Agreement as then in effect. No other transferee shall have the right to become a substitute Member unless all of the other Members, in the exercise of their sole and absolute discretion, expressly consent thereto in writing and the transferee agrees to be bound by all the terms and conditions of this Agreement as then in effect. Unless and until a transferee is admitted as a substitute Member, and except as provided above with respect to allocations and distributions, the transferee shall have no right to exercise any of the powers, rights, and privileges of a Member hereunder.

B. *Admission of New Member.* Additional Membership Interests may be issued by the Company and additional Members may be admitted to the Company only by unanimous agreement of the

Members. The terms applicable to the admission of new Members will be as agreed by all the Members at that time.

C. *Rights of Transferring Member.* A Member who has assigned his Membership Interest shall cease to be a Member upon assignment of the Member's entire Membership Interest and thereafter shall have no further powers, rights, and privileges as a Member hereunder, but shall, unless otherwise relieved of such obligations by agreement of all of the other Members or by operation of law, remain liable for all obligations arising while he was a Member.

Article VIII. Purchase Price

A. *Value of Interest Being Transferred.* Unless the Company and the Members (Transferring and Remaining) unanimously agree in writing to a different price for the Interest being transferred hereunder, the purchase price for the Transferring Members' Interest offered for sale hereunder shall be determined as of the Valuation Date by an independent appraiser selected by the Company and the Transferring Member. If the Company and the Transferring Member cannot agree upon the selection of an independent appraiser, the Company and the Transferring Member shall each select one independent appraiser, and the two selected independent appraisers shall select a mutually acceptable third independent appraiser. The third independent appraiser shall independently determine the fair market value of the Transferring Member's Interest. The purchase price of the Transferring Member's Interest shall be the average of the three independent appraisers' determination of the fair market value of the Transferring Member's Interest. Any independent appraiser may employ other independent professionals to assist them in such valuation. The determination of value by the independent appraiser shall be final and binding on all parties if made in good faith.

B. *Valuation Date.* The Valuation Date shall be the day on which an Option Event occurs.

C. *Allocation of Costs of Withdrawal.* If withdrawal is other than by reason of death, then \$5,000.00 of the costs of withdrawal incurred, in total, by the Company or any Member (other than the Transferring Member) including legal and accounting fees, will be charged to the Transferring Member and deducted from the value of the Transferring Member's Interest to the extent the Transferring Member does not pay the amounts before settlement. All additional costs and expenses above this amount shall be borne by the party that incurs the costs; provided however, all fees relating to the appraisal shall be borne one-half by the seller and one-half by the buyers (after taking into account the Transferring Member's obligation to paying the first \$5,000.00 of costs as provided, above).

Article IX. Settlement

A. *Settlement of Purchase.* The settlement of any purchase of an Interest under this Agreement shall be made on the Closing Date at the principal office of the Company, or if agreed to by the parties, the offices of the Company's legal counsel. The Closing Date shall be the date that is one hundred twenty (120) days after the date of receipt of the Transferring Member's written notice as required under Article VI, or such other date as agreed upon by the Transferring Member and those of the Company and Remaining Members who are purchasing any Interest.

1. *Payment.* Each purchaser of any Interest of a Transferring Member shall have the option of making payment of their portion of the respective purchase price (i) in cash or by certified check,

(ii) by a promissory note, or (iii) partly in cash and partly by a promissory note.

2. *Interest Rate and Term.* The promissory note shall be executed by the appropriate purchaser or purchasers payable to the order of the Transferring Member, bearing simple interest on the unpaid principal balance at an annual rate equal to the applicable federal rate under Section 1274 of the Code, as amended, determined as of the Closing Date, compounded monthly. The note shall provide for payment of both principal and accrued interest, in sixty (60) equal monthly installments. The first installment shall be payable on the date that is one (1) month after the Closing Date. The remaining installments shall be payable thereafter on the same day of each successive month until paid in full, provided, however, the entire indebtedness shall be paid in full on the date that is five (5) years from the date of the Closing Date.

3. *Option to Prepay.* The purchaser or purchasers shall have the unrestricted right to prepay the note in whole or in part, at any time and from time to time without penalty or premium; provided, however, that any such partial prepayment shall be in an amount of not less than \$5,000.00.

4. *Acceleration.* The note shall provide for optional acceleration of maturity in the event of a default in payment of principal or interest, or upon the insolvency of, or the assertion of insolvency by or against any maker, endorser or guarantor of the note. In addition, the note will become due and payable in full if the Company sells substantially all of its assets and business, or enters into any legal arrangement which has substantially the same effect. The note shall provide for the reimbursement of reasonable attorney fees in the collection of all or any part of the note upon default. The note may be secured, at the option of the Transferring Member, by a pledge of the Member's Interest purchased, but not a specific pledge of the assets of the Company.

Article X. Dissolution

A. *Events Resulting in Dissolution.* The Company will be dissolved upon the occurrence of any of the following:

1. The unanimous written consent of all the Members;
2. The adjudication of the Company as insolvent within the meaning of insolvency in either bankruptcy or equity proceedings, or the filing of an involuntary petition in bankruptcy against the Company (which is not dismissed within ninety (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 ninety (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 under any provisions of the Bankruptcy Code (or any state insolvency statutes), or the appointment for the Company of a temporary or permanent receiver, trustee, custodian, sequestrator, and such receiver, trustee, custodian, or sequestrator is not dismissed within ninety (90) days;
3. At any time there are no members; however, the Company is not dissolved and is not required to be wound up if, within six months after the occurrence of the event that caused the dissociation of the last remaining Member, the personal representative of the last remaining Member agrees in writing to continue the Company until the admission of the personal representative of such Member or its nominee or designee to the Company as a Member, effective as of the occurrence of the event that caused the dissociation of the last remaining Member;
4. The entry of a decree of judicial dissolution of the Company under the Act; or

5. When so determined in accordance with other specific provisions of this Agreement.

B. *Conclusion of Affairs.* In the event of the dissolution of the Company for any reason, the Members shall proceed promptly to wind up the affairs of and liquidate the Company. Except as otherwise provided in this Agreement, the Members shall continue to share distributions and tax allocations during the period of liquidation in the same manner as before the dissolution.

C. *Liquidating Distributions.* After providing for the payment of all debts and liabilities of the Company and all expenses of liquidation, and subject to the right of the Members to set up such reserves as it may deem reasonably necessary for any contingencies or unforeseen liabilities or obligations of the Company, the proceeds of the liquidation and any other assets of the Company shall be distributed to or for the benefit of the Members in accordance with this Agreement. Unless the Members entitled to vote (by a majority vote) agree to some other form of distribution, the distributions to the Members upon liquidation shall be made in kind based on the fair market value of the Company's assets at that time. If such distribution is in kind, each Member shall take a fractional interest in each and every asset of the Company unless the Members agree to some other method of division.

D. *Priority in Liquidation.* If the Company is terminated, the Members will proceed with the liquidation of the Company as provided in the previous section and the proceeds from the liquidation will be applied as follows:

1. First, to the payment of debts and liabilities of the Company, other than loans and advances that may have been made by the Members to the Company, and the expenses of liquidation;

2. Next, the proceeds will be applied to the payment of any loans or advances that may have been made by any Member to the Company, but if the amount available for repayment is insufficient, then on a pro rata basis;

3. Next, the Company's assets will be distributed to the Members, pro rata in accordance with their respective positive Capital Account balances, after giving effect to all contributions, distributions and allocations for all periods; and

4. Any balance remaining shall be distributed to the Members in accordance with their Membership Interests.

E. *Termination.* Within a reasonable time following the completion of the liquidation of the Company, the Members shall be supplied a statement which shall set forth the assets and the liabilities of the Company as of the date of complete liquidation and each Member's portion of the distributions pursuant to this Agreement. Upon completion of the liquidation of the Company and the distribution of all the Company's assets, the Company shall terminate, and the Members 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.

F. *No Deficit Restoration.* A negative or deficit balance in any Member's Capital Account shall not be deemed to be an asset of the Company, and no Member with a negative or deficit Capital Account balance shall have any obligation to the Company, to any other Member or to any third party or creditor to restore such negative or deficit balance. No Member shall be personally liable for the return of all

or any part of the Capital Contributions of any other Member. Any such return of Capital shall be made solely from Company assets; provided, however, nothing contained herein shall be deemed to limit the right of the Company to recover from a Member for acts or omissions constituting breach of fiduciary duty, fraud, misconduct, bad faith or gross negligence.

Article XI. Miscellaneous

A. *Books and Records.* At all times during the term of the Company, the Members shall keep, or cause to be kept, full and faithful 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 Members). 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. Each Member or his designated representative shall, upon reasonable notice to the Members, have access to such financial books, records, and documents during reasonable business hours and may inspect and make copies of any of them at his own expense. The Members shall cause the Company to keep at its principal office the following:

1. Current list of the full name and last known business address of each Member, in alphabetical order;
2. A copy of the Articles of Organization and the Certificate of Organization, and all Articles of Amendment and Certificates of Amendment thereto;
3. Copies of the Company's federal, state, and local income tax returns and reports, if any, for the seven most recent years; and
4. Copies of the Operating Agreement, as amended, and of any financial statements of the Company for the seven most recent years.

B. *Amendment.* This Agreement may only be modified or amended by a written instrument. Except as otherwise required by law, such amendment may only be made in accordance with the unanimous written consent of all the Members entitled to vote. The parties further agree to execute any amendment to this Agreement as may be considered necessary by legal counsel to the Company in order for it to be treated as a partnership for federal and state income tax purposes.

C. *Notices.* For purposes of this Agreement, notices, offers and acceptances must be in writing and will be deemed to be served and received at the time mailed by United States registered or certified mail to the last known address of the party involved or when delivered in person.

D. *Enforceability.* The waiver by any party to this Agreement of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach by any party. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid and unenforceable provision were omitted.

E. *Binding Effect.* This Agreement will inure to the benefit of and be binding upon the parties to this Agreement, their successors, heirs, personal representatives and assigns.

F. *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.

G. *Further Assurances.* Each Member hereby agrees that it shall hereafter execute and deliver such further instruments, provide all information and take or forbear such further acts and things as may be reasonably required or useful to carry out the intent and purpose of this Agreement and as are not inconsistent with the terms hereof.

H. *Confidentiality.* No Member may, without the approval of all remaining Members entitled to vote, divulge to others any information not already known to the public pertinent to the services, clients, customers or operations of the Company, whether before or after the Company's dissolution.

I. *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together will constitute one instrument, binding upon all parties hereto, notwithstanding that all of such parties may not have executed the same counterpart.

J. *Good Faith.* The Members agree to exercise good faith and reasonableness in the interpretation and implementation of the provisions of this Agreement.

K. *Governing Law.* This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to its conflicts of laws rules.

L. *Headings.* The headings, subheadings and other captions in this Agreement are for convenience and reference only and shall not be used in interpreting, construing or enforcing any of the provisions of this Agreement.

M. *Entire Agreement.* This Agreement contains the entire understanding between the Members and supersedes any prior written or oral agreements between them respecting the subject matter within. There are no representations, agreements, arrangements or understandings, oral or written, between and among the Members relating to the subject matter of this Agreement, which are not fully expressed herein.

N. *Right of First Refusal.* The Company acknowledges that it has entered into that certain Right of First Refusal Agreement by and between the Company, as seller, and the Investor Member, as buyer. Subject to the terms and conditions stated therein, the Right of First Refusal Agreement shall be recorded in the Clerk's Office for the City of Norfolk, Virginia, upon acquisition of the Project (as defined in the Right of First Refusal Agreement).

[SIGNATURE PAGE TO FOLLOW]

The undersigned, being the Initial Members of the Company, hereby agree, acknowledge and certify that the foregoing Operating Agreement, including the attached Schedule, constitutes the sole and entire Operating Agreement of the Company, adopted as of the date first above written.

MEMBERS:

GOSNOLD II MANAGING MEMBER, LLC,
a Virginia limited liability company

By: Virginia Supportive Housing,
a Virginia nonprofit corporation,
its Sole and Managing Member

Date: February 25, 2022

By: Allison Bogdanovic
Name: Allison Bogdanovic
Title: Executive Director

VIRGINIA SUPPORTIVE HOUSING,
a Virginia nonprofit corporation

Date: February 25, 2022

By: Allison Bogdanovic
Name: Allison Bogdanovic
Title: Executive Director

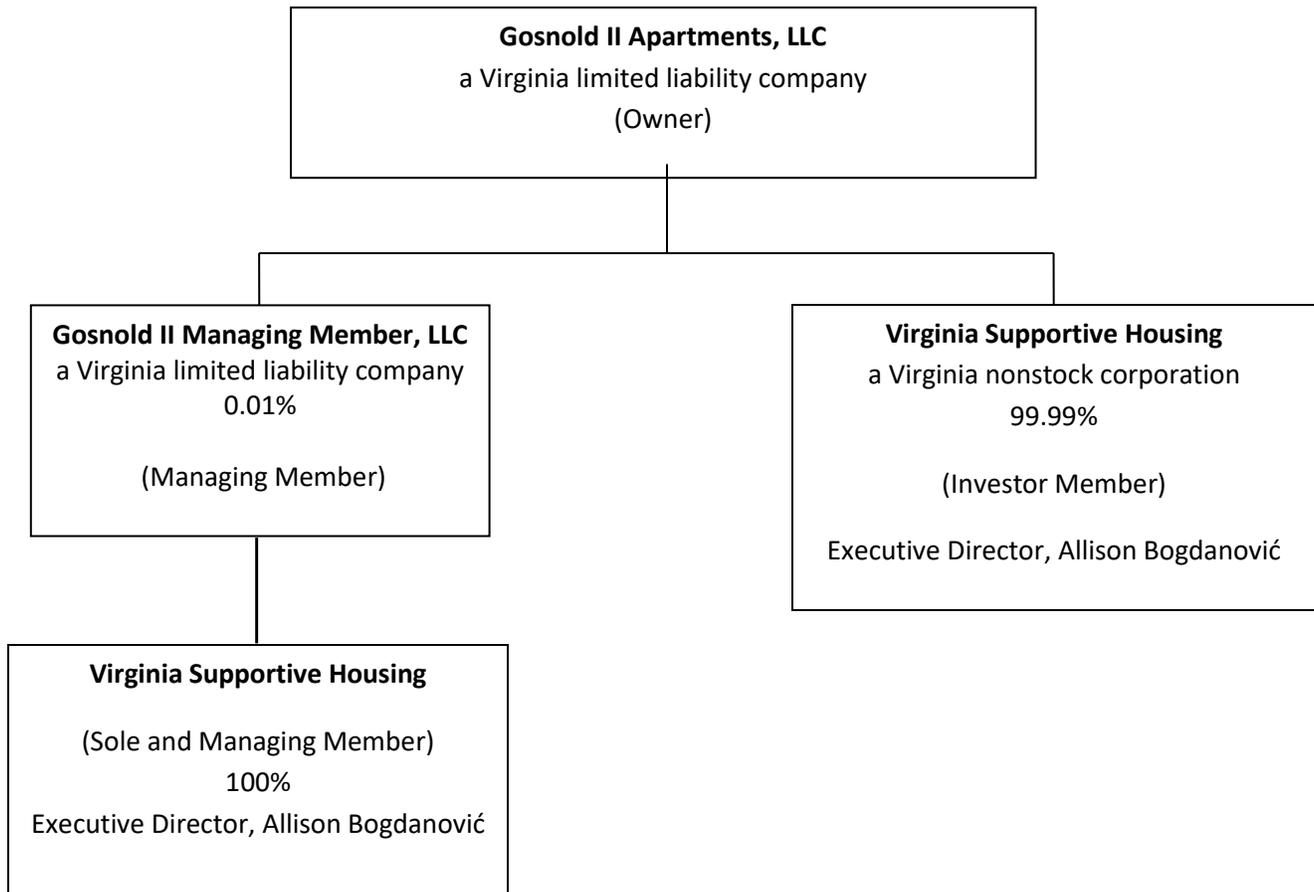
Schedule A

**Capital Contributions and
Membership Interests**

Name and Address	Capital Contribution	Membership Interest
Gosnold II Managing Member, LLC 8002 Discovery Drive, Suite 201 Richmond, Virginia, 23229	\$10.00	0.01%
Virginia Supportive Housing 8002 Discovery Drive, Suite 201 Richmond, Virginia, 23229	\$100.00	99.99%

Gosnold II Apartments

Gosnold II Apartments, LLC (Owner) is comprised of Gosnold II Managing Member, LLC and Virginia Supportive Housing. Gosnold II Managing Member, LLC is the Managing Member and is responsible for the day-to-day management of the company. Virginia Supportive Housing (VSH) owns 100% of the membership interests of Gosnold II Managing Member, LLC and thus is responsible for the day-to-day management of the company. VSH is also the Property Management and Supportive Service provider. Virginia Supportive Housing is the investor member.



Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Gosnold II Apartments, LLC is duly organized as a Limited Liability Company under the law of the Commonwealth of Virginia;

That the Limited Liability Company was formed on February 25, 2022; and

That the Limited Liability Company is in existence in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

February 27, 2024

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

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Gosnold II Managing Member, LLC is duly organized as a Limited Liability Company under the law of the Commonwealth of Virginia;

That the Limited Liability Company was formed on February 25, 2022; and

That the Limited Liability Company is in existence in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

February 27, 2024

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

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That VIRGINIA SUPPORTIVE HOUSING is duly incorporated under the law of the Commonwealth of Virginia;

That the corporation was incorporated on January 14, 1988;

That the corporation's period of duration is perpetual; and

That the corporation is in existence and in good standing in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 8, 2024

A handwritten signature in black ink, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Tab C:

Principal's Previous Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Gosnold II Apartments

Name of Applicant (entity): Gosnold II Apartments, LLC

The undersigned, being duly authorized to sign on behalf of the Applicant, provide this Certification with the understanding that Virginia Housing intends to rely upon the statements made herein for the purpose of awarding and allocating federal low-income housing tax credits.

The following terms shall be defined as follows for the purpose of this Certification:

- "Principal" has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification.
- "Participant" means the Principals of the Owner who will participate in the ownership of the Development identified above and includes Principals who may not be required to be individually listed within a Schedule A attached hereto.

Accordingly, I **hereby certify the following:**

1. All the statements made within this Certification 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, and I will immediately alert Virginia Housing should I become aware of any information prior to the application deadline which may render my statements herein false or misleading.
2. During any time that any of the Participants were Principals in any multifamily rental property, no mortgagee of any such property declared a default under its mortgage loan or assigned it to the mortgage insurer (governmental or private); no such property was foreclosed upon or dispossessed pursuant to a deed-in-lieu of foreclosure; and no such property received mortgage relief from the mortgagee.
3. During any time that any of the Participants were Principals in an owner(s) of any multifamily rental property, no such owner(s) was determined to have breached any agreement related to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership or limited liability company.
4. That at no time have any Participants listed in this certification been required to turn in a property to the investor or been removed from a multifamily rental property ownership structure.

5. 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 such property.
7. None of the Participants has been convicted of a felony and is not presently 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.
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 Virginia Housing employee.
11. None of the Participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the Participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the Participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the Participant was a Principal of the owner of 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.

DocuSigned by:

9D0B8256B4D4411...
Signature

Allison Bogdanovic

Printed Name

3/1/2024

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: Gosnold II Apartments
 Name of Applicant: Gosnold II 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: Virginia Supportive Housing Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"	
1	South Bay Apartments, Portsmouth, VA	South Bay Apartments, LLC (804)788-6825	Y	60	60	11/23/2010	9/6/2011	N
2	Studios at South Richmond, Richmond VA	Studios at South Richmond, LLC (804)788-6825	Y	21	21	9/1/2011	5/1/2012	N
3	The Crossings at 4th and Preston, Charlottesville, VA	The Crossings at 4th and Preston, LLC (804)788-6825	Y	60	60	3/1/2012	12/12/2012	N
4	Heron's Landing, Chesapeake, VA	Heron's Landing, LLC (804)788-6825	Y	60	60	12/5/2012	11/8/2013	N
5	Crescent Square, Virginia Beach, VA	Crescent Square, LLC (804)788-6825	Y	80	80	12/1/2015	11/8/2016	N
6	Studios II, Richmond, VA	Studios II, LLC (804)788-6825	Y	39	39	2/28/2016	7/19/2016	N
7	Church Street Station Studios, Norfolk, VA	Church Street Station Studios, LLC (804)788-6825	Y	80	80	11/1/2017	11/27/2018	N
8	New Clay House II, Richmond, VA	New Clay House II, LLC (804)788-6825	Y	80	80	4/22/2019	12/4/2019	N
9	Cool Lane Apartments, Richmond, VA	Cool Lane Apartments, LLC (804)788-6825	Y	86	86	1/26/2024		
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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: 566 566 100% **LIHTC as % of Total Units**

ADD ADDITIONAL PROPERTIES USING NEXT TAB

**Virginia Supportive Housing
1900 Cool Lane
Richmond, VA 23223
(804) 788-6825; (804) 788-6827 [Fax]
www.virginiassupportivehousing.org**

Virginia Supportive Housing (VSH) is a private, non-profit 501(c)3 community development corporation that was incorporated in January 1988. Its mission is to end homelessness by providing permanent housing and supportive services to the most vulnerable individuals in our society. VSH is managed by a Board of Directors.

For over thirty-five years, VSH has been providing a proven, permanent solution to homelessness for homeless single adults. VSH operates under the Housing First model which recognizes the success of housing individuals first and then providing supportive services such as case management, housing stabilization, independent living skills, mental health counseling, community engagement and social support, transition planning, and employment, education, and vocational support. People who are persistently homeless face many complex challenges besides their homelessness, including very low incomes and other issues such as substance abuse, mental illness, and HIV/AIDS. Providing services along with affordable housing helps residents maintain housing stability within their homes and communities while reducing the need for expensive emergency shelters.

Supportive Studio and One Bedroom Apartments for Homeless and Low-Income Single Adults

New Clay House – 707 N Harrison Street, Richmond
Gosnold Apartments – 2425 Gosnold Avenue, Norfolk
Cloverleaf Apartments – 964 South Military Highway, Virginia Beach
South Bay Apartments – 1600 South Street, Portsmouth
Studios at South Richmond – 5409 Hull Street Road, Richmond
The Crossings at Fourth and Preston – 401 Fourth Street NW, Charlottesville
Heron’s Landing – 2133 South Military Highway, Chesapeake
Crescent Square – 1333 Diamond Springs Road, Virginia Beach
Church Street Station Studios – 2016 Church Street, Norfolk
Cool Lane Apartments – 1900 Cool Lane, Richmond
Premier Circle PSH – 405 Premier Circle, Albemarle

VSH operates two supportive studio apartment buildings in Richmond – New Clay House and Studios at South Richmond. Since opening in 1992 with forty-seven units, New Clay House, the first SRO in Virginia, has provided permanent housing and support services for homeless adults. New Clay House was originally developed through the adaptive reuse of an old brewery at a total

cost of \$1,900,000. VSH was awarded a Governor's Housing Achievement Award for New Clay House in 1993. In 2019 New Clay House was renovated and expanded to a total of eighty studio apartments for homeless and low-income adults. The historic renovation and expansion also created additional offices for onsite support services and property management staff as well as expanded resident community space. The development costs were approximately \$19,000,000. Twenty units have Project Based Vouchers administered by the Richmond Redevelopment and Housing Authority (RRHA). In 2019 Historic Richmond and Storefront for Community Design awarded New Clay House a Golden Hammer Award for Best Adaptive Reuse and New Construction.

VSH opened South Richmond SRO in 1996 with thirty-nine units. South Richmond SRO provides permanent housing and support services for homeless adults. VSH developed South Richmond SRO by converting a Budget Motel. Total development costs were \$2,200,000. In 2011, a twenty-one unit addition to the building was completed for a total of \$3,500,000. Rehabilitation on the initial thirty-nine units was completed in early 2016 and included expanding the square footage of each unit. Total development costs were approximately \$5,900,000 and the building name was changed to Studios at South Richmond. All sixty units have Project Based Vouchers administered through RRHA.

Gosnold Apartments in Norfolk opened in December 2006 and has sixty supportive studio apartments for homeless adults from the cities of Norfolk, Virginia Beach, and Portsmouth. The project is part of a regional effort to end homelessness in South Hampton Roads and has been recognized by HUD as the first regional studio apartments for homeless single adults in the nation. Gosnold Apartments involved the adaptive reuse of an RC Cola bottling warehouse at a total cost of \$5,600,000. All sixty units have Section 8 Moderate Rehabilitation Vouchers administered through the Norfolk Redevelopment and Housing Authority (NRHA). Gosnold Apartments received the Governor's Housing Achievement Award in November 2007. In 2022 Gosnold Apartments received a reservation of Low-Income Housing Tax Credits for the renovation and expansion of Gosnold Apartments into one-hundred studio units for homeless and low-income individuals. Total development costs for the renovation and expansion are estimated at approximately \$24,000,000 with sources of funding including federal, state, local, and private funds.

VSH opened Cloverleaf Apartments in Virginia Beach in October 2008. Cloverleaf Apartments involved the adaptive reuse of an old skating rink into sixty supportive studio apartments for homeless single adults from the cities of Virginia Beach, Norfolk, Portsmouth, and Chesapeake. Each City provided public support and funding for Cloverleaf Apartments. VSH obtained EarthCraft Virginia certification for green building and energy resource efficiency. The total development cost for Cloverleaf Apartments was approximately \$6,900,000. All sixty units have Project Based Vouchers administered through the Virginia Beach Department of Housing and Neighborhood Preservation (VBDHNP).

In November 2010, VSH opened South Bay Apartments in Portsmouth. South Bay Apartments involved the new construction of sixty supportive studio apartments that are EarthCraft Virginia certified for green building and energy resource efficiency. This was the third regional collaboration to end homelessness in the Hampton Roads area and includes housing units for homeless individuals from Portsmouth, Norfolk, Virginia Beach, and Chesapeake; each city provided public support and funding for the development of South Bay Apartments. All sixty units have Project Based Vouchers administered through NRHA, VBDHNP, Portsmouth Redevelopment and Housing Authority (PRHA), and Chesapeake Redevelopment and Housing Authority (CRHA). Total development costs were approximately \$6,900,000. South Bay Apartments was the highest ranking application in the 2009 non-profit pool for tax credit applications. EarthCraft Virginia recognized South Bay Apartments with the 2011 Multi-Family Development of the Year award for energy and resource efficiency.

The Crossings at Fourth and Preston, sixty supportive studio apartments for homeless and low-income adults from the Charlottesville area, opened in March 2012. The Crossings at Fourth and Preston was the first VSH property to utilize an integrated model with thirty units for otherwise homeless individuals and thirty units for individuals making 50% or less of the Area Median Income. The building is EarthCraft Virginia certified for green building and energy resource efficiency and is the first VSH property to incorporate a solar thermal hot water system. EarthCraft Virginia awarded The Crossings at Fourth and Preston with the 2012 Multi-Family Development of the Year award. This was the first regional collaboration in the Charlottesville region and includes housing units for homeless single adults from the City of Charlottesville and Albemarle County; each locality provided public support and Project Based Vouchers for The Crossings at Fourth and Preston. Total development costs were approximately \$6,700,000.

Heron's Landing in Chesapeake was completed in December 2012. The development has sixty supportive studio apartments for homeless individuals from the cities of Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach; each city provided public support and funding. All sixty units have Project Based Vouchers administered through NRHA, CRHA, VBDHNP, PRHA, and Suffolk Redevelopment and Housing Authority (SRHA). Heron's Landing is EarthCraft Virginia-certified for green building and energy resource efficiency. In 2013, Heron's Landing won the Hampton Roads Housing Consortium's Housing Partner Special Projects Award. This was the fourth regional collaboration to end homelessness in South Hampton Roads. Total development costs were approximately \$9,900,000.

Crescent Square, VSH's second permanent supportive housing development in Virginia Beach and the fifth regional collaboration in South Hampton Roads, opened in early 2016. Crescent Square involved the new construction of eighty supportive studio apartments for homeless and low-income individuals from the Hampton Roads region. Funding was provided by the cities of Virginia Beach and Norfolk. Forty-two units received Project Based Vouchers through NRHA and

VBDHNP. The building is EarthCraft Virginia certified for energy and resource efficiency. In 2016, Crescent Square was awarded the Urban Land Institute Virginia's Vision Award for Innovative Deal of the Year. Total development costs were approximately \$12,400,000.

Church Street Station Studios opened in November 2017 and was VSH's sixth regional collaboration in South Hampton Roads. Church Street was the new construction of eighty supportive studio units in Norfolk for homeless and low-income adults from Norfolk and Virginia Beach. All eighty units received Project Based Vouchers administered through NRHA and VBDHNP. The building is EarthCraft Virginia certified. In 2020 Church Street Station Studios received Viridiant's Multifamily Project of the Year award for energy and resource efficiency. Total development costs were approximately \$13,900,000. Church Street Station Studios was the highest scoring application in the 2016 non-profit pool for tax credit applications and received the Governor's Best Regional Partnership Award in 2018.

Cool Lane Commons, the adaptive re-use of a vacant assisted living facility in the City of Richmond and Henrico County, was completed in 2024. Cool Lane Apartments is eighty one-bedroom and six studio apartments for homeless and low-income individuals from the Richmond Region. Total development costs were approximately \$24,000,000 with funding provided by local, state, and federal private and public funds. All eighty-six units received Project Based Vouchers administered through RRHA. Cool Lane Commons contains additional office space for Virginia Supportive Housing as well as space for community partners. The building is EarthCraft Virginia Certified.

Premier Circle PSH is the new construction of seventy-seven studio and three one-bedroom apartments with supportive services for homeless and low-income individuals in Albemarle County. Total development costs are estimated over \$24,000,000 with funding from local, state, and federal private and public funds. Premier Circle PSH received a reservation of Low-Income Housing Tax Credits in 2023 and construction is expected to begin in 2024 lasting approximately 15 months. Premier Circle PSH is part of a larger development in partnership with Piedmont Housing Alliance, Blue Ridge Area Coalition for the Homeless (BRACH), and People and Congregations Engaged in ministry (PACEM).

New Clay House, Gosnold Apartments, Cloverleaf Apartments, South Bay Apartments, Studios at South Richmond, The Crossings at Fourth and Preston, Heron's Landing, Crescent Square, Church Street Station Studios, Cool Lane Apartments, and Premier Circle PSH utilized Low-Income Housing Tax Credit funding combined with state, local, and private funds.

In addition to supportive studios and one-bedroom apartments for homeless and low-income adults, VSH operates three community houses and two apartments for persons with disabilities; one apartment building for formerly homeless families; and several housing access programs.

Community Houses for Individuals with Disabilities

Stratford House – 2925 Cherokee Road, Richmond

Bliley Manor – 6119 Bliley Road, Richmond

Independence House – 1725 National Street, Richmond

Stratford House and Bliley Manor were developed and operated by Richmond Aids Ministry (RAM) but were closed by RAM in 1997 because they were unable to continue management. VSH underwent a HUD Transfer of Physical Assets in 1998 and now owns and manages both community houses. Currently, VSH operates Stratford House as a community house for eight persons with HIV/AIDS. Residents are low-income, have HIV/AIDS, and are recovering from substance abuse. In 2008, HUD approved VSH's request to change the use of Bliley Manor to a community house for individuals with traumatic brain injury (TBI). VSH manages the houses and provides support services.

Independence House, which opened in 2005, is also a community house for persons with TBI. It serves six individuals who have been referred from service agencies serving the TBI population in Richmond. VSH provides support services to the residents with a case manager. A night monitor lives at the community house.

Stratford House, Independence House, and Bliley Manor received funding from the HUD Section 811 program in addition to state, local, and private sources.

Apartments for Individuals with Disabilities

James River Apartments – 1517 Jefferson Davis Highway, Richmond and
1301 Blakemore Road, Richmond

HUD awarded VSH a Section 811 grant worth \$1.2 million to build James River Apartments, fourteen affordable, accessible apartments with support services for persons with disabilities. James River Apartments includes six apartments on Blakemore Road and eight on Jefferson Davis Highway in Richmond. Construction on James River Apartments began in March 2007 and was completed in April 2008. VSH provides case management services to the residents of James River Apartments as appropriate and as needed.

Apartments for Homeless Families and Families with Disabilities – FIND, Inc.

dFIND Cary Street Apartments – 2023 & 2123 West Cary Street, Richmond

In the spring of 2000, VSH began the Families in Neighborhoods Developing (FIND) program to address the needs of families who are prepared to move out of shelters and transitional housing

into apartments in the community. The apartments are all affordable with rents well below market rates to serve very low, low, and moderate income persons. VSH provides case management services to help the families maintain their housing.

Cary Street Apartments opened in December 2004 along West Cary Street in Richmond. Four, three-bedroom apartments have been historically renovated for families with a disabled family member. Cary Street Apartments received state and federal historic tax credits, a HUD McKinney Supportive Housing Program grant, matching state HOME funds, and grants from private foundations.

Experienced Rental Management Partner

VSH has been actively managing supportive housing properties since the opening of New Clay House in 1992 and became a Virginia Housing Certified Management Agent without qualification in 2010. VSH currently owns and manages 726 housing units as well as manages 30 units of permanent supportive housing at the City of Virginia Beach Housing Resource Center (HRC). The VSH management portfolio includes small multifamily buildings, community houses, and larger supportive studio and one-bedroom apartment buildings. VSH property management staff members are experienced with property standards and reporting requirements for various U.S. Department of Housing and Urban Development (HUD), Department of Housing and Community Development (DHCD), Virginia Housing, and local funding programs such as Low-Income Housing Tax Credits, Historic Tax Credits, HOME and CDBG programs, HUD Section 811, and HUD Supportive Housing. VSH property management staff are also experienced in working with multiple Public Housing Authorities (PHAs) on the administration of Project and Tenant Based Rental Assistance. All housing units managed by VSH have passed federal, state, and local reviews and inspections, demonstrating the application of consistent property management standards at all VSH properties.

Proven, Permanent Solution to Homelessness

VSH has a proven track record to ending homelessness – 98% of VSH residents do not return to a state of homelessness. VSH tracks outcome measures related to the housing stability, income, and health of each client. VSH is CORES Certified. The Certified Organization for Resident Engagement & Services (CORES) Certification recognizes organizations that have developed a robust commitment, capacity, and competency in providing resident services coordination in affordable rental homes. This certification demonstrates VSH's commitment to providing housing and services that are connected in a way that supports the success of our residents.

Supportive services provide case management, housing stabilization, independent living skills, community engagement and social support, transition planning, and employment, education, and vocational support. VSH supportive services staff assist tenants with accessing mainstream

community services and resources, monitor the quality and effectiveness of those services, and ensure coordination of care to promote achievement of each individual's personal goals including maintaining housing, securing work or entitlement income, and improving health and mental health conditions. VSH staff engage residents who seek services in developing a housing stabilization/care plan that outlines their individual goals and strategies needed to achieve their goals. Staff also work with our residents to ensure a strong sense of social connectedness in the apartment community as well as with the larger community in which they are located.

Support service staff engage residents in activities that promote a consistent and safe housing environment including offering mediation services with property management staff when required to minimize lease violations and delinquency; providing move-in support and orientation to new residents; and coordinating with community partners and donors to provide essential household items.

Supportive services staff provide supportive services to help individuals resolve life issues, promote recovery and community integration, and manage mental health symptoms. Education and support is provided to improve individuals' abilities to budget and manage finances, manage medication, secure and maintain employment, and develop positive social supports. Crisis prevention, intervention, and stabilization is coordinated for individuals experiencing acute distress. Other activities of daily living include navigating public transportation, nutrition and diet, personal hygiene, household cleaning and maintenance, medication management, and interpersonal skills.

Supportive services staff help coordinate transition to other subsidized housing with less intensive services when appropriate. VSH ensures the resident is connected with community providers as their unique needs require and provide a year of follow-up services so that they can continue to be stably housed. In addition, VSH coordinates external placements for those who can no longer live independently and need a higher level of care, such as an assisted living or nursing facility.

Housing Access Programs

Virginia Supportive Housing's Housing First programs provide scattered-site rental assistance and supportive services to chronically homeless single adults with disabilities in both Richmond and Hampton Roads. Potential participants are referred through their respective Continuum of Care, which serves as the centralized access point for those who are experiencing homelessness. After the referral is made, the Supportive Services Specialist and the referring agency work together to gather the necessary client homelessness history and disability documentation to determine eligibility. Once the client is deemed eligible for the program, the Supportive Services Specialist

and Housing Specialist work with the individual and community landlords to locating suitable housing.

The Hampton Roads Housing First program has seven Supportive Services Specialists, two Housing Specialists, an Outreach Specialist, a Program Manager, and a Team Leader. The Richmond Housing First program has eleven Supportive Services Specialists, two Housing Specialists, a SOAR Benefits Coordinator, a Program Manager, and a Team Leader. An Outreach Specialist establishes relationships with individuals who are currently homeless and living on the street in order to provide resources while helping them to connect to Continuum of Care. The SOAR Benefits Coordinator is part of the Outreach, Access, and Recovery national program designed to increase access to disability income benefit programs for eligible adults who have a serious mental illness, medical impairment, and/or co-occurring substance use disorder. The Housing Specialists establish and maintain relationships with community landlords then conduct individualized assessments with each participant to connect them landlords that have housing to meet their needs. The Supportive Services Specialists provide a plethora of services to participants in order to assist individuals with maintaining their housing. These services include, but are not limited to: collaboration with landlords, healthcare coordination, vocational services, substance abuse services, behavioral health support, daily living skills, household maintenance, medication compliance, community referrals, and probation/parole when needed.

These scattered site programs began with the first evidence-based housing first program in the state for homeless persons with a severe and persistent mental illness and have continued to be a successful collaboration between the nonprofit and government sector.

VSH also operates the state's largest Supportive Services for Veteran Families (SSVF) program serving over 300 Veteran households annually. The SSVF program provides temporary financial assistance and supportive services to promote housing stability among very low income Veteran families. Supportive services include case management, healthcare navigation, housing assistance, and outreach services to develop a plan to achieve housing stability. Staff also serve as a link for eligible Veterans to VA benefits and other public benefits.

Managing Developments with Multiple, Complex Financing Sources

VSH has demonstrated an ability to develop projects with multiple layers of complex financing, often leveraging federal, state, and local public and private funds. VSH's ten supportive studio apartment buildings for homeless and low-income single adults have involved financing from a large variety of sources including, but not limited to: the syndication of Low-Income Housing Tax Credits, Energy Tax Credits, and Federal and State Historic Tax Credits; National foundation and Local community foundation grants; State and Local HOME, CDBG and general funds; Federal Home Loan Bank AHP Funds; National, State, and Local Housing Trust Fund funds; and loans from

the Virginia Department of Housing and Community Development (DHCD) and Virginia Housing. VSH's Low-Income Housing Tax Credit application for South Bay Apartments was the highest ranked application in the 2009 nonprofit pool, Church Street Station Studios was the highest scoring application in the 2016 nonprofit application pool, and Cool Lane Apartments was the highest ranked and awarded application in the 2019 accessible supportive housing pool. Additionally, VSH has successfully secured Project Based Vouchers for ten developments and maintains close relationships with eight administering agencies and/or housing authorities.

All small multifamily apartment properties VSH has developed have required multiple funding sources. Targeted to homeless families with incomes at or below 30% area median income and with no housing authority rental subsidies, VSH has pursued financing structures that limit debt service. VSH has also developed housing for persons with disabilities through the HUD Section 811 program, which provides a capital advance for 60-65% of the construction costs and rental subsidies. VSH has worked with DHCD, localities, and private foundations to secure the remaining funds needed for construction. The HUD Section 811 program requires that all additional funding be grant funds (loans are not permitted). With innovative financing strategies, VSH had worked with the HUD Section 811 program to build both a community house and accessible apartments.

Ownership Entity Sustainable for Affordability Period

VSH currently owns and manages 726 housing units. Since VSH opened its first property (New Clay House) in 1992, the agency has successfully operated each building. No VSH properties have been closed or unable to continue operation. VSH has remained the owner and property manager throughout the affordability period for each property it has developed.

A volunteer Board of Directors working through committees assists VSH staff in the development and operational oversight of the agency. The Board hires the executive director and is responsible for establishing policies regarding programs, fiscal matters, immediate and long-range planning, insurance reporting, and fundraising. Board committees include Site Development and Asset Management, Governance, Program and Evaluation, Mission Advancement, and Executive. The VSH Board includes professionals with experience in housing development, property management, law, and social services. The Richmond firm of Dooley and Vicars performs annual independent audits. Agency property management policies, procedures, and property financials are reviewed by the Site Development and Asset Management Committee of the Board of Directors.

Tab E:

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

**FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “First Amendment”) is made and entered into as of this 11th day of March, 2024, by and between **GOSNOLD APARTMENTS, LLC**, a Virginia limited liability company (“Seller”), and **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (“Buyer”).

RECITALS

A. Buyer and Seller entered into that certain Purchase and Sale Agreement dated as of March 7, 2022 (the “Agreement”), with respect to the sale of certain real property and improvements thereon located in the City of Norfolk, Virginia (the “Property”), as more particularly described therein.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. Settlement. Section 2 of the Agreement is hereby deleted and replaced in its entirety with the following:

2. Settlement. Unless this Agreement is sooner terminated as provided in this Agreement, the closing of the sale of the Property shall take place at such place as the parties hereto may agree, on a date for closing which shall be within not less than 15 days, nor more than 60 days, after the date of a written notice from Buyer to Seller (the “Buyer Notice”), requesting that the closing occur (the “Settlement”). In the event the Settlement has not occurred by December 31, 2025, this Agreement shall be null and void. In any event, without the consent of both parties, Settlement shall not occur before September 1, 2024.

2. Notices. Section 11 of the Agreement is hereby deleted and replaced in its entirety with the following:

11. Notices. Unless otherwise expressly provided in this Agreement, all notices shall be in writing and shall be deemed duly given on the date personally delivered, one day after deposit with an express delivery service, or 3 days after sent by registered or certified mail, return receipt requested, to the following addresses, or to such other address which a party elects to designate in writing to the other addressees listed below:

If to Seller:

Gosnold Apartments, LLC
1900 Cool Lane
Richmond, Virginia 23223

If to Buyer:

Gosnold II Apartments, LLC
1900 Cool Lane
Richmond, Virginia 23223

With a copy to:

Lauren D. Nowlin, Esq.
Williams Mullen
200 South 10th Street, Suite 1600
Richmond, VA 23219

3. Ratification. Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this First Amendment, is hereby ratified and affirmed in all respects. If anything contained in this First Amendment conflicts with any terms of the Agreement, then the terms of this First Amendment shall prevail.

4. Successors and Assigns. This First Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Buyer have executed this First Amendment as of the day and year first above written.

SELLER:

GOSNOLD APARTMENTS, LLC,
a Virginia limited liability company

By: Norfolk SRO, Inc.,
a Virginia corporation,
its Managing Member

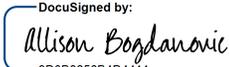
By:  _____ (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

BUYER:

GOSNOLD II APARTMENTS, LLC,
a Virginia limited liability company

By: Gosnold II Managing Member, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Supportive Housing,
a Virginia nonstock corporation,
its Managing Member

By:  _____ (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

CONTRACT OF PURCHASE

THIS CONTRACT OF PURCHASE (this “Agreement”), dated as of March 7, 2022, by and between GOSNOLD APARTMENTS, LLC, a Virginia limited liability company (“Seller”), and GOSNOLD II APARTMENTS, LLC, a Virginia limited liability company (“Buyer”), recites and provides as follows:

Recitals.

A. Seller is the fee simple owner of a certain parcel or parcels of land located in the City of Norfolk, Virginia, commonly known as 2425 Gosnold Ave, 2408 Gosnold Ave, and 2400 Gosnold Ave, Norfolk, Virginia and comprised of approximately 1.241 acres, identified as the City of Norfolk GPINs 1428840815, 1428841894, and 1428841764 and more particularly described on Exhibit A attached hereto and made a part hereof (the “Land”), together with all improvements thereon and all appurtenances thereto (collectively, the “Property”).

B. Seller has agreed to sell, and Buyer has agreed to purchase, the Property, all on the terms and conditions hereinafter set forth.

NOW, therefore, for and in consideration of the mutual promises, covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Sale. This Agreement constitutes a binding contract for the sale and purchase of the Property on the terms and conditions hereinafter provided. Seller shall be obligated to sell and convey, and Buyer shall be obligated to purchase, the Property in accordance with the terms and conditions of this Agreement. The purchase price to be paid by Buyer for the Property at Settlement (the “Price”) shall be equal to Three Million Three Hundred Fifty-Four Thousand Eight Hundred and 00/100 Dollars (\$3,354,800.00).

2. Settlement. Unless this Agreement is sooner terminated as provided in this Agreement, the closing of the sale of the Property shall take place at such place as the parties hereto may agree, on a date for closing which shall be within not less than 15 days, nor more than 60 days, after the date of a written notice from Buyer to Seller (the “Buyer Notice”), requesting that the closing occur (the “Settlement”). In the event the Settlement has not occurred by April 30, 2024, this Agreement shall be null and void. In any event, without the consent of both parties, Settlement shall not occur before September 1, 2022.

3. Conditions to Buyer’s Performance. Buyer shall be obligated to purchase the Property from Seller only upon the full satisfaction of the following conditions, any of which may be waived by Buyer, and in the event any of such conditions are not satisfied or waived by the date of Settlement, or a later date approved by the mutual consent of Seller and Buyer, then this Agreement shall be terminated.

- (a) As of the date of Settlement, there shall be no encumbrances or special assessments either pending or confirmed affecting the Property, except as specifically accepted and approved by Buyer in writing (the “Permitted Exceptions”). All such liens or assessments, except for the Permitted Exceptions, shall be paid and released by Seller on or before the date of Settlement.
- (b) The Property shall be in compliance with all applicable environmental laws and regulations.

- (c) The current zoning of the Property shall permit Buyer's intended use (the "Intended Purpose").
- (d) There shall be no litigation, proceeding or investigation pending, or to the knowledge of Owner, Buyer or Seller threatened, which might prevent or adversely affect Buyer's ability to operate the Property for the Intended Purpose or which questions the validity of any material actions taken or to be taken by Seller or Buyer hereunder.

4. Settlement Documents and Costs. At Settlement, Seller shall pay for its own legal fees and the grantor's tax in connection with the recordation of the Deed (as hereinafter defined). Purchaser shall pay for any survey, title examination, and title insurance ordered by Purchaser or for Purchaser's benefit, for its own legal fees and for all recording taxes and fees (other than the grantor's tax) in connection with the recordation of the Deed.

5. Prorations. All real and personal property ad valorem taxes and installments of special assessments, if any, for the calendar years prior to the current calendar year will be paid by Seller. At Buyer's election, all real and personal property ad valorem taxes and special assessments, if any, whether payable in installments or not, for the current calendar year will be prorated to the date of Settlement on a calendar year basis, based on the latest available tax rate and assessed valuation, to be paid by Seller through the date of Settlement and by Buyer from the date of Settlement through the end of the calendar year. If Buyer elects not to prorate real and personal property ad valorem taxes and special assessments at Settlement, then Seller shall pay such real and personal property ad valorem taxes and special assessments when due for such calendar year. Seller shall provide Buyer written notice with evidence of payment and Buyer shall reimburse Seller within 30 days of such written notice its prorated share of such taxes and assessments from the date of Settlement. Seller shall be responsible for payment of any roll-back taxes.

6. Title. Seller agrees to convey to Buyer on the date of Settlement, good and marketable fee simple title to the Property and, effective on the recordation of the deed by Seller to Buyer (the "Deed"), beneficial ownership and the risk of loss of the Property will pass from Seller to Buyer. The Property shall be conveyed to Buyer free and clear of any liens and/or encumbrances, except the Permitted Exceptions.

7. Representations. Seller represents that it is duly organized and validly existing under the laws of the Commonwealth of Virginia with full power and authority to enter into this Agreement and to sell the Property in accordance with the terms and conditions of this Agreement. Buyer represents that it is duly organized and validly existing under the laws of the Commonwealth of Virginia with full power and authority to enter into this Agreement and to purchase the Property in accordance with the terms and conditions of this Agreement.

8. Risk of Loss. All risk of loss as a result of an exercise of the power of eminent domain, or by reason of casualty, or for personal liability as to the Property, shall remain on Seller until Settlement.

9. Brokers. Each of Seller and Buyer represents to the other that there are no amounts due any realtor, broker, agent or finder in connection with this Agreement, and covenants that it will hold the other free and harmless from any and all liabilities and expenses (including, without limitation, reasonable attorneys' fees) in connection with any claim or claims of any realtor, broker, agent or finder arising out of this Agreement. The provisions of this paragraph shall survive Settlement and not merge into the Deed.

10. Defaults.

- (a) Buyer's Default. If Buyer fails to perform or settle as required by this Agreement, or makes under this Agreement any material false representations or warranties, Seller shall have the right, exercisable at its option upon each such failure or misrepresentation, to give notice thereof to Buyer and Buyer shall have a period of 10 days in which to cure the failure described in such notice. If Buyer does not cure such failure within such period, this Agreement shall forthwith terminate and the parties hereto shall have no further rights and obligations under this Agreement, except as specifically provided.
- (b) Seller's Default. If, prior to Settlement, Seller intentionally fails to perform or settle as required by this Agreement or intentionally makes under this Agreement any material false representations or warranties, Buyer shall have the right, exercisable at Buyer's option upon each such failure or misrepresentation, to give notice thereof to Seller, and Seller shall then have a period of 10 days in which to cure the failure described in such notice. If Seller does not cure such failure within such period, Buyer shall have the right, at Buyer's option to exercise any and all remedies available at law or in equity with respect to such misrepresentation or failure, including specific performance, provided, however, that any monetary remedy for Buyer shall be limited to a recovery against the Property and shall not include recourse against Seller or the partners of Seller.

11. Notices. Unless otherwise expressly provided in this Agreement, all notices shall be in writing and shall be deemed duly given on the date personally delivered, one day after deposit with an express delivery service, or 3 days after sent by registered or certified mail, return receipt requested, to the following addresses, or to such other address which a party elects to designate in writing to the other addressees listed below:

If to Seller:

Gosnold Apartments, LLC
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229

If to Buyer:

Gosnold II Apartments, LLC
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229

With a copy to:

Lauren D. Nowlin, Esq.
Williams Mullen
200 South 10th Street
Richmond, VA 23219

12. Assignment. Seller shall have the free right to assign its rights under this Agreement, and Buyer shall have the free right to assign its rights under this Agreement to any entity with Seller's prior written consent, which consent shall not be unreasonably withheld.

13. Miscellaneous.

- (a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, and shall be governed by the laws of the Commonwealth of Virginia.
- (b) This Agreement contains the entire agreement between the parties with respect to the Property and is intended by the parties to be an integration of any prior agreements by the parties regarding the Property. This Agreement cannot be amended except by written instrument executed by all parties hereto.
- (c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.
- (d) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall together be deemed one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

WITNESS the following duly authorized signatures as of the date first above written.

SELLER:

GOSNOLD APARTMENTS, LLC,
a Virginia limited liability company

By: Allison Bogdanovic (SEAL)

Name: Allison Bogdanovic

Title: Executive Director
of Norfolk SRO, Inc., its Managing Member

BUYER:

GOSNOLD II APARTMENTS, LLC,
a Virginia limited liability company

By: GOSNOLD II MANAGING MEMBER, LLC, a
Virginia limited liability company, its Managing
Member

By: VIRGINIA SUPPORTIVE HOUSING, a Virginia
nonstock corporation, its Managing Member

By: Allison Bogdanovic (SEAL)

Name: Allison Bogdanovic

Title: Executive Director

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL ONE – LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 – OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

City of Norfolk - NORFOLK AIR

Tax Account: 00002604

2425 GOSNOLD AVENUE

Total Value

\$3,157,000

SALES / VALUE HISTORY

SALES HISTORY

OWNER	TRANSFER DATE	SALE PRICE	TYPE	DEED REFERENCE
-	-	-	-	-

ASSESSMENT HISTORY

EFFECTIVE DATE	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE
07/01/2023	\$472,500	\$2,684,500	\$3,157,000
07/01/2022	\$472,500	\$2,811,500	\$3,284,000
07/01/2021	\$472,500	\$2,665,200	\$3,137,700
07/01/2020	\$472,500	\$2,655,800	\$3,128,300
07/01/2019	\$472,500	\$2,607,900	\$3,080,400



City of Norfolk - NORFOLK AIR

Tax Account: 37624115

S S W 25TH STREET

Total Value

\$135,600

SALES / VALUE HISTORY

SALES HISTORY

OWNER	TRANSFER DATE	SALE PRICE	TYPE	DEED REFERENCE
Gosnold Apartments Llc	10/05/2005	\$709,500	X	050042757

ASSESSMENT HISTORY

EFFECTIVE DATE	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE
07/01/2023	\$135,600	\$0	\$135,600
07/01/2022	\$135,600	\$0	\$135,600
07/01/2021	\$135,600	\$0	\$135,600
07/01/2020	\$135,600	\$0	\$135,600
07/01/2019	\$135,600	\$0	\$135,600



City of Norfolk - NORFOLK AIR

Tax Account: 37624105

N S W 24TH STREET

Total Value

\$81,500

SALES / VALUE HISTORY

SALES HISTORY

OWNER	TRANSFER DATE	SALE PRICE	TYPE	DEED REFERENCE
Gosnold Apartments Llc	10/05/2005	\$709,500	X	050042757

ASSESSMENT HISTORY

EFFECTIVE DATE	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE
07/01/2023	\$81,500	\$0	\$81,500
07/01/2022	\$81,500	\$0	\$81,500
07/01/2021	\$81,500	\$0	\$81,500
07/01/2020	\$81,500	\$0	\$81,500
07/01/2019	\$81,500	\$0	\$81,500



Tab F:

RESNET Rater Certification (MANDATORY)



Appendix F

RESNET Rater Certification of Development Plans

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

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

In addition provide HERS rating documentation as specified in the manual

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

X Rehabilitation -30% performance increase over existing, based on HERS Index
Or Must evidence a HERS Index of 80 or lower
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 lower.
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.

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

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

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

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

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

Signed: [Signature]

Date: 3/14/24

Printed Name: Stacey Smith

RESNET Rater

Resnet Provider Agency
Viridiant

Signature [Signature]

Provider Contact and Phone/Email (804) 225-9843 / sean.shanley@viridiant.org

Gosnold II Apartments - Modeling Summary

Ekotrope Models HERS Scores:

New Construction Unit Type	Quantity	HERS	Energy Star V1.1 Target	V1.2 Target
Unit Type C/D	51	55	96	76
Unit Type E	5	53	91	73
Renovation Types				
Unit A, B, Bottom	20	55	93	75
Unit D- Night monitor	1	60	84	67
Unit A, B, Top	24	55	91	73
Projected Project HERS - Weighted Average		55		

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2024-03-13

Registry ID:

Ekotrope ID: B26AMJav

HERS® Index Score:

55

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$625

*Relative to an average U.S. home

Home:

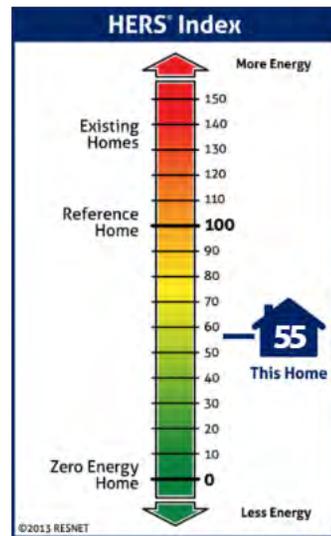
2425 Gosnold Ave
Norfolk, VA 23517

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.1	\$74
Cooling	1.3	\$45
Hot Water	2.9	\$103
Lights/Appliances	9.1	\$318
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	15.4	\$631

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Type A, B Top (reno)
Community:	Gosnold II
Conditioned Floor Area:	409 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 2.2 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 13.4 EER
Primary Water Heating:	Residential Water Heater • Electric • 4.01 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.49 ACH50)
Ventilation:	15 CFM • 15.6 Watts • Balanced
Duct Leakage to Outside:	8 CFM @ 25Pa (1.96 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Vaulted Roof, R-31
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

Rating Company: Viridiant
1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/24 at 8:11 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2024-03-13

Registry ID:

Ekotrope ID: PdaRnkQv

HERS® Index Score:

55

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$598

*Relative to an average U.S. home

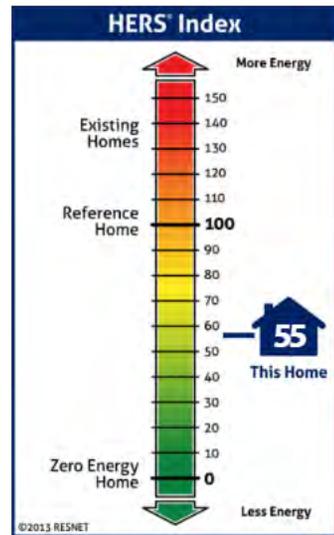
Home:
2425 Gosnold Ave
Norfolk, VA 23517

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.2	\$78
Cooling	0.8	\$29
Hot Water	2.9	\$103
Lights/Appliances	9.1	\$318
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	15.1	\$619

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Type A, B, Bottom
Community:	Gosnold II
Conditioned Floor Area:	409 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 2.2 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 13.4 EER
Primary Water Heating:	Residential Water Heater • Electric • 4.01 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.49 ACH50)
Ventilation:	15 CFM • 15.6 Watts • Balanced
Duct Leakage to Outside:	8 CFM @ 25Pa (1.96 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

Rating Company: Viridiant
1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/24 at 8:11 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2024-03-13

Registry ID:

Ekotrope ID: ILX9MX0d

HERS® Index Score:

55

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$725

*Relative to an average U.S. home

Home:

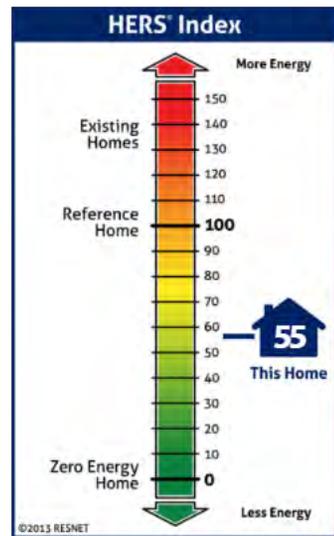
2425 Gosnold Ave
Norfolk, VA 23517

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.4	\$85
Cooling	1.1	\$38
Hot Water	2.3	\$79
Lights/Appliances	11.0	\$386
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	16.8	\$679

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	817 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 2.2 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 13.4 EER
Primary Water Heating:	Residential Water Heater • Electric • 4.01 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.01 ACH50)
Ventilation:	15 CFM • 15.6 Watts • Balanced
Duct Leakage to Outside:	8 CFM @ 25Pa (1.96 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

Rating Company: Viridiant
1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/24 at 8:11 AM





Appendix F
RESNET Rater Certification of Development Plans

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

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

In addition provide HERS rating documentation as specified in the manual

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

Rehabilitation -30% performance increase over existing, based on HERS Index
Or Must evidence a HERS Index of 80 or lower
 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 lower.
 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 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.

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

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

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

Signed:  _____

Date: 3/14/24

Printed Name: Stacey Smith

RESNET Rater

Resnet Provider Agency
Viridiant

Signature  _____

Provider Contact and Phone/Email (804) 225-9843 / sean.shanley@viridiant.org

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2024-03-13

Registry ID:

Ekotrope ID: ILV9ZP62

HERS® Index Score:

55

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$619

*Relative to an average U.S. home

Home:

2425 Gosnold Ave
Norfolk, VA 23517

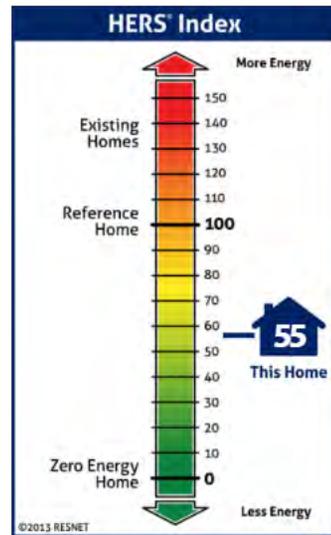
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.5	\$51
Cooling	1.2	\$42
Hot Water	3.1	\$107
Lights/Appliances	9.6	\$336
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	15.3	\$627

This home meets or exceeds the criteria of the following:

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



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Type C,D Top (NC)
Community:	N/A
Conditioned Floor Area:	507 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 2.2 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 13.4 EER
Primary Water Heating:	Residential Water Heater • Electric • 4.01 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 1.67 ACH50)
Ventilation:	15 CFM • 15.6 Watts • Balanced
Duct Leakage to Outside:	4 CFM @ 25Pa (0.79 / 100 ft ²)
Above Grade Walls:	R-22
Ceiling:	Vaulted Roof, R-31
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

Rating Company: Viridiant
1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/24 at 8:11 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2024-03-13

Registry ID:

Ekotrope ID: bL7gPbjL

HERS® Index Score:

53

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$639

*Relative to an average U.S. home

Home:

2425 Gosnold Ave
Norfolk, VA 23517

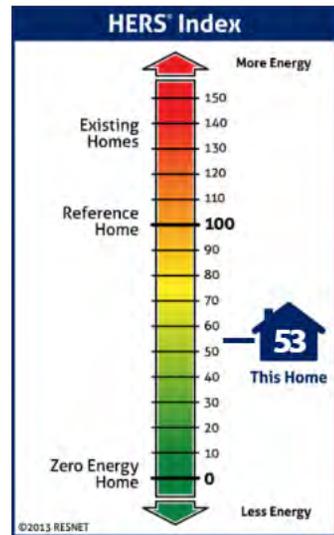
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.8	\$65
Cooling	1.2	\$43
Hot Water	2.9	\$102
Lights/Appliances	9.2	\$321
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	15.2	\$621

This home meets or exceeds the criteria of the following:

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



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	424 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 2.2 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 13.4 EER
Primary Water Heating:	Residential Water Heater • Electric • 4.01 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.47 ACH50)
Ventilation:	15 CFM • 15.6 Watts • Balanced
Duct Leakage to Outside:	4 CFM @ 25Pa (0.94 / 100 ft ²)
Above Grade Walls:	R-22
Ceiling:	Vaulted Roof, R-31
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

Rating Company: Viridiant
1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant
1431 W. Main Street, Richmond, VA 23220


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/24 at 8:11 AM



Gosnold II Apartments

Documentation for the percentage of development's on-site electrical load that can be met by a renewable energy electric system (for the benefit of the tenants)

Gosnold II Apartments will feature a roof mounted solar photovoltaic panel system. Based on the current roof plan the proposed solar array would produce an estimated 150,501 kWh of annual energy production. The estimated annual energy usage for Gosnold II Apartments, based on projects of similar size and design, is 635,215 kWh. Therefore, the renewable energy electric system could provide an estimated annual reduction of more than 20%.

Gosnold II Apartments, LLC pays all resident utilities, including electrical utilities. Therefore, energy credits or financial benefits from solar production cannot be provided directly to the residents. However, the reduction of Gosnold II Apartment's energy load from the solar photovoltaic array results in cost savings for the property's operating budget. These savings allow Gosnold II Apartments to provide residents with other financial benefits such as free wi-fi to every residential unit in the building and in the resident community room. As determined by HUD Notice H 2023-09, free wi-fi is an amenity and is not included in the resident's annual income.

The development of this project is an effort towards Virginia Supportive Housing's mission to end homelessness by providing permanent housing with on-site, wrap-around support services. 95% of the residents served in VSH properties do not return to homelessness. By implementing sustainability and efficiency efforts to reduce the electrical load, and in turn, the operating cost of the property, VSH is able to maintain quality housing with support services for the most vulnerable populations at the deepest levels of affordability.

Tab G:

Zoning Certification Letter (MANDATORY)



DATE: March 6, 2024

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

RE: ZONING CERTIFICATION

Name of Development: _____

Name of Owner/Applicant: _____

Name of Seller/Current Owner: _____

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming proper zoning for the site of the Development. It is understood that this letter will be used by 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:

Legal Description:

Proposed Improvements:

- | | | | |
|--|---------------|-------------------|--------------------------------|
| <input type="checkbox"/> New Construction: | _____ # Units | _____ # Buildings | _____ Total Floor Area Sq. Ft. |
| <input type="checkbox"/> Adaptive Reuse: | _____ # Units | _____ # Buildings | _____ Total Floor Area Sq. Ft. |
| <input type="checkbox"/> Rehabilitation: | _____ # Units | _____ # Buildings | _____ Total Floor Area Sq. Ft. |

Zoning Certification, cont'd

Current Zoning: Conditional IN-1 (Institutional) allowing a density of 104.33 units per acre, and the following other applicable conditions: Subject to conditions proffered under Ordinance No. 48627, which amended the proffers under Ordinance Nos. 41844 and 41845

Other Descriptive Information:

Gosnold II Apartments, forty-four rehabilitated and fifty-six new construction studio apartments with on-site supportive services plus one resident night-monitor unit, will be a blend of units for homeless and low-income individuals in the Tidewater region.

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

Susan Pollock

Printed Name

Planning Manager

Title of Local Official or Civil Engineer

(757) 664-4765

Phone:

2/22/24

Date:

NOTES TO LOCALITY:

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL ONE - LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 - OLD DOMINION PLACE;

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO - LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

Tab H:

Attorney's Opinion (MANDATORY)

WILLIAMS MULLEN

Direct Dial: 804.420.6585
Inowlin@williamsmullen.com

March 14, 2024

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request (competitive 70% present value credits)

Name of Development: Gosnold II Apartments
Name of Owner: Gosnold II Apartments, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 14, 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 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 appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.
4. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

WILLIAMS MULLEN

Virginia Housing
March 14, 2024
Page 2

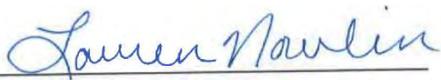
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.
6. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.
7. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.
8. It is more likely than not that the representations made under the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.
9. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code 42(d)(2)(B) are not correct.

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

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

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

WILLIAMS MULLEN,
a professional corporation

By: 
Name: Lauren D. Nowlin, Esq.
Its: Shareholder

WILLIAMS MULLEN

Direct Dial: [804.420.6915](tel:804.420.6915) [804.420.6585](tel:804.420.6585)
adomson@williamsmullen.com

March ~~___~~14, 2024

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request (competitive 70% present value credits)

Name of Development: [Gosnold II Apartments](#)
Name of Owner: [Gosnold II Apartments, LLC](#)

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March ~~___~~14, 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 Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

~~2. [Select One]~~

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.

~~OR~~

~~Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), 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 appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.

WILLIAMS MULLEN

[Virginia Housing](#)

March ~~14~~, 2024

Page 2

4. ~~[Select One]~~

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

~~OR~~

~~The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.~~

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

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

7. ~~[Delete if inapplicable]~~—The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

8. ~~[Delete if inapplicable]~~—It is more likely than not that the representations made under the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

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

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

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

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

WILLIAMS MULLEN

Virginia Housing

March ~~14~~, 2024

Page 3

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

~~Williams Mullen~~ WILLIAMS MULLEN,
a professional corporation

By: (Add) 
Name: Lauren D. Nowlin, Esq.
Its: ~~Shareholder~~ Shareholder-

-

Summary report:	
Litera Compare for Word 11.3.0.46 Document comparison done on 3/13/2024 11:05:06 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://williamsmullen-mobility.imatech.com/IWOVRIC/104508935/1	
Modified DMS: iw://williamsmullen-mobility.imatech.com/IWOVRIC/104716144/1	
Changes:	
Add	16
Delete	21
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	38

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)

Appendices continued

Nonprofit Questionnaire

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

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

1. General Information

- a. Name of development Gosnold II Apartments
- b. Name of owner/applicant Gosnold II Apartments, LLC
- c. Name of nonprofit entity Virginia Supportive Housing
- d. Address of principal place of business of nonprofit entity
1900 Cool Lane, Richmond, VA 23223

Indicate funding sources and amount used to pay for office space
General funds, grants, and program funds - \$75,000/year

- e. Tax exempt status 501(c)(3) 501(c)(4) 501(a)
- f. Date of legal formation of nonprofit (must be prior to application deadline) January 5, 1988
Evidenced by the following documentation Virginia Supportive Housing Articles of Incorporation, Articles of Amendment of the Articles on Incorporation, IRS Documentation of Nonprofit status, and a Certificate of Good Standing from the SCC.
- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached) December 3, 2009
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation) Virginia Supportive Housing (VSH) was founded in 1988 as a not-for-profit homeless services provider and community development corporation with a mission to end homelessness by providing permanent housing with supportive services.
- i. Expected life (in years) of nonprofit In perpetuity

Appendices continued

- j. Explain the anticipated future activities of the nonprofit over the next five years:
 To continue working towards our mission of ending homelessness by providing affordable, permanent housing and supportive services in Virginia through both new and existing programs and housing developments.
- k. How many full time, paid staff members does the nonprofit and, if applicable, any other nonprofit organization(s) ("related nonprofit(s)") of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related have (i.e. by shared directors, staff, etc.)? 22
 How many part time, paid staff members? 122
 Describe the duties of all staff members:
 Duties of staff members include real estate development, construction management and supervision, financial and grants management, property management, supportive services, and mission advancement.
- l. Does the nonprofit share staff with any other entity besides a related nonprofit described above?
 YES NO If yes, explain in detail: _____
- m. How many volunteers does the nonprofit and, if applicable, any related nonprofit have?
300
- n. What are the sources and manner of funding of the nonprofit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development.
 In 2023 VSH's revenue exceeded \$14.1 million. VSH expenses were approximately \$11.5 million. Sources of revenue included gifts and contributions (9%), government grants (59%), contract revenue (4%), property management and accounting fees (4%), developer fees (7%), financial revenue (1%), and assets released from restriction (16%).
- o. List all directors of the nonprofit, their occupations, their length of service on the board, and their residential addresses Please see attached for additional information.

Appendices continued

2. Nonprofit Formation

- a. Explain in detail the genesis of the formation of the nonprofit: VSH was founded in 1988 by a group of community volunteers concerned with the growing problem of homelessness in Richmond, VA and the lack of available, effective solutions. After identifying permanent supportive housing as an effective method of reducing chronic homelessness, they opened New Clay House in 1992, Virginia's first SRO.
- b. Is the nonprofit, or has it ever been, affiliated with or controlled by a for-profit entity or local housing authority?
- YES NO If yes, explain in detail: _____
- _____
- _____
- c. Has any for profit organization or local housing authority (including the Owner of the Development, joint venture partner, or any individual or entity directly or indirectly related to such Owner) appointed any directors to the governing board of the nonprofit?
- YES NO If yes, explain in detail: _____
- _____
- _____
- d. Does any for-profit organization or local housing authority have the right to make such appointments?
- YES NO If yes, explain in detail: _____
- _____
- _____
- e. Does any for profit organization or local housing authority have any other affiliation with the nonprofit or have any other relationship with the nonprofit in which it exercises or has the right to exercise any other type of control?
- YES NO If yes, explain in detail: _____
- _____
- _____
- f. Was the nonprofit formed by any individual(s) or for profit entity for the principal purpose of being included in the nonprofit Pool or receiving points for nonprofit participation under the Plan?
- YES NO

Appendices continued

g. Explain in detail the past experience of the nonprofit including, if applicable, the past experience of any other related nonprofit of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related (by shared directors, staff, etc.) Please see Virginia Supportive Housing's resume included in Tab D.

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

N/A

3. Nonprofit Involvement

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

YES NO

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

YES NO

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

YES NO

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

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

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

Virginia Supportive Housing is the sole and managing member of Gosnold II Managing Member, LLC, the managing member of Gosnold II Apartments, LLC, the owner. Please see the chart of the operating structure included in Tab A.

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

Appendices continued

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

If yes, where in the partnership/operating agreement is this provision specifically referenced?
Please see Article XI. N. of the Operating Agreement of Gosnold II Apartments, LLC included in Tab A.

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

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

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

YES NO If yes,

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

Virginia Supportive Housing staff members are responsible for all development activities.

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

Virginia Supportive Housing will be the management entity of Gosnold II Apartments. VSH will be responsible for all operations, management, and record keeping for the development throughout the Extended Use Period.

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

Supportive Svcs Specialist: 2,080 hrs; Svcs Program Mgr: 520 hrs; Assoc Dir of Svcs: 260 hrs; Acct: 110hrs

Assoc Dir. of Finance: 18 hrs; Desk Clerks: 5,824 hrs; Senior PM: 604 hrs; Asst PM: 2,080 hours; Dir. of PM:

208 hrs; Maint Tech: 1,040 hrs; Maint Apprntce: 2,080 hrs; Maint Sprvsr: 604 hrs; Asset Comp Mgr: 604 hrs

Appendices continued

- e. Explain how the idea for the proposed development was conceived. For example, was it in response to a need identified by a local neighborhood group? Local government? Board member? Housing needs study? Third party consultant? Other?

Virginia Supportive Housing opened Gosnold Apartments in 2006 as Virginia's first regional supportive housing community. VSH, in collaboration with multiple localities, community partners, and the continuum of care identified a need for the renovation of the existing units as well as the need for additional, affordable, low-cost, permanent housing with supportive services.

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

Gosnold II Apartments, LLC is the ownership entity. Gosnold II Managing Member, LLC is the managing member with 0.01% ownership. VSH is the investor member with 99.99% ownership. VSH is the sole member of the managing member. Allison Bogdanovic is the Executive Director of VSH.

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

N/A

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

(i) Explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

Virginia Supportive Housing will contract for construction management services on an as needed basis.

(ii) Explain how this relationship was established. For example, did the nonprofit solicit proposals from several for-profits? Did the for-profit contact the nonprofit and offer the services?

In the event that construction management services are needed, VSH will solicit proposals from several for-profits in accordance with procurement standards.

Appendices continued

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

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

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

YES NO If yes, explain:

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

YES NO If yes, explain:

Appendices continued

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

N/A

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

4. Virginia and Community Activity

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

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

Virginia Supportive Housing serves low-income individuals and families, and those experiencing homelessness, throughout Virginia, including the Charlottesville, Richmond, and Virginia Beach-Norfolk-Newport News MSAs.

- c. Does the nonprofit or, if applicable, related nonprofit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)? YES NO

If yes, or no, explain nature, extent and duration of any service:

For 36 years Virginia Supportive Housing has been developing and providing permanent, affordable housing and supportive services for low-income individuals and those experiencing homelessness in VA. VSH opened Gosnold Apartments in 2006, Cloverleaf Apartments in 2008, South Bay Apartments in 2010, Heron's Landing in 2012, Crescent Square in 2016, and Church Street Station Studios in 2017, for a total of 140 low-income units in the city of Norfolk and a total of 400 units in Hampton Roads.

Appendices continued

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

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

YES NO

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

YES NO If yes, explain:

VSH has commitments of permanent funding from the Hampton Roads Community Foundation, the City of Norfolk, the City of Chesapeake, and a conditional commitment from the City of Portsmouth. VSH also has a commitment of rental assistance from Norfolk Redevelopment and Housing Authority and Chesapeake Redevelopment and Housing Authority. In addition, VSH has a 15-year history of receiving consistent financial support from community groups including Sentara, United Way of SHR, Langley FCU, Truist, and others.

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

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

VSH met with the Railroad Business District on 10/18/2021 and the Park Place Civic League on 10/20/2021. Solicited input, including improvements to the surface parking lot, was incorporated into the rezoning request and subsequent approved ordinance.

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

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

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

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

YES NO

Appendices continued

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

The Board of Directors meets every other month of the 1st Tuesday of the month at noon. Meeting are held in locations that are both accessible and open to the public.

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

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

VSH has received state and local funding to be used for program-specific supportive services, operational, and administrative expenses.

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

YES NO If yes, explain:

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

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

Appendices continued

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

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

Please see i) List of LIHTC Developments (Schedule A) and ii) Virginia Supportive Housing's resume included in Tab D.

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

Gosnold Apartments received Low Income Housing Tax Credits in 2005. Gosnold II Apartments received a reservation of Low Income Housing Tax Credits in 2022.

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

YES NO If yes, explain:

NCH-VHP+VH funds. South Richmond SRO-VHP funds; 3rd Ave. Apts.-VHP funds; Cloverleaf Apts.-VH funds; The Crossings at 4th and Preston-VH funds; Crescent Square-VH funds; Studios II-VH funds; Church St Station Studios-VH funds;NCHII-VH funds;Cool Lane Apts-VH funds;Premier Circle PSH-VH funds;Gosnold II-VH funds

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

YES NO If yes, explain the need identified:

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

YES NO If yes, explain the plan:

Appendices continued

5. Attachments

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

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

Date March 11, 2024

Owner/Applicant Gosnold II Apartments, LLC

By ^{DocuSigned by:}
Allison Bogdanovic
9D0B8256B4D44T1...

Its Executive Director of Gosnold II Managing Member, LLC
Title

Date March 11, 2024

Virginia Supportive Housing
Nonprofit

By ^{DocuSigned by:}
Jason Snook
95142D67D906414...

Board Chairman

By ^{DocuSigned by:}
Allison Bogdanovic
9D0B8256B4D44T1...

Executive Director

Gosnold II Apartments

Non-Profit Questionnaire: Additional Information

1. General Information

- Date of legal formation of non-profit; evidenced by the following documentation:
 - Virginia Supportive Housing Articles of Incorporation
 - Virginia Supportive Housing Articles of Amendment of the Articles of Incorporation
 - Certificate of Good Standing from the SCC

ARTICLES OF INCORPORATION
OF
S.R.O. HOUSING OF RICHMOND

The undersigned hereby form a non-stock corporation under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia and to that end set forth the following:

ARTICLE I

The name of the corporation is S.R.O. HOUSING OF RICHMOND.

ARTICLE II

The purposes for which this corporation is formed are exclusively charitable, scientific and educational and consist of the following:

A. The specific and primary purposes are:

1. To raise the economic, educational and social levels of underprivileged residents of the Richmond, Virginia metropolitan area by providing affordable single room occupancy and low-cost housing within the Richmond metropolitan area and promote community-wide interest and concern for the problems of such residents;
2. To expand the opportunities available to said residents and groups to own, manage, and operate business enterprises by furthering the development of locally-owned or -operated business enterprises in economically underprivileged or depressed areas; to assist said residents and groups in developing entrepreneurial and management skills necessary for the successful operation of business enterprises; to provide

financial support for the successful operation of business enterprise by said residents and groups and to assist said residents and groups in obtaining such financial support from other sources;

3. To expand the opportunities available to said residents and groups to obtain adequate low-cost housing accommodations;

4. To aid, support and assist by gifts, contributions or otherwise, other corporations, community chests, funds and foundations organized and operated exclusively for charitable, religious, scientific, literary or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation;

5. To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly, and either alone or in conjunction or cooperation with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations or governmental bureaus, departments or agencies.

B. In furtherance, but not in limitation, of the foregoing charitable, educational and scientific purposes, the Corporation shall have the following powers:

1. To solicit, collect and receive money and other assets, and to administer funds and contributions received by grant, gift, deed, bequest or devise, and otherwise to acquire money, securities, property, rights and services of every kind and description, and to hold, invest, expend, contribute, use, sell or otherwise dispose of any money, securities, property, rights or services so acquired for the purposes above mentioned;

2. To borrow money and to make, accept, endorse, execute and issue bonds, debentures, promissory notes, and other corporate obligations, for moneys borrowed, or in payment for property acquired or for any of the purposes of the corporation, and to secure payment of any such obligation by mortgage, pledge, deed, indenture, agreement or other instrument of trust, or by other lien upon, assignment of or agreement in regard to all or any part of the property, rights or privileges of the corporation;

3. To invest and reinvest its funds in such mortgages, bonds, notes, debentures, shares of preferred and common stock, and any other securities of any kind whatsoever, and property, real, personal or mixed, tangible or intangible, all as the Corporation's Board of Directors shall deem advisable and as may be permitted by law;

4. To provide advice, support, credit, funds, capital, gifts and all other lawful forms of assistance, financial and otherwise, to or for use in business enterprises owned, or destined to be owned, by said residents and groups;

5. To furnish management, administrative and other business advice, support, training and technical assistance to said residents and groups in order to enable them to develop necessary skills successfully to operate business ventures;

6. To conduct educational and other efforts to eliminate prejudice and discrimination in the business and financial communities and to foster the establishment of sound and constructive relationships between the business and financial communities and said residents and groups;

7. To conduct educational activities designed to provide instruction or training of said residents and groups for the purpose of improving or developing their capabilities, language and job skills, and the instruction of the public on subjects useful to said residents and groups and beneficial to the community as a whole;

8. To engage in housing production and related activities in order to improve the living conditions of said residents;

9. To engage in any and all other activities which will directly or indirectly improve the welfare and economic conditions of said residents and groups; and

10. To exercise all other rights and powers conferred upon non-stock corporations formed under the laws of the State of Virginia, provided, however, that the Corporation shall not engage in any activities or exercise any powers, including those specifically mentioned herein, that are not in furtherance of the

specific and primary charitable, education and scientific purposes of the corporation.

C. All of the foregoing purposes and powers shall be exercised exclusively for charitable, scientific and educational purposes in such manner that the Corporation shall qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954 and applicable state tax law provisions, as they are currently and shall hereafter be in force and effect.

ARTICLE III

Further, the corporation is formed to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for charitable, religious, scientific, literary, or educational purposes either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (herein called the "Code") and its Regulations as they now exist or as they may hereafter be amended.

No part of the assets or net earnings of the corporation shall inure to the benefit of, or be distributable to, any member, director or officer of the corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes and benefits may be conferred that are in conformity with said purposes), nor shall any private individual

be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code and its Regulations as they now exist or as they may hereafter be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of the Code and Regulations as they now exist or as they may hereafter be amended.

Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purpose of the corporation in such manner, or to such organizations organized and operated exclusively for charitable, educational or literary purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law), as the Board of Directors upon

majority vote shall determine. Any of such assets not so disposed of shall be disposed of by any court of record with general equity jurisdiction in the city or county in Virginia where the registered office of the corporation is located, exclusively for such purposes or to such organization or organizations, as such court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE IV

The affairs of the corporation shall be managed by the Board of Directors. Directors need not be residents of the State of Virginia or members of the corporation. The number of initial Directors shall be four (4), and shall, in no event, be less than four (4), but otherwise shall be the number fixed by the Bylaws.

ARTICLE V

The corporation shall have no authority to issue stock. Except as may otherwise be provided by the Bylaws, members shall have full voting rights in all corporate matters.

ARTICLE VI

The initial Board of Directors and such persons as are from time to time accepted into membership by the Board of Directors, in accordance with the membership requirements set forth in the Bylaws, shall constitute the members of the corporation. Pursuant to procedures set forth in the Bylaws, the members shall at Annual Meetings elect directors to serve until their successors are elected and qualify. The first Annual Meeting of members shall be held on the first Monday in October, 1988.

Annual Meetings thereafter shall be held on the first Monday in October of each year, or as otherwise fixed by the Bylaws.

ARTICLE VII

The initial Bylaws of the corporation shall be adopted by the Board of Directors and the Board of Directors shall have the power to alter, amend or repeal the same or adopt new Bylaws.

ARTICLE VIII

The post office address of the initial registered office is 100 Shockoe Slip, Richmond, Virginia 23219. The name of the city in which the initial registered office is located is Richmond. The name of its registered agent is Christopher M. Malone, who is a resident of Virginia, a member of the Virginia State Bar, and whose office address is the same as the registered office.

ARTICLE IX

The initial Board of Directors shall consist of four (4) directors. The name and address of each of the persons who are to serve as the initial directors are as follows:

Leslie Herdegen
2904 Third Avenue
Richmond, Virginia 23222

Karl Bren
205 North 4th Street
Richmond, Virginia 23219

Susanna Capers
7825 Cherokee Road
Richmond, Virginia 23225

Angelo Rose
P.O. Box 25604
Richmond, Virginia 23260

ARTICLE X

The Corporation may indemnify, including indemnity with respect to a proceeding by or in the right of the Corporation, and may make additional provision for advances and reimbursement of expenses to, any person who is a current or former director,

officer, employee or agent of the Corporation, or any other entity if serving in such capacity on behalf of the Corporation, to the full extent as provided by law, with respect to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitratve or investigative, arising out of or relating to the services provided by any such person to the Corporation.

Dated: 1/5/88

Christopher M. Malone
Christopher M. Malone, Incorporator

ARTICLES OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
S.R.O. HOUSING OF RICHMOND

1. The name of the corporation is S.R.O. Housing of Richmond (the "Company").
2. The Company's Articles of Incorporation are hereby amended to change the name of the Company by deleting Article I thereof in its entirety and by substituting the following in lieu thereof:

"ARTICLE I

The name of the Company is Virginia Supportive Housing."

3. The amendment to Article I of the Company's Articles of Incorporation was adopted by at least two-thirds of the Board of Directors of the Company at a meeting on March 25, 1999. Pursuant to Article III of the Bylaws of the Company, the Company does not have any members; therefore, member action was not required.

4. These Articles of Amendment shall be effective as of November 1, 1999.

IN WITNESS WHEREOF, said S.R.O. Housing of Richmond has caused these Articles of Amendment to be signed by its authorized officer, this 1st day of November, 1999.

S.R.O. HOUSING OF RICHMOND

By: Betsy S. Bighinatti
Name: Betsy S. Bighinatti
Title: President

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That VIRGINIA SUPPORTIVE HOUSING is duly incorporated under the law of the Commonwealth of Virginia;

That the corporation was incorporated on January 14, 1988;

That the corporation's period of duration is perpetual; and

That the corporation is in existence and in good standing in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 8, 2024

A handwritten signature in black ink, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

1. General Information

- IRS 501 (c)3 Determination Letter



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248464840
Dec. 03, 2009 LTR 4168C E0
54-1444564 000000 00
00017800
BODC: TE

VIRGINIA SUPPORTIVE HOUSING
1010 N THOMPSON
RICHMOND VA 23230

Employer Identification Number: 54-1444564
Person to Contact: Mrs. Dudley
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Nov. 23, 2009, request for information regarding your tax-exempt status.

Our records indicate that your organization was recognized as exempt under section 501(c)(03) of the Internal Revenue Code in a determination letter issued in JULY 1988.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Beginning with the organization's sixth taxable year and all succeeding years, it must meet one of the public support tests under section 170(b)(1)(A)(vi) or section 509(a)(2) as reported on Schedule A of the Form 990. If your organization does not meet the public support test for two consecutive years, it is required to file Form 990-PF, Return of Private Foundation, for the second tax year that the organization failed to meet the support test and will be reclassified as a private foundation.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

15000



2024 Board of Directors Executive Committee

Jason Snook, PhD, President
CapTech Ventures, Inc.
Board Term: 2017-2024
2909 Hanes Avenue
Richmond, VA 23222
Home: (804) 683-5585
jsnook@captechconsulting.com

Joshua Ragland, Treasurer
National Cooperative Bank
Board Term: 2021-2026
6192 Treywood Lane
Manassas, VA 20112
Cell: (804) 389-0143
jragland@ncb.coop

Kathy Robertson, Vice-President
Community Volunteer
Board Term: 2020-2025
112 North Auburn Avenue
Richmond, VA 23221
Home: (804) 467-6771
kdeerobertson10@gmail.com

Andrew Sherrod, Secretary
Hirschler
Board Term: 2019-2024
311 Lexington Road
Richmond, VA 23226
Cell: (804) 306-1085
asherrod@hirschlerlaw.com

VSH Members at Large

Curtis Carter

Thalhimer

Board Term: 2019-2024

7712 Dartmoor Rd.

Richmond, VA 23229

Cell: (804) 387-1669

curt.carter@thalhimer.com

Tanisha Davis

Virginia Beach Community Development Corp.

Board Term: 2023-2028

4560 Marlwood Way

Virginia Beach, VA 23462

Cell: (757) 575-9498

tanishad81@gmail.com

Kaki Dimock

Albemarle Department of Social Services

Board Term: 2023-2028

7714 Secretarys Sand Road

Schuyler, VA 22969

Cell: (434) 906-1691

kdimock@albemarle.org

Pam Goggins

Community Volunteer

Board Term: 2015-2024

213 Walsing Drive

Richmond, VA 23229

Cell: (804) 837-1996

pamgoggins@outlook.com

Andrew Heatwole

Ripley Heatwole Company, Inc.

Board Term: 2018-2024

4305 Alfriends Trail

Virginia Beach, VA 23455

Cell: (757) 635-1115

aheatwole@ripheat.com

Sharon Nusbaum

Community Volunteer

Board Term: 2015-2024

540 New Hampshire Ave.

Norfolk, VA 23508

Cell: (757) 515-4226

sharonnusbaum70@gmail.com

Leslee Oliver

VHB

Board Term: 2021-2026

3419 Hawthorne Ave

Richmond, VA 23222

Cell: (843) 617-8337

leslee.purpura@gmail.com

Sharon Patrick

Enterprise Holdings

Board Term: 2020-2025

904 Hassett Ct.

Virginia Beach, VA 23464

Home: (757) 621-0857

Business: (757) 855-2947

sharondpatrick4@gmail.com

George Stroud

Community Volunteer

Board Term: 2021-2026

5432 Tidewater Drive Apt C109

Norfolk, VA 23509

Home: (757) 998-0814

g.stroud06@gmail.com

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

Virginia Housing Renovation and Relocation Plan Gosnold II Apartments

Virginia Supportive Housing agrees to abide by both the Uniform Relocation Assistance Act of 1970 (URA) and Virginia Housing's Relocation Assistance Guidelines. The number one priority throughout this renovation is to provide uniform, fair, and equitable treatment of tenants and to lessen the emotional and financial impact of the temporary relocation.

All documentation related to relocation, including all notices and agreements referenced herein, as well as bill receipts and canceled checks, will be included in each tenant's file prepared to present to Virginia Housing upon request.

Gosnold II Apartments Renovation and Relocation Plan:

1. Owner Contact: Virginia Supportive Housing
Julie Anderson
Director of Real Estate Development
PO Box 8585
Richmond, Virginia 23226
(804) 788-6825
janderson@virginiassupportivehousing.org

Property Manager Contact: Virginia Supportive Housing
Sheila Parker
Director of Property Management
PO Box 8585
Richmond, Virginia 23226
(804) 788-6825
sparker@virginiassupportivehousing.org

2. Scope of Work to be completed:

Virginia Supportive Housing (VSH) opened Gosnold Apartments in 2006 as the first regional permanent supportive housing community in Norfolk. Gosnold involved the adaptive reuse of a RC Bottling plant into 60 studio apartments for formerly homeless single adults from Norfolk and Virginia Beach. All residents earn 50% or less of the area median income and pay 30% of their income in rent. Gosnold is permanent rental housing; residents sign leases and pay a monthly rent and supportive services are provided on-site by VSH staff. VSH's evidenced-based supportive housing model works; more than 95% of individuals we serve do not return to homelessness.

The renovation and expansion of Gosnold Apartments will include an additional 40 studio units for a total of 100 units to allow VSH to serve more individuals. Existing units for rehabilitation will be fully gutted and all fixtures, finishes, and equipment will be replaced. Each unit will be approximately 375 square feet and will be fully furnished with a bed, dresser, table, two chairs, kitchenette with full refrigerator and range oven, and full bathroom. The building will have two elevators, an extensive security system and off-street parking. In addition to apartments, the building will have a community room, two exterior courtyards, a computer room, laundry facilities, a front desk, and staff offices. The front desk is staffed 16 hours a day and a night monitor is on call in the evenings. The renovation and expansion of Gosnold is pursuing EarthCraft Gold Certification. The existing parking lot with 40 parking spaces will be improved with a fence, signage, and access-control system and the existing street parking and 7 parking spaces behind the building will be maintained.

The entire building will be designed to meet the Virginia Housing's (VH) Universal Design (UD) standards as well as all Minimum Design and Construction requirements. These Universal Design standards add a layer to the design of the building that allow spaces to be flexible to meet and serve resident needs regardless of age or ability. Additionally, Gosnold II will be designed and constructed to meet minimum accessibility (Section 504) requirements. The property will feature fifteen fully accessible units for individuals with disabilities.

Current Gosnold residents will be temporarily relocated during the rehabilitation and expansion of Gosnold II. Construction is estimated to begin in December 2025. Construction is anticipated to last twenty months with an anticipated completion in August 2027. Residents who will be affected will be temporarily relocated for no longer than 364 days. All residents relocated will be allowed to return to Gosnold II Apartments.

3. Planned measures to minimize construction impact on occupied units:

Affected Gosnold Apartment residents will be temporarily relocated to an extended stay hotel during construction. All efforts will be made to minimize the impact of any construction on occupied units.

In an effort to minimize the temporary relocation's physical and emotional impact on residents, VSH staff will hold informational meetings and one on one meetings with current residents to explain the relocation process, assistance available, and provide details about the extended stay hotel. VSH staff will circulate a relocation package to each resident with all the required notices as well as additional information about the temporary relocation timeline, process, and extended stay hotel.

VSH staff and volunteers will provide packing materials and assistance to residents. VSH staff and volunteers will also help move packed items to the extended stay hotel or the provided off-site storage facility. Additionally, VSH support services and property management will have staff offices at the extended stay hotel throughout the temporary relocation to ensure resident's needs are addressed and met in a timely and effective manner

4. Projected rents after rehab:

All sixty existing units at Gosnold Apartments have Section 8 Moderate Rehabilitation project-based vouchers provided and administered by the Norfolk Redevelopment and Housing Authority allowing residents to pay no more than 30% of their income in rent.

All sixty current Gosnold Apartments residents hold Section 8 Moderate Rehabilitation project-based vouchers provided and administered by the Norfolk Redevelopment and Housing Authority. Upon construction completion all existing units will maintain project based rental subsidies. The rents for the voucher units are proposed at \$1,279 per month, 2024 Fair Market Rent for an efficiency apartment in Norfolk, Virginia.

VSH has a commitment for an additional twenty Section 8 project-based vouchers from the Norfolk Redevelopment and Housing Authority and an additional ten Section 8 project-based vouchers from the Chesapeake Redevelopment and Housing Authority . The rents for these 30 voucher units are proposed at \$1,279 per month, 2024 Fair Market Rent for an efficiency apartment in Norfolk, Virginia. The remaining ten non-voucher-based units will be reserved for individuals earning at or below 50% AMI. The rents for these units are proposed at \$866 per month.

Rental policies after rehab:

All temporarily relocated residents will return to Gosnold II Apartments. Residents will sign leases and continue to pay rent equivalent to 30% of their income with \$50 being the lowest monthly rent. Support services will be available to all residents. Virginia Supportive Housing will continue to provide the property management and support services for Gosnold II during and after construction is complete.

Unlike similar apartments in the private market, Gosnold II Apartments will have specific screening criteria as the apartments were developed to house formerly homeless and low-income adults. VSH will handle the application process professionally using fair and consistent procedures and in compliance with Federal Fair Housing Law and other applicable Federal and local laws. Please refer to the Gosnold II Apartments Tenant Selection Plan for details on resident screening and rental procedures.

5. Advisory services to be offered:

Relocation of Gosnold residents will be temporary. VSH will provide advisory services to all current residents who will be temporarily relocated during construction. VSH will abide by the Uniform Relocation Assistance Act of 1970 (URA) in terms of notices and information distributed to residents.

As relocation is temporary, all residents will have the opportunity to return to their same unit unless their unit no longer exists or has been made accessible and is needed by someone with a disability and the resident does not require an accessible unit. Every effort will be made to ensure that anyone needing an accessible unit will be accommodated. Resident's whose unit is no longer available will be provided with an equivalent unit using all pertinent information from the pre-relocation resident preference form.

6. Estimated determination as to Moving Cost Reimbursement:

All moving costs to and from the temporary relocation site will be paid by Virginia Supportive Housing. As the move will be performed by VSH at no cost to the tenant, the reimbursement cost to residents will be no more than \$100 per resident.

7. Unit Delivery Schedule

Attempts will be made to allow temporarily relocated residents to return as soon as possible after completion of the renovation of their unit. All temporarily relocated residents will return to Gosnold II Apartments after construction is complete.

Tab K:

Documentation of Development Location:

Tab K.1

Revitalization Area Certification



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

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

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

2024 IRS SECTION 42(d)(5)(B) QUALIFIED CENSUS TRACTS
 (2020 Census and 2015-2019, 2016-2020, and 2017-2021 American Community Survey (ACS) Data; OMB Metropolitan Area Definitions, September 14, 2018)

*Effective Date January 1, 2024

METROPOLITAN AREA: Valdosta, GA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Lanier County	9501.00	9502.01										
Lowndes County	105.00	108.01	108.02	109.00	110.00	113.01	113.02	114.02				
METROPOLITAN AREA: Vallejo-Fairfield, CA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Solano County	2509.00	2510.00	2515.00	2516.00	2518.02	2525.01	2526.05	2526.06	2526.07			
METROPOLITAN AREA: Victoria, TX MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Victoria County	1.00	2.01	3.01	3.02	6.02							
METROPOLITAN AREA: Vineland-Bridgeton, NJ MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Cumberland County	201.00	202.00	203.01	203.02	205.03	301.00	405.00	411.01	411.02			
METROPOLITAN AREA: Virginia Beach-Norfolk-Newport News, VA-NC MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Chesapeake city, VA	201.00	202.00	203.00	207.00								
Hampton city, VA	104.00	106.01	106.02	107.01	109.00	113.00	114.00	118.00				
Newport News city, VA	301.00	303.00	304.00	305.00	306.00	308.00	309.00	312.00	313.00	316.04	317.01	320.06
Norfolk city, VA	321.26	321.28	322.25	322.26								
Norfolk city, VA	9.01	9.02	14.00	16.00	25.00	26.00	27.00	29.00	33.00	34.00	35.01	41.00
	42.00	43.00	46.00	48.00	50.00	51.00	57.01	59.01	65.01			
Portsmouth city, VA	2105.00	2111.00	2114.00	2117.00	2118.00	2119.00	2120.00	2121.00	2123.00	2124.00	2128.01	
Suffolk city, VA	651.00	653.02	654.01	655.00	756.01							
Virginia Beach city, VA	402.00	404.05	442.02	458.10								
METROPOLITAN AREA: Visalia-Porterville, CA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Tulare County	2.02	2.04	3.02	5.01	11.01	11.02	12.00	16.01	22.02	26.02	28.00	30.01
	32.01	32.02	34.01	38.01	38.02	39.04	42.00	43.01	43.02	44.02	45.00	
METROPOLITAN AREA: Waco, TX MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Falls County	3.00	4.00										
McLennan County	1.00	2.00	4.01	4.02	8.00	10.00	11.00	12.00	14.01	14.02	15.00	19.00
	27.00	33.00										
METROPOLITAN AREA: Walla Walla, WA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Walla Walla County	9205.00	9208.02										
METROPOLITAN AREA: Warner Robins, GA MSA												
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Houston County	202.00	203.02	204.00	207.00								
Peach County	402.00	403.02	404.00									

Tab K.2

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

Surveyor's Certification of Proximity to Transportation

Date 03/08/24

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request

Name of Development Gosnold II Apartments

Name of Owner Gosnold II Apartments, 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 ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **OR**

1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.

Firm Name Bamforth Engineers + Surveyors

By *Anna Lee Bamforth* Anna Lee Bamforth, P.E., L.S.

Its President

Title

Tab L:

PHA / Section 8 Notification Letter

PHA or Section 8 Notification Letter

Date _____

To _____

RE: Proposed Affordable Housing Development

Name of Development _____

Name of Owner _____

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

The following is a brief description of the proposed development:

Development Address _____

Proposed Improvements:

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

Proposed Rents:

- Efficiencies: \$ _____ /month
- 1 Bedroom Units: \$ _____ /month
- 2 Bedroom Units: \$ _____ /month
- 3 Bedroom Units: \$ _____ /month
- 4 Bedroom Units: \$ _____ /month

Other Descriptive Information:

Appendices continued

PHA or Section 8 Notification Letter

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (757) 619 - 8936 .

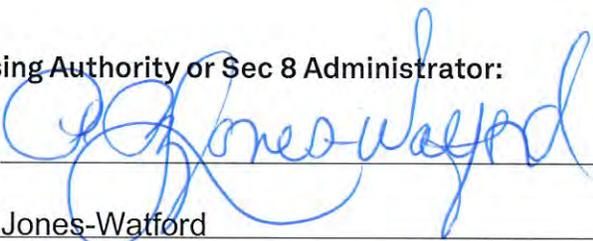
Please acknowledge receipt of this letter by signing below and returning it to me.

Sincerely yours,

Name Elliot Warsof

Title Real Estate Development Officer

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

Seen and Acknowledged By 

Printed Name: Pamela B. Jones-Watford

Title Housing Choice Voucher Programs Director

Phone (757) 624-8629

Date 02/29/2024

Tab M:

Intentionally Blank

Tab N:

Homeownership Plan

NOT APPLICABLE

Tab O:

Plan of Development Certification Letter

NOT APPLICABLE

Tab P:

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

NOT APPLICABLE

Tab Q:

Documentation of Rental Assistance

Documents Enclosed:

- NRHA Award: 20 Project-Based Vouchers (12/1/2022)
- CRHA Award: 10 Project-Based Vouchers (3/28/2023)
- NRHA HAP Renewal: 60 Mod-Rehab Vouchers (12/1/2023)



Commissioners: Donald Musacchio, Chair | Alphonso Albert, Vice Chair

Rose Arrington | Amy Chudzinski | Richard Gresham | Tim Komarek | Suzanne Puryear | Raytron White

December 1, 2022

Virginia Supportive Housing
ATTN: Allison Bogdanovic
PO Box 8585
Richmond, VA 23226

Dear Mrs. Bogdanovic,

NRHA has reviewed the proposals received in response to the recent PBV solicitation. This is a letter of intent to notify you that the below referenced project has been selected to be awarded PBV rental assistance.

Development Name:	Gosnold II Apartments
Development Address:	2425 Gosnold Ave., Norfolk, VA 23517
Owner/Developer Name:	Gosnold II Apartments, LLC
Owner/Developer Address:	PO Box 8585 Richmond, VA 23226
Owner/Developer Contact Person:	Allison Bogdanovic
Contact Telephone Number:	(804) 836-1052
Contact Email Address:	abogdanovic@virginiassupportivehousing.org
Total Number of Units	100
Proposed Number of PBV Units	20

NRHA is required to select PBV proposals which meet the mandatory HUD criteria for the PBV program and that are in accordance with the competitive selection procedures of NRHA’s Administrative Plan. Based on the below criteria this project meets the HUD Mandatory Criteria and ranks competitively in satisfying the NRHA’s PHA Administrative Plan requirements.

HUD Mandatory Criteria include:

- The location of the project is within the PHA’s jurisdiction or the PHA has been authorized to administer the program in accordance with 24 CFR 982.516.
- The proposal is for an eligible housing type.
- The owner has site control.
- For new construction and rehabilitation housing, construction has not started.
- The project does not exceed the 25 percent cap with exceptions provided for in 24 CFR 983.56(b).



- Gross rents are within the PHA’s payment standards.
- Proposed project is consistent with local PHA requirements stated in the RFP.
- The owner is eligible, not on the GSA list of contractors excluded from participation in federal procurements, and does not have a conflict of interest.
- The project will be available for occupancy 24 months.
- The proposal is complete.

This project meets the HUD Mandatory Criteria and ranks competitively in satisfying the NRHA’s PHA Administrative Plan requirements.

HUD stipulates that the initial rent for a PBV project may not exceed the lessor of:

- 110 percent of the applicable fair market rent (or any exception payment standard approved by the Secretary of HUD) for the unit bedroom size minus any applicable utility allowances;
- The reasonable rent; or
- The rent requested by the owner.

NRHA is issuing this Letter of Intent to award rental housing assistance utilizing the 2023 fair market rents for Norfolk, Virginia as a basis under the following proposed contract rent schedule:

Rent Scheduled and Proposed Contract Rents

Unit Size	# of Units	Proposed Monthly Contract Rent per Unit	Monthly Utility Allowance	Proposed Gross Contract Rent per unit
1	20	\$993.00	-0-	\$993.00



Note: Prior to executing the Agreement to Enter into a Housing Assistance Payments Contract (AHAP), you must comply with the following:

Environmental Review Requirement (ER)

All PBV projects are subject to HUD environmental regulations found at 24 CFR parts 50 and 58. Written documentation is required from the community's "responsible entity" that the project either complies with all environmental requirements as stated in the National Environmental Policy Act (NEPA) or is categorically excluded from a federal environmental review under NEPA. The "responsibility entity" is generally an official from the city or the local community development office. A copy of the complete ER file that includes the review, the public notice, the request for release of funds (RROF) and HUD's letter approving the RROF must be submitted to NRHA

Subsidy Layering Review (SLR)

SLRs must be completed and approved by HUD for all PBV projects that utilize other publicly supported housing funds. The SLR is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits (24 CFR 983.55)

Should you have any questions concerning this Letter of Intent or the NRHA –PBV Program, please feel free to contact me at 757-624-8629 or via email at pjoneswatford@nrha.us.

NRHA looks forward to working with you in providing affordable rental housing to the residents of Norfolk.

Sincerely,

P. B. Jones-Watford

P. B. Jones-Watford
Housing Choice Voucher Director



March 28, 2023



Allison Bogdanovic
Executive Director
Virginia Supportive Housing
P.O. Box 8585
Richmond, Virginia 23326

Re: Letter of Intent to Award Ten Project Based
Vouchers for Gosnold II Apartments

Dear Ms. Bogdanovic:

CRHA has reviewed your proposal received in response to a solicitation relating to the award of Project Based Vouchers (CRHA 22-R-016). This is a letter of intent to notify you that the above referenced project has been selected to be awarded Project Based Voucher (PBV) rental assistance for ten of the apartments to be newly constructed.

CRHA is required to select PBV proposals which meet mandatory HUD criteria for the PBV program and are in accordance with the competitive selection procedures of CRHA's Administrative Plan. The Gosnold II Apartments project satisfies CRHA's Administrative Plan requirements, which can be found on CRHA's website at: www.crhava.org.

HUD stipulates that the initial rent for a PBV project may not exceed the lessor of:

- 110 percent of the applicable fair market rent (or any exception payment standard approved by the Secretary of HUD) for the unit bedroom size minus any applicable utility allowances;
- The reasonable rent; or
- The rent requested by the owner.

Prior to executing the Agreement to Enter into a Housing Assistance Payments (AHAP) contract for the Gosnold II Apartments, Virginia Supportive Housing is required to comply with the following:

- Environmental Review Requirement (ER). All PBV projects are subject to HUD environmental regulations found at 24 CFR parts 50 and 58. Written documentation is required from the community's "responsible entity" that the project either complies with all environmental requirements as stated in the National Environmental Policy Act (NEPA) or is categorically excluded from a federal environmental review under NEPA. The "responsibility entity" is generally an official from the city or the local community development office. A copy of the complete ER file that includes the review, the public notice, the request for release of funds (RROF) and HUD's letter approving the RROF must be submitted to CRHA.
- Subsidy Layering Review (SLR). SLRs must be completed and approved by HUD for all PBV projects that utilize other publicly supported housing funds. The SLR is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits (24 CFR 983.55)

If you have any questions about the process relating to the award of Project-Based Vouchers, please refer to the HUD information sources referenced at:

http://www.hud.gov/program_offices/public_indian_housing/programs/hcv/project

CHESAPEAKE REDEVELOPMENT & HOUSING AUTHORITY

1468 South Military Highway • Chesapeake, Virginia 23320-2604

Phone (757) 523-0401 • Fax (757) 523-1601 • TDD (For Hearing Impaired) (757) 523-1316 • www.crhava.org

As the Gosnold II Apartments project moves forward, please keep us informed of your progress and do not hesitate to contact me at 757-233-6428 or via email at john_kownack@crhava.org, if you have any questions.

CRHA looks forward to continuing to partner with you in the provision of quality housing for disadvantaged individuals.

Sincerely,



John C. Kownack
Executive Director

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Office of Community Planning and Development

SECTION 8 MODERATE REHABILITATION
SINGLE ROOM OCCUPANCY PROGRAM
FOR HOMELESS INDIVIDUALS

RENEWAL OF HAP CONTRACT

1. BACKGROUND

Previously, the PHA entered into a HAP contract with the owner under the Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program for Homeless Individuals. The HAP contract provided for Section 8 housing assistance payments by the PHA to the owner. The HAP contract identified covered contract units and specified the term of the HAP contract for such units.

The term of the HAP contract expires on 11-30-2023. Under section 524(b)(1) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Public Law 105-65, 111 Stat. 1344, approved October 27, 1997) (1988 Act), as amended, HUD is authorized to renew expiring Section 8 SRO contracts. This renewal contract is entered in accordance with section 524(b)(1).

The contract renewal shall be for a term of one year and shall commence on the day after the HAP contract expires. The commencement date is specified in the "contract information" attached as an exhibit to this renewal contract.

(For HAP contracts that expire in stages, the term of the one year renewal for each stage commences on the day after expiration of the HAP contract for each stage. The exhibit of contract information separately specifies the commencement date for renewal of each HAP contract stage, and identifies the number of units, number of bedrooms, and contract rent of the contract units included in each stage.)

2. DEFINITIONS

Commencement date. The beginning of the one year renewal term. (The commencement date is specified in the contract information exhibit.)

Contract information. An exhibit attached to and made a part of this renewal contract. The exhibit specifies the amount of budget authority, commencement date of the renewal term, number of units, number of bedrooms and contract rent.

Contract units. The units covered by this renewal contract.

HAP contract. Section 8 Housing Assistance Payments

HUD. The U.S. Department of Housing and Urban Development.

One year. 365 days.

Public Housing Agency (PHA). The agency that has entered this renewal contract with the owner.

Section 8. Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

3. TERM OF RENEWAL

The expiring HAP contract is renewed for a period of one year (365 days) beginning on the commencement date. (For HAP contracts that expire in stages, the contract information exhibit separately specifies the commencement date for the one year renewal term of each stage.)

4. CONTRACT RENT

During the renewal term, the monthly contract rents for the contract units described in the contract information exhibit shall be the amounts specified in the exhibit. Contract rents shall be calculated in accordance with HUD requirements, and shall in no event exceed the rent levels permitted by section 524(b)(1) and 24 CFR § 402.5.

The owner shall not receive any other payment or compensation for rental of the units.

During the renewal term, the following provisions of the expiring HAP contract do not apply:

- a. Provisions concerning annual and special adjustments of contract rent.
- b. Provisions concerning base rent.

If the renewal term commences on a date other than the first day of a calendar month, or ends on a date other than the last day of a calendar month, the contract rent shall be pro-rated.

5. RENEWAL OF OTHER TERMS

Except as provided in section 4 of this renewal contract, all terms of the expiring HAP contract are renewed.

6. MAXIMUM PAYMENT

Notwithstanding any other provision of the expiring HAP contract or this renewal contract, aggregate payments by the PHA to the owner under this renewal contract shall in no event exceed the amount of budget authority specified in the exhibit of contract information.

(For a HAP contract renewed in stages, aggregate payments for all stages under this renewal contract, shall in no event exceed such amount.)

7. OWNER RESPONSIBILITY

Physical condition standards. The owner warrants that the contract units comply with HUD's physical condition standards for housing that is decent, safe and sanitary and in good repair, and will so comply at all times during the term of this renewal contract.

Conditions for housing assistance payments. Unless the owner complies with the HAP contract and this renewal contract, the owner does not have a right to receive housing assistance payments.

8. EXCLUSION OF THIRD PARTY RIGHTS

The PHA does not assume any responsibility for injury to, or any liability to, any person injured as a result of the owner's action of failure to act in connection with the implementation of the HAP contract or renewal contract, or as a result of any other action or failure to act by the owner.

The owner is not the agent of the PHA, and the HAP contract or renewal contract does not create or affect any relationship between the PHA and any

lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner.

Nothing in the HAP contract or renewal contract shall be construed as creating any right of an assisted family or other third party (other than HUD) to enforce any provision of the HAP contract or renewal contract, or to assert any claim against HUD, the PHA or the owner under the HAP contract or renewal contract.

9. NOTICE

In accordance with section 8 (c)(8)(A) of the United States Housing Act of 1937, as amended, the owner shall provide, at a minimum, a one year written notice to the PHA and each assisted individual about the termination of this contract. The term "termination" means the expiration of the contract or any owner's refusal to renew the contract. The notice shall comply with HUD requirements.

If the owner fails to provide such notice in accordance with HUD requirements, the owner may not increase the tenant rent payment for any assisted family until such time as the owner has provided such notice for the required period.

Signatures:

PUBLIC HOUSING AGENCY

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Print Name of PHA

By: 
Signature

MICHAEL CLARK, EXECUTIVE DIRECTOR

Print Name and Title of Signatory

09/01/2023

Date

OWNER

GOSNOLD APARTMENTS LLC

Print Name of Owner

By: *Allison Bogdanovic*
Signature

ALLISON BOGDANOVIC, EXECUTIVE DIRECTOR

Print Name and Title of Signatory

August 28, 2023

Date

CONTRACT INFORMATION

Contract Number: VA006SRO001

Project Name: GOSNOLD APARTMENTS

Address: 2425 GOSNOLD AVENUE

City and State: NORFOLK, VA 23517

Budget authority amount: \$ 560,880

Commencement date: DECEMBER 1, 2023

Number
of Units 60

Contract
Rent (per month) \$779.00

Tab Q(2):

Documentation of Tax Abatement

Sec. 24-203.1. - Tax abatement program for renovation of commercial or industrial structures.

- (a) Tax abatement under this section shall be permitted only on the substantial rehabilitation or renovation of properties for commercial or industrial use that are forty (40) years of age or more, or twenty (20) years of age if the property is located in an area designated as an enterprise zone by the commonwealth when at least fifty-one percent (51%) of the square footage of the original building is being preserved. This program shall be in effect throughout the city. The age of the building will be calculated from the Certificate of Occupancy or other final inspection.
- (b) An application for inclusion within the tax abatement renovation program shall be filed with the city real estate assessor, together with the fee of two hundred fifty dollars (\$250.00), on forms to be promulgated by the assessor. No renovation activities shall be considered for inclusion within the program unless such form (listing fully all work to be performed) is filed and approved by the assessor prior to the commencement of renovation work. The application for tax abatement certification shall be signed by the owner under oath. Only one application per commercial or industrial property for inclusion in this program shall be approved in any one fourteen-year period. In order to be eligible, the renovation must be completed within three (3) years after the city real estate assessor approves the application. The work shall not be deemed completed within this time frame unless the assessor so certifies to the treasurer as contemplated under subsection (d). Extension may be granted for good cause shown, subject to approval by the city real estate assessor. The time limitation for completion of the work shall be applied retroactively to properties previously approved.
- (c) In order to be eligible for abatement, the renovation must contribute a minimum of forty (40) percent increase in the assessed value of the property. This minimum increase must be determined and certified by the city real estate assessor prior to the commencement of renovation activities. Renovation eligible for abatement shall include expansion of the improvements only when the structure containing the expansion is vertical or the horizontal expansion is a fully integrated part of the previously existing structure and is part of the overall renovation project. In order for fully integrated horizontal expansion to qualify for this abatement, the horizontal expansion, like vertical expansion, must for the width of the horizontal expansion connect to the building being renovated and share with the renovated building systems like HVAC and electrical. The real estate assessor's determination of whether horizontal expansion qualifies as fully integrated shall be final and nonappealable. The real estate assessor may utilize input of other city officers where necessary or appropriate to assist in the determination of anticipated increases in assessed value; however, the method of assessment shall be governed by generally accepted methods of appraisal assessment. Abatement shall be contingent upon approval of building exteriors by the director of planning, based upon compatibility, quality, value enhancement, bulk, massing and height. Properties located in historic districts will be reviewed for certificates of appropriateness.

- (d) For properties on which renovation activities were completed on or after September 2012, upon completion of the renovation activities, and subject to the confirmation of such action as is deemed necessary by the assessor, the assessor shall determine the initial and adjusted tax abatement amounts where (i) the initial abatement amount is equal to the increase in assessed value of the property at the time of completion of renovation activities as determined by the assessor and (ii) the adjusted tax abatement amount is equal to the projected increase in assessed value of the property at the time the property achieves stabilized occupancy as determined by the assessor (in the event that the renovation activities are completed for a qualifying property prior to the effective date of this ordinance, the adjusted tax abatement amount shall be determined by the assessor prior to the initial term).

The tax abatement eligibility and abatement amount shall be certified in writing by the assessor to the city treasurer who shall then implement the tax abatement. The city assessor's determination shall be final and not subject to appeal. The initial tax abatement established by this section shall commence as of the first day of the quarter following completion of the renovation. The resulting increase in assessed value ("initial abatement amount") shall not be recognized for real estate tax purposes for a period of two (2) years beginning the first day of the quarter immediately after the renovation activities have been completed.

The adjusted tax abatement established by this section shall commence as of the first day of the quarter two (2) years following completion of the renovation. The resulting increase in assessed value ("adjusted abatement amount") shall not be recognized for real estate tax purposes for a period of twelve (12) years for a property located in an area designated as an enterprise zone, beginning the first day of the quarter two (2) years after the renovation activities have been completed. For all other properties on which renovation activities were completed on or after September 2012, the resulting increase in assessed value "adjusted abatement amount" shall not be recognized for real estate tax purposes for a period of eight (8) years, beginning the quarter two (2) years after completion of the renovation activities have been completed. Upon the completion of eight (8) years of exemption for the adjusted abatement amount for a property not located in an area designated as an enterprise zone, the abatement amount shall be decreased to the extent of twenty (20) percent in each succeeding year; whereupon after the completion of the fourteenth year during which the owner has received an initial or adjusted abatement, the property shall be taxed at one hundred (100) percent of its fair market value.

Notwithstanding any provision to the contrary, (i) the initial and adjusted abatement amounts shall not be increased after the city assessor establishes them; accordingly, any subsequent increases in value or rates will result in increased tax payments, and (ii) in no event shall the initial or adjusted abatements result in any decrease in the base assessed value of the property determined by the city assessor at the time of the certification of eligibility.

- (e) The tax abatement established by this section is limited to the original applicant and one

transferee, provided, however, that the property must at all times be in full compliance with all Norfolk City Codes including, without limitation, the Building Code, the Housing Code, the Zoning Ordinance of the City of Norfolk, and all other rules and regulations which affect or control the occupancy, use and management of the property. Should the director of planning determine that the property has become substantially out of compliance with applicable city ordinances, the director of planning shall thereupon give notice to the owner of such certification. The owner, having received written notice of ordinance violations, shall be granted thirty (30) days in which to correct said violations or to establish, to the satisfaction of the director of planning, that the certification of violations previously received is in error. Should the director of planning be satisfied at the end of said thirty-day period that the ordinance violations have occurred and have not been corrected by the owner as required by this subsection, he shall immediately notify the real estate assessor in writing who shall immediately and finally revoke tax abatement status of the property. Such abatement revocation shall be prospective in operation only and shall be immediately communicated to the owner in writing.

- (f) Nothing in this section shall give rise to any tax abatement other than the amount determined by the city assessor as provided in subsection (d) above.
- (g) No application submitted under this section shall be approved if the property owner is not current in payment of all taxes and assessments due the city. If a tax abatement is approved and a property owner (including any subsequent owner) thereafter fails to remain current in the payment of all city taxes and assessments, the property shall be immediately and finally removed from the tax abatement program.
- (h) [Reserved.]

(Ord. No. 40,954, § 1, 2-4-03; Ord. No. 40,997, § 1, 3-25-03; Ord. No. 41,076, § 1, 6-24-03; Ord. No. 43,009, § 1, 3-4-08; Ord. No. 43,435, § 1, 5-12-09; Ord. No. 45,118, § 2, 5-21-13; Ord. No. 45,448, § 1, 2-11-14; Ord. No. 45,529, § 2, 4-29-14; Ord. No. 46,545, § 3, 8-23-16)

Tab R:

Documentation of Utility Allowance calculation

NOT APPLICABLE

Tab S:

Supportive House Certification and/or
Resident Well Being MOU

Appendices continued

Virginia Housing Permanent Supportive Housing Services Certification

Permanent Supportive Housing is housing consisting of units designated for individuals or families that are homeless, at-risk of homelessness or who have multiple barriers to independent living.

Best practices are described by the U.S. Department of Health and Human Services:

<http://store.samhsa.gov/shin/content/SMA10-4510/SMA10-4510-06-BuildingYourProgram-PSH.pdf>

For consideration, provide **all** of the following:

1. Attach a list of developments for which you've provided permanent supportive housing services. Describe the types of services that were provided.
2. A signed copy of an MOU with a local service provider agency(ies). If no MOU exists, the service provider must sign this certification. If neither is available, provide an explanation for the lack of demonstrated partnership and describe how the property will receive referrals and from whom the residents will receive services.
3. Describe your target population(s): Homeless and low-income individuals, including those with a physical and/or mental disability.
4. List the types of supportive services to be offered: Case management; housing stabilization; independent living skills; transition planning; community engagement and social support; employment, educational, and vocational support.
5. Who will be providing supportive services? Virginia Supportive Housing
6. What percentage of the total number of units will be marketed to and held available for tenants in need of supportive services? 100 %

In addition, I/we certify the following:

Services

Tenant choice. Supportive housing tenants will have choices in what support services they receive (i.e., not a limited menu of services). Individual Support Plans will reflect tenant-defined needs and preferences. As supportive service tenants' needs change over time, tenants can receive more or less intensive support services.

Assertive outreach and engagement. The service team will use a variety of outreach and engagement techniques to bring tenants into helping relationships.

Case management. Case managers will serve as the bridge between tenants and the supports that help them achieve stability and long-term tenancy.

Appendices continued

Housing

Tenant choice. Supportive housing tenants will be able to choose where they want to live. Tenants cannot be evicted from their housing for rejecting services.

Access. Supportive housing units will be available to people who are experiencing homelessness, are precariously housed and/or who have multiple barriers to housing stability, including disabilities and substance abuse.

Quality. Supportive housing units will be similar to other units in the project.

Integration. Supportive housing tenants with disabilities will have a right to receive housing and supportive services in the most integrated settings available, including in buildings that include neighbors who do not have disabilities and where there is access to an array of community services and resources used by people with and without disabilities.

Rights of tenancy. Supportive housing tenant leases or subleases will confer full rights of tenancy, including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. Tenants can remain in their homes as long as the basic requirements of tenancy are met — paying the rent, not interfering with other tenants' use of their homes, not causing property damage, etc. House rules, if any, are similar to those found in other housing.

Affordability. Supportive housing tenants should pay no more than 30% of their incomes toward rent and basic utilities.

Coordination between housing and services. Property managers and support service staff will stay in regular communication and coordinate their efforts to help prevent evictions and to ensure tenants facing eviction have access to necessary services and supports.

Delineated roles. There will be a functional separation of roles, with the housing elements (rent collection, property maintenance, enforcement of responsibilities of tenancy) carried out by different staff than those providing services (case management, mental health treatment, wraparound services).

The undersigned Owner certifies that each of the above statements is true and correct.

I/We agree that the commitment to provide supportive housing will remain in place throughout the Compliance Period (as described in the Extended Use Agreement).

Date 3/1/2024

Owner/Applicant Gosnold II Apartments, LLC

Service Provider Virginia Supportive Housing

By  9D0B8256B4D4411...

By  9D0B8256B4D4411...

Its Executive Director of Gosnold II Managing Member, LLC

Its Executive Director

Title

Title

Virginia Housing Permanent Supportive Housing Services Certification

Developments where Virginia Supportive Housing provides permanent supportive housing services:

<u>Property</u>	<u>Location</u>	<u>Units</u>
Cool Lane Apartments	Richmond, VA	86
New Clay House II	Richmond, VA	80
Gosnold Apartments	Norfolk, VA	60
Cloverleaf Apartments	Virginia Beach, VA	60
South Bay Apartments	Portsmouth, VA	60
Studios at South Richmond	Richmond, VA	60
The Crossings at Fourth and Preston	Charlottesville, VA	60
Heron's Landing	Chesapeake, VA	60
Crescent Square	Virginia Beach, VA	80
Church Street Station Studios	Norfolk, VA	80

On-Site supportive services provided by Virginia Supportive Housing:

Case Management

VSH supportive services staff assist tenants with accessing mainstream community services and resources, monitor the quality and effectiveness of those services, and ensure coordination of care to promote achievement of each individual's personal goals including maintaining housing, securing work or entitlement income, and improving health and mental health conditions. We engage residents who seek services in developing a housing stabilization/care plan that outlines their individual goals and strategies needed to achieve their goals.

Housing Stabilization

Supportive services staff engage residents in activities that promote a consistent and safe housing environment. We offer mediation services with property management staff when required to minimize lease violations and delinquency. We provide move-in support and orientation to new residents. We coordinate with community partners and donors to provide essential household items.

Independent Living Skills

Supportive services staff provide supportive services to help individuals resolve life issues, promote recovery and community integration, and manage mental health symptoms. Education and support are provided to improve individuals' abilities to budget and manage finances, manage medication, secure and maintain employment, and develop positive social supports. Crisis prevention, intervention, and stabilization are coordinated for individuals experiencing acute distress. Other activities of daily living include navigating public transportation, nutrition and diet, personal hygiene, household cleaning and maintenance, medication management, and interpersonal skills.

Community Engagement and Social Support

Supportive services staff work with our residents to ensure a strong sense of social connectedness in the apartment community as well as with the larger community in which they are located. For example, individuals participate in community meetings, attend civic association meetings and

community events, plan and participate in recreational and volunteer activities, and engage in family reunification as appropriate.

Employment, Education, and Vocational Support

Supportive services staff provide assistance with resumes and employment searches. We connect residents with workforce development initiatives that may include, but are not limited to, teaching employable skills, computer classes, returning to school, and GED tutoring.

Transition Planning

Supportive services staff help coordinate transition to other subsidized housing with less intensive services when appropriate. We do this through our move-on program that connects those residents who are ready to transition to a more independent setting without on-site services. We ensure the resident is connected with community providers as their unique needs require and provide a year of follow-up services so that they can continue to be stably housed. In addition, we coordinate external placements for those who can no longer live independently and need a higher level of care, such as an assisted living or nursing facility. Lastly, we offer next of kin services to coordinate burial/memorial services.



March 8th, 2024

Dear Virginia Supportive Housing,

Congratulations on your CORES recertification!

The Certified Organization for Resident Engagement & Services (CORES) Certification recognizes owners that have developed a robust commitment, capacity, and competency in providing resident services coordination in affordable rental homes. The CORES Certification is applicable across the entire portfolio and is inclusive of family, senior and supportive housing communities.

The CORES recertification recognizes Virginia Supportive Housing's continued commitment and investment in the tools necessary to implement a robust system of resident services coordination under the Direct model.

We have provided a version of the CORES logo which recognizes your organization as CORES certified. Please feel free to use this logo on your website or any other promotional materials if you have not done so already.

This CORES certification lasts **five years** and will expire on **March 11th, 2029**. For guidance and requirements regarding the CORES recertification process, please visit <https://CORESonline.org/apply#Recertification>

Please Note: Certified organizations have an affirmative obligation to notify SAHF of any significant changes to their organizational structure or operations that materially changes their capacity or approach in providing resident services coordination. Certified organizations should notify SAHF within 60 days of the effective date of such changes. Failure to provide this notification could result in a suspension of certification.

If you have any further questions, please contact us at cores@sahfnet.org.

Sincerely,

Andrea Ponsor
President and CEO
Stewards of Affordable Housing for the Future

CORESonline.org

Memorandum of Understanding (MOU)

Between

Gosnold II Apartments, LLC

and

Virginia Supportive Housing (VSH)

March 5, 2024

This Memorandum of Understanding (“MOU”) is entered into this March 5, 2024, by and between Gosnold II Apartments, LLC, herein referred to as the “Owner,” and Virginia Supportive Housing (VSH), herein referred to as the “Service Provider.” Virginia Supportive Housing (VSH) will serve as the Property Manager of Gosnold II Apartments and is a party to this MOU.

I. Purpose

The purpose of this document is to identify the services to be provided by the Service Provider to the Owner in connection with Gosnold II Apartments. The Owner and Service Provider agree to enter into an agreement for services for the term of the Low-Income Housing Tax Credit Compliance period.

II. Scope

Virginia Supportive Housing (VSH) as the Service Provider will provide on-site supportive services to the residents of Gosnold II Apartments. The services to be provided include, but are not limited to, the following:

- a) Case Management: VSH supportive services staff assist tenants with accessing mainstream community services and resources, monitor the quality and effectiveness of those services, and ensure coordination of care to promote achievement of each individual’s personal goals including maintaining housing, securing work or entitlement income, and improving health and mental health conditions. VSH will engage residents who seek services in developing a housing stabilization/care plan that outlines their individual goals and strategies needed to achieve their goals.
- b) Housing Stabilization: Supportive services staff engage residents in activities that promote a consistent and safe housing environment. VSH offers mediation services with property management staff when required to minimize lease violations and delinquency; provides move-in support and orientation to new residents; and coordinates with community partners and donors to provide essential household items.
- c) Independent Living Skills: Supportive services staff provide supportive services to help individuals resolve life issues, promote recovery and community integration, and manage mental health symptoms. Education and support are provided to improve individuals’ abilities to budget and manage finances, manage medication, secure and maintain employment, and develop positive social supports. Crisis prevention, intervention, and stabilization is coordinated for individuals experiencing acute distress. Other activities of daily living include navigating public transportation, nutrition and diet, personal hygiene, household cleaning and maintenance, medication management, and interpersonal skills.
- d) Community Engagement and Social Support: Supportive services staff work with residents to ensure a strong sense of social connectedness in the apartment community as well as with the larger community in which they are located.
- e) Employment, Education, and Vocational Support: Supportive services staff provide assistance with resumes and employment searches. VSH connects residents with workforce development initiatives that may include, but are not limited to, teaching employable skills, computer classes, returning to school, and GED tutoring.
- f) Transition Planning: Supportive services staff help coordinate transition to other subsidized housing with less intensive services when appropriate through a move-on program that connects those residents who are ready to transition to a more independent setting without on-site services. VSH ensures the resident is connected with community providers as their unique needs

require and provide a year of follow-up services so that they can continue to be stably housed. In addition, VSH coordinates external placements for those who can no longer live independently and need a higher level of care, such as an assisted living or nursing facility. Lastly, VSH offers next of kin services to coordinate burial/memorial services.

These services will be administered by full-time, on-site Supportive Services Specialists under the direction of Services Program Managers. These services will be provided to all residents, 100% of the units, on a voluntary basis.

III. Roles and Responsibilities

Virginia Supportive Housing (VSH) will serve as the Service Provider and provide the services listed herein to the residents of Gosnold II Apartments. VSH is a recognized CORES certified organization. The Service Provider will provide the services listed herein on a voluntary basis to the residents of Gosnold II Apartments. The Service Provider will complete and maintain all applicable documentation of services. The Service Provider will continue to operate within Gosnold II Apartments for the term of the Low-Income Housing Tax Credit Compliance period.

Virginia Supportive Housing (VSH) will serve as the Property Manager of Gosnold II Apartments. VSH has been actively managing supportive housing properties since 1992 and became a VHDA Certified Management Agent without qualification in 2010. VSH currently owns and manages 726 housing units as well as manages 30 units of permanent supportive housing at the City of Virginia Beach Housing Resource Center. VSH will be responsible for leasing the units at Gosnold II Apartments under an approved Tenant Selection Plan. The Tenant Selection Plan, as well as resident Lease documents, will follow Virginia Landlord and Tenant Act requirements and Fair Housing laws. As the Property Manager, VSH will coordinate with the on-site Supportive Services Specialists on resident intake, move-in, and move-out where applicable.

Gosnold II Apartments, LLC will serve as the owner of Gosnold II Apartments.

IV. Communication

The Service Provider will work in connection with the Property Manager to ensure units at Gosnold II Apartments are leased in coordination with the approved Tenant Selection Plan and that residents remain stably housed through the provision of supportive services.

Both the Service Provider and Property Manager will operate on-site and be made readily available to both staff and residents through phone, email, and in person communication.

Any notice required or permitted to be given must be addressed and delivered to the parties at their respective addresses set forth below:

If to Owner: Gosnold II Apartments, LLC
1900 Cool Lane
Richmond, VA 23223
Attention: Allison Bogdanovic, Executive Director of Gosnold II Managing Member, LLC
Email: abogdanovic@virginiassupportivehousing.org

If to Service Provider: Virginia Supportive Housing
1900 Cool Lane
Richmond, VA 23223
Attention: Jennifer Tiller, Director of Client Services
Email: jtiller@virginiasupportivehousing.org
or
Attention: Allison Bogdanovic, Executive Director
Email: abogdanovic@virginiasupportivehousing.org

If to Property Manager: Virginia Supportive Housing
1900 Cool Lane
Richmond, VA 23223
Attention: Sheila Parker, Director of Property Management
Email: sparker@virginiasupportivehousing.org
or
Attention: Allison Bogdanovic, Executive Director
Email: abogdanovic@virginiasupportivehousing.org

V. Terms & Conditions

This MOU will become effective when signed by all parties. This MOU constitutes the entire agreement between the Service Provider and Owner and is further contingent upon approval by the Virginia Department of Behavioral Health and Developmental Services. This MOU shall be constructed and enforced in accordance with the laws of the Commonwealth of Virginia. All parties agree to keep all information contained herein confidential.

This MOU may be amended or terminated by (1) mutual written consent; (2) 90 days advance written notice by either Party; or (3) completion of the operation/terms of this Agreement. Any claim, dispute, or other matter in question arising out of or related to this MOU shall be subject to a meet and confer session whereby all parties shall reach a mutually acceptable resolution and shall prepare appropriate documentation memorializing the resolution.

Each of the signatories to this MOU represents that he/she is authorized to execute the MOU on behalf of such Party and that all approvals, resolutions and consents have been obtained and that no further approvals, acts or consents are required to allow each Party to execute this MOU.

IN WITNESS WHEREOF, this MOU has been duly executed as of the date herein.

Owner:

Gosnold II Apartments, LLC

DocuSigned by:
By: Allison Bogdanovic

9D0B8298B4D4411...
Name: Allison Bogdanovic

Title: Executive Director of Gosnold II Managing Member, LLC, its managing member

Service Provider:

Virginia Supportive Housing

DocuSigned by:
By: Jennifer Tiller

75340CA35495415...
Name: Jennifer Tiller

Title: Director of Client Programs

Property Manager:

Virginia Supportive Housing

DocuSigned by:
By: Allison Bogdanovic

9D0B8298B4D4411...
Name: Allison Bogdanovic

Title: Executive Director



DBHDS MOU Review and Decision

Virginia Supportive Housing, Developer of Gosnold II Apartments, LLC (2025-ASH-09) Low-Income Housing Tax Credit (LIHTC) Applicant and Virginia Supportive Housing, Resident Service Provider have partnered together through a Memorandum of Understanding (MOU) to provide onsite resident services to tenants of Gosnold II Apartments, once placed in service. Virginia Supportive Housing has requested DBHDS to review and approve the MOU between the parties as required in Virginia Housing’s (VH) LIHTC Qualified Allocation Plan (QAP) for consideration of the extra point (15) incentive *Resident Well Being*.

The MOU:

- Meets minimum review standards
- Does not meet minimum review standards

Required Evidence of Experience:

- DBHDS affirms that as of the date on this letter, XXX Services Board Resident Service Provider has a DBHDS triennial license, in good standing, with no outstanding corrective action plans.
- LIHTC applicant asserts Service Provider meets other experience criteria (CORES) to be reviewed by Virginia Housing.
- DBHDS attests/does not attest experience evidenced by receipt of a grant or grants by the service provider for provision of direct services to the development’s residents

DBHDS MOU decision: APPROVED NOT APPROVED

Name & Title:	Janna Wiener, Housing Services Manager
Signature:	
Date:	3/6/2024

Tab T:

Funding Documentation

Funding Documentation Enclosed

- DHCD National Housing Trust Fund (NHTF) - \$900,000
- DHCD Virginia Housing Trust Fund (VHTF) - \$900,000
- DHCD Housing Innovations in Energy (HIEE) - \$700,000 and \$1,160,235
- City of Norfolk HOME-ARP - \$2,250,000
- City of Norfolk CDBG - \$740,075
- City of Chesapeake HOME-ARP - \$900,000
- Hampton Roads Community Foundation - \$200,000
- Alison J. and Ella W. Parsons Fund - \$125,000 total award; \$75,000 allocated to Gosnold II Apartments
- 2022 LIHTC Reservation



Glenn Youngkin
Governor

Caren Merrick
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Bryan W. Horn
Director

March 17, 2023

Elizabeth Nice
Senior Real Estate Development Officer
Virginia Supportive Housing
8002 Discovery Drive
Richmond, VA 23229
Via: enice@virginiasupportivehousing.org

Proposed Affordable & Special Needs Housing Financing Offer

Dear Ms. Elizabeth Nice,

The Department of Housing and Community Development (DHCD) is pleased to make a preliminary offer of funding to support the **Virginia Supportive Housing's Gosnold II Apartments** project with **\$900,000.00** in **National Housing Trust Fund** funds.

Please review the attached offer letter carefully. This letter contains the negotiable aspects of the preliminary offer of funding and will be used to create the program agreement which constitutes a formal commitment and reservation of awarded funds. DHCD reserves the right to de-obligate funding if all stipulations for funding are not met, and a program agreement is not executed by **October 31, 2023**.

For projects which are receiving a preliminary offer of HOME Investment Partnerships (HOME) or National Housing Trust Fund (NHTF) financing, the HUD-required environmental review must be completed prior to execution of a program agreement. Your assigned program administrator will request the necessary documentation to proceed.

In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters as detailed in your October 2022 application must be approved by DHCD before the program agreements may be executed.

We are looking forward to working with you to provide affordable housing. If you have any questions as it pertains to this offer, please feel free to contact your assigned Program Administrator or Chloe Rote, Associate Director of Affordable Housing, at 804-840-1909.

Sincerely,

ASNH Staff



Terms & Conditions
Gosnold II Apartments
 2425 Gosnold Ave, Norfolk, 23517-1168

The Department of Housing and Community Development's Affordable and Special Needs Housing (ASNH) Program has approved **Virginia Supportive Housing's** application for funding towards the **Gosnold II Apartments** project. Please review the following proposed terms and conditions carefully. If you have any questions or requests to change the following details, please contact your assigned Program Administrator.

Amount of Award: **\$900,000.00**
 Funding Source: **National Housing Trust Fund (NHTF)**
 Interest Rate: **1% (fixed)**
 Loan Repayment Period: **360 months (Interest Only)**
 Mandatory Compliance: **360 months from permanent closing**
 State Affordability: **n/a months from end of Mandatory period**

This loan will constitute permanent, must-pay hard debt, which is not cash flow dependent and is intended for disbursement at permanent closing or conversion. At the Department's sole discretion, principle and any accrued interest may be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period.

DHCD shall be placed in the 2nd lien position, unless otherwise approved by the agency.

National Housing Trust Fund funds require a minimum of five (5) units which meet the income and rent requirements of the federal program. Based on underwriting submitted with the application, DHCD staff have determined the following floating units for assistance:

Unit Description	Area Median Income Restriction
6	30%

Virginia Supportive Housing does / does not intend to utilize Sponsor Loans for these funds. (HOME funds not eligible for this structure).

Sponsor Name: Virginia Supportive Housing

Virginia Supportive Housing's legal counsel for review of Loan Commitments is the following:

Name: Lauren Nowlin, Williams Mullen

Email: lnowlin@williamsmullen.com

Program agreements must be executed by **October 31, 2023**, with an estimated closing of permanent debt to take place no later than **October 31, 2025**. Failure to execute a program agreement within 12 months could result in a de-obligation of funds to your project.



Terms & Conditions
Gosnold II Apartments
2425 Gosnold Ave, Norfolk, 23517-1168

Please execute and return this document to DHCD via email. Once received, DHCD will be in communication with you regarding next steps. DHCD looks forward to your acceptance and to our continuing relationship.

Sincerely,

ASNH Staff

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:

Virginia Supportive Housing

DocuSigned by:
By Allison Bogdanovic
9D0B8256B4D4411...

Its Executive Director

Date: 3/21/2023





Glenn Youngkin
Governor

Caren Merrick
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Bryan W. Horn
Director

March 17, 2023

Elizabeth Nice
Senior Real Estate Development Officer
Virginia Supportive Housing
8002 Discovery Drive
Richmond, VA 23229
Via: enice@virginiassupportivehousing.org

Proposed Affordable & Special Needs Housing Financing Offer

Dear Ms. Elizabeth Nice,

The Department of Housing and Community Development (DHCD) is pleased to make a preliminary offer of funding to support the **Virginia Supportive Housing's Gosnold II Apartments** project with **\$900,000.00** in **Virginia Housing Trust Fund** funds.

Please review the attached offer letter carefully. This letter contains the negotiable aspects of the preliminary offer of funding and will be used to create the program agreement which constitutes a formal commitment and reservation of awarded funds. DHCD reserves the right to de-obligate funding if all stipulations for funding are not met, and a program agreement is not executed by **October 31, 2023**.

For projects which are receiving a preliminary offer of HOME Investment Partnerships (HOME) or National Housing Trust Fund (NHTF) financing, the HUD-required environmental review must be completed prior to execution of a program agreement. Your assigned program administrator will request the necessary documentation to proceed.

In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters as detailed in your October 2022 application must be approved by DHCD before the program agreements may be executed.

We are looking forward to working with you to provide affordable housing. If you have any questions as it pertains to this offer, please feel free to contact your assigned Program Administrator or Chloe Rote, Associate Director of Affordable Housing, at 804-840-1909.

Sincerely,

ASNH Staff





Glenn Youngkin
Governor

Caren Merrick
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Bryan W. Horn
Director

March 17, 2023

Elizabeth Nice
Senior Real Estate Development Officer
Virginia Supportive Housing
8002 Discovery Drive
Richmond, VA 23229
Via: enice@virginiasupportivehousing.org

Proposed Affordable & Special Needs Housing Financing Offer

Dear Ms. Elizabeth Nice,

The Department of Housing and Community Development (DHCD) is pleased to make a preliminary offer of funding to support the **Virginia Supportive Housing's Gosnold II Apartments** project with **\$700,000.00** in **Housing Innovations in Energy Efficiency** funds.

Please review the attached offer letter carefully. This letter contains the negotiable aspects of the preliminary offer of funding and will be used to create the program agreement which constitutes a formal commitment and reservation of awarded funds. DHCD reserves the right to de-obligate funding if all stipulations for funding are not met, and a program agreement is not executed by **October 31, 2023**.

For projects which are receiving a preliminary offer of HOME Investment Partnerships (HOME) or National Housing Trust Fund (NHTF) financing, the HUD-required environmental review must be completed prior to execution of a program agreement. Your assigned program administrator will request the necessary documentation to proceed.

In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters as detailed in your October 2022 application must be approved by DHCD before the program agreements may be executed.

We are looking forward to working with you to provide affordable housing. If you have any questions as it pertains to this offer, please feel free to contact your assigned Program Administrator or Chloe Rote, Associate Director of Housing, at 804-840-1909.

Sincerely,

ASNH Staff



Terms & Conditions
Gosnold II Apartments
 2425 Gosnold Ave, Norfolk, 23517-1168

The Department of Housing and Community Development's Affordable and Special Needs Housing (ASNH) Program has approved **Virginia Supportive Housing's** application for funding towards the **Gosnold II Apartments** project. Please review the following proposed terms and conditions carefully. If you have any questions or requests to change the following details, please contact your assigned Program Administrator.

Amount of Award: **\$700,000.00**
 Funding Source: **Housing Innovations in Energy Efficiency (HIEE)**
 Interest Rate: **0% (fixed)**
 Loan Repayment Period: **360 months (Interest Only)**
 Mandatory Compliance: **360 months from permanent closing**
 State Affordability: **n/a months from end of Mandatory period**

This loan will constitute permanent, must-pay hard debt, which is not cash flow dependent and is intended for disbursement at permanent closing or conversion. At the Department's sole discretion, principle and any accrued interest may be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period.

DHCD shall be placed in the 2nd lien position, unless otherwise approved by the agency.

Housing Innovations in Energy Efficiency funds require a minimum of five (5) units which meet the income and rent requirements of the program. Based on underwriting submitted with the application, DHCD staff have determined the following floating units for assistance:

Unit Description	Area Median Income Restriction
100	80%

Virginia Supportive Housing does X / does not intend to utilize Sponsor Loans for these funds. (HOME funds not eligible for this structure).

Sponsor Name: Virginia Supportive Housing

Virginia Supportive Housing's legal counsel for review of Loan Commitments is the following:

Name: Lauren Nowlin, Williams Mullen

Email: lnowlin@williamsmullen.com

Program agreements must be executed by **October 31, 2023**, with an estimated closing of permanent debt to take place no later than **October 31, 2025**. Failure to execute a program agreement within 12 months could result in a de-obligation of funds to your project.



Terms & Conditions
Gosnold II Apartments
2425 Gosnold Ave, Norfolk, 23517-1168

Please execute and return this document to DHCD via email. Once received, DHCD will be in communication with you regarding next steps. DHCD looks forward to your acceptance and to our continuing relationship.

Sincerely,

ASNH Staff

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:

Virginia Supportive Housing

DocuSigned by:
By Allison Bogdanovic
9D0B8256B4D4411...

Its Executive Director

Date: 3/21/2023





Glenn Youngkin
Governor

Caren Merrick
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA
DEPARTMENT OF
HOUSING AND COMMUNITY DEVELOPMENT

Bryan W. Horn
Director

August 16, 2023

Elizabeth Nice
Associate Director of Real Estate Development
Virginia Supportive Housing
8002 Discovery Drive
Richmond, VA 23229
enice@virginiassupportivehousing.org

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Elizabeth Nice:

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Virginia Supportive Housing will receive a preliminary offer from the March 2023 Affordable and Special Needs Housing application cycle to support the Gosnold II project in the following amounts:

\$1,160,235.00 from Housing Innovations in Energy Efficiency

Under separate cover you will receive the terms of this offer, including any requirements to meet federal environmental review. Each of these stipulations must be met and a program agreement for funding must be executed no later than **August 15th, 2024**.

Any adjustments to the application submitted including, but not limited to, changes in committed capital sources, operating expense budgets, and unit mix must be approved by DHCD before the ASNH team can complete a program agreement for this preliminary award. Execution of the program agreement by August 15th, 2024 is necessary to finalize your formal funding reservation and loan commitment.

A member of our team will contact you via email to begin the contract negotiation process soon. We are pleased to work with Virginia Supportive Housing in its affordable housing efforts.

Sincerely,

Sandra Powell
Senior Deputy Director
Community Development & Housing





November 14, 2023

Allison Bogdanovic
Executive Director
Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, VA 23229

Re: Preliminary HOME-ARP Award

Dear Ms. Bogdanovic:

The City of Norfolk is pleased to offer support to Virginia Supportive Housing for the Gosnold II Expansion, which will provide much needed permanent supportive housing to homeless and at-risk single individuals in our city.

This letter serves as a preliminary award of \$2,250,000 in HOME-ARP funds to Virginia Supportive Housing pursuant to 24 CFR 92.504(c)(3) of the HOME Program and subject to all other applicable federal, state, and local laws and regulations.

Once all necessary financing has been secured, a budget and schedule established, and underwriting completed, with construction scheduled to begin within twelve months, an agreement will be sent for your signature.

The provision of any funds to the project is conditioned on the City of Norfolk's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review. The recipient, subrecipient or contractor is prohibited from undertaking or committing any funds (*regardless of source*) to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance. Violation of this provision may result in the denial of any funds under the agreement.

Thank you for your continued commitment to ending homelessness and providing quality, affordable housing in Norfolk.

Sincerely,

Patrick Roberts
City Manager

Award Notification Letter

Dear Elizabeth Nice,

Congratulations! An award package has been created for the following program:

Project: Gosnold II Apartments

Program: FY 2024 Community Development Block Grant

Approved Amount: \$740,075.00

Federal Awards:

- ORG0216 FY 2024 Community Development Block Grant: \$740,075.00
 - Agency: US Department of Housing and Urban Development
 - Fiscal Year: 2024
 - CFDA: 14.218

Total Federal: \$740,075.00

Other Awards: No non-federal funds were included in this award.

Total Match: \$0.00

Period of Performance: 07/01/2023 - 06/30/2024

August 31, 2023

Allison Bogdanovic
Executive Director
Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229

Subject: VSH Gosnold II Expansion (Regional Apartments)

Dear Ms. Bogdanovic:

The City of Chesapeake is pleased to offer support to Virginia Supportive Housing for the development of the Regional Supportive Room Occupancy (SRO) project identified as Gosnold II Expansion. This project will provide permanent supportive housing to the homeless in Chesapeake and other cities in the region.

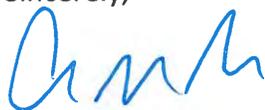
This letter is to confirm that the City of Chesapeake has committed \$900,000 in HOME-ARP funds to be used for the construction of the Gosnold II Regional SRO Apartments.

Once all necessary financing has been secured, a budget and schedule established, and underwriting completed, with construction scheduled to begin within twelve months, an agreement will be sent for your signature.

Again, we are pleased to support the Gosnold II Expansion, which will provide much needed permanent supportive housing to homeless single individuals.

Thank you for your dedicated efforts to assist Hampton Roads localities in their efforts to end homelessness. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,



Christopher M. Price
City Manager



Hampton Roads
Community Foundation

Inspiring Philanthropy. Changing Lives.

March 21, 2023

Ms. Alison Bogdanovic
Executive Director
Virginia Supportive Housing
P.O. Box 8585
Richmond, VA 23226

Dear Ms. Bogdanovic:

I am pleased to inform you that a grant of \$200,000.00 was awarded to Virginia Supportive Housing for the Renovation and Expansion of Gosnold Apartments. This grant is made possible by the Perry and Bunny Morgan Fund of the Hampton Roads Community Foundation and the other donors of the Hampton Roads Community Foundation.

Enclosed is a copy of our standard grant agreement, which outlines the specific requirements and conditions of your grant. Please sign and return the agreement to expedite the release of funds.

Please note the grant's report deadlines. Reports should include an accounting of how the Foundation's funds were used and information on the progress and achievements that the project has made in assisting the organization to meet its goals. Report forms are available on your online dashboard through which you submitted your application.

If you have any questions about your grant agreement or payment schedule, please feel free to call me. The Foundation is pleased to be able to support your organization.

Sincerely,

Linda M. Rice
Vice President for Grantmaking

BOARD OF DIRECTORS

.....

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101 W. Main Street
Suite 4500
Norfolk, VA 23510
(757) 622-7951
HamptonRoadsCF.org



Hampton Roads
Community Foundation

Inspiring Philanthropy. Changing Lives.

GRANT AGREEMENT

The grant to your organization from the **Alison J. and Ella W. Parsons Fund** of the Hampton Roads Community Foundation is for the explicit purposes(s) described below and is subject to your acceptance of the following conditions. To acknowledge this agreement and to accept the grant, **PLEASE SIGN AND RETURN THE ORIGINAL AGREEMENT TO THE HAMPTON ROADS COMMUNITY FOUNDATION.**

Grantee: Virginia Supportive Housing

Grant No. 28951 **Amount of Grant:** \$125,000

Program or Project Title: Renovation and expansion of Gosnold Apartments, South Bay Apartments and Clover Leaf Apartments

Grant Period Begins: 12/1/2023 **Ends:** 12/1/2028

Payment Schedule: Five equal payments of \$25,000 beginning in 2023 contingent upon receipt of signed grant agreement and timely submission of interim reports

Special Conditions of the Grant: None

Interim Report Due: 03/30/2024; 09/30/2025; 09/30/2026; 09/30/2027

Final Report Due: 12/1/2028

Special Provisions: Report should include updates on status of future renovation work at South Bay Apartments and Clover Leaf Apartments.

Program Officer: Jillian Pruitt

All grants are made in accordance with current and applicable laws and pursuant to the Internal Revenue Code, as amended, and the regulations issued hereunder. The following sections delineate the Foundation's basic obligations of the grantee.

Section One: Announcing Grants

The grantee agency is strongly encouraged to make public announcements about the project. The grantee is requested to acknowledge the **Alison J. and Ella W. Parsons Fund** of the Hampton Roads Community Foundation as grantmaker in all media communications, public announcements or printed materials concerning the project.

Copies of such communications and announcements, and of published references to the grant, should be sent to the Hampton Roads Community Foundation for its records.

In addition, grants approved by the Hampton Roads Community Foundation's Board of Directors are reported to the community through the Hampton Roads Community Foundation's newsletter, annual report and periodic listing of grants. The Hampton Roads Community Foundation also issues press releases describing individual projects or programs.

Section Two: Expenditure of Funds

This grant is to be used only for the purpose described above and in accordance with the approved budget. The program is subject to modification only with the Hampton Roads Community Foundation's prior written approval.

- A.** The Hampton Roads Community Foundation reserves the right to discontinue, modify or withhold any payments that might otherwise be due under this grant, and/or to require a refund of any unexpended funds
 - 1. at the end of the grant period, or
 - 2. if the Hampton Roads Community Foundation determines that the grantee has not performed satisfactorily in accordance with the approved program and budget, or in raising all funds needed to implement the approved project, or
 - 3. if the grantee loses exempt "public charity" status under Section 501(c)3 of the Internal Revenue Code.
- B.** No funds provided by the Hampton Roads Community Foundation may be used for any political campaign, or to support attempts to influence legislation by any governmental body, other than through making available the results of nonpartisan analysis, study and research.
- C.** Unless specifically authorized by the Hampton Roads Community Foundation, expenses charged against this grant may not be incurred prior to the effective date of the grant or subsequent to the termination date and may be incurred

only as necessary to carry out the purposes and activities of the approved program.

- D. The grantee organization is responsible for the expenditure of funds and for maintaining adequate supporting records consistent with generally accepted accounting practices.

Section Three: Reports to the Hampton Roads Community Foundation

Grantee organizations are expected to report to the Hampton Roads Community Foundation on the progress of their program or project according to the schedule described in this grant agreement.

The final report must summarize the achievements of and lessons learned from the project, provide a financial accounting for the expenditure of grant funds and report on measurable outcomes. Reports will be considered late if received after the dates specified on page one of the Agreement. The timeliness and quality of both the narrative and financial sections of progress reports will be factors in evaluating the grantee for future funding.

Section Four: Limit of Commitment

If the payment schedule stipulates payment over multiple years, future years' payments are conditioned on Foundation review of the project's progress.

Unless otherwise stipulated in writing, this grant is made with the understanding that the Hampton Roads Community Foundation has no obligation to provide other or additional support to the grantee.

Hampton Roads Community Foundation:

Grantee: Virginia Supportive Housing

Deborah M. DiCroce
Digitally signed by Deborah M. DiCroce
Date: 2023.12.19 16:18:44 -05'00'

JMP

Deborah M. DiCroce, Ed.D.
President and CEO

Allison Bogdanovic
Authorized Signature

December 19, 2023

Date

Allison Bogdanovic, Executive Director
Print Name and Title

December 22, 2023
Date

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

RESERVATION OF LOW-INCOME HOUSING TAX CREDITS

THIS RESERVATION AGREEMENT made this 1st day of August, 2022, by and between **GOSNOLD II APARTMENTS, LLC** (the "Owner") and the **VIRGINIA HOUSING DEVELOPMENT AUTHORITY** ("Virginia Housing") hereby recites and provides as follows:

WITNESSETH:

WHEREAS, pursuant to § 42 of the Internal Revenue Code of 1986, as amended (the "Code"), the Owner has submitted to Virginia Housing an application (the "Application") for a reservation ("Reservation") of low-income housing tax credits ("Credits") from Virginia Housing's 2022 Credit Program to be allocated with respect to the building(s) comprising that certain residential rental housing development known as Gosnold II Apartments (the "Development"), which buildings are of the type(s) more particularly described in the Application which is incorporated herein by reference; and

WHEREAS, pursuant to Internal Revenue Service ("IRS") Regulation § 1.42-1T(d)(8)(i), Virginia Housing may, prior to allocating Credits to the Owner with respect to the Development, issue to the Owner a binding commitment to make a Credit allocation; and

WHEREAS, according to IRS Notice 89-1, in order for the Owner to be entitled, should it choose to do so, to elect to fix the applicable credit percentage for the buildings of the Development not yet placed in service pursuant to § 42(b)(2)(A)(ii)(I) of the Code, such binding commitment must meet the requirements of IRS Notice 89-1 as a binding agreement; and

WHEREAS, the Owner and Virginia Housing desire that this Reservation Agreement constitute such a binding commitment.

NOW THEREFORE, in consideration of the foregoing premises, the mutual covenants contained herein and other good and valuable consideration, the Owner and Virginia Housing hereby agree as follows:

1. Virginia Housing agrees to reserve for allocation to each building in the Development, as more particularly described in the Application, Credits in the amount set forth with respect to such buildings; provided, however, that such Reservation and allocation ("Allocation") shall in all cases be subject to (a) all of the terms, provisions and limitations hereof (including those in Section 3 hereof relative to the amount of Credits to be allocated), (b) the Owner's timely satisfaction of all of the requirements set forth or referenced herein, (c) all applicable terms, conditions, limitations and requirements of § 42 of the Code, as amended, and any successor provisions, and all applicable regulations, pronouncements, notices and rulings relative thereto as and when issued, and (d) all applicable Rules and Regulations of Virginia Housing governing the reservation and allocation of Credits.

Furthermore, it is Virginia Housing's intention that, to the extent permitted by law, the specific amounts reserved for each building be advisory only, such that the Reservation be made in an aggregate annual amount of \$1,136,967.00 with respect to the Development as a whole, as contemplated by § 42(h)(1)(F) of the Code.

2. As conditions precedent to the allocation of Credits with respect to the Development, Virginia Housing must receive within the applicable time periods each of the following items in form and substance satisfactory to it (**Failure to meet the deadlines below will result in a fine of \$500 per day or a loss of your reservation for extended delays**):

- a) By August 11, 2022 (except Developments with 100% non-profit ownership and any additional Developments instructed otherwise in Exhibit A of this Reservation Agreement), a non-refundable Reservation Fee in an amount equal to 7% of the annual Credit amount being reserved, in the form of a check made payable to Virginia Housing.
- b) By August 11, 2022, this Reservation Agreement fully executed. (You may keep one of the duplicate originals for your files.)
- c) By August 11, 2022, the original, executed Contract to Enforce Representations regarding Low-Income Housing Tax Credit Development (the "Contract") (in the form provided herewith). The terms of this Contract will, to the extent applicable, survive the Allocation of Credits, if any.
- d) By April 27, 2023, unless already provided with the Application, evidence that the Owner has either sole fee simple ownership of the site or holds a lease of such site for a term no shorter than the period represented in the Application during which the Development (or portion thereof with respect to which Credits have been requested) shall be held for occupancy by low income persons.
- e) By September 29, 2022, an original, completed, properly executed, allocation application (package to be sent under separate cover). Such application will be deemed complete (i) when the Owner has updated those sections in which information has CHANGED from that represented in the Reservation Application and (ii) when the Owner has attached thereto satisfactory, executed, original Attorney's Opinion and, for carryforward allocation requests, an Owner's Certification, all in the forms prescribed in the allocation application package.

In such application, the Owner shall, among other things, certify as to the reasonable, ordinary and necessary costs and expenses paid or incurred by the Owner in the construction or rehabilitation and, if applicable, the acquisition of the Development. In addition, if the Development has not been completed by the September 29, 2022, deadline for such application (e.g., if it is a carryforward project or, in the alternative, if it is a regular allocation project which has been placed in service but is still not 100% complete), the Owner shall include in such certification its reasonable estimates of all costs and expenses necessary to complete the Development. However, no increase in

the developer's fee established by Virginia Housing in scoring the Reservation Application shall be permitted without the consent of Virginia Housing. All costs and expenses as certified shall be subject to review, adjustment and approval by Virginia Housing.

- f) By April 27, 2023, the original (or the Circuit Court Clerk's certified copy thereof), executed, **recorded** Extended Use Agreement (in exactly the form provided herewith) and the original recording receipt therefor. Exhibit A (the property's legal description) must be prepared and attached and the Agreement must be executed by the Owner. This must be recorded **after** the deed conveying title to the property to the Owner identified herein. The terms of the Agreement shall survive the Allocation of Credits, if any. Note that this Agreement governs the use of the Development and imposes certain additional requirements on the Owner and its successors, including requirements relative to the nonprofit.

3. The Owner understands and agrees that, notwithstanding anything herein to the contrary, Virginia Housing is required under § 42 of the Code to determine the amount of Credits necessary for the financial feasibility of the Development (which determination shall include a review of the costs and expenses of the Development for reasonableness) at the time of Allocation and, for projects requesting Carryforward Allocations, again at the time of placement in service of the buildings in the Development and, further, that Virginia Housing is prohibited from allocating to the Development or, as applicable, issuing with respect to the Development an I.R.S. Form 8609 for, any more Credits than the amount so determined to be necessary. **Accordingly, Virginia Housing may reduce the Credit award in the event it determines, prior to issuance of an I.R.S. Form 8609, that such reduction is necessary to comply with § 42 of the Code.**

4. No changes material to the Development or to the number of points assigned to the Application in the Reservation selection process may be made to the proposal described in the Application (including costs thereof, sources and uses of funds and information included in the accompanying documentation, such as plans and specifications) without the prior approval of Virginia Housing. Any such change may result in a decrease in or loss of the Reservation of Credits made hereby.

5. Unless otherwise requested in a notice given from the Owner to Virginia Housing pursuant hereto and approved in advance by Virginia Housing, (i) no transfers, directly or indirectly, of all or any portion of the Owner's interest in the Development, once acquired, or of all or any portion of the ownership interests in the Owner (other than limited partnership interests) shall be permitted during the term of this Reservation Agreement and (ii) no entity other than the Owner identified herein and described in the Application shall be entitled to an Allocation of Credits.

6. Failure to strictly and timely comply with each and every provision hereof shall, at the option of Virginia Housing, result in the immediate cancellation by Virginia Housing of the Reservation of Credits. Any forbearance by Virginia Housing in exercising such right of cancellation shall not be a waiver of or preclude the subsequent exercise of such right.

Virginia Housing undertakes no responsibility for notifying the Owner of missing items or unsatisfied conditions prior to the deadlines for their submission or completion imposed hereunder.

7. The Owner expressly agrees that if, at any time, it determines that it will be unable to use all or any portion of the Credits reserved to it, it will promptly so notify Virginia Housing.

8. All notices to be given pursuant to this Reservation Agreement shall be in writing and shall be deemed given when mailed by first class mail, to the parties hereto at the addresses set forth below, or, to such other place as may be designated by notice given hereunder.

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

Attn: Tax Credit Allocation Department

To the Owner: Gosnold II Apartments, LLC
P.O. Box 8585
Richmond, VA 23226
Attn: Mrs. Allison Bogdanovic

9. This Reservation Agreement may not be altered, modified, or amended except in writing, signed on behalf of the Owner and Virginia Housing; provided, however, that the Owner agrees that it shall take all actions necessary to effect amendment of this Reservation Agreement as Virginia Housing may determine to be necessary to comply with § 42 of the Code, as amended, and any successor provisions, and all applicable regulations, notices, pronouncements, rulings and other official communication relative thereto as and when issued.

10. The invalidity of any clause, part or portion of this Reservation Agreement shall not affect the validity of the remaining portions hereof.

11. Subject to the limitation imposed by Section 5 hereof on transfers of ownership interests, this Reservation Agreement is binding on the Owner, Virginia Housing and all successors in interest to the Owner as owners of the Development.

12. This Reservation Agreement is not assignable by the Owner without Virginia Housing's prior consent.

13. This Reservation Agreement is subject to the additional or special conditions set forth in Exhibit A which is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Owner and Virginia Housing have caused this Contract to be signed by their duly authorized representatives as of the day and year first written above.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

Dated: August 1, 2022

By: John D. Badruat
Its: Authorized Officer
Agency Taxpayer I.D. No.: 54-0921892

GOSNOLD II APARTMENTS, LLC
(the Owner)

By: Allison Bogdanovic
Its: Executive Director

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Henrico, To-Wit:

The foregoing instrument was acknowledged before me this 17th day of August, 2022,
by Allison Bogdanovic, the Executive Director
of Gosnold II Apartments, LLC, the Owner.

My notary seal is affixed below:

[Signature]
Notary Public

Elliot Warsof
NOTARY PUBLIC
Commonwealth of Virginia
Registration #7622364

My commission expires: 11/30/2022
My notary registration number is: 7622364

OWNER: IF YOU WISH TO ELECT TO FIX THE APPLICABLE CREDIT PERCENTAGE CONTINUE TO THE NEXT PAGE.

ELECTION TO FIX APPLICABLE CREDIT PERCENTAGE

Pursuant to §42(b)(1)(A)(ii)(I) of the Code, the Owner hereby irrevocably elects to fix the Applicable Credit Percentage (as defined in § 42(b)(1) of the Code) for the month of August, 2022.

Reference is hereby made to the Reservation of Low-Income Housing Tax Credits dated August 1, 2022 between Virginia Housing Development Authority and the Owner.

GOSNOLD II APARTMENTS, LLC
(the Owner)

By: Allison Bogdanovic
Its: Executive Director

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Henrico, To-Wit:

The foregoing instrument was acknowledged before me this 17th day of August, 2022, by Allison Bogdanovic, the Executive Director of Gosnold II Apartments, LLC, the Owner.

My notary seal is affixed below:



Notary Public

My commission expires: 11/30/2022

My notary registration number is: 7622364

Elliot Warsof
NOTARY PUBLIC
Commonwealth of Virginia
Registration #7622364

RETURN ORIGINAL TO VIRGINIA HOUSING BY SEPTEMBER 5, 2022, IF YOU MAKE THE ELECTION ABOVE.

EXHIBIT A
to
RESERVATION OF LOW-INCOME HOUSING TAX CREDITS

Special Conditions

1. By April 27, 2023, the Owner shall provide Virginia Housing with a Circuit Court Clerk's certified copy of the recorded option or right of first refusal (as contained in the Owner's application) by and between the Owner and Virginia Supportive Housing and the recording receipt therefor, which shall be recorded immediately after the recording of the Extended Use Agreement.
2. The Credits subject to this Reservation may include a pre-reservation of the 2023 Credits pursuant to Virginia Housing's Plan for Allocation of Low-Income Housing Tax Credits. Final determination of the amount of 2022 Credits and 2023 Credits allocated to the Development will be determined by the Authority in November 2022.

Tab U:

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

Gosnold II Apartments
2425 Gosnold Avenue
Norfolk, VA 23517

RE: Availability of Renter Education

Dear Resident,

As a resident of Gosnold II Apartments, renter education is available to you from Virginia Housing as the local housing authority. Education includes, but is not limited to, your rights and responsibilities as a tenant, understanding your lease, and handling the application process. This education is recommended, but it is not required.

More information on the programs available to you can be found on the Virginia Housing website (<https://www.virginiahousing.com/renters/education>) or by calling Virginia Housing toll-free at (877) 843-2123.

Sincerely,
Gosnold II Apartments, LLC

Gosnold II Apartments: Renter Education Acknowledgment Form

I, _____, hereby acknowledge that I have received a copy of the Gosnold II Apartments "Renter Education Availability" letter and understand that renter education is available to me from Virginia Housing as the local housing authority.

I further attest that I will follow up with staff if I have any questions regarding the renter education available to me.

Resident Signature

Unit Number

Date

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Williams Mullen Center
200 South 10th Street
Suite 1600
Richmond, VA 23219
Attention: Lauren Nowlin

RIGHT OF FIRST REFUSAL AGREEMENT
(Gosnold II Apartments)

RIGHT OF FIRST REFUSAL AGREEMENT (the "Agreement") dated as of March _____, 2024 by and among **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (the "Owner" or the "Company"), **VIRGINIA SUPPORTIVE HOUSING**, a Virginia non-stock nonprofit corporation (the "Grantee"), and is consented to by **GOSNOLD II MANAGING MEMBER, LLC**, a Virginia limited liability company (the "Managing Member"), **[INVESTOR ENTITY]**, a [_____] limited liability company (the "Investor Member") and [_____] **SPECIAL LIMITED PARTNER, L.L.C.**, a [_____] limited liability company (the "Special Member"). The Managing Member, the Investor Member and the Special Member are sometimes collectively referred to herein as the "Consenting Members". The Investor Member and Special Member are sometimes collectively referred to herein as the "Non-Managing Members". This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its Amended and Restated Operating Agreement dated on or about the date hereof by and among the Consenting Members (the "Operating Agreement"), is engaged in the ownership and operation of a 100-unit permanent supportive housing project located in the City of Norfolk, Virginia and commonly known as "Gosnold II Apartments" (the "Project"). The real property comprising the Project is legally defined on Exhibit A.

B. The Grantee is a member of the Managing Member of the Owner and is instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell and convey to the Grantees certain rights of first refusal to purchase the Project on the terms and conditions set forth herein;

D. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the "Refusal Right") to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the "Property"), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that are required by Virginia Housing Development Authority ("Virginia Housing" or the "Credit Authority") or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. After the end of the Compliance Period, the Company agrees that it will not sell the Property or any portion thereof to any Person without first offering the Property to the Grantee (the "Refusal Right"), for the Purchase Price (as defined in Section 3); *provided, however*, that such Refusal Right shall be conditioned upon the receipt by the Company of a "bona fide offer" (the acceptance or rejection of which shall not require the Consent of the Members). The Company shall give the notice of its receipt of such offer (the "Offer Notice") and shall deliver a copy of the Offer Notice to the Grantee. Upon receipt by the Grantee of the Offer Notice, the Grantee shall have 90 days to deliver to Company a written notice of its intent to exercise the Refusal Right (the "Election Notice"). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a "bona fide offer" for purposes of this Agreement. Such offer (i) may be solicited by the Grantee or the Managing Member (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period provided that the Election Notice may not be sent until the end of the Compliance Period) and (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non-Managing Members or of Virginia Housing.

B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, or if such Election Notice is delivered but the Grantee does not consummate the purchase of the Project within 270 days from the date of delivery of the Election Notice (each, individually, a "Terminating Event"), then its Refusal Right shall terminate and the Company shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. The purchase price for the Property pursuant to the Refusal Right (the "Purchase Price") shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the "minimum purchase price" as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Non-Managing Members of the Owner (or their constituent

partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.

B. All costs of the Grantee's purchase of the Property pursuant to the Refusal Right, including any filing fees, shall be paid by Grantee.

C. The Purchase Price shall be paid at Closing in one of the following methods:

(i) the payment of all cash or immediately available funds at Closing,
or

(ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

(i) the Grantee or its assignee shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary"); and

(ii) the Project continues to be a "qualified low-income housing project" within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in a writing signed by the Grantee and each of the Consenting Members:

(i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or

(ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or

(iii) the Project ceases to be a "qualified low-income housing project" within the meaning of Section 42 of the Code, or

(iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes set forth in Section 2 above.

C. If the Investor Member removes the Managing Member from the Company for failure to cure a default under the Operating Agreement after all applicable notice and cure periods, the Investor Member may elect to exercise any rights it has under the Operating Agreement to terminate this Agreement and to exercise any rights it has under the Operating Agreement to release this Agreement as a lien against the Project, upon first obtaining the prior written consent of Virginia Housing, which consent may be granted or withheld in Virginia Housing's sole discretion.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the "Closing") to occur in the City of Norfolk, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner's right, title and interest in the Property shall be conveyed by quitclaim deed, subject to such liens, encumbrances and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property "AS IS, WHERE IS" and "WITH ALL FAULTS AND DEFECTS," latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed to the property, an ALTA owner's title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances and other exceptions then affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred to any Person without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right (i) all conditions and restrictions applicable to the exercise of the Refusal Right or the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which Grantee would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. The parties hereto agree that if the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an "option to purchase" pursuant to Section 42(i)(7) of the Code as opposed to a "right of first refusal" without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

B. If the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a "right of first refusal to purchase partner interests" and/or "purchase option to purchase partner interests" pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a "right of first refusal to purchase the Project" without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Member as a partner of the Company for federal income tax purposes) then the parties shall amend this Agreement and the Investor Members shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been given and received (i) two (2) business days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one (1) business day after being delivered to a nationally recognized overnight delivery service, (iii) on the day sent by telecopier or other facsimile transmission, answer back requested, or (iv) on the day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other party:

(i) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;

(ii) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement;

(iii) If to the Grantee, Virginia Supportive Housing, 1900 Cool Lane, Richmond, Virginia 23223, Attention: Allison Bogdanovic; and

Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the foregoing, Company, Investor Member and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow non-profit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members and Virginia Housing.

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project and, in the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right herein granted are covenants running with the land and the terms and provisions hereof will be binding upon, inure to the benefits of and be enforceable by the parties hereto and their respective successors and assigns.

Section 21. Third Party Beneficiary; Virginia Housing Rights and Powers

The Virginia Housing Development Authority ("Virginia Housing") shall be a third party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. The Authority and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A

LEGAL DESCRIPTION

PARCEL ONE - LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 - OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROY AL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROY AL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Williams Mullen Center
200 South 10th Street
Suite 1600
Richmond, VA 23219
Attention: Lauren Nowlin

PURCHASE OPTION AGREEMENT
([Project name] Apartments)

THIS PURCHASE OPTION AGREEMENT (the “Agreement”) dated as of [Closing Date] by and among [OWNER ENTITY], a Virginia limited liability company (the “Owner” or the “Company”), [NONPROFIT], a Virginia nonprofit corporation (the “Grantee”), and is consented to by [MANAGING MEMBER ENTITY], a Virginia limited liability company (the “Managing Member”), [INVESTOR ENTITY], a [[_____]_____] limited liability company (the “Investor Member”) and [[_____]_____] SPECIAL LIMITED PARTNER, L.L.C., a [_____]_____] limited liability company (the “Special Member”). The Managing Member, the Investor Member and the Special Member are sometimes collectively referred to herein as the “Consenting Members”. The Investor Member and Special Member are sometimes collectively referred to herein as the “Non-Managing Members”. This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its [Amended and Restated] Operating Agreement dated on or about the date hereof by and among the Consenting Members (the “Operating Agreement”), is engaged in the ownership and operation of an [_____] -unit apartment project for _____ located in [_____] , Virginia and commonly known as [“Project Name”] (the “Project”). The real property comprising the Project is legally defined on **Exhibit A**.

B. The Grantee is a member of the Managing Member of the Owner and is instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell and convey to the Grantee a certain purchase option to purchase the Project on the terms and conditions set forth herein;

D. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Purchase Option

The Owner hereby grants to the Grantee an option (the “Purchase Option”) to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the “Property”), for a period of sixty (60) months following the expiration of the Compliance Period, for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that is required by the Virginia Housing Development Authority (“Virginia Housing” or the “Credit Authority”) or any lender of a loan being assumed in connection with the exercise of the Purchase Option to remain with the Project.

Section 2. Exercise of Purchase Option

In the event that Grantee elects to exercise the Purchase Option, it shall give the Company written notice thereof (the Option Notice) and shall specify a date for delivery of the deed not less than ninety (90) days and no more than two hundred seventy (270) days after the Grantee’s delivery of the Option Notice. Subject to the prior consent of the relevant lenders, Grantee may pay all or a portion of the Purchase Option Price (as hereinafter defined) by assuming the existing indebtedness of the Company. The Company agrees upon request of Grantee to use its best efforts to obtain the consent of all relevant lenders to such assumption. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Purchase Option shall not require the Consent of the Non-Managing Members [or of Virginia Housing].

Section 3. Purchase Price; Closing

A. The purchase price for the Project pursuant to the Purchase Option (the “Purchase Option Price”) shall be the greater of the following amounts: (a) the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members; and (b) the fair market value of the Project, as determined by an appraisal conducted by an experienced appraiser selected by Grantee, using the income capitalization method of valuation, and assuming that the rent restrictions and any other restrictive covenants in effect during the ten-year Credit Period shall remain in effect in perpetuity.

B. All costs of the Grantee’s purchase of the Property pursuant to the Purchase Option, including any filing fees, shall be paid by Grantee.

C. The Purchase Price shall be paid at Closing in one of the following methods:

(i) the payment of all cash or immediately available funds at Closing,
or

(ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Purchase Option and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Purchase Option and any purchase pursuant thereto:

(i) the Grantee or its assignee shall be a “qualified nonprofit organization” as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a “Qualified Beneficiary”); and

(ii) the Project continues to be a “qualified low-income housing project” within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in a writing signed by the Grantee and each of the Consenting Members:

(i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or

(ii) any transfer or attempted transfer of all or any part of the Purchase Option by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 4 of this Agreement; or

(iii) the Project ceases to be a “qualified low-income housing project” within the meaning of Section 42 of the Code, or

(iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes set forth in Section 2 above.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the “Closing”) to occur in the [_____], Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Purchase Option.

Section 6. Conveyance and Condition of the Property

The Owner's right, title and interest in the Property shall be conveyed by quitclaim deed, subject to such liens, encumbrances and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property "**AS IS, WHERE IS**" and "**WITH ALL FAULTS AND DEFECTS**," latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed to the property, an ALTA owner's title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances and other exceptions then affecting the title.

Section 7. Transfer

The Purchase Option shall not be transferred to any Person without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Purchase Option (i) all conditions and restrictions applicable to the exercise of the Purchase Option or the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which Grantee would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Purchase Option granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Purchase Option shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been given and received (i) two (2) business days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one (1) business day after being delivered to a nationally recognized overnight delivery service, (iii) on the day sent by telecopier or other facsimile

transmission, answer back requested, or (iv) on the day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other party:

(i) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;

(ii) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement;

(iii) If to the Grantee, [_____], _____; and

Section 10. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 11. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 12. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 13. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law.

Section 14. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 15. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members [and Virginia Housing].

Section 16. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 17. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 18. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project and, in the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 19. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Purchase Option herein granted are covenants running with the land and the terms and provisions hereof will be binding upon, inure to the benefits of and be enforceable by the parties hereto and their respective successors and assigns.

Section 20. Third Party Beneficiary; Virginia Housing Rights and Powers

The Virginia Housing Development Authority ("Virginia Housing") shall be a third party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. The Authority and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A
LEGAL DESCRIPTION

PARCEL ONE – LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 – OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

Tab W:

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

Gosnold II Apartments
2425 Gosnold Avenue
Norfolk, VA 23517

RE: Resident Internet Information

Dear Resident,

As a resident of Gosnold II Apartments you will be provided with free individual Wi-Fi access within your unit and free resident only Wi-Fi access in the community room. Please know that the Wi-Fi provided by Gosnold II Apartments may not be protected by the Internet service provider, and there is a level of risk associated with using Wi-Fi. These risks include, but are not limited to, personal information and data theft, monetary scams, and system security breaches.

While we will work to minimize these risks to the greatest extent feasible there is always a risk to utilizing the Internet and we ask residents to exercise caution when visiting websites, downloading materials, or providing their personal information.

Sincerely,
Gosnold II Apartments, LLC

Gosnold II Apartments: Internet Acknowledgement Form

I, _____, hereby acknowledge that I have received a copy of the Gosnold II Apartments "Resident Internet Information" letter and have been informed of any/all internet security policies. I further attest to comply with the internet policies and will follow up with staff if I have any questions regarding the provided materials.

Resident Signature

Unit Number

Date

Gosnold II Apartments: Internet Security Plan

In order to provide a secure IT environment for residents and staff, Gosnold II Apartments will be outfitted with several key IT solutions. These solutions will be continuously monitored and updated by a computer networking company.

The solutions that will be implemented at Gosnold II Apartments include:

For both staff and resident networking:

- Internet service provided will be at least 25 Mbps download and 3 Mbps upload;
- Cloud Managed Wireless Access Points to allow for identity-based group security policies, including restricted password access, and network-wide visibility and control; and
- Next Generation Firewalls to provide intrusion prevention and application layer content filtering services that allows traffic shaping and web access to specific devices between employee and resident wireless networks.

For staff and common area computers:

- Patch Management automation for operating systems and software applications;
- Endpoint Security to identify and prevent known viruses from infecting systems; and
- DNS Based Secure Internet Gateway for web content analysis, protection, and malware security.

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Gosnold II Apartments

MARKETING PLAN FOR UNITS MEETING ACCESSIBILITY REQUIREMENTS

Gosnold II Apartments is a 100-unit supportive housing apartment community for homeless and low-income individuals from the Tidewater metropolitan area. Fifteen percent (15%) of the 100 units at Gosnold II Apartments will be reserved for individuals with qualifying disabilities as defined by the Fair Housing Act. Virginia Supportive Housing will ensure that these units are actively marketed to people with qualifying disabilities by working with the following outreach partners:

- Norfolk Community Service Board - Sarah Paige Fuller - (757) 756-5600
- Virginia Beach Department of Human Services - Aileen Smith - (757) 385-3608
- Union Mission - Linda Vaughan - (757) 427-1500
- ENDependence Center - Nichole Davis (757) 461-8007
- United Way of South Hampton Roads - Mark Uren (757) 853-8500

Referrals will be accepted from designated county and city representatives from redevelopment and housing authorities, area homeless and human services providers, major hospitals, communities of faith, community action agencies, and other regional service providers, including home health agencies and nursing homes. Virginia Supportive Housing (VSH) will inform outreach partners of vacancies as units for individuals with disabilities become available. These designated representatives include but are not limited to the following:

- Homeless Policy and Resource Coordinator for the Virginia Beach Office of Housing and Neighborhood Preservation - Pamela Shine - (757) 385-5761
- Executive Director of the Portsmouth Area Resources Coalition - Annie White-Guertin - (757) 393-7848

Outreach partners and referring organizations will be given Application Guidelines, as well as brochures about Gosnold II Apartments and Virginia Supportive Housing, to provide to homeless and low-income individuals with qualifying disabilities. These Application Guidelines are updated annually as needed and will be distributed to these organizations and service providers as requested.

Gosnold II Apartments will be listed on the Virginia Housing Search website at (<http://www.virginiahousingsearch.com>). The property listing will be maintained regularly and updated as needed. In addition to Virginia Housing Search, vacancies for individuals with disabilities will also be marketed in print and/or digital advertisement.

Receiving and Screening Applications

Individuals who are homeless or earning 60% or less of the Area Median Income that have a qualifying disability and are interested in applying for a unit are directed to call Gosnold II Apartments to set up a time for a rental screening. The rental screening, which is completed in accordance with the Gosnold II Apartments Tenant Selection Plan, is a two-part interview involving Property Management and Supportive Services.

Applicants are required to comply with the following:

- Complete in full and sign an application, prior to their rental screening interview.
- Supply VSH with a current government issued photo ID.
- Sign release forms for Residential Inquiry, Verification of Rental History, Credit Check, and a Criminal History Record Request.

A residential, criminal, and credit history inquiry will be performed for each applicant upon the authorization of the applicant.

Specialists familiar with the target population as defined in the Tenant Selection Plan may be consulted at any time during the screening and selection process. Units meeting the requirements for individuals with disabilities as defined in Section 504 will be held vacant for 60 days during which ongoing marketing must be documented.

Resident Selection

Selection and screening of Residents will be the responsibility of Property Management and Support Services Managers and will be conducted in accordance with the Gosnold II Apartments Tenant Selection Plan.

Those selected for residency must meet the HUD income and eligibility requirements. Selected applicants must have the ability to live independently in an apartment. Priority will be given to individuals who have a qualifying disability. Additionally, preference will be given to qualifying applicants having state rental assistance. These applicants will not be subject to more restrictive eligibility requirements or lease terms than those outlined herein or in the Gosnold II Apartments Tenant Selection Plan.

Applicants may be rejected for the following reasons:

- Unable to disclose and document social security numbers of all household members, or does not execute a certification stating that no social security numbers have been assigned.
- Has household characteristics that are not appropriate for the specific type of unit available, or has a household of a size not appropriate for the unit size available.
- Actively poses a threat to others as assessed by a mental health professional may be ineligible for admission.
- Does not meet other owner/manager tenant screening criteria as defined in the Tenant Selection Plan and/or the screening criteria of the agency or housing authority providing tenant rental assistance.

Tenant Selection Review

The Tenant Selection Criteria will be regularly reviewed and updated as necessary by staff of Virginia Supportive Housing.

Procedures for Certifying Income and Eligibility

Determining Resident eligibility and certifying and recertifying Resident income will be done by the Norfolk Redevelopment and Housing Authority (NRHA), and VSH using HUD and LIHTC established procedures. All initial and annual recertification information will be transmitted into Virginia Housing's HDS NextGen system. Verification of a Resident's qualifying disability as defined by the Fair Housing Act will be the responsibility of VSH Property Management and/or Supportive Services Staff following the process outlined in the Tenant Selection Plan.

Measures to Protect Confidentiality

VSH will keep Resident files at a secure location. All files will be kept confidential.

Instruction in Laws

All VSH staff members are required to attend Fair Housing training at least annually, as well as training on other applicable laws, such as ADA. All marketing and leasing activities will abide by Federal Fair Housing Law, Civil Rights Law, and the Violence Against Women Act.

Tab Y:

Inducement Resolution for Tax Exempt Bonds

NOT APPLICABLE

Tab Z:

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

SWAM CONTRACT CERTIFICATION
(TO BE PROVIDED AT TIME OF APPLICATION)

LIHTC Applicant Name Virginia Supportive Housing

Name of SWaM Service Provider VIA Design Architects, P.C.

Part II, 13VAC10-180-60(E)(5)(e) of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority" formerly VHDA) for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended, provides that an applicant may receive five (5) points toward its application for Credits for entering into at least one contract for services provided by a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's Small, Women-owned, and Minority-owned Business certification program (SWaM Program). Any applicant seeking points from Part II, 13VAC10-180-60(E)(5)(e) of the Plan must provide in its application this certification together with a copy of the service provider's certification from the Commonwealth of Virginia's SWaM Program. The certification and information requested below will be used by the Authority in its evaluation of whether an applicant meets such requirements.

Complete a separate form for each SWaM Service Provider.

INSTRUCTIONS:

Please complete all parts below. Omission of any information or failure to certify any of the information provided below may result in failure to receive points under Part II, 13VAC10-180-60(E)(5)(e) of the Plan.

1. The SWaM Service Provider will provide the following services and roles eligible for points under the Plan:
 - consulting services to complete the LIHTC application;
 - ongoing development services through the placed in service date;
 - general contractor;
 - architect;
 - property manager;
 - accounting services; or
 - legal services.

2. Please describe in the space below the nature of the services contracted for with the SWaM certified service provider listed above. Include in your answer the scope of services to be provided, when said services are anticipated to be rendered, and the length of the contract term.

VIA Design Architects, P.C. will provide LIHTC application architectural support and is responsible for the architectural design and development of the project. Said services and the respective contract are expected to be ongoing and to continue through construction completion.

3. Attach to this certification a copy of the service provider's current certification from the Commonwealth of Virginia's SWAM Program.
4. The undersigned acknowledge by their signatures below that prior to the Authority's issuance of an 8609 to the applicant, the undersigned will be required to certify that the SWaM service provider successfully rendered the services described above, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the Plan, and that the undersigned service provider is still a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's SWaM) Program.

[Contract Certification and signatures appear on following page]

CONTRACT CERTIFICATION

The undersigned do hereby certify and acknowledge that they have entered into with each another at least one contract for services as described herein, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the Plan, that the undersigned service provider is a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's SWaM Program, and that it is the current intention of the undersigned that the services be performed (i.e., the contract is *bona fide* and not entered into solely for the purpose of obtaining points under the Plan). The undersigned do hereby further certify that all information in this certification is true and complete to the best of their knowledge, that the Authority is relying upon this information for the purpose of allocating Credits, and that any false statements made herein may subject both the undersigned applicant and the undersigned service provider to disqualification from current and future awards of Credits in Virginia.

APPLICANT:

Virginia Supportive Housing
Name of Applicant

DocuSigned by:
Allison Bogdanovic
0D0B8268B4D4411...
Signature of Applicant

Allison Bogdanovic, Executive Director
Printed Name and Title of Authorized Signer

SWAM CERTIFIED SERVICE PROVIDER:

VIA Design Architects, P.C.
Name of SWaM Certified Service Provider

Scott Campbell
Signature of SWaM Certified Service Provider

Scott Campbell, Principal
Printed Name and Title of Authorized Signer

COMMONWEALTH OF VIRGINIA



DEPARTMENT OF SMALL BUSINESS & SUPPLIER DIVERSITY

101 N. 14th Street, 11th Floor
Richmond, VA 23219

VIA DESIGN ARCHITECTS, P.C.

is a certified Small, Women Owned Business meeting all the eligibility requirements set forth under the Code of Virginia Section 2.2-16.1 et seq. and Administrative Code 7VAC 13-20 et seq.

Certification Number: 627135

Valid Through: Apr 6, 2028

Accordingly Certified

Willis A. Morris

Willis A. Morris, Director



Tab AA:

Priority Letter from Rural Development

NOT APPLICABLE

TAB AB:

Social Disadvantage Certification

NOT APPLICABLE