

---

# 2024 Federal Low Income Housing Tax Credit Program

## Application For Reservation

### **Deadline for Submission**

#### 9% Competitive Credits

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

#### Tax Exempt Bonds

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



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

## INSTRUCTIONS FOR THE VIRGINIA 2024 LIHTC APPLICATION FOR RESERVATION

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

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

### Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **12:00 PM** Richmond Virginia time on **March 14, 2024**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

### **Please Note:**

**Applicants should submit all application materials in electronic format only via your specific Procorem workcenter.**

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

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

### **IMPORTANT:**

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

### Disclaimer:

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

### Entering Data:

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

### **Please Note:**

- ▶ **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another. 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	<a href="mailto:stephanie.flanders@virginiahousing.com">stephanie.flanders@virginiahousing.com</a>	(804) 343-5939
Jonathan Kinsey	<a href="mailto:jonathan.kinsey@virginiahousing.com">jonathan.kinsey@virginiahousing.com</a>	(804) 584-4717
Phil Cunningham	<a href="mailto:phillip.cunningham@virginiahousing.com">phillip.cunningham@virginiahousing.com</a>	(804) 343-5514
Lauren Dillard	<a href="mailto:lauren.dillard@virginiahousing.com">lauren.dillard@virginiahousing.com</a>	(804) 584-4729
Jaki Whitehead	<a href="mailto:jaki.whitehead@virginiahousing.com">jaki.whitehead@virginiahousing.com</a>	(804) 343-5861
Hadia Ali	<a href="mailto:hadia.ali@virginiahousing.com">hadia.ali@virginiahousing.com</a>	(804) 343-5873

**TABLE OF CONTENTS**

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

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

## 2024 Low-Income Housing Tax Credit Application For Reservation

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

- |                                     |  |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee <b>(MANDATORY)</b> - Invoice information will be provided in your Procorem Workcenter  |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Scanned Copy of the <b>Signed</b> Tax Credit Application with Attachments (excluding market study, 8609s and plans & specifications) <b>(MANDATORY)</b>                  |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study <b>(MANDATORY - Application will be disqualified if study is not submitted with application)</b>                                     |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications <b>(MANDATORY)</b>   |
| <input type="checkbox"/>            | Electronic Copy of the Existing Condition questionnaire <b>(MANDATORY if Rehab)</b>  |
| <input type="checkbox"/>            | Electronic Copy of Unit by Unit Matrix and Scope of Work narrative <b>(MANDATORY if Rehab)</b>   |
| <input type="checkbox"/>            | Electronic Copy of the Physical Needs Assessment <b>(MANDATORY at reservation for a 4% rehab request)</b>  |
| <input type="checkbox"/>            | Electronic Copy of Appraisal <b>(MANDATORY if acquisition credits requested)</b>   |
| <input type="checkbox"/>            | Electronic Copy of Environmental Site Assessment (Phase I) <b>(MANDATORY if 4% credits requested)</b>  |
| <input checked="" type="checkbox"/> | Electronic Copy of Development Experience and Partnership or Operating Agreement, including chart of ownership structure with percentage of interests <b>(MANDATORY)</b> |
| <input checked="" type="checkbox"/> | Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests (see manual for details) <b>(MANDATORY)</b>               |
| <input type="checkbox"/>            |  |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab F: Third Party RESNET Rater Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion using Virginia Housing template <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab I: Nonprofit Questionnaire <b>(MANDATORY for points or pool)</b>   |
|                                     | The following documents need not be submitted unless requested by Virginia Housing:  |
|                                     | -Nonprofit Articles of Incorporation      -IRS Documentation of Nonprofit Status   |
|                                     | -Joint Venture Agreement (if applicable)      -For-profit Consulting Agreement (if applicable)   |
| <input type="checkbox"/>            | Tab J: Relocation Plan and Unit Delivery Schedule <b>(MANDATORY if Rehab)</b>  |
| <input type="checkbox"/>            | 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 checked="" 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 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

1. Development Name: Rady Street Apartments
2. Address (line 1): 2900 Rady Street and  
 Address (line 2): 2733 5th Ave (formerly 2825 5th Ave)  
 City: Richmond State: VA Zip: 23222
3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000  
 (Only necessary if street address or street intersections are not available.)
4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:  
 City/County of Richmond City
5. The site overlaps one or more jurisdictional boundaries..... FALSE  
 If true, what other City/County is the site located in besides response to #4?.....
6. Development is located in the census tract of: 109.00
7. Development is located in a **Qualified Census Tract**..... TRUE *Note regarding DDA and QCT*
8. Development is located in a **Difficult Development Area**..... FALSE
9. Development is located in a **Revitalization Area based on QCT** ..... TRUE
10. Development is located in a **Revitalization Area designated by resolution** ..... FALSE
11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... FALSE  
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
12. Development is located in a census tract with a household poverty rate of.....
 

3%	10%	12%
<u>FALSE</u>	<u>TRUE</u>	<u>FALSE</u>

Enter only Numeric Values below:

13. Congressional District: 4
- Planning District: 15
- State Senate District: 14
- State House District: 79

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

Rady Street Apartments is the new construction of 82 units, 73 studios and 9 one-bedrooms, of permanent housing with supportive services for homeless and low-income individuals. Seventy units will have PBVs and twelve units will be affordable to individuals earning 60% or less of the Area Median Income. Thirteen units will be fully accessible. The building will include staff offices for on-site property management and support services staff, a front desk, a night monitor unit, a community room, a computer room, a reading room, a phone room, laundry facilities, and off-street parking. The building will be EarthCraft certified and feature roof mounted solar photovoltaic panels.

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: Lincoln Saunders  
 Chief Executive Officer's Title: Chief Administrative Officer Phone: (804) 646-7970  
 Street Address: 900 E. Broad St., Suite 201  
 City: Richmond State: VA Zip: 23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Kevin Vonck, Director of Planning & Development Review

- 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:

[Redacted]

For Tax Exempt Bonds, where are bonds being issued?

[Redacted]

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

2. Type(s) of Allocation/Allocation Year

Carryforward Allocation

Definitions of types:

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

b. Carryforward Allocation means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2024, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2024 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

New Construction

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

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

5. Planned Combined 9% and 4% Developments

a. A site plan has been submitted with this application indicating two developments on the same or contiguous site. One 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:

[Redacted]

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: Rady Street 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: 23223

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

Email address: abogdanovic@virginiassupportivehousing.org

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

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

Additional Contact: Please Provide Name, Email and Phone number.  
Elizabeth Nice, enice@virginiassupportivehousing.org, (804)788-6825

- 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: 12/31/2026

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..... 12/31/2026 .

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: Richmond Behavioral Health Authority

Address: 107 South 5th Street

City: Richmond St.: VA Zip: 23219

Contact Person: Susan Hoover Phone: (804) 819-4000

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

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

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

Names	Phone	Type Ownership	% Ownership
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

**E. DEVELOPMENT TEAM INFORMATION**

Complete the following as applicable to your development team.

- Indicate Diversity, Equity and Inclusion (DEI) Designation if this team member is SWAM or Service 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:	Inowlin@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 Public Accountant	DEI Designation?	FALSE
Address:	21 S. Sheppard Street, Richmond, VA 232221		
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@viriniassupportivehousing.org	Phone:	(804) 788-6825
5. Contractor:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	
6. Architect:	Colin Arnold	This is a Related Entity.	FALSE
Firm Name:	Arnold Design Studio	DEI Designation?	FALSE
Address:	930 Cambria Street, NE, Christiansburg, VA 24073		
Email:	carnold@arnolddesignstudio.com	Phone:	(540) 239-2671
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:	Inowlin@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 Client Programs	This is a Related Entity.	TRUE
Firm Name:	Virginia Supportive Housing	DEI Designation?	FALSE
Address:	1900 Cool Lane, Richmond, VA 23223		
Email:	jtiller@viriniassupportiehousing.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..... **FALSE**  
 If so, when was the most recent year that this development received credits? ..... **0**
- c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... **FALSE**
- d. This development is an existing RD or HUD S8/236 development..... **FALSE**  
**Action:** (If True, provide required form in **TAB Q**)

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

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

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

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

**F. REHAB INFORMATION**

**3. Rehabilitation Credit Information**

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

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section 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: Elizabeth Nice

Street Address: 1900 Cool Lane

City: Richmond State: VA Zip: 23223

Phone: (804) 788-6825 Contact Email: enice@virginiasupportivehousing.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 Meeting

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

**H. STRUCTURE AND UNITS INFORMATION**

**1. General Information**

a. Total number of <b>all</b> units in development	83	bedrooms	83
Total number of <b>rental</b> units in development	82	bedrooms	82
Number of low-income rental units	82	bedrooms	82
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	82	bedrooms	82
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			1
d. Total Floor Area For The Entire Development.....		56,318.01	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....		0.00	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....		0.00	
g. Total Usable Residential Heated Area.....		56,318.01	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....		100.00%	
i. Exact area of site in acres .....	1.720		
j. Locality has approved a final site plan or plan of development.....		TRUE	
If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. <b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> )			
l. Development is eligible for Historic Rehab credits.....		FALSE	

**Definition:**

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

**H. STRUCTURE AND UNITS INFORMATION**

**2. UNIT MIX**

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	686.81	SF	82	82
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
			82	82

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

**3. Structures**

- a. Number of Buildings (containing rental units)..... 1
- b. Age of Structure:..... 0 years
- c. Maximum Number of stories:..... 4

d. The development is a scattered site development..... FALSE

e. Commercial Area Intended Use: \_\_\_\_\_

f. Development consists primarily of : **(Only One Option Below Can Be True)**

- i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
- ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
- iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

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

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

h. Development contains an elevator(s). TRUE  
 If true, # of Elevators. 2  
 Elevator Type (if known) Machine room-less, hydraulic

**H. STRUCTURE AND UNITS INFORMATION**

- i. Roof Type ▶ Flat
- j. Construction Type ▶ Frame
- k. Primary Exterior Finish ▶ Combination

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

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

l. Describe Community Facilities: Community room, computer room, reading room, phone room, outdoor are

m. Number of Proposed Parking Spaces 30  
 Parking is shared with another entity FALSE

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

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

**5. Plans and Specifications**

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

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

b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.

- i. Phase I environmental assessment.
- ii. Physical needs assessment for any rehab only development.

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

**J. ENHANCEMENTS**

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

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

Certification and HERS Index score must be verified by a third-party, independent, non-affiliated, certified RESNET home energy rater. The HERS report should be completed for the whole development and not an individual unit.

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

**ACTION:** Provide RESNET rater certification of Development Plans (**TAB F**)

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

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

- |        |  |
|--------|--|
| TRUE   | a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only.  |
| 50.00% | b1. Percentage of brick covering the exterior walls.   |
| 50.00% | b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations. |
| FALSE  | c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).  |
| TRUE   | d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.  |
| FALSE  | e. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.  |
|        | f. <i>Not applicable for 2024 Cycles</i>   |
| FALSE  | g. Each unit is provided free individual broadband/high speed internet access.   |
| or     | <i>(both access point categories have a minimum upload/download speed per manual.)</i>   |
| TRUE   | h. Each unit is provided free individual WiFi access.  |
| TRUE   | i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.   |
| or     |  |
| FALSE  | j. Full bath fans are equipped with a humidistat.  |
| TRUE   | k. Cooking surfaces are equipped with fire prevention features as defined in the manual  |
| or     |  |
| FALSE  | l. Cooking surfaces are equipped with fire suppression features as defined in the manual   |
| FALSE  | m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.   |
| or     |  |
| TRUE   | n. All Construction types: each unit is equipped with a permanent dehumidification system.   |
| TRUE   | o. All interior doors within units are solid core.   |
| TRUE   | p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.   |
| TRUE   | q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.   |
| 20%    | r. Percentage of development's on-site electrical load that can be met by a renewable energy electric system (for the benefit of the tenants) - Provide documentation at <b>Tab F</b> .              |
| FALSE  | s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.  |

**J. ENHANCEMENTS**

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

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

**2. Green Certification**

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

The applicant will also obtain one of the following:

- |                                |   |                                |  |
|--------------------------------|---|--------------------------------|--|
| <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"/> TRUE  | 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 <b>Tab P</b> . See Manual for details and requirements. |                                |                         |

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

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



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

**I. UTILITIES**

1. Utilities Types:

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

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

- |                     |             |                |             |
|---------------------|-------------|----------------|-------------|
| Water?              | <u>TRUE</u> | Heat?          | <u>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.**

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)

**TRUE**

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

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

K. SPECIAL HOUSING NEEDS

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

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

3. Leasing Preferences

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

Organization which holds waiting list: Richmond Redevelopment and Housing Authority

Contact person: Kenyatta Green

Title: Senior Vice President Affordable Housing

Phone Number: (804) 780-3491

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

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

FALSE

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

d. Number of units receiving assistance: 70  
 How many years in rental assistance contract? 15.00  
 Expiration date of contract: 12/1/2042  
 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
13	15.85%	40% Area Median
28	34.15%	50% Area Median
41	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
82	100.00%	<b>Total</b>

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
13	15.85%	40% Area Median
28	34.15%	50% Area Median
41	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
82	100.00%	<b>Total</b>

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.

 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	50% AMI	28	2	405.01	\$1,461.00	\$40,908
Mix 2	Efficiency	60% AMI	2		405.01	\$1,461.00	\$2,922
Mix 3	Efficiency	40% AMI	13	2	405.01	\$1,461.00	\$18,993
Mix 4	Efficiency	60% AMI	14	2	428.86	\$1,461.00	\$20,454
Mix 5	Efficiency	60% AMI	12	2	428.86	\$1,000.00	\$12,000
Mix 6	Efficiency	60% AMI	2	1	490.24	\$1,461.00	\$2,922
Mix 7	Efficiency	60% AMI	2	1	510.24	\$1,461.00	\$2,922
Mix 8	1 BR - 1 Bath	60% AMI	6	2	519.70	\$1,502.00	\$9,012
Mix 9	1 BR - 1 Bath	60% AMI	1		650.10	\$1,502.00	\$1,502

**L. UNIT DETAILS**

Mix 10	1 BR - 1 Bath	60% AMI	2	1	731.07	\$1,502.00	\$3,004
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0
Mix 23							\$0
Mix 24							\$0
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

**L. UNIT DETAILS**

Mix 66									\$0
Mix 67									\$0
Mix 68									\$0
Mix 69									\$0
Mix 70									\$0
Mix 71									\$0
Mix 72									\$0
Mix 73									\$0
Mix 74									\$0
Mix 75									\$0
Mix 76									\$0
Mix 77									\$0
Mix 78									\$0
Mix 79									\$0
Mix 80									\$0
Mix 81									\$0
Mix 82									\$0
Mix 83									\$0
Mix 84									\$0
Mix 85									\$0
Mix 86									\$0
Mix 87									\$0
Mix 88									\$0
Mix 89									\$0
Mix 90									\$0
Mix 91									\$0
Mix 92									\$0
Mix 93									\$0
Mix 94									\$0
Mix 95									\$0
Mix 96									\$0
Mix 97									\$0
Mix 98									\$0
Mix 99									\$0
Mix 100									\$0
<b>TOTALS</b>				82	13				\$114,639

<b>Total Units</b>	<b>82</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>35,797.19</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>35,797.19</b>

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

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$2,950
2. Office Salaries			\$113,099
3. Office Supplies			\$2,549
4. Office/Model Apartment	(type		\$7,292
5. Management Fee			\$105,256
8.22% of EGI		\$1,283.61	Per Unit
6. Manager Salaries			\$88,053
7. Staff Unit (s)	(type		\$0
8. Legal			\$944
9. Auditing			\$248
10. Bookkeeping/Accounting Fees			\$4,288
11. Telephone & Answering Service			\$13,570
12. Tax Credit Monitoring Fee			\$4,337
13. Miscellaneous Administrative			\$73,987
<b>Total Administrative</b>			<b>\$416,573</b>

**Utilities**

14. Fuel Oil			\$0
15. Electricity			\$66,552
16. Water			\$23,959
17. Gas			\$0
18. Sewer			\$0
<b>Total Utility</b>			<b>\$90,511</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$2,662
21. Janitor/Cleaning Contract			\$3,540
22. Exterminating			\$9,816
23. Trash Removal			\$7,210
24. Security Payroll/Contract			\$7,210
25. Grounds Payroll			\$0
26. Grounds Supplies			\$2,773
27. Grounds Contract			\$13,310
28. Maintenance/Repairs Payroll			\$101,159
29. Repairs/Material			\$4,991
30. Repairs Contract			\$5,546
31. Elevator Maintenance/Contract			\$8,850
32. Heating/Cooling Repairs & Maintenance			\$13,310
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,664
35. Decorating/Payroll/Contract			\$649
36. Decorating Supplies			\$0
37. Miscellaneous			\$6,905
<b>Totals Operating &amp; Maintenance</b>			<b>\$189,595</b>

**M. OPERATING EXPENSES**

**Taxes & Insurance**

38. Real Estate Taxes		\$59,000
39. Payroll Taxes		\$28,320
40. Miscellaneous Taxes/Licenses/Permits		\$2,148
41. Property & Liability Insurance	\$1,943 per unit	\$161,300
42. Fidelity Bond		\$0
43. Workman's Compensation		\$2,832
44. Health Insurance & Employee Benefits		\$41,300
45. Other Insurance		\$0
<b>Total Taxes &amp; Insurance</b>		<b>\$294,900</b>

**Total Operating Expense**

**\$991,579**

**Total Operating Expenses Per Unit**

**\$11,947**

**C. Total Operating Expenses as % of EGI**

**77.45%**

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

**\$24,600**

**Total Expenses**

**\$1,016,179**

**N. PROJECT SCHEDULE**

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract	1/11/2024	Elizabeth Nice
b. Site Acquisition	5/15/2026	Elizabeth Nice
c. Zoning Approval	2/26/2024	Elizabeth Nice
d. Site Plan Approval	2/26/2024	Elizabeth Nice
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
i. Loan Application	6/2/2025	Elliot Warsof
ii. Conditional Commitment	6/27/2025	Elliot Warsof
iii. Firm Commitment	7/4/2025	Elliot Warsof
<b>b. Permanent Loan - First Lien</b>		
i. Loan Application	7/31/2025	Elizabeth Nice
ii. Conditional Commitment	10/1/2025	Elizabeth Nice
iii. Firm Commitment	12/1/2025	Elizabeth Nice
<b>c. Permanent Loan-Second Lien</b>		
i. Loan Application	9/1/2024	Elliot Warsof
ii. Conditional Commitment	2/1/2025	Elliot Warsof
iii. Firm Commitment	5/1/2025	Elliot Warsof
<b>d. Other Loans &amp; Grants</b>		
i. Type & Source, List	Locality funds, foundations	Elliot Warsof
ii. Application	7/31/2024	Elliot Warsof
iii. Award/Commitment	12/1/2025	Elliot Warsof
<b>2. Formation of Owner</b>	2/5/2024	Elizabeth Nice
<b>3. IRS Approval of Nonprofit Status</b>	7/1/1988	Allison Bogdanovic
<b>4. Closing and Transfer of Property to Owner</b>	5/15/2026	Elizabeth Nice
<b>5. Plans and Specifications, Working Drawings</b>	3/2/2026	Elizabeth Nice
<b>6. Building Permit Issued by Local Government</b>	5/18/2026	Elliot Warsof
<b>7. Start Construction</b>	5/29/2026	Elliot Warsof
<b>8. Begin Lease-up</b>	11/1/2027	Sheila Parker
<b>9. Complete Construction</b>	12/1/2027	Elliot Warsof
<b>10. Complete Lease-Up</b>	3/1/2028	Sheila Parker
<b>11. Credit Placed in Service Date</b>	12/31/2027	Elizabeth Nice

**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.

Must Use Whole Numbers Only!		Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
Item	(A) Cost	"30% Present Value Credit"		(D)	
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"	
<b>1. Contractor Cost</b>					
a.	Unit Structures (New)	16,595,007	0	0	16,595,007
b.	Unit Structures (Rehab)	0	0	0	0
c.	Non Residential Structures	0	0	0	0
d.	Commercial Space Costs	0	0	0	0
<input type="checkbox"/>	e. Structured Parking Garage	0	0	0	0
	<b>Total Structure</b>	16,595,007	0	0	16,595,007
f.	Earthwork	0	0	0	0
g.	Site Utilities	0	0	0	0
<input checked="" type="checkbox"/>	h. Renewable Energy	150,000	0	0	150,000
i.	Roads & Walks	0	0	0	0
j.	Site Improvements	2,272,431	0	0	1,500,000
k.	Lawns & Planting	0	0	0	0
l.	Engineering	0	0	0	0
m.	Off-Site Improvements	0	0	0	0
n.	Site Environmental Mitigation	0	0	0	0
o.	Demolition	0	0	0	0
p.	Site Work	0	0	0	0
q.	Other Site work	0	0	0	0
	<b>Total Land Improvements</b>	2,422,431	0	0	1,650,000
	<b>Total Structure and Land</b>	19,017,438	0	0	18,245,007
r.	General Requirements	1,195,529	0	0	1,195,529
s.	Builder's Overhead	502,990	0	0	502,990
	( 2.6% Contract)				
t.	Builder's Profit	502,990	0	0	502,990
	( 2.6% Contract)				
u.	Bonds	137,296	0	0	137,296
v.	Building Permits	0	0	0	0
w.	Special Construction	0	0	0	0
x.	Special Equipment	0	0	0	0
y.	Other 1: Termite report	2,500	0	0	2,500
z.	Other 2:	0	0	0	0
aa.	Other 3:	0	0	0	0
	<b>Contractor Costs</b>	\$21,358,743	\$0	\$0	\$20,586,312

**Construction cost per unit: \$255,527.02**

**MAXIMUM COMBINED GR, OVERHEAD & PROFIT =**

**\$2,662,441**

**ACTUAL COMBINED GR, OVERHEAD & PROFIT =**

**\$2,201,509**

**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.

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>2. Owner Costs</b>				
a. Building Permit	60,000	0	0	60,000
b. Architecture/Engineering Design Fee \$6,860 /Unit)	562,500	0	0	562,500
c. Architecture Supervision Fee \$2,287 /Unit)	187,500	0	0	187,500
d. Tap Fees	0	0	0	0
e. Environmental	25,000	0	0	25,000
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	28,000	0	0	28,000
h. Appraisal	10,000	0	0	10,000
i. Market Study	10,000	0	0	10,000
j. Site Engineering / Survey	15,000	0	0	15,000
k. Construction/Development Mgt	35,000	0	0	35,000
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	100,000	0	0	100,000
n. Construction Interest ( 0.0% for 0 months)	600,000	0	0	500,000
o. Taxes During Construction	25,000	0	0	25,000
p. Insurance During Construction	85,000	0	0	85,000
q. Permanent Loan Fee ( 0.0% )	140,000			
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	230,000	0	0	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	113,000			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	200,000	0	0	200,000
ab. Organization Costs	0			
ac. Operating Reserve	600,750			
ad. Contingency	553,012			
ae. Security	0	0	0	0
af. Utilities	50,000	0	0	50,000
ag. Supportive Service Reserves	0			

**O. PROJECT BUDGET - OWNER COSTS**

(1) Other* specify: Predevelopment loan interest	65,000	0	0	0
(2) Other* specify: Marketing and pre-leasing	55,000	0	0	0
(3) Other* specify: Davis Bacon/Section 3 mon	50,000	0	0	0
(4) Other* specify: Special and construction ins	59,500	0	0	59,500
(5) Other* specify: Lease up reserve	50,000	0	0	0
(6) Other* specify: Replacement reserve	24,600	0	0	0
(7) Other* specify: Legal Fees Construction	50,000	0	0	50,000
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
<b>Owner Costs Subtotal (Sum 2A..2(10))</b>	<b>\$4,153,862</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,052,500</b>
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	<b>\$25,512,605</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,638,812</b>
<b>3. Developer's Fees</b>	<b>2,462,948</b>	<b>0</b>	<b>0</b>	<b>2,462,948</b>
<b>4. Owner's Acquisition Costs</b>				
Land	0			
Existing Improvements	0	0		
Subtotal 4:	\$0	\$0		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	<b>\$27,975,553</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,101,760</b>

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:**

**\$2,471,008**

Proposed Development's Cost per Sq Foot \$494 **Meets Limits**  
 Applicable Cost Limit by Square Foot: \$520

Proposed Development's Cost per Unit \$335,248 **Meets Limits**  
 Applicable Cost Limit per Unit: \$550,481

**P. ELIGIBLE BASIS CALCULATION**

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
<b>1. Total Development Costs</b>	27,975,553	0	0	25,101,760
<b>2. Reductions in Eligible Basis</b>				
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
<b>3. Total Eligible Basis (1 - 2 above)</b>		0	0	25,101,760
<b>4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)</b>				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			0	7,530,528
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
<b>Total Adjusted Eligible basis</b>			0	32,632,288
<b>5. Applicable Fraction</b>		100.00000%	100.00000%	100.00000%
<b>6. Total Qualified Basis</b> (Eligible Basis x Applicable Fraction)		0	0	32,632,288
<b>7. Applicable Percentage</b>		4.00%	4.00%	9.00%
<b>8. Maximum Allowable Credit under IRC §42</b> (Qualified Basis x Applicable Percentage)		\$0	\$0	\$2,936,906
(Must be same as BIN total and equal to or less than credit amount allowed)		\$2,936,906 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.				
2.				
3.				
Total Construction Funding:			\$0	

**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 Lc	7/31/2025	12/1/2025	\$3,000,000	\$158,321	3.95%	35	35
2. DHCD National Housing Tr	9/1/2024	5/1/2025	\$900,000	\$4,500	0.50%	30	30
3. DHCD HOME Loan	9/1/2024	5/1/2025	\$900,000	\$4,500	0.50%	20	30
4. DHCD Virginia Housing Tru	9/1/2024	5/1/2025	\$900,000	\$4,500	0.50%	30	30
5. DHCD HIEE	9/1/2024	5/1/2025	\$1,700,000				
6. DHCD HOME-ARP	9/1/2024	5/1/2025	\$1,000,000				
7. Richmond, Henrico, Chest	7/31/2024	12/1/2025	\$4,750,000				
8. VCC Magnet Grant	7/31/2024	12/1/2025	\$100,000				
9. Private Foundations	7/31/2024	12/1/2025	\$519,929				
10.							
Total Permanent Funding:			\$13,769,929	\$171,821			

**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.	Property donation	1/11/2024	\$231,000
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$231,000

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

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

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

Below-Market Loans

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	\$3,000,000
g.	HOME Funds	\$900,000
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$900,000
j.	Virginia Housing Trust Fund	\$900,000
k.	Other: DHCD HIEE and HOME-ARP	\$2,700,000
l.	Other: Richmond, Henrico, Chesterfield HOME-	\$4,750,000

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. **FALSE** 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	\$100			
ii. Contributed Land/Building	\$0			
iii. Deferred Developer Fee	\$0			(Note: Deferred Developer Fee cannot be negative.)
iv. 45L Credit Equity	\$410,000			
v. Other: <u>Solar Credit</u>	\$36,900			
<b>ACTION:</b> If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at <b>TAB A.</b>				
<b>Equity Total</b>	\$447,000			

**2. Equity Gap Calculation**

a. Total Development Cost	\$27,975,553
b. Total of Permanent Funding, Grants and Equity	- \$14,216,929
c. Equity Gap	\$13,758,624
d. Developer Equity	- \$1,380
e. Equity gap to be funded with low-income tax credit proceeds	\$13,757,244

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

a. Actual or Anticipated Name of Syndicator:	▶ <u>Virginia Community Development Corporation (VCDC)</u>		
Contact Person:	<u>Steve Bleile</u>	Phone:	<u>(804) 986-6653</u>
Street Address:	<u>115 South 15th Street, Suite 501</u>		
City:	<u>Richmond</u>	State:	<u>VA</u> Zip: <u>23219</u>
b. Syndication Equity			
i. Anticipated Annual Credits	\$1,600,000.00		
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	\$1,599,840		
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$13,757,244		
c. Syndication:	<u>Private</u>		
d. Investors:	<u>Corporate</u>		

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs	\$13,757,244
---	--------------

**5. Net Equity Factor**

Must be equal to or greater than 85%	85.9913741374%
--------------------------------------	----------------

**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>\$27,975,553</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$14,216,929</u>
3. Equals Equity Gap		<u>\$13,758,624</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>85.9913741374%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$16,000,005</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,600,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$2,936,906</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$1,600,000</u>
Credit per LI Units	<u>\$19,512.1951</u>	
Credit per LI Bedroom	<u>\$19,512.1951</u>	
	<b>Combined 30% &amp; 70% PV Credit Requested</b>	<b>\$1,600,000</b>

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		\$114,639
Plus Other Income Source (list):	Laundry	\$75
Equals Total Monthly Income:		\$114,714
Twelve Months		x12
Equals Annual Gross Potential Income		\$1,376,568
Less Vacancy Allowance	7.0%	\$96,360
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>		<b>\$1,280,208</b>

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

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

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

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

a.	Annual EGI Low-Income Units	\$1,280,208
b.	Annual EGI Market Units	\$0
c.	Total Effective Gross Income	\$1,280,208
d.	Total Expenses	\$1,016,179
e.	Net Operating Income	\$264,029
f.	Total Annual Debt Service	\$171,821
g.	Cash Flow Available for Distribution	\$92,208

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	1,280,208	1,305,812	1,331,929	1,358,567	1,385,739
Less Oper. Expenses	1,016,179	1,046,664	1,078,064	1,110,406	1,143,718
Net Income	264,029	259,148	253,864	248,161	242,020
Less Debt Service	171,821	171,821	171,821	171,821	171,821
Cash Flow	92,208	87,327	82,043	76,340	70,199
Debt Coverage Ratio	1.54	1.51	1.48	1.44	1.41

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,413,453	1,441,722	1,470,557	1,499,968	1,529,967
Less Oper. Expenses	1,178,030	1,213,371	1,249,772	1,287,265	1,325,883
Net Income	235,423	228,352	220,785	212,703	204,084
Less Debt Service	171,821	171,821	171,821	171,821	171,821
Cash Flow	63,602	56,531	48,964	40,882	32,263
Debt Coverage Ratio	1.37	1.33	1.28	1.24	1.19

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,560,567	1,591,778	1,623,614	1,656,086	1,689,208
Less Oper. Expenses	1,365,660	1,406,629	1,448,828	1,492,293	1,537,062
Net Income	194,907	185,149	174,785	163,793	152,146
Less Debt Service	171,821	171,821	171,821	171,821	171,821
Cash Flow	23,086	13,328	2,964	-8,028	-19,675
Debt Coverage Ratio	1.13	1.08	1.02	0.95	0.89

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**

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS					Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
		Street Address 1	Street Address 2	City	State	Zip													
1.	82	2900 Rady Street		Richmond	VA	23222				\$0				\$0	\$32,632,288	12/31/27	9.00%	\$2,936,906	
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	

82 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$0

\$0

\$0

\$0

\$32,632,288

\$2,936,906

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: Rady Street Apartments, LLC  
 By: Rady Street Apartments Managing Member, LLC, i  
 By: Virginia Supportive Housing, its sole and managing

By: *Allison Bogdanovic*  
 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:	Colin Arnold
Virginia License#:	11337
Architecture Firm or Company:	Arnold Design Studio

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

Its: Principal \_\_\_\_\_  
(Title)

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

**W. LIHTC SELF SCORE SHEET**

**Self Scoring Process**

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

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

**MANDATORY ITEMS:**

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

**Included**

Y	Y or N
Y	Y, N, N/A
Y	Y or N

**Score**

0
0
0
0
0
0
0
0
0
0
0
0
0
0.00

Total:

**1. READINESS:**

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

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

Total:

20.00

**2. HOUSING NEEDS CHARACTERISTICS:**

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

Y	0 or up to 5	0.73
N	0 or 20	0.00
0.83%	Up to 40	1.65
N	0 or 5	0.00
Y	0 or 10	10.00
10%	0, 20, 25 or 30	25.00
N	0 or 15	0.00
Y	Up to 20	20.00

Total:

57.38

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			85.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 50	50.00
or c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Provides approved resident services or eligible childcare services	Y	0 or 15	15.00
e. Provides telephonic or virtual health services	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	Y	up to 20	7.20
j. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			<u>192.20</u>

4. TENANT POPULATION CHARACTERISTICS:

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

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	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)	15.85%	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:			<u>60.00</u>

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:			<u>5.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	200.00
b. Cost per unit		Up to 100	77.54
Total:			<u>277.54</u>

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	N	0 or 5	0.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N	0 or 20	0.00
Total:			<u>65.00</u>

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

**TOTAL SCORE:** 677.12

**Enhancements:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	40.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	0.00
f. N/A for 2022	0	0.00
g. Each unit provided free individual high speed internet access	10	0.00
h. Each unit provided free individual WiFi	12	12.00
i. Bath Fan - Delayed timer or continuous exhaust	3	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	5.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. % of renewable energy electric systems	10	10.00
s. New Construction: Balcony or patio	4	0.00
		<u>85.00</u>
 All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
w. Shelf or Ledge at entrance within interior hallway	2	0.00
		<u>0.00</u>
<b>Total amenities:</b>		<b><u>85.00</u></b>

X. Development Summary

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

**Deal Name:** **Rady Street Apartments**

**Cycle Type:** 9% Tax Credits **Requested Credit Amount:** \$1,600,000  
**Allocation Type:** New Construction **Jurisdiction:** Richmond City  
**Total Units:** 82 **Population Target:** Homeless  
**Total LI Units:** 82  
**Project Gross Sq Ft:** 56,318.01 **Owner Contact:** Allison Bogdanovic  
**Green Certified?** TRUE

**Total Score**  
**677.12**

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$13,769,929	\$167,926	\$245	\$171,821
Grants	\$0	\$0		
Subsidized Funding	\$231,000	\$2,817		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$19,017,438	\$231,920	\$338	67.98%
General Req/Overhead/Profit	\$2,201,509	\$26,848	\$39	7.87%
Other Contract Costs	\$139,796	\$1,705	\$2	0.50%
Owner Costs	\$4,153,862	\$50,657	\$74	14.85%
Acquisition	\$0	\$0	\$0	0.00%
Developer Fee	\$2,462,948	\$30,036	\$44	8.80%
<b>Total Uses</b>	<b>\$27,975,553</b>	<b>\$341,165</b>		

Total Development Costs	
Total Improvements	\$25,512,605
Land Acquisition	\$0
Developer Fee	\$2,462,948
<b>Total Development Costs</b>	<b>\$27,975,553</b>

**Proposed Cost Limit/Sq Ft:** \$494  
**Applicable Cost Limit/Sq Ft:** \$520  
**Proposed Cost Limit/Unit:** \$335,248  
**Applicable Cost Limit/Unit:** \$550,481

Income	
Gross Potential Income - LI Units	\$1,376,568
Gross Potential Income - Mkt Units	\$0
Subtotal	\$1,376,568
Less Vacancy %	7.00%
	\$96,360
<b>Effective Gross Income</b>	<b>\$1,280,208</b>

**Rental Assistance?** TRUE

Unit Breakdown	
Supp Hsg	82
# of Eff	0
# of 1BR	0
# of 2BR	0
# of 3BR	0
# of 4+ BR	0
<b>Total Units</b>	<b>82</b>

Expenses		
Category	Total	Per Unit
Administrative	\$416,573	\$5,080
Utilities	\$90,511	\$1,104
Operating & Maintenance	\$189,595	\$2,312
Taxes & Insurance	\$294,900	\$3,596
<b>Total Operating Expenses</b>	<b>\$991,579</b>	<b>\$12,092</b>
Replacement Reserves	\$24,600	\$300
<b>Total Expenses</b>	<b>\$1,016,179</b>	<b>\$12,392</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	13	13
50% AMI	28	28
60% AMI	41	41
>60% AMI	0	0
Market	0	0

**Income Averaging?** FALSE

**Extended Use Restriction?** 30

Cash Flow	
EGI	\$1,280,208
Total Expenses	\$1,016,179
<b>Net Income</b>	<b>\$264,029</b>
Debt Service	\$171,821
<b>Debt Coverage Ratio (YR1):</b>	<b>1.54</b>

**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	\$2,936,906
Credit Requested	\$1,600,000
% of Savings	45.52%
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	\$27,975,553	
Total Square Feet	56,318.01	
Proposed Cost per SqFt	\$496.74	
Applicable Cost Limit per Sq Ft	\$520.00	
% of Savings	4.47%	
Total Units	83	
Proposed Cost per Unit	\$337,055	
Applicable Cost Limit per Unit	\$550,481	
% of Savings	38.77%	
Max % of Savings	38.77% Sliding Scale Points	77.54

# Tab A:

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

**OPERATING AGREEMENT  
OF  
RADY STREET APARTMENTS, LLC**

This Operating Agreement (“Agreement”) of **RADY STREET APARTMENTS, LLC**, a Virginia limited liability company (the “Company”), is made and entered into as of February 5, 2024, by and between Rady Street Apartments 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 5, 2024 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 **Rady Street 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 1900 Cool Lane, Richmond, Virginia 23223, 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 Manger 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 10<sup>th</sup> 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 Rady Street Apartments 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 Richmond, 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:**

RADY STREET APARTMENTS MANAGING  
MEMBER, LLC,  
a Virginia limited liability company

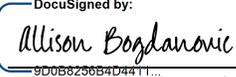
By: Virginia Supportive Housing,  
a Virginia nonprofit corporation,  
its Sole and Managing Member

Date: February 5, 2024

By:   
Name: Allison Bogdanovic  
Title: Executive Director

VIRGINIA SUPPORTIVE HOUSING,  
a Virginia nonprofit corporation

Date: February 5, 2024

By:   
Name: Allison Bogdanovic  
Title: Executive Director

**Schedule A****Capital Contributions and  
Membership Interests**

Name and Address	Capital Contribution	Membership Interest
Rady Street Apartments Managing Member, LLC 1900 Cool Lane Richmond, Virginia 23223	\$10.00	0.01%
Virginia Supportive Housing 1900 Cool Lane Richmond, Virginia 23223	\$100.00	99.99%

**OPERATING AGREEMENT  
OF  
RADY STREET APARTMENTS MANAGING MEMBER, LLC**

This Operating Agreement dated as of February 5, 2024 (the “Agreement”) is made by Virginia Supportive Housing, a Virginia nonstock corporation (the “Member”), the sole member of **RADY STREET APARTMENTS MANAGING MEMBER, LLC**, a Virginia limited liability company (the “Company”), to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted.

**Section 1  
Organization and Purpose**

1.01 *Formation of Company.* The Member has caused the Company to be organized as a limited liability company under the Virginia Limited Liability Company Act, Virginia Code §13.1-1000, et seq. (the “Act”). The Articles of Organization of the Company (the “Articles”) were filed with the Virginia State Corporation Commission and a Certificate of Organization was issued on February 5, 2024.

1.02 *Capital Contributions; Sole Member.* The Member has agreed to make the contributions to the capital of the Company set forth on Exhibit A. In exchange for such capital contributions, the Member shall receive all of the membership interests in the Company.

1.03 *Purpose.* The primary purpose of the Company is to act as the managing member of Rady Street Apartments, LLC, a Virginia limited liability company, 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 further 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 in this Agreement. The Company may also pursue any other lawful activity that is approved by the Member.

1.04 *Registered Agent.* The name and address of the registered agent of the Company for the purposes of the Act is T. Preston Lloyd, who is a resident of Virginia and a member of the Virginia State Bar, or any successor as appointed by the Member, and the address of such agent shall be Williams Mullen Center, 200 South 10<sup>th</sup> Street, Richmond, Virginia 23219, or any other address designated from time to time by the Member. The sole duty of the registered agent shall be to forward to the Company at its principal office and place of business any notice that is served on him.

**Section 2  
Management**

2.01 *Manager.* The business and affairs of the Company shall be managed under the direction of one or more Managers. The initial Manager shall be Virginia Supportive Housing. Any Manager may be removed at any time, with or without cause, and a new Manager may be appointed, at the sole discretion of the Member.

2.02 *Management of the Company.*

(a) The Manager shall have the right to manage the business of the Company and to make decisions regarding the business of the Company. The Manager may delegate prescribed functions to any employee, agent, or consultant.

(b) 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 the Manager's 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 enter into any kind of contract or activity and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Company, so long as those activities and contracts may be lawfully carried on or performed by a limited liability company under applicable laws and regulations.

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

2.03 *Compensation and Reimbursements.*

(a) The compensation, if any, of the Manager shall be fixed from time to time by the Member, and no Manager shall be prevented from receiving such compensation by reason of the fact that he or she is also the Member of the Company. The amount of any such management fee, or other compensation, shall be determined in accordance with the services provided by the Manager and the duties performed for the Company.

(b) The Manager shall receive reimbursement for expenses reasonably incurred in the performance of his duties. No Manager shall be prevented from receiving such reimbursement by reason of the fact that he or she is also the Member of the Company.

**Section 3  
Member Meetings**

3.01 *Annual Meetings.* An annual meeting shall be held once per year at a location and on a date selected by the Member for the purpose of the transaction of such business as may come properly before the meeting.

3.02 *Special Meetings.* A meeting of the Member, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Manager or Member at any time.

3.03 *Notice of Meetings.* Written notice stating the place, day and hour of any meeting and, if a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 2 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the Manager calling the meeting, to the Member.

**Section 4  
Capital Contributions and Distributions**

4.01 *Member's Capital Contributions.*

(a) *Initial Capital Contributions.* The initial capital contributions to the Company by the Member shall be as set forth on Exhibit A.

(b) *Additional Capital Contributions.* Additional Capital Contributions shall be made at such times and in such amounts as the Member shall determine in his sole discretion.

4.02 *Distributions.* Distributions shall be made by the Company to the Member at such times as the Member shall determine in his sole discretion.

4.03 *Loans to Company.* Nothing in this Agreement shall prevent the Member from making secured or unsecured loans to the Company by agreement with the Company.

## **Section 5 Tax Matters**

*Tax Status.* It is intended that the Company be treated as a corporation for tax purposes. The Company intends to make a check the box election by filing I.R.S. Form 8832. The Company also intends to make a 168(h) election, as well as to make all other appropriate elections with the Internal Revenue Service to be taxed as a corporation.

## **Section 6 Dissolution and Termination**

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

- (a) The determination in writing of the Member;
- (b) As otherwise required by Virginia law.

6.02 *Liquidation.* Upon the dissolution of the Company, it shall wind up its affairs by either or a combination of both of the following methods as the Manager (or if there is no Manager such person as determined by the Member) shall, in his sole discretion, determine:

- (a) Selling the Company's assets and, after the payment of Company liabilities, distributing the net proceeds therefrom to the Member in satisfaction of his interest in the Company; and/or,
- (b) Distributing the Company's assets to the Member in kind, subject to his liabilities, in satisfaction of his interest in the Company.

6.03 *Orderly Liquidation.* A reasonable time as determined by the Manager (or the person or persons carrying out the liquidation) not to exceed 18 months shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution.

6.04 *Distributions.* Upon dissolution, the Company's assets (including any cash on hand) shall be distributed in the following order and in accordance with the following priorities:

- (a) First, to the payment of the debts and liabilities of the Company (including but not limited to loans made by the Member) and the expenses of liquidation, including a sales commission to the selling agent, if any; then
- (b) Second, to the setting up of any reserves which the Manager (or the person or persons carrying out the liquidation) deems reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. At the expiration of such period as the Manager (or the person or persons

carrying out the liquidation) shall deem advisable, but in no event to exceed 18 months, the Manager shall distribute the balance thereof in the manner provided in the following subparagraph; then

(c) Third, to the Member.

6.05 *Certificate of Cancellation.*

(a) Within a reasonable time following the completion of the liquidation of the Company, there shall be supplied to the Member a statement which shall set forth the assets and the liabilities of the Company as of the date of complete liquidation. Upon completion of the liquidation of the Company and the distribution of all the Company's assets, the Company shall terminate, and the Member shall execute and record a Certificate of Cancellation of the Company as well as any and all other documents required to effectuate the dissolution and termination of the Company.

(b) Upon the issuance of the filing of the Certificate of Cancellation, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Act.

## **Section 7 Notices**

7.01 *Form; Delivery.* Whenever, under the provisions of the Act or other law, the Articles or this Agreement, notice is required hereunder to be given to any person or entity, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such notice may be given in writing, by mail, addressed to the Company at its principal office from time to time and to any other person or entity, at his address as it appears on the records of the Company, with postage thereon prepaid. Any such notice shall be deemed to have been given at the time it is deposited, postage prepaid, in the United States mail. Notice to a person may also be given personally or by telegram or telecopy sent to his address as it appears on the records of the Company.

7.02 *Waiver.* Whenever any notice is required to be given under the provisions of law, the Articles or this Agreement, a written waiver thereof, signed by the person or persons entitled to said notice and filed with the records of the meeting, whether before or after the time stated therein, shall be conclusively deemed to be equivalent to such notice.

## **Section 8 Miscellaneous Provisions**

8.01 *Bank Accounts.* The Company shall maintain such bank accounts as the Manager may determine to be appropriate from time to time.

8.02 *Books of Account and Records.* Proper and complete records and books of account shall be kept or shall be caused to be kept by the Manager in which shall be entered fully and accurately all transactions and other matters relating to the Company's business in such detail and completeness as is customary and usual for businesses of the type engaged in by the Company. The books and records shall at all times be maintained at the principal office of the Company and shall be open to inspection and examination of the Member or his duly authorized representatives during reasonable business hours.

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

8.04 *Amendments.* Any amendment to this Agreement may be adopted by the Member. An amendment shall become effective at such time as it has been adopted by the Member.

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

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

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

8.08 *Rights and Remedies Cumulative.* The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

8.09 *Severability.* If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

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

8.11 *Creditors and Third-Party Beneficiaries.* None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company. The specific intent of the undersigned is that there shall be no third-party beneficiaries of this Agreement.

8.12 *Counterparts.* This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

The undersigned, being the sole Member of the Company, hereby agrees, acknowledges and certifies that the foregoing Agreement, including any schedules and exhibits hereto, constitutes the sole and entire Agreement of Rady Street Apartments Managing Member, LLC, adopted as of the date first written above.

VIRGINIA SUPPORTIVE HOUSING,  
a Virginia nonstock corporation

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

104713664.2

**EXHIBIT A**

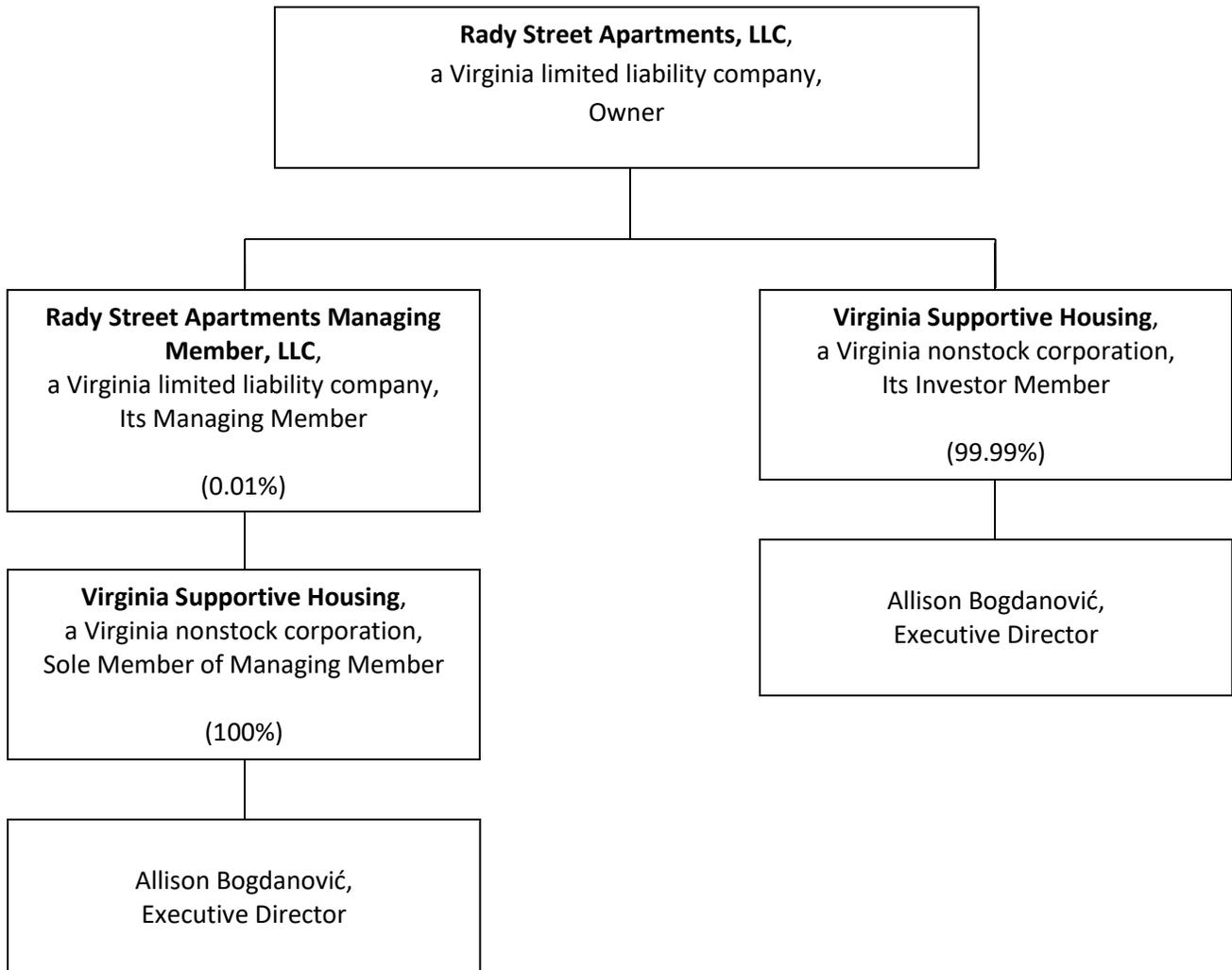
TO OPERATING AGREEMENT OF RADY STREET APARTMENTS MANAGING MEMBER, LLC

**Member's Name, Address, Membership Interests  
and Initial Capital Contributions**

<b><u>Name</u></b>	<b><u>Address</u></b>	<b><u>Membership Interest</u></b>	<b><u>Initial Capital Contributions</u></b>
Virginia Supportive Housing	1900 Cool Lane Richmond, Virginia 23223	100.0%	\$100.00
Total		100.0%	\$100.00

## Rady Street Apartments

Rady Street Apartments, LLC (Owner) is comprised of Rady Street Apartments Managing Member, LLC and Virginia Supportive Housing. Rady Street Apartments 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 Rady Street Apartments 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.



## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (this “Agreement”) made as of \_\_\_\_\_, 20\_\_ by and between **RADY STREET APARTMENTS, LLC**, a Virginia limited liability company (the “Company”), and **VIRGINIA SUPPORTIVE HOUSING**, a Virginia not-for-profit corporation (the “Developer”).

### WITNESSETH:

WHEREAS, the Company has been formed to acquire, develop, construct, own, maintain and operate certain property as low-income residential rental housing, to be known as Rady Street Apartments, to be located in the City of Richmond, Virginia (the “Project”);

WHEREAS, the Project, following the completion of construction, is expected to constitute a “qualified low-income housing project” (as defined in Section 42(g)(1) of the Code);

WHEREAS, the Developer has provided and will continue to provide certain services with respect to the Project during the acquisition, development, rehabilitation and initial operating phases thereof; and

WHEREAS, in consideration for such services, the Company has agreed to pay to the Developer certain fees computed in the manner stated herein.

**NOW, THEREFORE**, in consideration of the recitals, covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties agree as follows:

#### Section 1. Development Services.

(a) The Developer has performed certain services relating to the development of the Project and shall oversee the development and construction of the Project, and shall perform the services and carry out the responsibilities with respect to the Project as are set forth herein, and such additional duties and responsibilities as are reasonably within the general scope of such services and responsibilities and are designated from time to time by the Company.

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

(i) Negotiate and cause to be executed in the name and on behalf of the Company any agreements for architectural, engineering, testing or consulting services for the Project, and any agreements for the construction of any improvements or tenant improvements to be constructed or installed by the Company or the furnishing of any supplies, materials, machinery or equipment therefor, or any amendments thereof, provided that no agreement shall be executed nor binding commitment made until the terms and conditions thereof and the party with whom the agreement is made have been

approved by the managing member of the Company (“Managing Member”) unless the terms, conditions, and parties comply with guidelines issued by the Managing Member concerning such agreements;

(ii) Assist the Company in identifying sources of construction financing for the Project and negotiate the terms of such financing with lenders;

(iii) Establish and implement appropriate administrative and financial controls for the design and construction of the Project, including but not limited to:

(A) coordination and administration of the Project architect, the general contractor, and other contractors, professionals and consultants employed in connection with the design or rehabilitation of the Project;

(B) administration of any construction contracts on behalf of the Company;

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

(D) the rendering of advice and recommendations as to the selection of subcontractors and suppliers;

(E) the review and submission to the Company for approval of all requests for payments under any architectural agreement, general contractor's agreement, or any construction loan agreements with any lending institutions providing funds for the benefit of the Company for the design or construction of any improvements;

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

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

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

(I) furnishing such consultation and advice relating to the construction of the Project as may be reasonably requested from time to time by the Company;

(J) keeping the Company fully informed on a regular basis of the progress of the design and construction of the Project, including the preparation of such reports as are provided for herein or as may reasonably be requested by the Company and which are of a nature generally requested or expected of construction managers or similar owner's representatives on similar projects;

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

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

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

(v) If requested to do so by the Company, perform on behalf of the Company all obligations of the Company with respect to the design or construction of the Project contained in any loan agreement or security agreement in connection with the Project, or in any lease or rental agreement relating to space in the Project, or in any agreement entered into with any governmental body or agency relating to the terms and conditions of such construction, provided that copies of such agreements have been provided by the Company to the Developer or the Company has otherwise notified the Developer in writing of such obligations;

(vi) To the extent requested to do so by the Company, prepare and distribute to the Company a critical path schedule, and periodic updates thereto as necessary to reflect any material changes, but in any event not less frequently than quarterly, other design or construction cost estimates as required by the Company, and financial accounting reports, including monthly progress reports on the quality, progress and cost of construction and recommendations as to the drawing of funds from any loans arranged by the Company to cover the cost of design and construction of the Project, or as to the providing of additional capital contributions should such loan funds for any reason be unavailable or inadequate;

(vii) At the Company's expense, obtain and maintain insurance coverage for the Project, the Company, the management agent of the Project ("Management Agent"),

and the Developer and its employees, at all times until final completion of construction of the Project, in accordance with an insurance schedule approved by the Company, which insurance shall include general public liability insurance covering claims for personal injury, including but not limited to bodily injury, or property damage, occurring in or upon the Property or the streets, passageways, curbs and vaults adjoining the Property. Such insurance shall be in a liability amount approved by the Company;

(viii) To the extent applicable to the construction of the Project, comply with all present and future laws, ordinances, orders, rules, regulations and requirements (hereinafter in this subparagraph (ix) called "laws") of all federal, state and municipal governments, courts, departments, commissions, boards and offices having jurisdiction over the Project. Any such compliance undertaken by the Developer on behalf of and in the name of the Company, in accordance with the provisions of this Agreement, shall be at the Company's expense. The Developer shall likewise ensure that all agreements between the Company and independent contractors performing work in connection with the construction of the Project shall include the agreement of said independent contractors to comply with all such applicable laws;

(ix) Assemble and retain all contracts, agreements and other records and data as may be necessary to carry out the Developer's functions hereunder. Without limiting the foregoing, the Developer will prepare, accumulate and furnish to the Company and the appropriate governmental authorities, as necessary, data and information sufficient to identify the market value of improvements in place as of each real property tax lien date, and will take application for appropriate exclusions from the capital costs of the Project for purposes of real property ad valorem taxes;

(x) Coordinate and administer the design and construction of all interior tenant improvements to the extent required under any leases or other occupancy agreements to be constructed or furnished by the Company with respect to the initial leasing of space in the Project, whether involving building standard or non-building standard work;

(xi) Use its best efforts to accomplish the timely completion of the Project in accordance with the approved plans and specifications and the time schedules for such completion approved by the Company;

(xii) At the direction of the Company, implement any decisions of the Company made in connection with the design, development and construction of the Project or any policies and procedures relating thereto, exclusive of leasing activities; and

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

Section 2. Limitations and Restrictions. Notwithstanding any provisions of this Agreement, the Developer shall not take any action, expend any sum, make any decision, give any consent, approval or authorization, or incur any obligation with respect to any of the following matters unless and until the same has been approved by the Company:

(a) Approval of all construction and architectural contracts and all architectural plans, specifications and drawings prior to the construction and/or alteration of any improvements contemplated thereby, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(b) Any proposed change in the work of the construction of the Project, or in the plans and specifications therefor as previously approved by the Company, or in the cost thereof, or any other change which would affect the design, cost, value or quality of the Project, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(c) Making any expenditure or incurring any obligation by or on behalf of the Company or the Project involving a sum in excess of \$25,000 or involving a sum of less than \$25,000 where the same relates to a component part of any work, the combined cost of which exceeds \$25,000, except for expenditures made and obligations incurred pursuant to and specifically set forth in a construction budget approved by the Company (the "Construction Budget") or for such matters as may be otherwise expressly delegated to the Developer by the Company;

(d) Making any expenditure or incurring any obligation which, when added to any other expenditure, exceeds the Construction Budget or any line item specified in the Construction Budget, except for such matters as may be otherwise expressly delegated in writing to the Developer by the Company; or

(e) Expending more than what the Developer in good faith believes to be the fair and reasonable market value at the time and place of contracting for any goods purchased or leased or services engaged on behalf of the Company or otherwise in connection with the Project.

Section 3. Accounts and Records.

(a) The Developer on behalf of the Company, shall keep such books of account and other records as may be required and approved by the Company, including, but not limited to, records relating to the costs of construction advances. The Developer shall keep vouchers, statements, receipted bills and invoices and all other records, in the form approved by the Company, covering all collections, if any, disbursements and other data in connection with the Project prior to final completion of construction. All accounts and records relating to the Project, including all correspondence, shall be surrendered to the Company, upon demand without charge therefor.

(b) The Developer shall cooperate with the Management Agent to facilitate the timely preparation by the Management Agent of such reports and financial statements as the Management Agent is required to furnish pursuant to the management agreement between the Company and the Management Agent ("Management Agreement").

(c) All books and records prepared or maintained by the Developer shall be kept and maintained at all times at the place or places approved by the Company, and shall be available for and subject to audit, inspection and copying by the Management Agent, the Company or any representative or auditor thereof or supervisory or regulatory authority, at the times and in the manner set forth in the Company Agreement.

Section 4. Obligation To Complete Construction.

The Developer shall complete the construction of the Project or cause the same to be completed in a good and workmanlike manner, free and clear of all mechanic's, materialmen's or similar liens, and shall equip the Project or cause the same to be equipped with all necessary and appropriate fixtures, equipment and articles of personal property, including refrigerators and ranges, provided for in the loan and other documents governing the development and operation of the Project and in the plans and specifications for the Project.

Section 5.        Development Amount.

As a fee for its services in connection with the development of the Project and the supervision of the construction/rehabilitation of the Project as set forth in Section 1 and elsewhere in this Agreement, the Developer shall be paid an amount (the "Development Amount") equal to Two million four hundred sixty-two thousand nine hundred forty eight and No/100 Dollars (\$2,462,948.00) or (b) the maximum amount which conforms to the developer fee standards imposed by the Virginia Housing Development Authority. The Development Amount shall be deemed to have been earned as follows:

- (i)        Twenty percent (20%) as of the date of this Agreement;
- (ii)       Eighty percent (80%) upon substantial completion of the Project;

The Development Amount shall be paid from and only to the extent of the Company's available cash, in installments as follows:

- (i)        Twenty percent (20%) on initial equity funding of the Project;
- (ii)       Forty percent (40%) upon substantial completion of the Project; and
- (iii)      Forty percent (40%) upon achievement of 95% occupancy for the Project.

Any installment of the Development Amount not paid when otherwise due hereunder shall be deferred without interest and shall be paid from next available cash, provided, however, that any unpaid balance of the Development Amount shall be due and payable in all events at the earlier of (i) the thirteenth anniversary of the date of this Agreement, or (ii) if the Project qualifies for Tax Credits under Code Section 42, then the end of the Project's compliance period.

Section 6.        Applicable Law.

This Agreement, and the application or interpretation hereof, shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

Section 7.        Binding Agreement.

This Agreement shall be binding on the parties hereto, their heirs, executors, personal representatives, successors and assigns. As long as the Developer is not in default under this Agreement, the obligation of the Company to pay the Development Amount shall not be affected by any change in the identity of the Managing Member of the Company.

Section 8.      Headings.

All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section.

Section 9.      Terminology.

All personal pronouns used in this Agreement, whether used in the 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 10.     Benefit of Agreement.

The obligations and undertakings of the Developer set forth in this Agreement are made for the benefit of the Company and its members and shall not inure to the benefit of any creditor of the Company other than a member, notwithstanding any pledge or assignment by the Company of this Agreement of any rights hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

COMPANY:

RADY STREET APARTMENTS, LLC,  
a Virginia limited liability company

By: RADY STREET APARTMENTS  
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

DEVELOPER:

VIRGINIA SUPPORTIVE HOUSING,  
a Virginia nonstock corporation

By: \_\_\_\_\_(SEAL)  
Name: Allison Bogdanovic  
Title: Executive Director

104714074.2

# **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 Rady Street 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 5, 2024; 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 21, 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 Rady Street Apartments 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 5, 2024; 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 21, 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 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: **Rady Street Apartments**

Name of Applicant (entity): **Rady Street 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

2/28/24

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

# **Tab D:**

List of LIHTC Developments (Schedule A)  
(MANDATORY)

# List of LIHTC Developments (Schedule A)



Development Name: Rady Street Apartments  
 Name of Applicant: Rady Street Apartments, LLC

**INSTRUCTIONS:**

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		
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

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

1st PAGE TOTAL: 566 566 LIHTC as % of Total Units 100%

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

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this “Agreement”) dated as of the 11 day of January, 2024 (the “Effective Date”), is made by and between the **RICHMOND BEHAVIORAL HEALTH AUTHORITY**, an independent public authority duly organized and existing under Virginia law, having an office at 107 South 5<sup>th</sup> Street, Richmond, Virginia 23219 (“Seller”), and **VIRGINIA SUPPORTIVE HOUSING**, a Virginia nonstock corporation, having an office at 707 N. Harrison Street, Richmond, VA 23220, and its successors and permitted assigns (“Purchaser”).

### RECITALS:

A. Seller is the fee simple owner of those certain parcels of real property located in the City of Richmond, Virginia (the “City”), identified as (i) Parcel ID N0000927002 and having a street address of 2900 Rady Street, Richmond, Virginia 23222, and (ii) Parcel ID N0000719004 and having a street address of 2825 5<sup>th</sup> Avenue, Richmond, Virginia 23222, all as more particularly described on Exhibit A attached hereto and made a part hereof (collectively, the “Land”).

B. Seller has agreed to sell, and Purchaser has agreed to purchase, the Property (as hereinafter defined), all on the terms and conditions hereinafter set forth.

### AGREEMENT:

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00), the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### 1. THE PROPERTY.

1.1 Recitals Incorporated. The above-referenced Recitals are incorporated herein by reference as if fully set forth herein.

1.2 Description. Subject to the terms and conditions of this Agreement, and for the consideration set forth herein, Seller hereby agrees to sell, assign and convey to Purchaser, and Purchaser hereby agrees to accept from Seller, all of Seller’s right, title and interest in and to the following (collectively, the “Property”):

1.2.1 The Land;

1.2.2 All buildings, improvements, fixtures, structures, parking facilities, electrical systems, plumbing systems, heating systems, and air conditioning systems located on the Land, or any portion thereof, if any, that may remain on the Land on the Date of Closing, which shall be delivered in their “as-is” condition as of Closing, with all faults and without any warranties of any kind, all warranties being hereby expressly disclaimed (collectively, the “Improvements”); and

1.2.3 All easements, hereditaments and appurtenances, if any, pertaining or affecting the Land (collectively, the “Easements”).

1.3 Agreement to Convey. Seller agrees to convey, and Purchaser agrees to accept, on the Date of Closing (as defined in Section 2.3 below): (a) good and marketable title to the Land and the Improvements by way of the Deed (as defined in Section 8.1 below), to be executed and delivered by Seller in respect to the Property, and which shall be subject only to the Permitted Exceptions (as defined in Section 3.4 below) affecting or encumbering the Property; and (b) any consents, authorizations, zoning entitlements, certificates of occupancy, permits and approvals from any applicable governmental or quasi-governmental agency, department, board or other entity with respect to or attributable to the Property, which are assignable and remain valid or in effect as of Closing (the “Approvals”), by way of the Assignment (as defined in Section 8.1 below), to be executed and delivered in respect to the Approvals.

## 2. PURCHASE PRICE AND CLOSING.

2.1 Purchase Price. The purchase price to be paid by the Purchaser for the Property at Closing (the "Purchase Price") shall be ZERO DOLLARS (\$0.00), subject to adjustments contained herein.

2.2 Payment. Purchaser shall pay to Seller the Purchase Price, subject to adjustment for prorations and credits as provided in Section 7 below, on or before 5:00 p.m. Eastern Time, on the Date of Closing, by Purchaser causing the Title Company to deliver a wire of immediately available funds to such bank account(s) as Seller may designate.

2.3 Closing. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the "Closing") shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the "Closing Notice"), which date (the "Date of Closing") shall be at least fifteen (15) business days from the date of the Closing Notice but no later than December 31, 2026. In the event that Purchaser fails to deliver the Closing Notice, the Date of Closing shall be December 31, 2026. The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Notwithstanding anything herein to the contrary, in no event shall Closing take place prior to August 15, 2024.

## 3. INSPECTIONS AND APPROVALS.

3.1 Due Diligence Period; Due Diligence Approval Date. Purchaser shall have a period of time (the "Due Diligence Period"), commencing on the Effective Date, and expiring at 5:00 p.m., EST, on the date which is three hundred sixty-five (365) days after the Effective Date (the "Due Diligence Approval Date"), in which to conduct the inspections and studies described in this Section 3.

3.2 Access to the Property and Indemnification by Purchaser. During the Due Diligence Period (and thereafter until the Date of Closing to the extent this Agreement has not been terminated and continues to remain in effect), Seller shall permit Purchaser and Purchaser's agents and representatives access to the Property, for purposes of conducting, at Purchaser's sole cost and expense, such physical and environmental inspections of the Property as Purchaser shall deem necessary or appropriate. Purchaser shall notify Seller at the address set forth in Section 11 of this Agreement in advance of its or its agents' or representatives' entry onto the Property, which Purchaser may give by email. In the event this Agreement is terminated pursuant to Section 3.5 below, Purchaser agrees, at its own expense, to promptly restore the Property to substantially the same condition it was in prior to such test or inspection, reasonable wear and tear excepted, to the extent that any inspection or test performed by Purchaser requires or results in any damage to or alteration of the condition of the Property. Purchaser shall indemnify and hold Seller harmless from any loss, injury, liability, damage or expense, including reasonable attorneys' fees and costs, incurred by reason of Purchaser's (or its agents' and/or representatives') entering upon the Property for the aforesaid purposes, provided, however, that Purchaser shall not be required to indemnify Seller if, and to the extent that, any such loss, injury, liability, damage or expense was caused by the gross negligence or willful misconduct of Seller, its employees or agents. Purchaser shall maintain commercial general liability insurance with limits of not less than One Million and No/100 Dollars (\$1,000,000) per occurrence from the Effective Date through Closing or the earlier termination of this Agreement, and shall provide evidence thereof satisfactory to Seller at or prior to Closing.

3.3 Inspection of Documents. Within fifteen (15) business days after the Effective Date, Seller shall deliver or cause to be delivered to Purchaser, to the extent Seller has in its possession or readily available control as of the Effective Date and to the extent such may exist, copies of all documents and written information concerning or pertaining to the Property, including, without limitation, existing title policies, surveys, studies, environmental reports and/or inventories, easement documents, plans, proffers, permits, governmental reports, memos, warranties and guaranties with respect to the Property that will be assigned to Purchaser at Closing, and all other documents, instruments and agreements relating to the Property, which are reasonably requested by Purchaser and are in Seller's possession or readily available control. Purchaser shall keep all information and documents received under this

Section 3.3 confidential (except for lenders, investors, professional advisors, and other similar parties with a need to know, or as required by law), and shall use and inspect the same only for its good faith, due diligence review of the Property.

3.4 Title and Survey. Title to the Property shall be good and marketable and shall be conveyed in fee simple, free and clear of all liens and encumbrances except for those matters approved by Purchaser (“Permitted Exceptions”). The Property’s title shall be insurable by a nationally recognized ALTA title insurance company of Purchaser’s choice, which is licensed in the Commonwealth of Virginia (the “Title Company”). Purchaser shall obtain a standard form commitment for title insurance (“Title Commitment”) for the Property, together with copies of all recorded instruments identified as exceptions therein (together with the Title Commitment, referred to herein as the “Title Documents”). Purchaser shall deliver a copy of the Title Commitment to the Seller, together with any objections to matters set forth therein, to Seller no later than 180 days after the Effective Date (the “Title Objection Deadline”). Purchaser’s failure to notify Seller of objections to title on or before the Title Objection Deadline shall be deemed Purchaser’s approval of all matters shown in the Title Documents (or, if Purchaser has failed to obtain any Title Documents, of all matters that would have been revealed by a search of title to the Property), and shall waive Purchaser’s right to object to the same. Upon Seller’s timely receipt of notice of Purchaser’s objections to title, Seller shall have the right, but not the obligation, to agree in writing to cure the same by so notifying Purchaser within fifteen (15) business days after the Title Objection Deadline (the “Seller’s Cure Notice”); provided, however, that Seller shall be obligated to discharge at Closing the lien and effect of any deed of trust, mortgage or other monetary lien then encumbering or affecting the Property. Seller’s failure to give the Seller’s Cure Notice shall be deemed Seller’s election not to cure any of Purchaser’s objections to title. Matters of title that Seller has not agreed in writing to cure as provided in this Section 3.4 shall be deemed Permitted Exceptions. Purchaser shall be responsible for all costs related to the Title Policy, including, without limitation, costs related to the title search and any updates, preparation of the Title Commitment and all premiums for the Title Policy including endorsements thereto. Purchaser may, at its option and expense, obtain a survey of the Property (the “Survey”). Notwithstanding anything contained herein to the contrary, in all events Seller shall be obligated to discharge at Closing, the lien and effect of any deed of trust, mortgage or other monetary lien then encumbering or affecting the Property, except as otherwise agreed by Purchaser.

3.5 Purchaser’s Rights to Terminate. Notwithstanding anything contained herein to the contrary, Purchaser shall have the absolute right to terminate this Agreement on or before 5:00 p.m., EST, on the Due Diligence Approval Date, for any or no reason whatsoever, by providing written notice to Seller of Purchaser’s intent to terminate. If this Agreement is terminated pursuant to the terms of this Section 3.5, neither party shall thereafter have any further rights, obligations or liability hereunder, except as otherwise provided in Section 12.14 below and except that Purchaser shall return to Seller, within five (5) business days after such termination, all documents and information provided under Section 3.3 above.

3.6 Rezoning. The parties agree that Purchaser shall be permitted to file an application for rezoning the Property to permit the development and operation of the Project (as defined in Section 6 below), which may include a change in zoning, a special use permit and/or a variance of the Property (collectively, the “Rezoning”). Seller shall fully cooperate with Purchaser’s efforts to obtain the Rezoning, at no cost to Seller, such cooperation to include, without limitation, signing all rezoning application forms, plans, proffers (subject to Seller’s prior approval as set forth below), development conditions, applications, landowner authorization forms or other documents as may be required by Purchaser or the City or other applicable governmental authorities and delivering such evidence of ownership of the Property, and evidence of the authority of Seller to submit land use applications, plans, proffers, development conditions, landowner authorization forms or other documents, each as may reasonably be required by Purchaser or the City to accept the rezoning and other development applications. Seller shall have the right to approve all proposed proffer statements associated with the rezoning, prior to submission thereof to the City, but Seller’s approval shall not be unreasonably withheld, conditioned or delayed. Seller and Purchaser agree that it will not be unreasonable for Seller to refuse to approve any proffers which would require Seller to (i) make any dedications of land from or easements upon the Property, (ii) pay any monetary contributions, (iii) construct any improvements on or off the Property, or impose on Seller (or Seller’s remaining property) any restrictions with respect to Seller’s use of its remaining property, prior to Closing or prior to development of the Property for the use proposed pursuant to the Rezoning. If Purchaser and Seller cannot reasonably agree upon any changes to the proposed proffer statements within thirty (30) days after submission thereof to Seller for review, then Purchaser may, at its sole option, terminate

this Agreement, in which event this Agreement shall be null and void, and the parties shall have no further obligations to each other, except such obligations as specifically survive the termination hereof. Following submission thereof, Purchaser shall pursue the approval of the Rezoning application in good faith and with due diligence, at Purchaser's sole cost and expense, and shall use its good faith commercially reasonable efforts to maximize the density approved in conjunction with such application.

**4. SELLER'S OBLIGATIONS PRIOR TO CLOSING.** Until Closing, Seller and/or Seller's agents or representatives shall:

4.1 Insurance. Not change or cancel any insurance relating to the Property except for replacement thereof in the ordinary course of business that would reduce the amount or types of insurance coverage existing as of the Effective Date.

4.2 Notices. Provide to Purchaser, immediately upon the receipt thereof, any and all notices in any manner relating to the Property received by Seller or its agents or representatives from any governmental or quasi-governmental instrumentality having jurisdiction over the Property or any insurance company.

4.3 Compliance with Law. Cause the Property to comply with all applicable laws, orders, rules and regulations applicable to the Property in all material respects.

4.4 Liens and Encumbrances. Neither impose any liens or encumbrances on the Property (except such as will be released at or before Closing at Seller's expense) nor execute or file any restrictive covenants or subdivision plat affecting the Property except such as have been approved by Purchaser in writing. Upon Purchaser's written approval of any restrictive covenants or subdivision plat, the same will be deemed a Permitted Exception.

4.5 Marketing of the Property. Not, without the prior written consent of Purchaser, solicit, negotiate, or accept offers for the purchase of the Property, or any part thereof, from any other party.

4.6 Consolidation of Land. If requested by Purchaser, cause the Land to be consolidated into one parcel for the Purchaser's proposed development on the Property, at Purchaser's expense, and record a consolidation plat (the "Consolidation Plat") in the City land records at or prior to Closing. The Consolidation Plat shall be subject to Purchaser's review and approval.

4.7 Rezoning. Seller will not initiate or permit any zoning reclassification of the Property, except for the Rezoning and as otherwise requested and/or approved by Purchaser.

**5. REPRESENTATIONS AND WARRANTIES.**

5.1 By Seller. Seller represents and warrants to Purchaser, as of the Effective Date, that:

5.1.1 Organization. Seller is an independent public authority duly organized and existing under the laws of the Commonwealth of Virginia. Seller has the power, right and, subject to approval by Seller's Board of Directors, authority to enter into and perform all of the obligations required of Seller under this Agreement and the instruments and documents referenced herein, and to consummate the transaction contemplated hereby.

5.1.2 Authorization. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be, duly authorized, executed and delivered by Seller. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be, valid and legally binding upon Seller and enforceable in accordance with their respective terms.

5.1.3 Title. Seller owns fee simple title to the Property, and Seller has not executed any documents, instruments or agreements relating to the Property that (i) are not recorded or a matter of public record, (ii) would be binding on the Purchaser after Closing, and (iii) would materially affect Purchaser's intended use of the Property for

age-restricted multifamily apartment buildings. Seller is in sole possession of the Property, and there are no leases or other agreements for possession of the Property.

5.1.4 Bankruptcy. Neither Seller nor any agent or representative thereof (i) is in receivership or dissolution, (ii) has made an assignment for the benefit of creditors or admitted in writing its inability to pay its debts as they mature, (iii) has been adjudicated a bankrupt or filed a petition in voluntary bankruptcy or a petition or answer seeking reorganization or an arrangement with creditors under the Federal bankruptcy law or any other similar law or statute of the United States or any jurisdiction and no such petition has been filed against Seller or its managing member, if any, or (iv) to the best of its knowledge, none of the foregoing are pending or threatened.

5.1.5 Liens; Legal Actions. Except for any matter disclosed in the Title Commitment or on the Survey, no liens, other than for real estate taxes not yet due and payable, arising by or through Seller encumbers or affects title to the Property. No claim, action, litigation, arbitration or other proceeding is pending or threatened against Seller which relates to the Property or the transactions contemplated hereby. If Seller receives notice of any such claim, litigation or proceeding prior to the Closing, Seller shall promptly notify Purchaser of the same in writing.

5.1.6 Pending Actions. There is no action, proceeding (zoning, environmental or otherwise), governmental investigation or litigation pending or threatened against the Property or Seller, which, if finally determined adversely to Seller, would preclude Seller from concluding the transactions contemplated in this Agreement or materially and adversely affect the Property after Closing.

5.1.7 Condemnation. Seller has no knowledge of any existing, pending, threatened, or anticipated condemnation, incorporation, annexation or moratorium proceedings affecting the Property (or any portion thereof).

5.1.8 Payment of Taxes and Utilities. Seller is not delinquent in the payment of any tax (real estate or otherwise) bills, utility bills or bills or invoices actually received from any vendor or contractor providing goods or services to the Property, or otherwise arising out of the ownership, operation and/or maintenance of the Property.

5.1.9 Payment for Work. No work has been performed, or labor or materials supplied, at or on the Property, or in connection with the construction, maintenance, rehabilitation or alteration of the Property or any of the Improvements, for which payment will not be paid in full as of the Closing Date, and no contractor, subcontractor or other party shall have any claim for payment of any of the same or the right to place a lien against the Property therefor.

5.1.10 Hazardous Materials. Seller has not, and, to its knowledge, without investigation, no other person or entity has, generated, stored, manufactured, processed, treated, spilled, released or disposed of any Hazardous Materials on the Property, or transported Hazardous Materials to or from the Property in violation of applicable Environmental Laws. There have been no, and there are no (i) aboveground or underground storage tanks; (ii) polychlorinated biphenyls ("PCBs") or PCB-containing equipment; (iii) asbestos containing materials; (iv) lead based paints; or (v) dry-cleaning facilities in, on, under, or about the Property (or any portion thereof). Seller has not received any notice from any governmental authority inquiring about, seeking to investigate, or claiming the existence of, any Hazardous Materials on, under or about the Property. As of the date hereof, to the best of Seller's knowledge, Seller has made all filings of an environmental nature required for this transaction with all federal, state and local regulatory agencies. The term "Hazardous Materials" as used herein shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, processing, treatment, storage, disposal, transportation, spill, release or effect, either by itself or in combination with other materials on or expected to be on the Property, is either (a) potentially injurious to public health, safety, welfare, or the environment, or to the Property; (b) regulated, monitored, or subject to reporting by any governmental authority; or (c) a basis for potential liability to any governmental agency or a third party under any applicable Environmental Laws. Without limiting the foregoing, the term "Hazardous Materials" includes, but is not limited to, hydrocarbons, petroleum, gasoline, asbestos containing materials, crude oil or any products or byproducts thereof. The term "Environmental Laws" as used herein shall mean all federal, state and local laws, ordinances, rules, regulations, codes or orders, including, without limitation, any requirement imposed

under any permits, licenses, judgments, decrees, agreements or recorded covenants, conditions, restrictions or easements, the purpose of which is to protect the environment, human health, public safety or welfare, or which pertain to Hazardous Materials.

5.1.11 FIRPTA. Seller is not a "foreign person" as that term is used in Section 1445(f)(3) of the United States Internal Revenue Code of 1986, as amended.

5.2 By Purchaser. Purchaser represents and warrants to Seller as of the Effective Date that:

5.2.1 Organization. Purchaser is a nonstock corporation validly existing and organized under and by virtue of the laws of the Commonwealth of Virginia. Purchaser has the power, right and authority to enter into and perform all of the obligations required of Purchaser under this Agreement and the instruments and documents referenced herein, and to consummate the transaction contemplated hereby.

5.2.2 Authorization. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, duly authorized, executed and delivered by Purchaser. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, valid and legally binding upon Purchaser and enforceable in accordance with their respective terms.

5.3 Broker. Seller and Purchaser each represents to the other that it has had no dealings, negotiations, or consultations with any broker, representative, employee, agent or other intermediary in connection with the sale of the Property, except as set forth in this Section 5.3. Seller and Purchaser agree that each will indemnify, defend and hold the other free and harmless from the claims of any other broker(s), representative(s), employee(s), agent(s) or other intermediary(ies) claiming to have represented Seller or Purchaser, respectively, or otherwise to be entitled to compensation in connection with this Agreement or in connection with the sale of the Property. This mutual indemnity shall survive Closing and any termination of this Agreement.

5.4 Survivability. The representations and warranties of Seller and Purchaser made in this Agreement and in any other instrument or agreement entered into in connection herewith shall survive recordation of the Deed and Closing hereunder for a period of six (6) months.

5.5 Limitation of Remedy. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ON ACCOUNT OF ANY MATTER RELATING TO OR ARISING OUT OF THIS AGREEMENT, OR ANY ACTION OR INACTION, EVEN IF THE OTHER PARTY, TO THE EXTENT APPLICABLE, IS ADVISED OF THOSE DAMAGES OR THE POSSIBILITY OF THOSE DAMAGES. THIS LIMITATION APPLIES WHETHER THE DAMAGES ARE SAID TO BE BASED UPON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY OR STRICT OR ANY OTHER KIND OF LIABILITY. DAMAGES WAIVED AND EXCLUDED BY THIS SECTION INCLUDE WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFIT AND LOSS OF GOODWILL. NOTWITHSTANDING THE FOREGOING, THE LIMITATION CONTAINED IN THIS SECTION 5.5 SHALL NOT APPLY IF DAMAGES ARE BASED ON THE WILLFUL MISCONDUCT OF A PARTY TO THIS AGREEMENT.

**6. PURCHASER'S CONDITIONS PRECEDENT TO CLOSING.** Purchaser's obligation to consummate the purchase of the Property on the Date of Closing shall be subject to the satisfaction or performance of the following terms and conditions, any one or more of which may be waived by Purchaser, in whole or in part, unless otherwise stated herein, on or as of the Date of Closing: (i) Seller shall have materially complied with all covenants and provisions required by this Agreement to be complied with by Seller, before, on, or as of the Date of Closing; (ii) the representations and warranties of Seller in this Agreement shall be true and correct in all material respects on and as of the Date of Closing; (iii) Purchaser shall not have terminated this Agreement pursuant to an express right to terminate set forth in this Agreement; (iv) Purchaser or an affiliate of Purchaser shall have received a reservation and an allocation of competitive nine percent (9%) Low Income Housing Tax Credits ("LIHTC") for the construction of permanent supportive housing on the Property (the "Project") during the 2024 or 2025 tax credit allocation cycle

administered by Virginia Housing Development Authority (“VHDA”), in an amount deemed sufficient by Purchaser, in its sole discretion, to provide funding for the completion of such construction; (v) Purchaser or an affiliate of Purchaser shall have received a firm commitment for construction and permanent financing for the construction of the Project in an amount deemed sufficient by Purchaser, in its sole discretion, to provide sufficient funds for the completion of such construction; (vi) the Consolidation Plat shall have been approved by the City as set forth in Section 4.6; and (vii) the Rezoning shall have been approved by the City as set forth in Section 3.6. Purchaser shall have the right to waive some or all of the foregoing conditions in its sole and absolute discretion and proceed to Closing; provided, however, that except as provided herein no such waiver shall be effective or binding on Purchaser unless it is in writing and executed by an authorized officer of Purchaser. If any of the conditions set forth in subsections i, ii, v and vi of this Section 6 have not been satisfied, waived or performed in all material respects on or as of the Date of Closing, then Purchaser shall have the rights set forth in Section 10.2. If the condition set forth in subsection iv of this Section 6 (regarding receipt of tax credits) has not been satisfied, waived or performed in all material respects on or as of December 31, 2025 (the “Condition Deadline”), then Purchaser shall have the right to terminate this Agreement by giving notice to Seller at or before 5:00 p.m., EST, on the Condition Deadline, in which event all rights and obligations of the parties under this Agreement shall expire. Purchaser’s failure to terminate this Agreement on or before the Condition Deadline shall be deemed to waive the condition set forth in subsection iv of this Section 6. If this Agreement is terminated pursuant to the terms of this Section 6, neither party shall thereafter have any further rights, obligations or liability hereunder, except as otherwise provided herein.

## 7. CLOSING COSTS AND PRORATIONS.

7.1 Closing Costs. Seller shall pay its attorneys’ fees in reference to this transaction and any Grantor’s tax in connection with the recordation of the Deed, except to the extent exempt by law. Purchaser shall pay all other closing costs associated with the transaction, all other recordation costs associated with the Deed, all costs related to any loan obtained by Purchaser for this transaction, all costs associated with the title search and any updates, preparation of the Title Commitment, and all premiums for the Title Policy, including extended coverage and any endorsements thereto, all costs of the Survey and the Rezoning and any investigations and inspections incurred or performed by or on behalf of Purchaser, the reasonable settlement fees and charges of the Title Company due in connection with the closing of this transaction and Purchaser’s own attorneys’ fees. Notwithstanding anything in this Section 7.1 to the contrary, Seller shall be solely responsible for paying all accounts payable and other expenses of Seller or the Property accruing prior to the Date of Closing.

7.2 Prorations. Real estate taxes for the Property billed or paid for the period including the Date of Closing shall be prorated as of 12:01 a.m., EST, on the Date of Closing, and shall be adjusted against all amounts due at Closing.

7.3 Purpose and Intent. Except as expressly provided herein, the purpose and intent as to the provisions of prorations and apportionments set forth in this Section 7 and elsewhere in this Agreement is that Seller shall bear all expenses of ownership and operation of the Property and shall receive all income therefrom accruing through midnight of the day preceding the Closing and Purchaser shall bear all such expenses and receive all such income accruing thereafter.

## 8. CLOSING AND ESCROW.

8.1 Seller’s Deliveries. Seller shall deliver possession of the Property to Purchaser at the time of Closing. On or before the Date of Closing, Seller shall deliver to the Title Company, as escrow agent, or Purchaser, as appropriate, any amounts set forth on the Settlement Statement (as hereinafter defined), as required by this Agreement, if any, and each of the following items, executed as appropriate by Seller, to be held in escrow pending Closing:

(a) a Special Warranty Deed, in a form insurable by the Title Company, duly executed by Seller and conveying to Purchaser fee simple title to the Property, subject only to the Permitted Exceptions (the “Deed”);

(b) an Owner's Affidavit as to Mechanic's Liens and Possession as reasonably required by the Title Company;

(c) a settlement statement setting forth in reasonable detail the financial transaction contemplated by this Agreement (the "Settlement Statement");

(d) reasonable documentation evidencing Seller's existence and authority, and the authority of the person executing any documents at Closing on behalf of Seller, to enter into the transactions contemplated by this Agreement, as may be reasonably required by the Title Company in order for Title Company to issue to Purchaser the Title Policy;

(e) if applicable, a bill of sale and/or assignment agreement, in a form reasonably acceptable to both parties, conveying to Purchaser the Improvements and Approvals (the "Assignment");

(f) such other documents as may be reasonably required by the Title Company to consummate the sale of the Property, in forms reasonably acceptable to both parties.

8.2 Purchaser's Deliveries. On or before the Date of Closing, Purchaser shall deliver to the Title Company, as escrow agent, any amounts set forth on the Settlement Statement, as required by this Agreement, and each of the following items, executed as appropriate by Purchaser, to be held in escrow pending written confirmation by Purchaser that all conditions to the obligation of Purchaser to close on the conveyance of the Property have been satisfied:

(a) reasonable documentation evidencing Purchaser's authority, and the authority of the person executing any documents at Closing on behalf of Purchaser, to enter into the transactions contemplated by this Agreement, as may be reasonably required by the Title Company;

(b) reasonable documentation evidencing the City's approval of Purchaser's plans for the Property;

(c) an agreement reasonably satisfactory to Seller and Purchaser providing that twelve (12) of the housing units to be developed on the Property shall be reserved to provide permanent supportive housing for clients of Seller, at Seller's option; and

(d) the Settlement Statement.

8.3 Possession. Purchaser shall be entitled to possession of the Property at the conclusion of the Closing.

## 9. **DAMAGE, DESTRUCTION AND CONDEMNATION.**

9.1 Casualty. Except as provided herein, Seller assumes all risk of loss or damage to the Property by fire or other casualty until the Date of Closing. If such loss or damage materially and adversely affects Purchaser's intended use and enjoyment of the Property as of the Date of Closing, Purchaser shall have the option, in its sole discretion, either to (i) terminate this Agreement by giving Seller written notice in which event the parties hereto shall have no further obligations or liabilities to one another hereunder except as expressly provided for hereunder; or (ii) proceed to Closing and accept from Seller an assignment of all insurance payable as a result of such damage or casualty. If at any time on or prior to the Date of Closing any portion of the Property is destroyed or damaged as a result of fire or any other cause whatsoever, Seller shall promptly give written notice thereof to Purchaser.

9.2 Condemnation. In the event, at any time on or prior to the Date of Closing, any action or proceeding is filed, under which the Property, or any portion thereof, may be taken pursuant to any law, ordinance or regulation or by condemnation or the right of eminent domain, Seller shall promptly give written notice thereof (which notice shall describe the type of action being taken against the Property, and which portions of the Property will be affected thereby) to Purchaser. Purchaser shall have the right to terminate this Agreement by written notice to Seller within twenty (20) days following the date upon which Purchaser receives Seller's written notice of such action or proceeding, in which event the parties hereto shall have no further obligations or liabilities to one another hereunder except as expressly provided for hereunder. If Purchaser does not elect to so terminate this Agreement within said

twenty (20) day period, this Agreement shall remain in full force and effect and the parties shall proceed to Closing and all condemnation proceeds will be assigned to Purchaser.

**10. DEFAULT AND REMEDIES.**

10.1 Purchaser Default. If, after the Due Diligence Approval Date, Purchaser shall fail or refuse to purchase the Property in violation of Purchaser's obligations hereunder, within ten (10) business days after notice thereof (except that such ten (10) business day cure period shall not apply to Purchaser's failure to perform a monetary obligation hereunder), for any reason other than a default by Seller under this Agreement or a failure of condition precedent to Closing pursuant to Section 6 above, and provided that Seller is then ready, willing and able to proceed to Closing, has performed all of its obligations hereunder and all conditions precedent to Closing hereunder have been satisfied or waived by Purchaser, Seller shall be entitled to: (i) terminate this Agreement, and/or (ii) withhold Seller's performance until Purchaser has cured its default, and/or (iii) institute any action available to Seller at law or in equity to recover damages, including reasonable attorneys' fees, incurred by Seller as a result of such breach by Purchaser, which damages shall not exceed \$100,000.00. Notwithstanding the foregoing, nothing in this Section 10.1 shall be deemed to limit Seller's remedies for any other violation of Purchaser's obligations hereunder, including without limitation Purchaser's obligation to indemnify Seller under Section 3.2 above, or to return certain documentation to Seller under Section 3.3 above. In all events, however, Seller's rights and remedies against Purchaser are subject to the provisions of Section 5.5 above.

10.2 Seller Default. In the event Seller shall: (a) fail to sell, transfer and assign the Property to Purchaser for any reason other than a default by Purchaser under this Agreement, and/or (b) fail to perform any other obligation of Seller hereunder within ten (10) business days after notice thereof for any reason other than a default by Purchaser under this Agreement, and/or (c) breach any warranty made or granted by Seller under this Agreement or any document or instrument given in connection herewith, and/or (d) have materially adversely misrepresented any fact, or any of the representations of Seller contained herein are not true, accurate or complete in all material respects, then Purchaser shall be entitled to elect, as its sole remedy therefor, either to: (i) seek specific performance of the Seller's obligations under this Agreement, or (ii) terminate this Agreement and institute any action available to Purchaser at law or in equity to recover damages, including reasonable attorneys' fees, incurred by Purchaser as a result of such breach or misrepresentation by Seller, which damages shall not exceed \$100,000.00. In all events, however, Purchaser's rights and remedies against Seller are subject to the provisions of Section 5.5 above.

**11. NOTICES.** Any notice required or permitted to be given hereunder must be in writing and shall be deemed to be given when (a) hand delivered, or (b) one (1) business day after pickup by an overnight delivery service, or (c) delivered by electronic mail, in any case addressed to the parties at their respective addresses set forth below:

**If to Seller:** Richmond Behavioral Health Authority  
107 South 5<sup>th</sup> Street  
Richmond, Virginia 23219  
Attention: Susan Hoover  
Email: hoovers@rbha.org

with a copy to:

Christian & Barton, L.L.P.  
901 East Cary Street, Suite 1800  
Richmond, VA 23219  
Attention: Jonathan M. Joseph, Esq.  
Email: jjoseph@cblaw.com

**If to Purchaser:** Virginia Supportive Housing  
707 N. Harrison Street  
Richmond, Virginia 23220

Phone: (804) 788-6825  
Attention: Allison Bogdanovic  
Email: abogdanovic@virginiassupportivehousing.org

with a copy to: Lauren Nowlin, Esq.  
Williams Mullen  
200 S. 10<sup>th</sup> Street, Suite 1600  
P.O. Box 1320 (23218-1320)  
Richmond, Virginia 23219  
Phone: (804) 420-6585  
Email: lnowlin@williamsmullen.com

or in each case to such other address as either party may from time to time designate by giving notice in writing pursuant to this Section 11 to the other party. Telephone numbers are for informational purposes only. Notices shall be deemed effective if given by counsel, acting in the capacity as counsel, to any party hereto, acting on behalf of such party. Effective notice will be deemed given only as provided above, except as otherwise expressly provided in this Agreement.

## **12. MISCELLANEOUS.**

12.1 Entire Agreement. This Agreement, together with the Exhibits attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties.

12.2 Severability. If any provision of this Agreement or its application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

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

12.4 Assignability. Purchaser shall have the absolute right, without Seller's consent or approval, to assign or transfer this Agreement or any of Purchaser's rights, obligations and interests under this Agreement to an entity owned by, or under common ownership or control with, the Purchaser. Purchaser shall notify Seller of any such assignment not less than 5 business days before the Date of Closing. Except as expressly provided in this Agreement, neither party will assign its rights or obligations under this Agreement without the other party's prior written consent.

12.5 Successors Bound. This Agreement shall be binding upon and inure to the benefit of Purchaser and Seller and their respective successors and permitted assigns.

12.6 No Public Disclosure. Prior to Closing, all press releases or other dissemination of information to the media or responses to requests from the media for information relating to the transaction contemplated herein shall be subject to the prior written consent of Purchaser and Seller, except to the extent required by the Virginia Freedom of Information Act as other applicable law.

12.7 Captions; Interpretation. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions. Whenever the context may require, words used in this Agreement shall include the corresponding feminine, masculine, or neuter forms, and the singular shall include the plural and vice versa. Unless the context expressly indicates otherwise, all references to "Section" are to sections of this Agreement.

12.8 No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the parties or their successors in interest or permitted assigns.

12.9 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument. Any party may execute this Agreement electronically using an electronic signature service. This Agreement may be delivered by facsimile, email or any other form of electronic transmission. Copies of this Agreement shall be deemed originals for all purposes.

12.10 Recordation. Purchaser and Seller agree not to record this Agreement or any memorandum hereof.

12.11 Proper Execution. The submission by Purchaser to Seller of this Agreement in an unsigned form shall be deemed to be a submission solely for Seller's consideration and not for acceptance and execution. Such submission shall have no binding force and effect, shall not constitute an option or an offer, and shall not confer any rights upon Seller or impose any obligations upon Purchaser irrespective of any reliance thereon, change of position or partial performance. The submission by Purchaser to Seller of this Agreement for execution by Seller and the actual execution thereof by Seller and delivery to Purchaser by Seller shall similarly have no binding force and effect on Purchaser unless and until Purchaser shall have executed this Agreement and a counterpart hereof executed by Purchaser and Seller shall have been delivered to Seller.

12.12 Waiver. No waiver of any breach of any agreement or provision contained herein shall be deemed a waiver of any preceding or succeeding breach of any other agreement or provision herein contained. No extension of time for the performance of any obligation or act shall be deemed an extension of time for the performance of any other obligation or act.

12.13 Business Days. If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or Legal Holiday (as hereinafter defined), the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or Legal Holiday. As used herein, the term "Legal Holiday" shall mean any local or federal holiday on which post offices are closed in the City.

12.14 Survival. Notwithstanding any termination, cancellation or expiration of this Agreement or the Closing, provisions which are by their terms intended to survive and continue shall so survive and continue.

12.15 Cooperation; Undertakings by Seller and Purchaser. The parties will cooperate and act reasonably to facilitate the consummation of the transactions referenced in this Agreement. In addition to the obligations required to be performed by the parties at or before Closing, Seller and Purchaser each agree to perform such other acts, and to execute, acknowledge and deliver, before, at or after Closing, such other instruments, documents and other materials as the other may reasonably request in order to consummate the transactions referenced in this Agreement and to vest title to the Property in Purchaser. Wherever this Agreement requires a party's consent or approval, such consent or approval will not be unreasonably withheld, conditioned or delayed, and will be deemed given if the party from whom the consent or approval is required fails to notify the other party of its disapproval or denial within ten (10) business days after delivery of notice reasonably describing the requested action and including such information as may be necessary to take the requested action.

[SIGNATURES ON FOLLOWING PAGE]

**IN WITNESS WHEREOF**, Purchaser and Seller have executed this Purchase and Sale Agreement on the dates set forth below, effective as of the date first set forth above.

**SELLER:**

**RICHMOND BEHAVIORAL HEALTH AUTHORITY**,  
an independent public authority

DocuSigned by:  
*Susan Hoover* \_\_\_\_\_ (SEAL)  
By: FC6813470DEF4C7...  
Name: Susan Hoover  
Title: Acting Chief Executive Officer

**PURCHASER:**

**VIRGINIA SUPPORTIVE HOUSING**,  
a Virginia nonstock corporation

DocuSigned by:  
*Allison Bogdanovic* \_\_\_\_\_ (SEAL)  
By: 9D0B8256B4D4471...  
Name: Allison Bogdanovic  
Title: Executive Director

**Exhibit A**

**LEGAL DESCRIPTION**

[to be attached]

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Parcel I 2900 Rady Street:

ALL that certain pieces or parcels of land located in the City of Richmond, Virginia known as 2900 Rady Street, assigned Parcel ID No. N000-0927/002 by the City of Richmond and shown as Parcels I and II on a plat made by Austin Brockenbrough & Associates, dated September 14, 1972, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Plat Book 24, Page 88 and that certain parcel of land acquired by virtue of the closing of a portion of Detroit Avenue located between the aforesaid Parcels I and II by the City of Richmond, Virginia as Ordinance No. 78-237-221.

Parcel II 2733 5th Avenue:

ALL that certain piece or parcel of land located in the City of Richmond, Virginia, currently known as 2733 5th Avenue (formerly known as 2825 5th Avenue), assigned Parcel ID No. N000-0719/004 by the City of Richmond, as shown on a plat entitled "0.187 Acres Located on the Eastern Line of 5th Avenue & on the Western Line of Rady Street, Richmond, Virginia", made by A.G. Harocopos & Associates, P.C., dated July 18, 1977, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Deed Book 725, Page 1029, reference to which is made for a more particular description.

BEING a portion of the same real estate conveyed to Richmond Behavioral Health Authority, an independent public authority organized and existing under Virginia law, by deed from Rubicon, Inc., a Virginia non-profit non-stock corporation, dated November 9, 2015, recorded November 10, 2015 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 150021654.

## ASSIGNMENT OF PURCHASE AND SALE AGREEMENT

**THIS ASSIGNMENT OF PURCHASE AND SALE AGREEMENT** (this “Assignment”) is made and entered into as of this 11 day of March, 2024, by and between **VIRGINIA SUPPORTIVE HOUSING**, a Virginia nonstock corporation (“Assignor”), and **RADY STREET APARTMENTS, LLC**, a Virginia limited liability company (“Assignee”).

### RECITALS

A. Assignor, as purchaser, and the Richmond Behavioral Health Authority, an independent public authority duly organized and existing under Virginia law (“Seller”), as seller, have entered into that certain Purchase and Sale Agreement dated as of January 11, 2024 (the “Agreement”), which provides for the sale and conveyance to Assignor of certain real property and improvements thereon located in the City of Richmond, Virginia (the “Property”), as more particularly described therein.

B. Pursuant to Section 12.4 of the Agreement, Assignor may, without Seller’s consent or approval, assign or transfer the Agreement and all of Assignor’s rights, obligations and interests under the Agreement to an entity owned by, or under common ownership or control with, Purchaser. Assignee is owned by Assignor.

C. Assignor desires to assign to Assignee all of its right, title and interest in and to the Agreement and the Property, and Assignee desires to accept such assignment and to assume all of Assignor’s obligations as to the purchase of the Property under the Agreement, upon the terms and conditions hereinafter set forth.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each party hereto, the parties hereto hereby agree as follows:

1. Assignor hereby assigns, transfers and conveys to Assignee, and Assignee hereby accepts from Assignor, all of Assignor’s right, title, interest, duties, and obligations in, to and under the Agreement and all claims and rights that Assignor may have or to which Assignor may be entitled under or by virtue of the Agreement. It is the intention of the parties hereto that Assignee shall have and be vested with all of the same rights, benefits and obligations conferred upon and undertaken by Assignor in the Agreement as though, and to the same extent as if, Assignee had been named the purchaser of the Property in the Agreement.

2. Assignee hereby assumes and agrees to perform and observe all agreements, covenants and obligations to be performed and observed by Assignor under the Agreement. Assignee hereby agrees to hold Assignor free and harmless from any and all losses, liabilities, obligations, debts and expenses arising under the Agreement and the transactions contemplated therein.

3. Assignee's address for notices for purposes of Section 11 of the Agreement is set forth below:

**If to Purchaser:** Rady Street Apartments, LLC  
c/o Virginia Supportive Housing  
1900 Cool Lane  
Richmond, Virginia 23223  
Phone: (804) 788-6825  
Attention: Allison Bogdanovic  
Email: [abogdanovic@virginiасupportivehousing.org](mailto:abogdanovic@virginiасupportivehousing.org)

with a copy to: Lauren Nowlin, Esq.  
Williams Mullen  
200 S. 10<sup>th</sup> Street, Suite 1600  
P.O. Box 1320 (23218-1320)  
Richmond, Virginia 23219  
Phone: (804) 420-6585  
Email: [lnowlin@williamsmullen.com](mailto:lnowlin@williamsmullen.com)

4. This Assignment represents the complete understanding between the parties hereto as to the subject matter hereof, and supersedes all prior negotiations, representations, promises, statements or agreements, either written or oral, between the parties hereto as to the same.

5. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns hereunder.

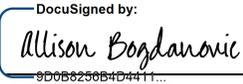
6. This Assignment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each party hereto has executed this Assignment or caused it to be executed on its behalf by its duly authorized representatives, the day and year first above written.

**ASSIGNOR:**

**VIRGINIA SUPPORTIVE HOUSING,**  
a Virginia nonstock corporation

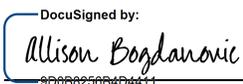
By:  (SEAL)  
Name: Allison Bogdanovic  
Title: Executive Director

**ASSIGNEE:**

**RADY STREET APARTMENTS, LLC,**  
a Virginia limited liability company

By: Rady Street Apartments 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

**Property:** 2900 Rady St **Parcel ID:** N0000927002**Parcel**

**Street Address:** 2900 Rady St Richmond, VA 23222-  
**Owner:** RICHMOND BEHAVIORAL HEALTH AUTHORITY  
**Mailing Address:** 507 SOUTH 5TH ST, RICHMOND, VA 23219  
**Subdivision Name :** HIGHLAND PARK ADD  
**Parent Parcel ID:**  
**Assessment Area:** 430 - North Side  
**Property Class:** 401 - B Commercial Vacant Land  
**Zoning District:** I - Institutional  
**Exemption Code:** 209 - State Government (Other)

**Current Assessment**

**Effective Date:** 01/01/2024  
**Land Value:** \$187,000  
**Improvement Value:**  
**Total Value:** \$187,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 39730.75  
**Acreage:** 0.912  
**Property Description 1:** 0314.60X0310.35 IRG0000.000  
**State Plane Coords( ?):** X= 11797246.5307 Y= 3731909.8363  
**Latitude:** 37.56730423 , **Longitude:** -77.41529873

**Description**

**Land Type:** Commercial S3  
**Topology:**  
**Front Size:** 314  
**Rear Size:** 310  
**Parcel Square Feet:** 39730.75  
**Acreage:** 0.912  
**Property Description 1:** 0314.60X0310.35 IRG0000.000  
**Subdivision Name :** HIGHLAND PARK ADD  
**State Plane Coords( ?):** X= 11797246.5307 Y= 3731909.8363  
**Latitude:** 37.56730423 , **Longitude:** -77.41529873

**Other**

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

**Assessments**

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$187,000	\$0	\$187,000	Reassessment
2023	\$187,000	\$0	\$187,000	Reassessment
2022	\$132,000	\$0	\$132,000	Reassessment
2021	\$125,000	\$0	\$125,000	Reassessment
2020	\$125,000	\$0	\$125,000	Reassessment
2019	\$125,000	\$0	\$125,000	Reassessment
2018	\$111,000	\$0	\$111,000	Reassessment
2017	\$111,000	\$0	\$111,000	Reassessment
2016	\$111,000	\$0	\$111,000	Reassessment
2015	\$104,000	\$0	\$104,000	Reassessment
2014	\$104,000	\$0	\$104,000	Reassessment
2013	\$104,000	\$0	\$104,000	Reassessment
2012	\$104,000	\$0	\$104,000	Reassessment
2011	\$104,000	\$0	\$104,000	CarryOver
2010	\$104,000	\$0	\$104,000	Reassessment
2009	\$104,000	\$0	\$104,000	Reassessment
2008	\$104,000	\$0	\$104,000	Reassessment
2007	\$104,000	\$0	\$104,000	Reassessment
2006	\$101,000	\$0	\$101,000	Reassessment
2005	\$72,400	\$0	\$72,400	Reassessment
2004	\$65,800	\$0	\$65,800	Reassessment
2003	\$57,200	\$0	\$57,200	Reassessment
2002	\$52,000	\$0	\$52,000	Reassessment
1998	\$40,000	\$0	\$40,000	Not Available

**Transfers**

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
11/10/2015	\$3,227,375	RUBICON INC	ID2015-21654	2 - INVALID SALE-DO NOT USE
06/08/1994	\$0	Not Available	00401-0246	
09/27/1972	\$0	Not Available	000679-A00560	

**Property:** 2733 5th Ave **Parcel ID:** N0000719004

**Parcel**

**Street Address:** 2733 5th Ave Richmond, VA 23222-  
**Alternate Street Addresses:** 2825 5th Ave  
**Owner:** RICHMOND BEHAVIORAL HEALTH AUTHORITY  
**Mailing Address:** 507 SOUTH 5TH ST, RICHMOND, VA 23219  
**Subdivision Name :** NONE  
**Parent Parcel ID:**  
**Assessment Area:** 430 - North Side  
**Property Class:** 501 - B Industrial Vacant Land  
**Zoning District:** I - Institutional  
**Exemption Code:** 209 - State Government (Other)

**Current Assessment**

**Effective Date:** 01/01/2024  
**Land Value:** \$44,000  
**Improvement Value:**  
**Total Value:** \$44,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 35283.6  
**Acreage:** 0.81  
**Property Description 1:** 0151.00X0249.43 IRG0000.817 AC  
**State Plane Coords( ?):** X= 11797206.779433 Y= 3731724.753333  
**Latitude:** 37.56681740 , **Longitude:** -77.41585423

**Description**

**Land Type:** Commercial S4  
**Topology:**  
**Front Size:** 151  
**Rear Size:** 249  
**Parcel Square Feet:** 35283.6  
**Acreage:** 0.81  
**Property Description 1:** 0151.00X0249.43 IRG0000.817 AC  
**Subdivision Name :** NONE  
**State Plane Coords( ?):** X= 11797206.779433 Y= 3731724.753333  
**Latitude:** 37.56681740 , **Longitude:** -77.41585423

**Other**

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

**Assessments**

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$44,000	\$0	\$44,000	Reassessment
2023	\$44,000	\$0	\$44,000	Reassessment
2022	\$44,000	\$0	\$44,000	Reassessment
2021	\$42,000	\$0	\$42,000	Reassessment
2020	\$42,000	\$0	\$42,000	Reassessment
2019	\$42,000	\$0	\$42,000	Reassessment
2018	\$42,000	\$0	\$42,000	Reassessment
2017	\$42,000	\$0	\$42,000	Reassessment
2016	\$42,000	\$0	\$42,000	Reassessment
2015	\$42,000	\$0	\$42,000	Reassessment
2014	\$42,000	\$0	\$42,000	Reassessment
2013	\$42,000	\$0	\$42,000	Reassessment
2012	\$42,000	\$0	\$42,000	Reassessment
2011	\$42,000	\$0	\$42,000	CarryOver
2010	\$42,000	\$0	\$42,000	Reassessment
2009	\$42,000	\$0	\$42,000	Reassessment
2008	\$42,000	\$0	\$42,000	Reassessment
2007	\$42,000	\$0	\$42,000	Reassessment
2006	\$40,000	\$0	\$40,000	Reassessment
2005	\$63,400	\$0	\$63,400	Reassessment
2004	\$57,600	\$0	\$57,600	Reassessment
2003	\$50,100	\$0	\$50,100	Reassessment
2002	\$45,500	\$0	\$45,500	Reassessment
1998	\$35,000	\$0	\$35,000	Not Available

**Transfers**

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
11/10/2015	\$3,227,375	RUBICON INC	ID2015-21654	2 - INVALID SALE-DO NOT USE
06/08/1994	\$0	Not Available	00401-0246	
08/15/1977	\$4,500	Not Available	000725-01027	

# **Tab F:**

RESNET Rater Certification (MANDATORY)

## R. RESNET Rater Certification

### RESNET Rater Certification of Development Plans

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

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

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

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

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

\_\_\_\_\_ **New Construction** – EnergyStar Certification

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

\_\_\_\_\_ **Rehabilitation** – 30% performance increase over existing, based on HERS Index;

**Or Must evidence a HERS Index of 80 or better**

Rater understands that before issuance of IRS Form 8609, rater must provide Certification to Virginia Housing of energy performance.

\_\_\_\_\_ **Adaptive Reuse** – Must evidence a HERS Index of 95 or 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 Viridian's EarthCraft Multifamily program Gold certification or higher.

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

**Additional Optional Certifications continued**

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

\_\_\_\_\_ **Enterprise Green Communities** – The development’s design meets the criteria for meeting the requirements as stated in the Enterprise Green Communities Criteria for this developments construction type to obtain certification.

\_\_\_\_\_ **Zero Energy Ready Homes**

\_\_\_\_\_ **Passive House**

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

Printed Name Stacey Smith 3-12-24

RESNET Rater

Date

Signature 

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

Signature 

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

\_\_\_\_\_

## Rady Street Apartments – Modeling Summary

### Ekotrope Models HERS Scores:

Unit Type	Quantity	HERS	ES V1.1 Target	ES v1.2 Target	ZERH Target
Typical Studio - Interior - Floors 1-3	48	49	67	55	61
Typical Studio - Interior - Floor 4	18	48	67	55	61
Typical Studio - End - Floors 2-3	2	46	65	53	59
Typical Studio - End - Floor 4	1	47	64	54	60
Corner Studio - End - Floors 1-3	3	47	63	54	60
Corner Studio - End - Floor 4	1	46	63	53	59
Corner One Bedroom - End - Floors 2-3	2	48	64	51	58
Corner One Bedroom - End - Floor 4	1	49	62	53	59
Typical One Bedroom - Floors 2-3	4	49	66	52	59
Typical One Bedroom - Floor 4	2	50	66	53	60

# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: LVpezMPv

## HERS® Index Score:

# 49

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

## Annual Savings

# \$927

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

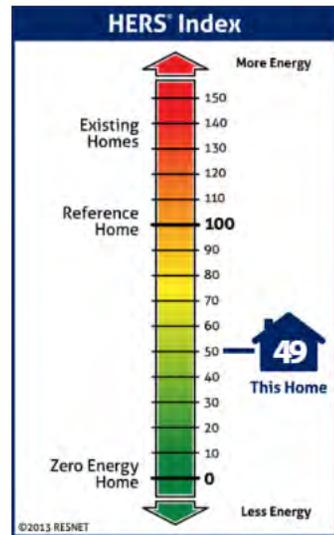
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.2	\$114
Cooling	1.5	\$54
Hot Water	2.2	\$76
Lights/Appliances	10.7	\$375
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>17.7</b>	<b>\$709</b>

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

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



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1BR - End - Floor 4
Community:	Rady Street
Conditioned Floor Area:	739 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 3.02 ACH50)
Ventilation:	40 CFM • 40 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Vaulted Roof, R-39
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-19

## 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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: L9M6DY1L

## HERS® Index Score:

# 48

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

## Annual Savings

# \$917

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

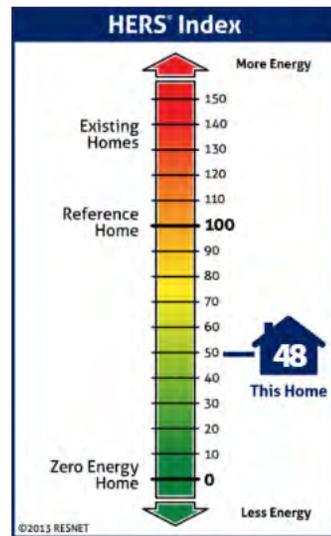
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.4	\$84
Cooling	1.3	\$44
Hot Water	2.2	\$75
Lights/Appliances	10.7	\$375
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>16.5</b>	<b>\$669</b>

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

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



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Corner 1BR - End - Floors 2-3
Community:	Rady Street
Conditioned Floor Area:	739 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.51 ACH50)
Ventilation:	40 CFM • 40 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-26
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-39

## 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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: vyJp1b12

## HERS® Index Score:

# 47

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

## Annual Savings

# \$831

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

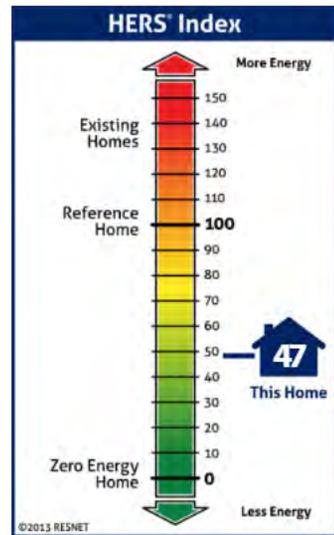
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.7	\$93
Cooling	0.5	\$19
Hot Water	2.3	\$80
Lights/Appliances	9.8	\$342
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>15.3</b>	<b>\$624</b>

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

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



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Corner Studio - End - Floors 1-3
Community:	Rady Street
Conditioned Floor Area:	591 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 13.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 30.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 3.31 ACH50)
Ventilation:	25 CFM • 25 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-26
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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: vDKRXe5d

## HERS® Index Score:

# 46

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

## Annual Savings

# \$887

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

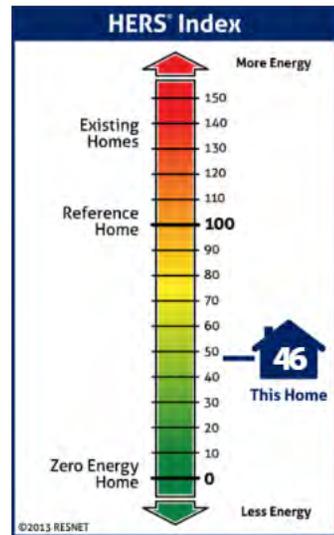
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.7	\$93
Cooling	0.8	\$30
Hot Water	2.3	\$79
Lights/Appliances	9.8	\$341
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>15.6</b>	<b>\$635</b>

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

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



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Corner Studio - End - Floor 4
Community:	Rady Street
Conditioned Floor Area:	591 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 13.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 30.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 3.27 ACH50)
Ventilation:	25 CFM • 25 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Vaulted Roof, R-39
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-19

## 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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: dY7AQ6b2

## HERS® Index Score:

# 47

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

## Annual Savings

# \$801

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

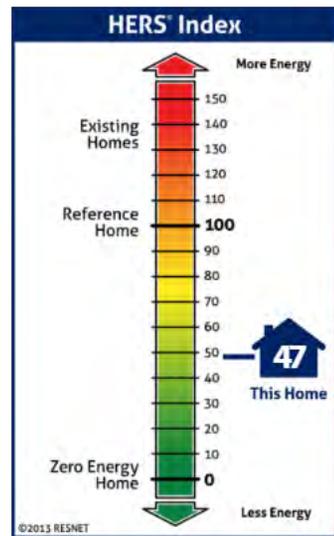
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.4	\$84
Cooling	0.8	\$29
Hot Water	2.4	\$83
Lights/Appliances	9.2	\$321
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>14.8</b>	<b>\$609</b>

## 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:	Typical Studio - End - Floor 4
Community:	Rady Street
Conditioned Floor Area:	457 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 13.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 30.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 3.51 ACH50)
Ventilation:	25 CFM • 25 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Vaulted Roof, R-39
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-19

## 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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07  
Registry ID:  
Ekotrope ID: LZgNDWGd

## HERS® Index Score:

# 46

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

## Annual Savings

# \$797

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

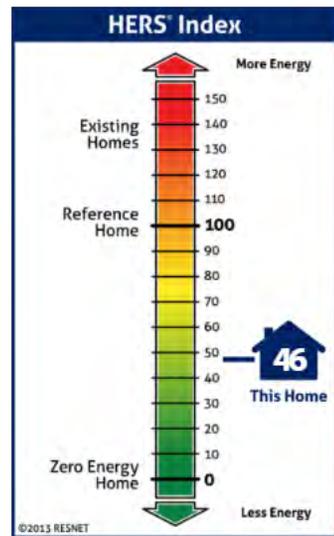
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.0	\$69
Cooling	0.7	\$25
Hot Water	2.3	\$81
Lights/Appliances	9.4	\$328
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>14.4</b>	<b>\$594</b>

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

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



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Typical Studio - End - Floors 2 and 3
Community:	Rady Street
Conditioned Floor Area:	481 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 13.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 30.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.86 ACH50)
Ventilation:	25 CFM • 25 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-26
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-39

## 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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: vQxG4xxd

## HERS® Index Score:

# 48

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

## Annual Savings

# \$745

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

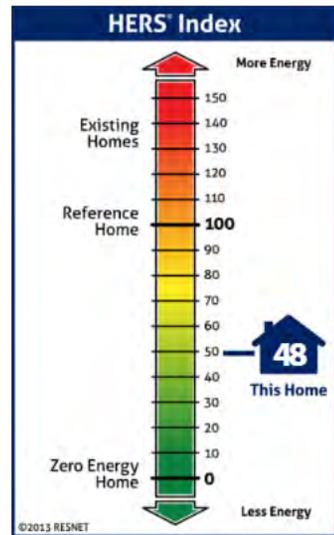
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.8	\$62
Cooling	0.6	\$21
Hot Water	2.4	\$82
Lights/Appliances	9.2	\$323
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>14.0</b>	<b>\$579</b>

## 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:	Typical Studio - Interior - Floor 4
Community:	Rady Street
Conditioned Floor Area:	457 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 13.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 30.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.31 ACH50)
Ventilation:	25 CFM • 25 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Vaulted Roof, R-39
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-19

## 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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: Lbpl3k6v

## HERS® Index Score:

# 49

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

## Annual Savings

# \$702

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

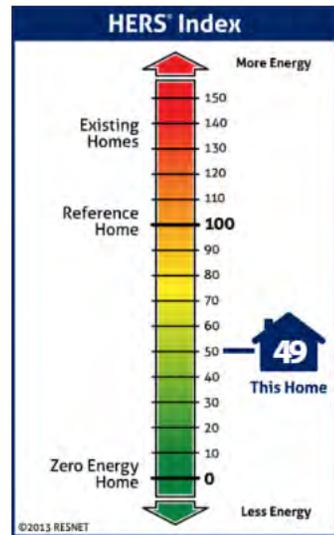
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.6	\$56
Cooling	0.4	\$14
Hot Water	2.4	\$82
Lights/Appliances	9.2	\$323
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>13.6</b>	<b>\$566</b>

## 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:	Typical Studio - Interior - Floors 1-3
Community:	Rady Street
Conditioned Floor Area:	457 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 13.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 30.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.34 ACH50)
Ventilation:	25 CFM • 25 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-26
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: 3/12/24 at 1:33 PM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: Le6bR1pd

## HERS® Index Score:

# 50

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

## Annual Savings

# \$846

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

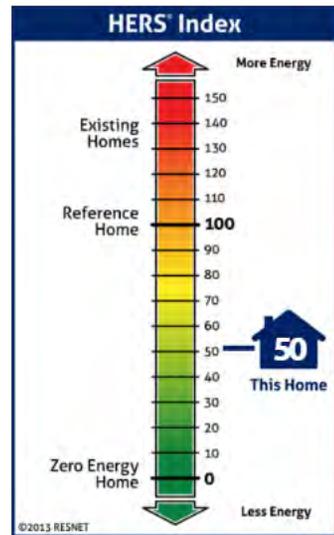
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.8	\$98
Cooling	1.3	\$45
Hot Water	2.3	\$79
Lights/Appliances	10.2	\$357
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>16.6</b>	<b>\$670</b>

## 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:	Typical 1BR - Floor 4
Community:	Rady Street
Conditioned Floor Area:	596 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.65 ACH50)
Ventilation:	40 CFM • 40 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Vaulted Roof, R-49
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-19

## 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: 3/13/24 at 7:55 AM



# Home Energy Rating Certificate

Projected Report  
Based on Plans

Rating Date: 2024-03-07

Registry ID:

Ekotrope ID: 2RMIkZBv

## HERS® Index Score:

# 49

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

## Annual Savings

# \$835

\*Relative to an average U.S. home

**Home:**  
2900 Rady Street  
Richmond, VA 23222

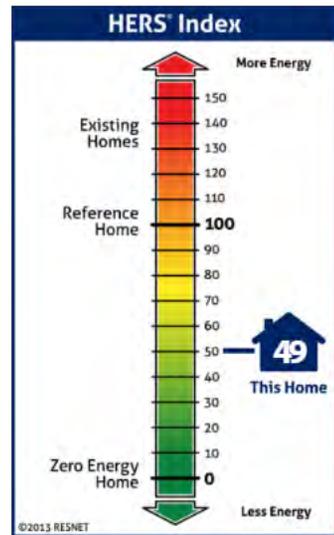
**Builder:**  
Virginia Supportive Housing

## Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.1	\$73
Cooling	1.1	\$38
Hot Water	2.2	\$78
Lights/Appliances	10.2	\$357
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>15.6</b>	<b>\$637</b>

## 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:	Typical 1BR - Floors 2 and 3
Community:	Rady Street
Conditioned Floor Area:	596 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.4 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 0.98 ACH50)
Ventilation:	40 CFM • 40 Watts (Default) • ERV
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-26
Window Type:	U-Value: 0.3, SHGC: 0.31
Foundation Walls:	N/A
Framed Floor:	R-19

## 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: 3/13/24 at 7:55 AM



## **Rady Street 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)

Rady Street Apartments will feature a roof mounted photovoltaic solar array. Based on the current roof plan it is expected that at least 40% of the roof will be available for solar panel installation. A solar array of this size could produce a minimum of 150,000 kWh of annual energy production. The estimated annual energy usage for Rady Street Apartments, based on projects of similar size and design, is 550,000 kWh. Therefore, the renewable energy electric system could provide an estimated annual reduction of more than 20%.

Rady Street 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 Rady Street Apartment's energy load from the photovoltaic solar array results in cost savings for the property's operating budget. These savings allow Rady Street 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 level of affordability.

# **Tab G:**

Zoning Certification Letter (MANDATORY)



**CITY OF RICHMOND**

DEPARTMENT OF  
PLANNING AND DEVELOPMENT REVIEW  
ZONING ADMINISTRATION

## Zoning Certification

**DATE:** February 27, 2024

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

**RE:** ZONING CERTIFICATION

Name of Development: Rady Street Apartments

Name of Owner/Applicant: Rady Street Apartments, LLC

Name of Seller/Current Owner: Richmond Behavioral Health Authority (RBHA)

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:  
2900 Rady Street, Richmond, VA 23222 and 2733 5th Ave (formerly 2825 5th Ave), Richmond, VA 23222

Legal Description:  
See the attached Exhibit A.

### Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>83</u> # Units	<u>1</u> # Buildings	<u>56318.01</u> Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	<u>  </u> # Units	<u>  </u> # Buildings	<u>  </u> Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	<u>  </u> # Units	<u>  </u> # Buildings	<u>  </u> Total Floor Area Sq. Ft.

## Zoning Certification, cont'd

Current Zoning: I- Institutional District allowing a density of 83/1.72 acres units per acre, and the following other applicable conditions: as approved in City Ordinance 2024-036 authorizing a special use permit for the construction of Rady Street Apartments.

### Other Descriptive Information:

Rady Street Apartments is the new construction of eighty-two units of permanent housing with supportive services, plus one night monitor unit, for a total of eighty-three units. Rady Street Apartments will serve homeless and low-income individuals from the Richmond 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

William C. Davidson

Printed Name

Zoning Administrator

Title of Local Official or Civil Engineer

804-646-6353

Phone:

February 27, 2024

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](mailto:taxcreditapps@virginiahousing.com).

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Parcel I 2900 Rady Street:

ALL that certain pieces or parcels of land located in the City of Richmond, Virginia known as 2900 Rady Street, assigned Parcel ID No. N000-0927/002 by the City of Richmond and shown as Parcels I and II on a plat made by Austin Brockenbrough & Associates, dated September 14, 1972, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Plat Book 24, Page 88 and that certain parcel of land acquired by virtue of the closing of a portion of Detroit Avenue located between the aforesaid Parcels I and II by the City of Richmond, Virginia as Ordinance No. 78-237-221.

Parcel II 2733 5th Avenue:

ALL that certain piece or parcel of land located in the City of Richmond, Virginia, currently known as 2733 5th Avenue (formerly known as 2825 5th Avenue), assigned Parcel ID No. N000-0719/004 by the City of Richmond, as shown on a plat entitled "0.187 Acres Located on the Eastern Line of 5th Avenue & on the Western Line of Rady Street, Richmond, Virginia", made by A.G. Harocopos & Associates, P.C., dated July 18, 1977, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Deed Book 725, Page 1029, reference to which is made for a more particular description.

BEING a portion of the same real estate conveyed to Richmond Behavioral Health Authority, an independent public authority organized and existing under Virginia law, by deed from Rubicon, Inc., a Virginia non-profit non-stock corporation, dated November 9, 2015, recorded November 10, 2015 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 150021654.

# **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: Rady Street Apartments  
Name of Owner: Rady Street 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.

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](mailto: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: [Rady Street Apartments](#)  
Name of Owner: [Rady Street 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 avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.**

# WILLIAMS MULLEN

Virginia Housing  
March ~~14~~, 2024  
Page 3

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

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

-

<b>Summary report:</b>	
<b>Litera Compare for Word 11.3.0.46 Document comparison done on 3/13/2024 11:07:50 PM</b>	
<b>Style name:</b> Default Style	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> iw://williamsmullen-mobility.imatech.com/IWOVRIC/104508935/1	
<b>Modified DMS:</b> iw://williamsmullen-mobility.imatech.com/IWOVRIC/104714056/1	
<b>Changes:</b>	
Add	16
Delete	21
<del>Move From</del>	0
Move To	0
Table Insert	0
<del>Table Delete</del>	0
Table moves to	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>38</b>

# 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 Rady Street Apartments
- b. Name of owner/applicant Rady Street 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, program funds - \$75,000

- 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 of Incorporation, 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 36 years; Perpetual life expectancy

## Appendices continued

- j. Explain the anticipated future activities of the nonprofit over the next five years:  
 To continue to provide supportive services and affordable, low-cost housing throughout the Commonwealth of Virginia through existing programs and properties as well as new 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.)? 122  
 How many part time, paid staff members? 22  
 Describe the duties of all staff members:  
 Duties of staff members include the following: housing and real estate development, construction management and supervision, financial and grants management, property management and maintenance, supportive services, human resources, 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's 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 the attached 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.

---



---



---

### 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 Rady Street Apartments Managing Member, LLC, the managing member of Rady Street Apartments, LLC, the owner. Please see Tab A for ownership chart and information.

---



---

(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 Rady Street 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 Rady Street Apartments. VSH will also be responsible for all operations, management, and record keeping for the development throughout the compliance 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 :

Desk clerks-5824hrs, APM-2080hrs, SPM-604hrs, Asset Compliance Mgr.-604hrs, Director of PM-208hrs, Maint Tech.-1040hrs, Maint. Apprentice-2080hrs, Maint. Supervisor-604 hrs, Supportive Services Specialist-2080hrs, Services Program Mgr- 520 hrs, Services AD- 260 hrs, Property Accountant - 110 hours, Finance AD-18hrs

---



---



---

## 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 (VSH) began conversations with Richmond Behavioral Health Authority (RBHA) in 2023 regarding opportunities to develop permanent supportive housing on surplus property owned by RBHA. VSH submitted a proposal requesting the donation of the property located at 2900 Rady St and 2733 5th Ave (formerly 2825 5th Ave) to RBHA for review. RBHA accepted the proposal and later entered into a Purchase and Sale Agreement for the sites.

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:

Rady Street Apartments, LLC is the ownership entity. Rady Street Apartments 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 construction management services are needed VSH will solicit proposals from several for-profit organizations in accordance with procurement policies.

## 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 homeless and low-income individuals and families throughout the Commonwealth of Virginia including Charlottesville, the Richmond MSA, and South Hampton Roads.

---



---

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 VSH has been developing and providing permanent, affordable housing and comprehensive supportive services for homeless and low-income individuals in Virginia. VSH opened New Clay House, its first permanent supportive housing development, in 1992; South Richmond SRO in 1996 and Studios at South Richmond in 2011; Cool Lane Apartments in 2024; and several smaller apartments for adults with disabilities and families (1998-2008) for a total of 266 Richmond area units.

---



---

## 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 partnered with the Richmond Behavioral Health Authority (RBHA) to secure the site for Rady Street Apartments. VSH has secured a commitment of Project-Based Vouchers from the Richmond Redevelopment and Housing Authority (RRHA) for the development. Additionally, VSH has held several community meetings with local organizations and community members. VSH will continue to engage the community and secure financing through long established local, state, and federal partnerships and relationships.

- 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 has held two community meetings, 12/5/23 and 1/31/24, to discuss the proposed development with local businesses, organizations, and individuals. The meetings were held within the Highland Park neighborhood.

- 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 on the 1st Tuesday of the month at noon. Meetings are held in locations that are both accessible and open 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 Tab D for the List of LIHTC Developments (Schedule A) and Virginia Supportive Housing's resume.

---



---

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:

---



---



---

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 3/11/24

Owner/Applicant Rady Street Apartments, LLC

By <sup>DocuSigned by:</sup>  
Allison Bogdanovic  
9D0B8256B4D4411...

Its Executive Director of Rady Street Apartments Managing Member, LLC  
Title

Date 3/11/24

Virginia Supportive Housing  
Nonprofit

By <sup>DocuSigned by:</sup>  
Jason Snook  
95142D67D906414...

Board Chairman

By <sup>DocuSigned by:</sup>  
Allison Bogdanovic  
9D0B8256B4D4411...

Executive Director

## **Rady Street Apartments**

### Non-Profit Questionnaire: Additional Information

#### 1. General Information

- f. 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

g. 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



**IRS** Department of the Treasury  
Internal Revenue Service

P.O. Box 2508  
Cincinnati OH 45201

015000.631534.0081.002 1 AB 0.360 532



VIRGINIA SUPPORTIVE HOUSING  
1010 N THOMPSON  
RICHMOND VA 23230

015000

CUT OUT AND RETURN THE VOUCHER AT THE BOTTOM OF THIS PAGE IF YOU ARE MAKING A PAYMENT,  
EVEN IF YOU ALSO HAVE AN INQUIRY.

The IRS address must appear in the window.

Use for payments

BODCD-TE

0248464840

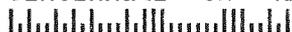
Letter Number: LTR4168C  
Letter Date : 2009-12-03  
Tax Period : 000000



\*541444564\*

INTERNAL REVENUE SERVICE  
P.O. Box 2508  
Cincinnati OH 45201

VIRGINIA SUPPORTIVE HOUSING  
1010 N THOMPSON  
RICHMOND VA 23230



541444564 UP VIRG 00 2 000000 670 000000000000

1. General Information

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

Jason Snook, PhD, *President*  
CapTech Ventures, Inc.  
Board Term: 2017-2024  
2909 Hanes Avenue, Richmond, VA 23222

Kathy Robertson, *Vice President*  
Community Volunteer  
Board Term: 2020-2025  
112 N. Auburn Avenue, Richmond, VA 23221

Joshua Ragland, *Treasurer*  
National Cooperative Bank  
Board Term: 2021-2026  
6192 Treywood Lane, Manassas, VA 20112

Andrew Sherrod, *Secretary*  
Hirschler  
Board Term: 2019-2024  
311 Lexington Road, Richmond, VA 23226

Curtis Carter  
Thalhimer  
Board Term: 2019-2024  
7712 Dartmoor Rd., Richmond, VA 23229

Tanisha Davis  
Virginia Beach Community Development Corp.  
Board Term: 2023-2028  
4560 Marlwood Way, Virginia Beach, VA 23462

Kaki Dimock  
Albemarle Department of Social Services  
Board Term: 2023-2028  
7714 Secretarys Sand Road, Schuyler, VA 22969

Pam Goggins  
Community Volunteer  
Board Term: 2015-2024  
213 Walsing Drive, Richmond, VA 23229

Andrew Heatwole  
Ripley Heatwole Company, Inc.  
Board Term: 2018-2024  
4305 Alfriends Trail, Virginia Beach, VA 23455

Sharon Nusbaum  
Community Volunteer  
Board Term: 2015-2024  
540 New Hampshire Ave., Norfolk, VA 23508

Leslee Oliver  
VHB  
Board Term: 2021-2026  
3419 Hawthorne Ave, Richmond, VA 23222

Sharon Patrick  
Enterprise Holdings  
Board Term: 2020-2025  
904 Hassett Ct., Virginia Beach, VA 23464

George Stroud  
Community Volunteer  
Board Term: 2021-2026  
5432 Tidewater Drive, Apt C109, Norfolk, VA 23509

# **Tab J:**

Relocation Plan and Unit Delivery Schedule  
(MANDATORY-Rehab)

# 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.**
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: Reno, NV MSA**

COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Washoe County	1.03	1.05	1.06	2.01	2.02	7.02	9.00	10.17	10.18	10.19	12.03	12.04
	14.00	15.03	15.04	17.01	17.03	18.01	18.02	19.01	19.03	21.07	22.04	22.11
	22.12	27.03	30.02	31.12	9402.00							

**METROPOLITAN AREA: Richmond, VA MSA**

COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT										
Chesterfield County	1001.07	1002.12	1003.00	1004.04	1004.05	1004.06	1004.10	1006.00	1008.06			
Henrico County	2001.53	2004.12	2004.17	2008.05	2008.07	2010.02	2011.03	2011.04	2012.05	2014.05	2014.06	
Prince George County	8501.00											
Colonial Heights city	8302.00	8304.00										
Hopewell city	8203.00	8205.00	8206.00	8207.00								
Petersburg city	8101.00	8104.00	8105.00	8106.00	8107.00	8112.00	8113.00					
Richmond city	103.00	108.00	109.00	110.00	201.00	202.00	203.00	204.00	209.00	210.00	212.00	301.00
	302.00	305.01	402.01	403.00	404.00	411.00	412.00	602.00	604.00	607.00	608.00	609.00
	610.01	706.01	707.00	708.02	708.03	708.04	709.01	709.02	710.03	710.04		

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

COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	
Riverside County	305.02	305.03	310.02	402.03	402.04	403.04	411.01	414.10	416.01	417.03	417.04	420.10	
	422.09	422.10	422.13	424.05	425.05	425.10	425.11	425.14	425.15	425.16	425.19	429.02	
	430.03	430.06	433.07	433.08	433.09	433.10	433.13	434.01	434.03	434.04	434.05	435.03	
	435.05	435.21	435.23	436.01	436.02	440.00	441.01	441.02	441.03	442.00	445.07	445.09	
	445.10	445.15	445.16	445.21	445.23	445.24	446.05	447.02	449.07	449.11	449.26	449.30	
	449.33	449.34	452.07	452.09	452.17	453.03	455.01	455.02	456.10	456.11	456.12	456.15	
	456.16	456.18	456.19	457.03	457.04	457.06	457.07	457.08	457.09	461.01	461.02	462.00	
	465.02	467.00	469.00	472.01	472.02	495.02	9401.00	9404.00					
	San Bernardino County	3.05	3.07	10.02	13.05	15.03	15.04	16.00	24.03	28.04	30.00	31.02	33.01
		35.09	35.10	37.00	41.03	41.04	42.01	42.02	43.02	46.03	48.00	49.01	49.02
53.00		54.00	55.01	55.02	56.01	56.02	57.01	58.00	62.03	62.04	63.01	63.03	
63.04		64.01	65.01	65.02	67.00	70.01	73.03	74.08	74.10	76.03	76.05	76.06	
87.10		89.01	91.31	91.32	91.33	91.34	94.00	95.01	95.02	97.12	97.21	97.27	
98.00		99.11	99.12	99.13	99.14	99.16	99.18	100.10	100.11	100.14	100.32	100.33	
104.02		104.10	104.20	104.24	104.27	104.33	104.34	104.35	104.36	107.00	117.00	118.02	
120.02	121.03	121.06	125.00	251.00									

**METROPOLITAN AREA: Roanoke, VA MSA**

COUNTY OR COUNTY EQUIVALENT	TRACT											
Roanoke city	1.00	5.00	9.00	10.00	12.00	24.00	25.01	25.02	26.00			

**METROPOLITAN AREA: Rochester, MN MSA**

COUNTY OR COUNTY EQUIVALENT	TRACT											
Olmsted County	1.00	2.00	3.00	5.00	17.01							

# **Tab K.2**

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



## Surveyor's Certification of Proximity to Transportation

### General Instructions

1. This form must be included with the Application.
2. Any change in this form may result in a reduction of points under the scoring system.
3. If you have any questions, please contact the Tax Credit Allocation Department [taxcreditapps@virginiahousing.com](mailto:taxcreditapps@virginiahousing.com).

Date 2/6/2024

To Virginia Housing  
601 South Belvidere Street  
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request

Name of Development Rady Street Apartments

Name of Owner Rady Street 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 Timmons Group, Inc.

By Luke M. Turner

Its Professional Land Surveyor

Title



# Tab L:

PHA / Section 8 Notification Letter

## Appendices continued

### PHA or Section 8 Notification Letter

Date 2/20/24

To Kenyatta Green, SVP Affordable Housing  
Richmond Redevelopment and Housing Auth.  
600 E. Broad St, 4th Fl, Richmond, VA 23219

RE: Proposed Affordable Housing Development

Name of Development Rady Street Apartments

Name of Owner Rady Street Apartments, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on 12/1/27 (date).

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

Development Address 2900 Rady Street, Richmond, VA 23222 and 2733 5th Ave (formerly 2825 5th Ave),  
Richmond, VA 23222

#### Proposed Improvements:

New Construction: 82 #Units 1 #Buildings

Adaptive Reuse: \_\_\_\_\_ #Units \_\_\_\_\_ #Buildings

Rehabilitation: \_\_\_\_\_ #Units \_\_\_\_\_ #Buildings

#### Proposed Rents:

Efficiencies: \$ 1461/1120 /month

1 Bedroom Units: \$ 1502 /month

2 Bedroom Units: \$ \_\_\_\_\_ /month

3 Bedroom Units: \$ \_\_\_\_\_ /month

4 Bedroom Units: \$ \_\_\_\_\_ /month

#### Other Descriptive Information:

Rady Street Apartments is the new construction of 73 studio and 9 1-bedroom apartments for homeless and low-income individuals. Seventy (70) units will have Project Based Vouchers administered by RRHA.

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 (804) 788 - 6825 .

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

Sincerely yours,

Name Elizabeth Nice

Title Associate Director of Real Estate Development, Virginia Supportive Housing

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

Seen and Acknowledged By (signature) Kenyatta Green

Printed Name: Kenyatta Green

Title SVP Affordable Housing

Phone 804-80-3491

Date 2/20/2024

# Tab M:

Intentionally Blank

# Tab N:

Homeownership Plan

# **Tab O:**

Plan of Development Certification Letter



**CITY OF RICHMOND**

DEPARTMENT OF  
PLANNING AND DEVELOPMENT REVIEW  
ZONING ADMINISTRATION

**Plan of Development Certification**

**DATE:** March 11, 2024

**TO:** Virginia Housing  
601 South Belvidere Street  
Richmond, Virginia 23220  
Attention: Stephanie Flanders

**RE:** PLAN OF DEVELOPMENT CERTIFICATION

Name of Development:	<u>Rady Street Apartments</u>
Name of Owner/Applicant:	<u>Rady Street Apartments, LLC</u>
Name of Seller/Current Owner:	<u>Richmond Behavioral Health Authority (RBHA)</u>

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the site plan of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming the status of plan of development or site plan approval 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 Virginia Housing's Qualified Allocation Plan for housing tax credits.

**DEVELOPMENT DESCRIPTION:**

Development Address:

2900 Rady Street, Richmond, VA 23222 and 2733 5th Ave (formerly 2825 5th Ave), Richmond, VA 23222

Legal Description:

See the attached Exhibit A.

Plan of Development Number: City Ordinance 2024-036

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	83	# Units	1	# Buildings	56318.01	Total Floor Area
<input type="checkbox"/> Adaptive Reuse:		# Units		# Buildings		Total Floor Area
<input type="checkbox"/> Rehabilitation:		# Units		# Buildings		Total Floor Area

Other Descriptive Information:

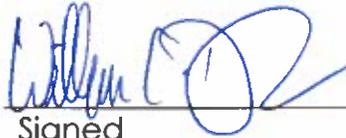
Rady Street Apartments is the new construction of eighty-two units of permanent supportive housing, plus one night monitor unit. The project received final site plan approval through an approved special use permit (ORD2024-036).

**LOCAL CERTIFICATION:**

Check one of the following as appropriate:

- The proposed development described above has an approved final plan of development or site plan (as applicable to the site). No further plan of development or site plan approval is required before issuance of a building permit.
- The proposed development is an existing development with proposed renovations and no additional plan of development approval is needed.

The above plan of development approval is in effect until: \_\_\_\_\_



Signed

William C. Davidson

Printed Name

Zoning Administrator

Title

8046466353

Phone

March 11, 2024

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 a reduction of points under the scoring system. If you have any questions, please contact the Tax Credit Allocation Department at [taxcreditapps@virginiahousing.com](mailto:taxcreditapps@virginiahousing.com).

EXHIBIT "A"  
LEGAL DESCRIPTION

Parcel I 2900 Radv Street:

ALL that certain pieces or parcels of land located in the City of Richmond, Virginia known as 2900 Radv Street, assigned Parcel ID No. N000-0927/002 by the City of Richmond and shown as Parcels I and II on a plat made by Austin Brockenbrough & Associates, dated September 14, 1972, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division 1, Virginia in Plat Book 24, Page 88 and that certain parcel of land acquired by virtue of the closing of a portion of Detroit Avenue located between the aforesaid Parcels I and II by the City of Richmond, Virginia as Ordinance No. 78-237-221.

Parcel II 2733 5th Avenue:

ALL that certain piece or parcel of land located in the City of Richmond, Virginia, currently known as 2733 5th Avenue (formerly known as 2825 5th Avenue), assigned Parcel ID No. N000-0719/004 by the City of Richmond, as shown on a plat entitled "0.187 Acres Located on the Eastern Line of 5th Avenue & on the Western Line of Radv Street, Richmond, Virginia", made by A.G. Harocopos & Associates, P.C., dated July 18, 1977, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Deed Book 725, Page 1029, reference to which is made for a more particular description.

BEING a portion of the same real estate conveyed to Richmond Behavioral Health Authority, an independent public authority organized and existing under Virginia law, by deed from Rubicon, Inc., a Virginia non-profit non-stock corporation, dated November 9, 2015, recorded November 10, 2015 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 150021654.

# **Tab P:**

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

# **Tab Q:**

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



P.O. Box 26887  
Richmond VA 23261-6887  
600 East Broad Street, 4th Floor  
Richmond, VA 23219

(O) (804) 780-4200  
TTY: Dial 7-1-1  
[info@rrha.com](mailto:info@rrha.com)  
[www.rrha.com](http://www.rrha.com)

**Chief Executive Officer**  
Steven B. Nesmith

**Board of Commissioners**  
Barrett Hardiman, Chairman,  
W.R. "Bill" Johnson, Jr., Vice Chairman  
Veronica G. Blount,  
Dyanne Broidy  
Kyle R. Elliott  
Edward L. Jackson, Jr.  
Gregory Lewis  
Harold Parker, Jr.  
Charlene Pitchford

January 25, 2024

Virginia Supportive Housing  
Attn: Elizabeth Nice  
707 N Harrison St  
Richmond, VA 23220

RE: RRHA RFP 2023-20 Project Based Vouchers – Rady Street Apartments

Dear Ms. Nice:

Thank you for responding to Richmond Redevelopment and Housing Authority's Request for Proposal No. RRHA-RFP-2023-20 for Project Based Vouchers (PBVs) issued on **November 8, 2023**. In response to your proposal, I am pleased to inform you that you have been awarded **70** PBVs for your project located at **2900 Rady St and 2825 5<sup>th</sup> Ave, Richmond, VA 23222**. The term of the PBVs will be for 15 years subject to the execution of a HAP contract. This commitment is in effect from January 25, 2024 – January 24, 2026 (two years) subject to your satisfactory compliance with the terms and conditions stipulated in the aforementioned RFP.

In addition, if you indicated in your response to the aforementioned RFP that your project was applying for Low Income Housing Tax Credits (LIHTCs) through Virginia Housing, then this commitment is contingent upon receiving an allocation of Low Income Housing Tax Credits no later than December 31, 2024. If you do not receive an allocation of tax credits or execute the HAP contract by the defined deadlines, you will be required to request PBVs from RRHA by any open available method, i.e. a future RFP for competitive award of PBVs.

Congratulations on receiving this commitment. We look forward to working with you. If you have any additional questions, you may contact me by e-mail at [Dorothy.morris@rrha.com](mailto:Dorothy.morris@rrha.com).

Sincerely,

*Dorothy Morris*  
Dorothy Morris, VCO, VCA, MSIS  
Procurement Compliance Officer

CC: Fatimah Smothers-Hargrove, RRHA  
Kenyatta Green, RRHA



# **Tab R:**

Documentation of Utility Allowance calculation

# **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 2/29/2024

Owner/Applicant Rady Street Apartments, LLC

Service Provider Virginia Supportive Housing

By  9D0B8256B4D4411...

By  9D0B8256B4D4411...

Its Executive Director of Rady Street Apartments 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 8<sup>th</sup>, 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 11<sup>th</sup>, 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](mailto:cores@sahfnet.org).

Sincerely,

Andrea Ponsor  
President and CEO  
Stewards of Affordable Housing for the Future

[CORESonline.org](https://CORESonline.org)

Memorandum of Understanding (MOU)

Between

Rady Street Apartments, LLC

and

Virginia Supportive Housing (VSH)

March 1, 2024

This Memorandum of Understanding (“MOU”) is entered into this March 1, 2024, by and between Rady Street 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 Rady Street 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 Rady Street 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 Rady Street 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 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.
- 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 Rady Street 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 Rady Street Apartments. The Service Provider will complete and maintain all applicable documentation of services. The Service Provider will continue to operate within Rady Street Apartments for the term of the Low-Income Housing Tax Credit Compliance period.

Virginia Supportive Housing (VSH) will serve as the Property Manager of Rady Street 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 Rady Street 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.

Rady Street Apartments, LLC will serve as the owner of Rady Street Apartments.

### IV. Communication

The Service Provider will work in connection with the Property Manager to ensure units at Rady Street 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:                      Rady Street Apartments, LLC  
   1900 Cool Lane  
   Richmond, VA 23223  
   Attention: Allison Bogdanovic, Executive Director of Rady Street Apartments  
   Managing Member, LLC  
   Email: [abogdanovic@virginiassupportivehousing.org](mailto: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](mailto:jtiller@virginiasupportivehousing.org)  
or  
Attention: Allison Bogdanovic, Executive Director  
Email: [abogdanovic@virginiasupportivehousing.org](mailto: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](mailto:sparker@virginiasupportivehousing.org)  
or  
Attention: Allison Bogdanovic, Executive Director  
Email: [abogdanovic@virginiasupportivehousing.org](mailto: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: Rady Street Apartments, LLC

DocuSigned by:  
By: Allison Bogdanovic  
9D0B8256B4D4411...  
Name: Allison Bogdanovic  
Title: Executive Director of Rady Street Apartments 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  
9D0B8256B4D4411...  
Name: Allison Bogdanovic  
Title: Executive Director



### DBHDS MOU Review and Decision

Virginia Supportive Housing, Developer of Rady Street Apartments, LLC (2025-ASH-08) 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 Rady Street 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

**Rady Street Apartments**

Funding Documentation: Subsidized Funding

The attached Purchase and Sale Agreement provides documentation that the Rady Street Apartments property is being donated by Richmond Behavioral Health Authority (RBHA) to Virginia Supportive Housing for \$0. The current value of the property is \$231,000 as evidenced by the attached real estate tax assessments.

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this “Agreement”) dated as of the 11 day of January, 2024 (the “Effective Date”), is made by and between the **RICHMOND BEHAVIORAL HEALTH AUTHORITY**, an independent public authority duly organized and existing under Virginia law, having an office at 107 South 5<sup>th</sup> Street, Richmond, Virginia 23219 (“Seller”), and **VIRGINIA SUPPORTIVE HOUSING**, a Virginia nonstock corporation, having an office at 707 N. Harrison Street, Richmond, VA 23220, and its successors and permitted assigns (“Purchaser”).

### RECITALS:

A. Seller is the fee simple owner of those certain parcels of real property located in the City of Richmond, Virginia (the “City”), identified as (i) Parcel ID N0000927002 and having a street address of 2900 Rady Street, Richmond, Virginia 23222, and (ii) Parcel ID N0000719004 and having a street address of 2825 5<sup>th</sup> Avenue, Richmond, Virginia 23222, all as more particularly described on Exhibit A attached hereto and made a part hereof (collectively, the “Land”).

B. Seller has agreed to sell, and Purchaser has agreed to purchase, the Property (as hereinafter defined), all on the terms and conditions hereinafter set forth.

### AGREEMENT:

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00), the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### 1. THE PROPERTY.

1.1 Recitals Incorporated. The above-referenced Recitals are incorporated herein by reference as if fully set forth herein.

1.2 Description. Subject to the terms and conditions of this Agreement, and for the consideration set forth herein, Seller hereby agrees to sell, assign and convey to Purchaser, and Purchaser hereby agrees to accept from Seller, all of Seller’s right, title and interest in and to the following (collectively, the “Property”):

1.2.1 The Land;

1.2.2 All buildings, improvements, fixtures, structures, parking facilities, electrical systems, plumbing systems, heating systems, and air conditioning systems located on the Land, or any portion thereof, if any, that may remain on the Land on the Date of Closing, which shall be delivered in their “as-is” condition as of Closing, with all faults and without any warranties of any kind, all warranties being hereby expressly disclaimed (collectively, the “Improvements”); and

1.2.3 All easements, hereditaments and appurtenances, if any, pertaining or affecting the Land (collectively, the “Easements”).

1.3 Agreement to Convey. Seller agrees to convey, and Purchaser agrees to accept, on the Date of Closing (as defined in Section 2.3 below): (a) good and marketable title to the Land and the Improvements by way of the Deed (as defined in Section 8.1 below), to be executed and delivered by Seller in respect to the Property, and which shall be subject only to the Permitted Exceptions (as defined in Section 3.4 below) affecting or encumbering the Property; and (b) any consents, authorizations, zoning entitlements, certificates of occupancy, permits and approvals from any applicable governmental or quasi-governmental agency, department, board or other entity with respect to or attributable to the Property, which are assignable and remain valid or in effect as of Closing (the “Approvals”), by way of the Assignment (as defined in Section 8.1 below), to be executed and delivered in respect to the Approvals.

## **2. PURCHASE PRICE AND CLOSING.**

2.1 Purchase Price. The purchase price to be paid by the Purchaser for the Property at Closing (the "Purchase Price") shall be ZERO DOLLARS (\$0.00), subject to adjustments contained herein.

2.2 Payment. Purchaser shall pay to Seller the Purchase Price, subject to adjustment for prorations and credits as provided in Section 7 below, on or before 5:00 p.m. Eastern Time, on the Date of Closing, by Purchaser causing the Title Company to deliver a wire of immediately available funds to such bank account(s) as Seller may designate.

2.3 Closing. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the "Closing") shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the "Closing Notice"), which date (the "Date of Closing") shall be at least fifteen (15) business days from the date of the Closing Notice but no later than December 31, 2026. In the event that Purchaser fails to deliver the Closing Notice, the Date of Closing shall be December 31, 2026. The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Notwithstanding anything herein to the contrary, in no event shall Closing take place prior to August 15, 2024.

## **3. INSPECTIONS AND APPROVALS.**

3.1 Due Diligence Period; Due Diligence Approval Date. Purchaser shall have a period of time (the "Due Diligence Period"), commencing on the Effective Date, and expiring at 5:00 p.m., EST, on the date which is three hundred sixty-five (365) days after the Effective Date (the "Due Diligence Approval Date"), in which to conduct the inspections and studies described in this Section 3.

3.2 Access to the Property and Indemnification by Purchaser. During the Due Diligence Period (and thereafter until the Date of Closing to the extent this Agreement has not been terminated and continues to remain in effect), Seller shall permit Purchaser and Purchaser's agents and representatives access to the Property, for purposes of conducting, at Purchaser's sole cost and expense, such physical and environmental inspections of the Property as Purchaser shall deem necessary or appropriate. Purchaser shall notify Seller at the address set forth in Section 11 of this Agreement in advance of its or its agents' or representatives' entry onto the Property, which Purchaser may give by email. In the event this Agreement is terminated pursuant to Section 3.5 below, Purchaser agrees, at its own expense, to promptly restore the Property to substantially the same condition it was in prior to such test or inspection, reasonable wear and tear excepted, to the extent that any inspection or test performed by Purchaser requires or results in any damage to or alteration of the condition of the Property. Purchaser shall indemnify and hold Seller harmless from any loss, injury, liability, damage or expense, including reasonable attorneys' fees and costs, incurred by reason of Purchaser's (or its agents' and/or representatives') entering upon the Property for the aforesaid purposes, provided, however, that Purchaser shall not be required to indemnify Seller if, and to the extent that, any such loss, injury, liability, damage or expense was caused by the gross negligence or willful misconduct of Seller, its employees or agents. Purchaser shall maintain commercial general liability insurance with limits of not less than One Million and No/100 Dollars (\$1,000,000) per occurrence from the Effective Date through Closing or the earlier termination of this Agreement, and shall provide evidence thereof satisfactory to Seller at or prior to Closing.

3.3 Inspection of Documents. Within fifteen (15) business days after the Effective Date, Seller shall deliver or cause to be delivered to Purchaser, to the extent Seller has in its possession or readily available control as of the Effective Date and to the extent such may exist, copies of all documents and written information concerning or pertaining to the Property, including, without limitation, existing title policies, surveys, studies, environmental reports and/or inventories, easement documents, plans, proffers, permits, governmental reports, memos, warranties and guaranties with respect to the Property that will be assigned to Purchaser at Closing, and all other documents, instruments and agreements relating to the Property, which are reasonably requested by Purchaser and are in Seller's possession or readily available control. Purchaser shall keep all information and documents received under this

Section 3.3 confidential (except for lenders, investors, professional advisors, and other similar parties with a need to know, or as required by law), and shall use and inspect the same only for its good faith, due diligence review of the Property.

3.4 Title and Survey. Title to the Property shall be good and marketable and shall be conveyed in fee simple, free and clear of all liens and encumbrances except for those matters approved by Purchaser (“Permitted Exceptions”). The Property’s title shall be insurable by a nationally recognized ALTA title insurance company of Purchaser’s choice, which is licensed in the Commonwealth of Virginia (the “Title Company”). Purchaser shall obtain a standard form commitment for title insurance (“Title Commitment”) for the Property, together with copies of all recorded instruments identified as exceptions therein (together with the Title Commitment, referred to herein as the “Title Documents”). Purchaser shall deliver a copy of the Title Commitment to the Seller, together with any objections to matters set forth therein, to Seller no later than 180 days after the Effective Date (the “Title Objection Deadline”). Purchaser’s failure to notify Seller of objections to title on or before the Title Objection Deadline shall be deemed Purchaser’s approval of all matters shown in the Title Documents (or, if Purchaser has failed to obtain any Title Documents, of all matters that would have been revealed by a search of title to the Property), and shall waive Purchaser’s right to object to the same. Upon Seller’s timely receipt of notice of Purchaser’s objections to title, Seller shall have the right, but not the obligation, to agree in writing to cure the same by so notifying Purchaser within fifteen (15) business days after the Title Objection Deadline (the “Seller’s Cure Notice”); provided, however, that Seller shall be obligated to discharge at Closing the lien and effect of any deed of trust, mortgage or other monetary lien then encumbering or affecting the Property. Seller’s failure to give the Seller’s Cure Notice shall be deemed Seller’s election not to cure any of Purchaser’s objections to title. Matters of title that Seller has not agreed in writing to cure as provided in this Section 3.4 shall be deemed Permitted Exceptions. Purchaser shall be responsible for all costs related to the Title Policy, including, without limitation, costs related to the title search and any updates, preparation of the Title Commitment and all premiums for the Title Policy including endorsements thereto. Purchaser may, at its option and expense, obtain a survey of the Property (the “Survey”). Notwithstanding anything contained herein to the contrary, in all events Seller shall be obligated to discharge at Closing, the lien and effect of any deed of trust, mortgage or other monetary lien then encumbering or affecting the Property, except as otherwise agreed by Purchaser.

3.5 Purchaser’s Rights to Terminate. Notwithstanding anything contained herein to the contrary, Purchaser shall have the absolute right to terminate this Agreement on or before 5:00 p.m., EST, on the Due Diligence Approval Date, for any or no reason whatsoever, by providing written notice to Seller of Purchaser’s intent to terminate. If this Agreement is terminated pursuant to the terms of this Section 3.5, neither party shall thereafter have any further rights, obligations or liability hereunder, except as otherwise provided in Section 12.14 below and except that Purchaser shall return to Seller, within five (5) business days after such termination, all documents and information provided under Section 3.3 above.

3.6 Rezoning. The parties agree that Purchaser shall be permitted to file an application for rezoning the Property to permit the development and operation of the Project (as defined in Section 6 below), which may include a change in zoning, a special use permit and/or a variance of the Property (collectively, the “Rezoning”). Seller shall fully cooperate with Purchaser’s efforts to obtain the Rezoning, at no cost to Seller, such cooperation to include, without limitation, signing all rezoning application forms, plans, proffers (subject to Seller’s prior approval as set forth below), development conditions, applications, landowner authorization forms or other documents as may be required by Purchaser or the City or other applicable governmental authorities and delivering such evidence of ownership of the Property, and evidence of the authority of Seller to submit land use applications, plans, proffers, development conditions, landowner authorization forms or other documents, each as may reasonably be required by Purchaser or the City to accept the rezoning and other development applications. Seller shall have the right to approve all proposed proffer statements associated with the rezoning, prior to submission thereof to the City, but Seller’s approval shall not be unreasonably withheld, conditioned or delayed. Seller and Purchaser agree that it will not be unreasonable for Seller to refuse to approve any proffers which would require Seller to (i) make any dedications of land from or easements upon the Property, (ii) pay any monetary contributions, (iii) construct any improvements on or off the Property, or impose on Seller (or Seller’s remaining property) any restrictions with respect to Seller’s use of its remaining property, prior to Closing or prior to development of the Property for the use proposed pursuant to the Rezoning. If Purchaser and Seller cannot reasonably agree upon any changes to the proposed proffer statements within thirty (30) days after submission thereof to Seller for review, then Purchaser may, at its sole option, terminate

this Agreement, in which event this Agreement shall be null and void, and the parties shall have no further obligations to each other, except such obligations as specifically survive the termination hereof. Following submission thereof, Purchaser shall pursue the approval of the Rezoning application in good faith and with due diligence, at Purchaser's sole cost and expense, and shall use its good faith commercially reasonable efforts to maximize the density approved in conjunction with such application.

**4. SELLER'S OBLIGATIONS PRIOR TO CLOSING.** Until Closing, Seller and/or Seller's agents or representatives shall:

4.1 Insurance. Not change or cancel any insurance relating to the Property except for replacement thereof in the ordinary course of business that would reduce the amount or types of insurance coverage existing as of the Effective Date.

4.2 Notices. Provide to Purchaser, immediately upon the receipt thereof, any and all notices in any manner relating to the Property received by Seller or its agents or representatives from any governmental or quasi-governmental instrumentality having jurisdiction over the Property or any insurance company.

4.3 Compliance with Law. Cause the Property to comply with all applicable laws, orders, rules and regulations applicable to the Property in all material respects.

4.4 Liens and Encumbrances. Neither impose any liens or encumbrances on the Property (except such as will be released at or before Closing at Seller's expense) nor execute or file any restrictive covenants or subdivision plat affecting the Property except such as have been approved by Purchaser in writing. Upon Purchaser's written approval of any restrictive covenants or subdivision plat, the same will be deemed a Permitted Exception.

4.5 Marketing of the Property. Not, without the prior written consent of Purchaser, solicit, negotiate, or accept offers for the purchase of the Property, or any part thereof, from any other party.

4.6 Consolidation of Land. If requested by Purchaser, cause the Land to be consolidated into one parcel for the Purchaser's proposed development on the Property, at Purchaser's expense, and record a consolidation plat (the "Consolidation Plat") in the City land records at or prior to Closing. The Consolidation Plat shall be subject to Purchaser's review and approval.

4.7 Rezoning. Seller will not initiate or permit any zoning reclassification of the Property, except for the Rezoning and as otherwise requested and/or approved by Purchaser.

**5. REPRESENTATIONS AND WARRANTIES.**

5.1 By Seller. Seller represents and warrants to Purchaser, as of the Effective Date, that:

5.1.1 Organization. Seller is an independent public authority duly organized and existing under the laws of the Commonwealth of Virginia. Seller has the power, right and, subject to approval by Seller's Board of Directors, authority to enter into and perform all of the obligations required of Seller under this Agreement and the instruments and documents referenced herein, and to consummate the transaction contemplated hereby.

5.1.2 Authorization. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be, duly authorized, executed and delivered by Seller. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be, valid and legally binding upon Seller and enforceable in accordance with their respective terms.

5.1.3 Title. Seller owns fee simple title to the Property, and Seller has not executed any documents, instruments or agreements relating to the Property that (i) are not recorded or a matter of public record, (ii) would be binding on the Purchaser after Closing, and (iii) would materially affect Purchaser's intended use of the Property for

age-restricted multifamily apartment buildings. Seller is in sole possession of the Property, and there are no leases or other agreements for possession of the Property.

5.1.4 Bankruptcy. Neither Seller nor any agent or representative thereof (i) is in receivership or dissolution, (ii) has made an assignment for the benefit of creditors or admitted in writing its inability to pay its debts as they mature, (iii) has been adjudicated a bankrupt or filed a petition in voluntary bankruptcy or a petition or answer seeking reorganization or an arrangement with creditors under the Federal bankruptcy law or any other similar law or statute of the United States or any jurisdiction and no such petition has been filed against Seller or its managing member, if any, or (iv) to the best of its knowledge, none of the foregoing are pending or threatened.

5.1.5 Liens; Legal Actions. Except for any matter disclosed in the Title Commitment or on the Survey, no liens, other than for real estate taxes not yet due and payable, arising by or through Seller encumbers or affects title to the Property. No claim, action, litigation, arbitration or other proceeding is pending or threatened against Seller which relates to the Property or the transactions contemplated hereby. If Seller receives notice of any such claim, litigation or proceeding prior to the Closing, Seller shall promptly notify Purchaser of the same in writing.

5.1.6 Pending Actions. There is no action, proceeding (zoning, environmental or otherwise), governmental investigation or litigation pending or threatened against the Property or Seller, which, if finally determined adversely to Seller, would preclude Seller from concluding the transactions contemplated in this Agreement or materially and adversely affect the Property after Closing.

5.1.7 Condemnation. Seller has no knowledge of any existing, pending, threatened, or anticipated condemnation, incorporation, annexation or moratorium proceedings affecting the Property (or any portion thereof).

5.1.8 Payment of Taxes and Utilities. Seller is not delinquent in the payment of any tax (real estate or otherwise) bills, utility bills or bills or invoices actually received from any vendor or contractor providing goods or services to the Property, or otherwise arising out of the ownership, operation and/or maintenance of the Property.

5.1.9 Payment for Work. No work has been performed, or labor or materials supplied, at or on the Property, or in connection with the construction, maintenance, rehabilitation or alteration of the Property or any of the Improvements, for which payment will not be paid in full as of the Closing Date, and no contractor, subcontractor or other party shall have any claim for payment of any of the same or the right to place a lien against the Property therefor.

5.1.10 Hazardous Materials. Seller has not, and, to its knowledge, without investigation, no other person or entity has, generated, stored, manufactured, processed, treated, spilled, released or disposed of any Hazardous Materials on the Property, or transported Hazardous Materials to or from the Property in violation of applicable Environmental Laws. There have been no, and there are no (i) aboveground or underground storage tanks; (ii) polychlorinated biphenyls ("PCBs") or PCB-containing equipment; (iii) asbestos containing materials; (iv) lead based paints; or (v) dry-cleaning facilities in, on, under, or about the Property (or any portion thereof). Seller has not received any notice from any governmental authority inquiring about, seeking to investigate, or claiming the existence of, any Hazardous Materials on, under or about the Property. As of the date hereof, to the best of Seller's knowledge, Seller has made all filings of an environmental nature required for this transaction with all federal, state and local regulatory agencies. The term "Hazardous Materials" as used herein shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, processing, treatment, storage, disposal, transportation, spill, release or effect, either by itself or in combination with other materials on or expected to be on the Property, is either (a) potentially injurious to public health, safety, welfare, or the environment, or to the Property; (b) regulated, monitored, or subject to reporting by any governmental authority; or (c) a basis for potential liability to any governmental agency or a third party under any applicable Environmental Laws. Without limiting the foregoing, the term "Hazardous Materials" includes, but is not limited to, hydrocarbons, petroleum, gasoline, asbestos containing materials, crude oil or any products or byproducts thereof. The term "Environmental Laws" as used herein shall mean all federal, state and local laws, ordinances, rules, regulations, codes or orders, including, without limitation, any requirement imposed

under any permits, licenses, judgments, decrees, agreements or recorded covenants, conditions, restrictions or easements, the purpose of which is to protect the environment, human health, public safety or welfare, or which pertain to Hazardous Materials.

5.1.11 FIRPTA. Seller is not a "foreign person" as that term is used in Section 1445(f)(3) of the United States Internal Revenue Code of 1986, as amended.

5.2 By Purchaser. Purchaser represents and warrants to Seller as of the Effective Date that:

5.2.1 Organization. Purchaser is a nonstock corporation validly existing and organized under and by virtue of the laws of the Commonwealth of Virginia. Purchaser has the power, right and authority to enter into and perform all of the obligations required of Purchaser under this Agreement and the instruments and documents referenced herein, and to consummate the transaction contemplated hereby.

5.2.2 Authorization. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, duly authorized, executed and delivered by Purchaser. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, valid and legally binding upon Purchaser and enforceable in accordance with their respective terms.

5.3 Broker. Seller and Purchaser each represents to the other that it has had no dealings, negotiations, or consultations with any broker, representative, employee, agent or other intermediary in connection with the sale of the Property, except as set forth in this Section 5.3. Seller and Purchaser agree that each will indemnify, defend and hold the other free and harmless from the claims of any other broker(s), representative(s), employee(s), agent(s) or other intermediary(ies) claiming to have represented Seller or Purchaser, respectively, or otherwise to be entitled to compensation in connection with this Agreement or in connection with the sale of the Property. This mutual indemnity shall survive Closing and any termination of this Agreement.

5.4 Survivability. The representations and warranties of Seller and Purchaser made in this Agreement and in any other instrument or agreement entered into in connection herewith shall survive recordation of the Deed and Closing hereunder for a period of six (6) months.

5.5 Limitation of Remedy. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ON ACCOUNT OF ANY MATTER RELATING TO OR ARISING OUT OF THIS AGREEMENT, OR ANY ACTION OR INACTION, EVEN IF THE OTHER PARTY, TO THE EXTENT APPLICABLE, IS ADVISED OF THOSE DAMAGES OR THE POSSIBILITY OF THOSE DAMAGES. THIS LIMITATION APPLIES WHETHER THE DAMAGES ARE SAID TO BE BASED UPON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY OR STRICT OR ANY OTHER KIND OF LIABILITY. DAMAGES WAIVED AND EXCLUDED BY THIS SECTION INCLUDE WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFIT AND LOSS OF GOODWILL. NOTWITHSTANDING THE FOREGOING, THE LIMITATION CONTAINED IN THIS SECTION 5.5 SHALL NOT APPLY IF DAMAGES ARE BASED ON THE WILLFUL MISCONDUCT OF A PARTY TO THIS AGREEMENT.

**6. PURCHASER'S CONDITIONS PRECEDENT TO CLOSING.** Purchaser's obligation to consummate the purchase of the Property on the Date of Closing shall be subject to the satisfaction or performance of the following terms and conditions, any one or more of which may be waived by Purchaser, in whole or in part, unless otherwise stated herein, on or as of the Date of Closing: (i) Seller shall have materially complied with all covenants and provisions required by this Agreement to be complied with by Seller, before, on, or as of the Date of Closing; (ii) the representations and warranties of Seller in this Agreement shall be true and correct in all material respects on and as of the Date of Closing; (iii) Purchaser shall not have terminated this Agreement pursuant to an express right to terminate set forth in this Agreement; (iv) Purchaser or an affiliate of Purchaser shall have received a reservation and an allocation of competitive nine percent (9%) Low Income Housing Tax Credits ("LIHTC") for the construction of permanent supportive housing on the Property (the "Project") during the 2024 or 2025 tax credit allocation cycle

administered by Virginia Housing Development Authority (“VHDA”), in an amount deemed sufficient by Purchaser, in its sole discretion, to provide funding for the completion of such construction; (v) Purchaser or an affiliate of Purchaser shall have received a firm commitment for construction and permanent financing for the construction of the Project in an amount deemed sufficient by Purchaser, in its sole discretion, to provide sufficient funds for the completion of such construction; (vi) the Consolidation Plat shall have been approved by the City as set forth in Section 4.6; and (vii) the Rezoning shall have been approved by the City as set forth in Section 3.6. Purchaser shall have the right to waive some or all of the foregoing conditions in its sole and absolute discretion and proceed to Closing; provided, however, that except as provided herein no such waiver shall be effective or binding on Purchaser unless it is in writing and executed by an authorized officer of Purchaser. If any of the conditions set forth in subsections i, ii, v and vi of this Section 6 have not been satisfied, waived or performed in all material respects on or as of the Date of Closing, then Purchaser shall have the rights set forth in Section 10.2. If the condition set forth in subsection iv of this Section 6 (regarding receipt of tax credits) has not been satisfied, waived or performed in all material respects on or as of December 31, 2025 (the “Condition Deadline”), then Purchaser shall have the right to terminate this Agreement by giving notice to Seller at or before 5:00 p.m., EST, on the Condition Deadline, in which event all rights and obligations of the parties under this Agreement shall expire. Purchaser’s failure to terminate this Agreement on or before the Condition Deadline shall be deemed to waive the condition set forth in subsection iv of this Section 6. If this Agreement is terminated pursuant to the terms of this Section 6, neither party shall thereafter have any further rights, obligations or liability hereunder, except as otherwise provided herein.

## **7. CLOSING COSTS AND PRORATIONS.**

7.1 Closing Costs. Seller shall pay its attorneys’ fees in reference to this transaction and any Grantor’s tax in connection with the recordation of the Deed, except to the extent exempt by law. Purchaser shall pay all other closing costs associated with the transaction, all other recordation costs associated with the Deed, all costs related to any loan obtained by Purchaser for this transaction, all costs associated with the title search and any updates, preparation of the Title Commitment, and all premiums for the Title Policy, including extended coverage and any endorsements thereto, all costs of the Survey and the Rezoning and any investigations and inspections incurred or performed by or on behalf of Purchaser, the reasonable settlement fees and charges of the Title Company due in connection with the closing of this transaction and Purchaser’s own attorneys’ fees. Notwithstanding anything in this Section 7.1 to the contrary, Seller shall be solely responsible for paying all accounts payable and other expenses of Seller or the Property accruing prior to the Date of Closing.

7.2 Prorations. Real estate taxes for the Property billed or paid for the period including the Date of Closing shall be prorated as of 12:01 a.m., EST, on the Date of Closing, and shall be adjusted against all amounts due at Closing.

7.3 Purpose and Intent. Except as expressly provided herein, the purpose and intent as to the provisions of prorations and apportionments set forth in this Section 7 and elsewhere in this Agreement is that Seller shall bear all expenses of ownership and operation of the Property and shall receive all income therefrom accruing through midnight of the day preceding the Closing and Purchaser shall bear all such expenses and receive all such income accruing thereafter.

## **8. CLOSING AND ESCROW.**

8.1 Seller’s Deliveries. Seller shall deliver possession of the Property to Purchaser at the time of Closing. On or before the Date of Closing, Seller shall deliver to the Title Company, as escrow agent, or Purchaser, as appropriate, any amounts set forth on the Settlement Statement (as hereinafter defined), as required by this Agreement, if any, and each of the following items, executed as appropriate by Seller, to be held in escrow pending Closing:

(a) a Special Warranty Deed, in a form insurable by the Title Company, duly executed by Seller and conveying to Purchaser fee simple title to the Property, subject only to the Permitted Exceptions (the “Deed”);

(b) an Owner's Affidavit as to Mechanic's Liens and Possession as reasonably required by the Title Company;

(c) a settlement statement setting forth in reasonable detail the financial transaction contemplated by this Agreement (the "Settlement Statement");

(d) reasonable documentation evidencing Seller's existence and authority, and the authority of the person executing any documents at Closing on behalf of Seller, to enter into the transactions contemplated by this Agreement, as may be reasonably required by the Title Company in order for Title Company to issue to Purchaser the Title Policy;

(e) if applicable, a bill of sale and/or assignment agreement, in a form reasonably acceptable to both parties, conveying to Purchaser the Improvements and Approvals (the "Assignment");

(f) such other documents as may be reasonably required by the Title Company to consummate the sale of the Property, in forms reasonably acceptable to both parties.

8.2 Purchaser's Deliveries. On or before the Date of Closing, Purchaser shall deliver to the Title Company, as escrow agent, any amounts set forth on the Settlement Statement, as required by this Agreement, and each of the following items, executed as appropriate by Purchaser, to be held in escrow pending written confirmation by Purchaser that all conditions to the obligation of Purchaser to close on the conveyance of the Property have been satisfied:

(a) reasonable documentation evidencing Purchaser's authority, and the authority of the person executing any documents at Closing on behalf of Purchaser, to enter into the transactions contemplated by this Agreement, as may be reasonably required by the Title Company;

(b) reasonable documentation evidencing the City's approval of Purchaser's plans for the Property;

(c) an agreement reasonably satisfactory to Seller and Purchaser providing that twelve (12) of the housing units to be developed on the Property shall be reserved to provide permanent supportive housing for clients of Seller, at Seller's option; and

(d) the Settlement Statement.

8.3 Possession. Purchaser shall be entitled to possession of the Property at the conclusion of the Closing.

## 9. **DAMAGE, DESTRUCTION AND CONDEMNATION.**

9.1 Casualty. Except as provided herein, Seller assumes all risk of loss or damage to the Property by fire or other casualty until the Date of Closing. If such loss or damage materially and adversely affects Purchaser's intended use and enjoyment of the Property as of the Date of Closing, Purchaser shall have the option, in its sole discretion, either to (i) terminate this Agreement by giving Seller written notice in which event the parties hereto shall have no further obligations or liabilities to one another hereunder except as expressly provided for hereunder; or (ii) proceed to Closing and accept from Seller an assignment of all insurance payable as a result of such damage or casualty. If at any time on or prior to the Date of Closing any portion of the Property is destroyed or damaged as a result of fire or any other cause whatsoever, Seller shall promptly give written notice thereof to Purchaser.

9.2 Condemnation. In the event, at any time on or prior to the Date of Closing, any action or proceeding is filed, under which the Property, or any portion thereof, may be taken pursuant to any law, ordinance or regulation or by condemnation or the right of eminent domain, Seller shall promptly give written notice thereof (which notice shall describe the type of action being taken against the Property, and which portions of the Property will be affected thereby) to Purchaser. Purchaser shall have the right to terminate this Agreement by written notice to Seller within twenty (20) days following the date upon which Purchaser receives Seller's written notice of such action or proceeding, in which event the parties hereto shall have no further obligations or liabilities to one another hereunder except as expressly provided for hereunder. If Purchaser does not elect to so terminate this Agreement within said

twenty (20) day period, this Agreement shall remain in full force and effect and the parties shall proceed to Closing and all condemnation proceeds will be assigned to Purchaser.

**10. DEFAULT AND REMEDIES.**

10.1 Purchaser Default. If, after the Due Diligence Approval Date, Purchaser shall fail or refuse to purchase the Property in violation of Purchaser's obligations hereunder, within ten (10) business days after notice thereof (except that such ten (10) business day cure period shall not apply to Purchaser's failure to perform a monetary obligation hereunder), for any reason other than a default by Seller under this Agreement or a failure of condition precedent to Closing pursuant to Section 6 above, and provided that Seller is then ready, willing and able to proceed to Closing, has performed all of its obligations hereunder and all conditions precedent to Closing hereunder have been satisfied or waived by Purchaser, Seller shall be entitled to: (i) terminate this Agreement, and/or (ii) withhold Seller's performance until Purchaser has cured its default, and/or (iii) institute any action available to Seller at law or in equity to recover damages, including reasonable attorneys' fees, incurred by Seller as a result of such breach by Purchaser, which damages shall not exceed \$100,000.00. Notwithstanding the foregoing, nothing in this Section 10.1 shall be deemed to limit Seller's remedies for any other violation of Purchaser's obligations hereunder, including without limitation Purchaser's obligation to indemnify Seller under Section 3.2 above, or to return certain documentation to Seller under Section 3.3 above. In all events, however, Seller's rights and remedies against Purchaser are subject to the provisions of Section 5.5 above.

10.2 Seller Default. In the event Seller shall: (a) fail to sell, transfer and assign the Property to Purchaser for any reason other than a default by Purchaser under this Agreement, and/or (b) fail to perform any other obligation of Seller hereunder within ten (10) business days after notice thereof for any reason other than a default by Purchaser under this Agreement, and/or (c) breach any warranty made or granted by Seller under this Agreement or any document or instrument given in connection herewith, and/or (d) have materially adversely misrepresented any fact, or any of the representations of Seller contained herein are not true, accurate or complete in all material respects, then Purchaser shall be entitled to elect, as its sole remedy therefor, either to: (i) seek specific performance of the Seller's obligations under this Agreement, or (ii) terminate this Agreement and institute any action available to Purchaser at law or in equity to recover damages, including reasonable attorneys' fees, incurred by Purchaser as a result of such breach or misrepresentation by Seller, which damages shall not exceed \$100,000.00. In all events, however, Purchaser's rights and remedies against Seller are subject to the provisions of Section 5.5 above.

**11. NOTICES.** Any notice required or permitted to be given hereunder must be in writing and shall be deemed to be given when (a) hand delivered, or (b) one (1) business day after pickup by an overnight delivery service, or (c) delivered by electronic mail, in any case addressed to the parties at their respective addresses set forth below:

**If to Seller:** Richmond Behavioral Health Authority  
107 South 5<sup>th</sup> Street  
Richmond, Virginia 23219  
Attention: Susan Hoover  
Email: hoovers@rbha.org

with a copy to:

Christian & Barton, L.L.P.  
901 East Cary Street, Suite 1800  
Richmond, VA 23219  
Attention: Jonathan M. Joseph, Esq.  
Email: jjoseph@cblaw.com

**If to Purchaser:** Virginia Supportive Housing  
707 N. Harrison Street  
Richmond, Virginia 23220

Phone: (804) 788-6825  
Attention: Allison Bogdanovic  
Email: abogdanovic@virginiassupportivehousing.org

with a copy to: Lauren Nowlin, Esq.  
Williams Mullen  
200 S. 10<sup>th</sup> Street, Suite 1600  
P.O. Box 1320 (23218-1320)  
Richmond, Virginia 23219  
Phone: (804) 420-6585  
Email: lnowlin@williamsmullen.com

or in each case to such other address as either party may from time to time designate by giving notice in writing pursuant to this Section 11 to the other party. Telephone numbers are for informational purposes only. Notices shall be deemed effective if given by counsel, acting in the capacity as counsel, to any party hereto, acting on behalf of such party. Effective notice will be deemed given only as provided above, except as otherwise expressly provided in this Agreement.

## **12. MISCELLANEOUS.**

12.1 Entire Agreement. This Agreement, together with the Exhibits attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties.

12.2 Severability. If any provision of this Agreement or its application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

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

12.4 Assignability. Purchaser shall have the absolute right, without Seller's consent or approval, to assign or transfer this Agreement or any of Purchaser's rights, obligations and interests under this Agreement to an entity owned by, or under common ownership or control with, the Purchaser. Purchaser shall notify Seller of any such assignment not less than 5 business days before the Date of Closing. Except as expressly provided in this Agreement, neither party will assign its rights or obligations under this Agreement without the other party's prior written consent.

12.5 Successors Bound. This Agreement shall be binding upon and inure to the benefit of Purchaser and Seller and their respective successors and permitted assigns.

12.6 No Public Disclosure. Prior to Closing, all press releases or other dissemination of information to the media or responses to requests from the media for information relating to the transaction contemplated herein shall be subject to the prior written consent of Purchaser and Seller, except to the extent required by the Virginia Freedom of Information Act as other applicable law.

12.7 Captions; Interpretation. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions. Whenever the context may require, words used in this Agreement shall include the corresponding feminine, masculine, or neuter forms, and the singular shall include the plural and vice versa. Unless the context expressly indicates otherwise, all references to "Section" are to sections of this Agreement.

12.8 No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the parties or their successors in interest or permitted assigns.

12.9 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument. Any party may execute this Agreement electronically using an electronic signature service. This Agreement may be delivered by facsimile, email or any other form of electronic transmission. Copies of this Agreement shall be deemed originals for all purposes.

12.10 Recordation. Purchaser and Seller agree not to record this Agreement or any memorandum hereof.

12.11 Proper Execution. The submission by Purchaser to Seller of this Agreement in an unsigned form shall be deemed to be a submission solely for Seller's consideration and not for acceptance and execution. Such submission shall have no binding force and effect, shall not constitute an option or an offer, and shall not confer any rights upon Seller or impose any obligations upon Purchaser irrespective of any reliance thereon, change of position or partial performance. The submission by Purchaser to Seller of this Agreement for execution by Seller and the actual execution thereof by Seller and delivery to Purchaser by Seller shall similarly have no binding force and effect on Purchaser unless and until Purchaser shall have executed this Agreement and a counterpart hereof executed by Purchaser and Seller shall have been delivered to Seller.

12.12 Waiver. No waiver of any breach of any agreement or provision contained herein shall be deemed a waiver of any preceding or succeeding breach of any other agreement or provision herein contained. No extension of time for the performance of any obligation or act shall be deemed an extension of time for the performance of any other obligation or act.

12.13 Business Days. If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or Legal Holiday (as hereinafter defined), the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or Legal Holiday. As used herein, the term "Legal Holiday" shall mean any local or federal holiday on which post offices are closed in the City.

12.14 Survival. Notwithstanding any termination, cancellation or expiration of this Agreement or the Closing, provisions which are by their terms intended to survive and continue shall so survive and continue.

12.15 Cooperation; Undertakings by Seller and Purchaser. The parties will cooperate and act reasonably to facilitate the consummation of the transactions referenced in this Agreement. In addition to the obligations required to be performed by the parties at or before Closing, Seller and Purchaser each agree to perform such other acts, and to execute, acknowledge and deliver, before, at or after Closing, such other instruments, documents and other materials as the other may reasonably request in order to consummate the transactions referenced in this Agreement and to vest title to the Property in Purchaser. Wherever this Agreement requires a party's consent or approval, such consent or approval will not be unreasonably withheld, conditioned or delayed, and will be deemed given if the party from whom the consent or approval is required fails to notify the other party of its disapproval or denial within ten (10) business days after delivery of notice reasonably describing the requested action and including such information as may be necessary to take the requested action.

[SIGNATURES ON FOLLOWING PAGE]

**IN WITNESS WHEREOF**, Purchaser and Seller have executed this Purchase and Sale Agreement on the dates set forth below, effective as of the date first set forth above.

**SELLER:**

**RICHMOND BEHAVIORAL HEALTH AUTHORITY**,  
an independent public authority

DocuSigned by:  
*Susan Hoover* \_\_\_\_\_ (SEAL)  
By: FC6813470DEF4C7...  
Name: Susan Hoover  
Title: Acting Chief Executive Officer

**PURCHASER:**

**VIRGINIA SUPPORTIVE HOUSING**,  
a Virginia nonstock corporation

DocuSigned by:  
*Allison Bogdanovic* \_\_\_\_\_ (SEAL)  
By: 9D0B8256B4D4471...  
Name: Allison Bogdanovic  
Title: Executive Director

**Exhibit A**

**LEGAL DESCRIPTION**

[to be attached]

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Parcel I 2900 Rady Street:

ALL that certain pieces or parcels of land located in the City of Richmond, Virginia known as 2900 Rady Street, assigned Parcel ID No. N000-0927/002 by the City of Richmond and shown as Parcels I and II on a plat made by Austin Brockenbrough & Associates, dated September 14, 1972, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Plat Book 24, Page 88 and that certain parcel of land acquired by virtue of the closing of a portion of Detroit Avenue located between the aforesaid Parcels I and II by the City of Richmond, Virginia as Ordinance No. 78-237-221.

Parcel II 2733 5th Avenue:

ALL that certain piece or parcel of land located in the City of Richmond, Virginia, currently known as 2733 5th Avenue (formerly known as 2825 5th Avenue), assigned Parcel ID No. N000-0719/004 by the City of Richmond, as shown on a plat entitled "0.187 Acres Located on the Eastern Line of 5th Avenue & on the Western Line of Rady Street, Richmond, Virginia", made by A.G. Harocopos & Associates, P.C., dated July 18, 1977, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Deed Book 725, Page 1029, reference to which is made for a more particular description.

BEING a portion of the same real estate conveyed to Richmond Behavioral Health Authority, an independent public authority organized and existing under Virginia law, by deed from Rubicon, Inc., a Virginia non-profit non-stock corporation, dated November 9, 2015, recorded November 10, 2015 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 150021654.

## ASSIGNMENT OF PURCHASE AND SALE AGREEMENT

**THIS ASSIGNMENT OF PURCHASE AND SALE AGREEMENT** (this “Assignment”) is made and entered into as of this 11 day of March, 2024, by and between **VIRGINIA SUPPORTIVE HOUSING**, a Virginia nonstock corporation (“Assignor”), and **RADY STREET APARTMENTS, LLC**, a Virginia limited liability company (“Assignee”).

### RECITALS

A. Assignor, as purchaser, and the Richmond Behavioral Health Authority, an independent public authority duly organized and existing under Virginia law (“Seller”), as seller, have entered into that certain Purchase and Sale Agreement dated as of January 11, 2024 (the “Agreement”), which provides for the sale and conveyance to Assignor of certain real property and improvements thereon located in the City of Richmond, Virginia (the “Property”), as more particularly described therein.

B. Pursuant to Section 12.4 of the Agreement, Assignor may, without Seller’s consent or approval, assign or transfer the Agreement and all of Assignor’s rights, obligations and interests under the Agreement to an entity owned by, or under common ownership or control with, Purchaser. Assignee is owned by Assignor.

C. Assignor desires to assign to Assignee all of its right, title and interest in and to the Agreement and the Property, and Assignee desires to accept such assignment and to assume all of Assignor’s obligations as to the purchase of the Property under the Agreement, upon the terms and conditions hereinafter set forth.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each party hereto, the parties hereto hereby agree as follows:

1. Assignor hereby assigns, transfers and conveys to Assignee, and Assignee hereby accepts from Assignor, all of Assignor’s right, title, interest, duties, and obligations in, to and under the Agreement and all claims and rights that Assignor may have or to which Assignor may be entitled under or by virtue of the Agreement. It is the intention of the parties hereto that Assignee shall have and be vested with all of the same rights, benefits and obligations conferred upon and undertaken by Assignor in the Agreement as though, and to the same extent as if, Assignee had been named the purchaser of the Property in the Agreement.

2. Assignee hereby assumes and agrees to perform and observe all agreements, covenants and obligations to be performed and observed by Assignor under the Agreement. Assignee hereby agrees to hold Assignor free and harmless from any and all losses, liabilities, obligations, debts and expenses arising under the Agreement and the transactions contemplated therein.

3. Assignee's address for notices for purposes of Section 11 of the Agreement is set forth below:

**If to Purchaser:** Rady Street Apartments, LLC  
c/o Virginia Supportive Housing  
1900 Cool Lane  
Richmond, Virginia 23223  
Phone: (804) 788-6825  
Attention: Allison Bogdanovic  
Email: [abogdanovic@virginiassupportivehousing.org](mailto:abogdanovic@virginiassupportivehousing.org)

with a copy to: Lauren Nowlin, Esq.  
Williams Mullen  
200 S. 10<sup>th</sup> Street, Suite 1600  
P.O. Box 1320 (23218-1320)  
Richmond, Virginia 23219  
Phone: (804) 420-6585  
Email: [lnowlin@williamsmullen.com](mailto:lnowlin@williamsmullen.com)

4. This Assignment represents the complete understanding between the parties hereto as to the subject matter hereof, and supersedes all prior negotiations, representations, promises, statements or agreements, either written or oral, between the parties hereto as to the same.

5. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns hereunder.

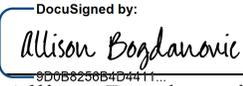
6. This Assignment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each party hereto has executed this Assignment or caused it to be executed on its behalf by its duly authorized representatives, the day and year first above written.

**ASSIGNOR:**

**VIRGINIA SUPPORTIVE HOUSING,**  
a Virginia nonstock corporation

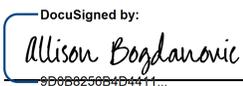
By:  (SEAL)  
Name: Allison Bogdanovic  
Title: Executive Director

**ASSIGNEE:**

**RADY STREET APARTMENTS, LLC,**  
a Virginia limited liability company

By: Rady Street Apartments 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

**Property:** 2900 Rady St **Parcel ID:** N0000927002**Parcel**

**Street Address:** 2900 Rady St Richmond, VA 23222-  
**Owner:** RICHMOND BEHAVIORAL HEALTH AUTHORITY  
**Mailing Address:** 507 SOUTH 5TH ST, RICHMOND, VA 23219  
**Subdivision Name :** HIGHLAND PARK ADD  
**Parent Parcel ID:**  
**Assessment Area:** 430 - North Side  
**Property Class:** 401 - B Commercial Vacant Land  
**Zoning District:** I - Institutional  
**Exemption Code:** 209 - State Government (Other)

**Current Assessment**

**Effective Date:** 01/01/2024  
**Land Value:** \$187,000  
**Improvement Value:**  
**Total Value:** \$187,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 39730.75  
**Acreage:** 0.912  
**Property Description 1:** 0314.60X0310.35 IRG0000.000  
**State Plane Coords( ?):** X= 11797246.5307 Y= 3731909.8363  
**Latitude:** 37.56730423 , **Longitude:** -77.41529873

**Description**

**Land Type:** Commercial S3  
**Topology:**  
**Front Size:** 314  
**Rear Size:** 310  
**Parcel Square Feet:** 39730.75  
**Acreage:** 0.912  
**Property Description 1:** 0314.60X0310.35 IRG0000.000  
**Subdivision Name :** HIGHLAND PARK ADD  
**State Plane Coords( ?):** X= 11797246.5307 Y= 3731909.8363  
**Latitude:** 37.56730423 , **Longitude:** -77.41529873

**Other**

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

**Assessments**

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$187,000	\$0	\$187,000	Reassessment
2023	\$187,000	\$0	\$187,000	Reassessment
2022	\$132,000	\$0	\$132,000	Reassessment
2021	\$125,000	\$0	\$125,000	Reassessment
2020	\$125,000	\$0	\$125,000	Reassessment
2019	\$125,000	\$0	\$125,000	Reassessment
2018	\$111,000	\$0	\$111,000	Reassessment
2017	\$111,000	\$0	\$111,000	Reassessment
2016	\$111,000	\$0	\$111,000	Reassessment
2015	\$104,000	\$0	\$104,000	Reassessment
2014	\$104,000	\$0	\$104,000	Reassessment
2013	\$104,000	\$0	\$104,000	Reassessment
2012	\$104,000	\$0	\$104,000	Reassessment
2011	\$104,000	\$0	\$104,000	CarryOver
2010	\$104,000	\$0	\$104,000	Reassessment
2009	\$104,000	\$0	\$104,000	Reassessment
2008	\$104,000	\$0	\$104,000	Reassessment
2007	\$104,000	\$0	\$104,000	Reassessment
2006	\$101,000	\$0	\$101,000	Reassessment
2005	\$72,400	\$0	\$72,400	Reassessment
2004	\$65,800	\$0	\$65,800	Reassessment
2003	\$57,200	\$0	\$57,200	Reassessment
2002	\$52,000	\$0	\$52,000	Reassessment
1998	\$40,000	\$0	\$40,000	Not Available

**Transfers**

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
11/10/2015	\$3,227,375	RUBICON INC	ID2015-21654	2 - INVALID SALE-DO NOT USE
06/08/1994	\$0	Not Available	00401-0246	
09/27/1972	\$0	Not Available	000679-A00560	

**Property:** 2733 5th Ave **Parcel ID:** N0000719004

**Parcel**

**Street Address:** 2733 5th Ave Richmond, VA 23222-  
**Alternate Street Addresses:** 2825 5th Ave  
**Owner:** RICHMOND BEHAVIORAL HEALTH AUTHORITY  
**Mailing Address:** 507 SOUTH 5TH ST, RICHMOND, VA 23219  
**Subdivision Name :** NONE  
**Parent Parcel ID:**  
**Assessment Area:** 430 - North Side  
**Property Class:** 501 - B Industrial Vacant Land  
**Zoning District:** I - Institutional  
**Exemption Code:** 209 - State Government (Other)

**Current Assessment**

**Effective Date:** 01/01/2024  
**Land Value:** \$44,000  
**Improvement Value:**  
**Total Value:** \$44,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 35283.6  
**Acreage:** 0.81  
**Property Description 1:** 0151.00X0249.43 IRG0000.817 AC  
**State Plane Coords( ?):** X= 11797206.779433 Y= 3731724.753333  
**Latitude:** 37.56681740 , **Longitude:** -77.41585423

**Description**

**Land Type:** Commercial S4  
**Topology:**  
**Front Size:** 151  
**Rear Size:** 249  
**Parcel Square Feet:** 35283.6  
**Acreage:** 0.81  
**Property Description 1:** 0151.00X0249.43 IRG0000.817 AC  
**Subdivision Name :** NONE  
**State Plane Coords( ?):** X= 11797206.779433 Y= 3731724.753333  
**Latitude:** 37.56681740 , **Longitude:** -77.41585423

**Other**

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

**Assessments**

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$44,000	\$0	\$44,000	Reassessment
2023	\$44,000	\$0	\$44,000	Reassessment
2022	\$44,000	\$0	\$44,000	Reassessment
2021	\$42,000	\$0	\$42,000	Reassessment
2020	\$42,000	\$0	\$42,000	Reassessment
2019	\$42,000	\$0	\$42,000	Reassessment
2018	\$42,000	\$0	\$42,000	Reassessment
2017	\$42,000	\$0	\$42,000	Reassessment
2016	\$42,000	\$0	\$42,000	Reassessment
2015	\$42,000	\$0	\$42,000	Reassessment
2014	\$42,000	\$0	\$42,000	Reassessment
2013	\$42,000	\$0	\$42,000	Reassessment
2012	\$42,000	\$0	\$42,000	Reassessment
2011	\$42,000	\$0	\$42,000	CarryOver
2010	\$42,000	\$0	\$42,000	Reassessment
2009	\$42,000	\$0	\$42,000	Reassessment
2008	\$42,000	\$0	\$42,000	Reassessment
2007	\$42,000	\$0	\$42,000	Reassessment
2006	\$40,000	\$0	\$40,000	Reassessment
2005	\$63,400	\$0	\$63,400	Reassessment
2004	\$57,600	\$0	\$57,600	Reassessment
2003	\$50,100	\$0	\$50,100	Reassessment
2002	\$45,500	\$0	\$45,500	Reassessment
1998	\$35,000	\$0	\$35,000	Not Available

**Transfers**

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
11/10/2015	\$3,227,375	RUBICON INC	ID2015-21654	2 - INVALID SALE-DO NOT USE
06/08/1994	\$0	Not Available	00401-0246	
08/15/1977	\$4,500	Not Available	000725-01027	

# **Tab U:**

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

Rady Street Apartments  
2900 Rady Street  
Richmond, VA 23222

RE: Availability of Renter Education

Dear Resident,

As a resident of Rady Street 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,  
Rady Street Apartments, LLC

**Rady Street Apartments: Renter Education Acknowledgment Form**

I, \_\_\_\_\_, hereby acknowledge that I have received a copy of the Rady Street 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**  
**(Rady Street Apartments)**

RIGHT OF FIRST REFUSAL AGREEMENT (the “Agreement”) dated as of March \_\_\_\_\_, 2024 by and among **RADY STREET 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 **RADY STREET APARTMENTS 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 an 83-unit permanent supportive housing project located in the City of Richmond, Virginia and commonly known as “Rady Street 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 (14<sup>th</sup>) 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 Richmond, 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 I 2900 Rady Street:

ALL that certain pieces or parcels of land located in the City of Richmond, Virginia known as 2900 Rady Street, assigned Parcel ID No. N000-0927/002 by the City of Richmond and shown as Parcels I and II on a plat made by Austin Brockenbrough & Associates, dated September 14, 1972, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Plat Book 24, Page 88 and that certain parcel of land acquired by virtue of the closing of a portion of Detroit Avenue located between the aforesaid Parcels I and II by the City of Richmond, Virginia as Ordinance No. 78-237-221.

#### Parcel II 2733 5th Avenue:

ALL that certain piece or parcel of land located in the City of Richmond, Virginia, currently known as 2733 5th Avenue (formerly known as 2825 5th Avenue), assigned Parcel ID No. N000-0719/004 by the City of Richmond, as shown on a plat entitled "0.187 Acres Located on the Eastern Line of 5th Avenue & on the Western Line of Rady Street, Richmond, Virginia", made by A.G. Harocopos & Associates, P.C., dated July 18, 1977, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Deed Book 725, Page 1029, reference to which is made for a more particular description.

BEING a portion of the same real estate conveyed to Richmond Behavioral Health Authority, an independent public authority organized and existing under Virginia law, by deed from Rubicon, Inc., a Virginia non-profit non-stock corporation, dated November 9, 2015, recorded November 10, 2015 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 150021654.

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**  
**(Rady Street Apartments)**

THIS PURCHASE OPTION AGREEMENT (the “Agreement”) dated as of \_\_\_\_\_, 20\_\_ by and among **RADY STREET 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 **RADY STREET APARTMENTS 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 an 83-unit permanent supportive housing project located in the City of Richmond, Virginia and commonly known as “Rady Street 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 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 City of Richmond, 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, Virginia Supportive Housing, 1900 Cool Lane, Richmond, Virginia 23223, Attention: Allison Bogdanovic; 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 I 2900 Rady Street:

ALL that certain pieces or parcels of land located in the City of Richmond, Virginia known as 2900 Rady Street, assigned Parcel ID No. N000-0927/002 by the City of Richmond and shown as Parcels I and II on a plat made by Austin Brockenbrough & Associates, dated September 14, 1972, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Plat Book 24, Page 88 and that certain parcel of land acquired by virtue of the closing of a portion of Detroit Avenue located between the aforesaid Parcels I and II by the City of Richmond, Virginia as Ordinance No. 78-237-221.

#### Parcel II 2733 5th Avenue:

ALL that certain piece or parcel of land located in the City of Richmond, Virginia, currently known as 2733 5th Avenue (formerly known as 2825 5th Avenue), assigned Parcel ID No. N000-0719/004 by the City of Richmond, as shown on a plat entitled "0.187 Acres Located on the Eastern Line of 5th Avenue & on the Western Line of Rady Street, Richmond, Virginia", made by A.G. Harocopos & Associates, P.C., dated July 18, 1977, recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Deed Book 725, Page 1029, reference to which is made for a more particular description.

BEING a portion of the same real estate conveyed to Richmond Behavioral Health Authority, an independent public authority organized and existing under Virginia law, by deed from Rubicon, Inc., a Virginia non-profit non-stock corporation, dated November 9, 2015, recorded November 10, 2015 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 150021654.

# **Tab W:**

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

Rady Street Apartments  
2900 Rady Street  
Richmond, VA 23222

RE: Resident Internet Information

Dear Resident,

As a resident of Rady Street 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 Rady Street 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,  
Rady Street Apartments, LLC

**Rady Street Apartments: Internet Acknowledgement Form**

I, \_\_\_\_\_, hereby acknowledge that I have received a copy of the Rady Street 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

## **Rady Street Apartments: Internet Security Plan**

In order to provide a secure IT environment for residents and staff, Rady Street 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 Rady Street Apartments include:

For both staff and resident networking:

- Internet service provided will be at least 25 Mbps download and 3Mbps 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

**Rady Street Apartments:  
Marketing Plan for Units Meeting Accessibility Requirements**

Rady Street Apartments is an eighty-two unit supportive housing apartment community for homeless and low-income individuals from the Richmond metropolitan area. Fifteen percent (15%) of the eighty-two units at Rady Street 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:

- CARITAS – Karen O’Brien, Executive Director – (804) 358-0964
- Commonwealth Catholic Charities (CCC) – Jacob Snow, Program Supervisor of Homeless Services – (804) 285-5900
- Daily Planet – Taylor Garrett, Community Outreach Coordinator – (804) 783-2505
- Richmond Behavioral Health Authority – Ryan Hite, Director of Adult Services – (804) 819-4027
- Richmond Department of Social Services – Tenelle Walker, Family Services Supervisor – (804) 646-7287
- Richmond Redevelopment and Housing Authority – Fatimah Smothers Hargrove, Vice President of HCVP & TSO – (804) 780-3453
- Central Virginia Resource Agency – Gerald O’Neill, Executive Director – (804) 353-6503
- Henrico Area Mental Health and Developmental Services – Chuck Sale, Program Manager of Adult Recovery Services – (804) 727-8357
- Chesterfield Mental Health Support Services – Kelly Fried, Executive Director – 804-748-1227

Referrals will be accepted from designated city and county 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. VSH will also work closely with the Richmond Redevelopment and Housing Authority to review the housing waiting list as voucher-based units become available.

Outreach partners and referring organizations will be given Application Guidelines, as well as brochures about Rady Street 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.

Rady Street 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 Rady Street Apartments to set up a time for a rental screening. The rental screening, which is completed in accordance with the Rady Street 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 Rady Street 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 Rady Street 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 Richmond Redevelopment and Housing Authority (RRHA) 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

# **Tab Z:**

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

# **Tab AA:**

Priority Letter from Rural Development

# **TAB AB:**

Social Disadvantage Certification