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# 2022 Federal Low Income Housing Tax Credit Program

## Application For Reservation

### Deadline for Submission

#### 9% Competitive Credits

Applications Must Be Received At VHDA No Later Than **12:00 PM**  
Richmond, VA Time On **March 10, 2022**

#### Tax Exempt Bonds

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



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

## INSTRUCTIONS FOR THE VIRGINIA 2022 LIHTC APPLICATION FOR RESERVATION

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

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

### Applications For 9% Competitive Credits

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

#### **Please Note:**

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

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

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

#### **IMPORTANT:**

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

#### Disclaimer:

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

#### Entering Data:

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

#### **Please Note:**

**▶ VERY IMPORTANT!: Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another.

▶ Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.

▶ The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the

▶ Also note that some cells contain error messages such as “#DIV/0!” as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

#### Assistance:

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

#### Virginia Housing LIHTC Allocation Staff Contact Information

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

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

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

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

VHDA TRACKING NUMBER 2022-C-55

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/10/22

1. Development Name: Middlebrook Trace
2. Address (line 1): 914 Middlebrook Avenue  
 Address (line 2): \_\_\_\_\_  
 City: Staunton State: VA Zip: 24401
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: 38.13855 Latitude: -79.08373  
 (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 Staunton 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: 6.00
7. Development is located in a **Qualified Census Tract**..... FALSE
8. Development is located in a **Difficult Development Area**..... FALSE
9. Development is located in a **Revitalization Area based on QCT** ..... FALSE
10. Development is located in a **Revitalization Area designated by resolution** ..... TRUE
11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... FALSE  
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
12. Development is located in a census tract with a poverty rate of.....
 

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

Enter only Numeric Values below:

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

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

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

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

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

Middlebrook Trace consists of the new construction of 82 units. This application is for a 10% increase to the 2021 allocation.

VHDA TRACKING NUMBER

2022-C-55

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

3/10/22

[Redacted area]

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/10/22

16. Local Needs and Support

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

Chief Executive Officer's Name Mrs. Leslie Beauregard
Chief Executive Officer's Title: Acting City Manager Phone: (540) 332-3812
Street Address: 116 W Beverley Street; City Hall; 3rd Floor
City: Staunton State: VA Zip: 24402

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

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

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

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

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

**B. RESERVATION REQUEST INFORMATION**

**1. Requesting Credits From:**

- a. If requesting 9% Credits, select credit pool: Northwest / North Central VA Pool
  - or
  - b. If requesting Tax Exempt Bonds, select development type:
- For Tax Exempt Bonds, where are bonds being issued?
- ACTION:** Provide Inducement Resolution at **TAB Y** (if available)

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

Definitions of types:

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

**3. Select Building Allocation type:** 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?** TRUE

If True, additional Credit Request cannot exceed 10% of the prior credit award

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

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

Name of companion development:  

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

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

Total Units within 9% allocation request?	0
Total Units within 4% Tax Exempt allocation Request?	0
Total Units:	0

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

**6. Extended Use Restriction**

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

**Must Select One:** 30

**Definition of selection:**

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

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

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



**C. OWNERSHIP INFORMATION**

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

**1. Owner Information:**

*Must be an individual or legally formed entity.*

Owner Name: Middlebrook Trace VA LLC

Developer Name: Taft-Mills Group, LLC

Contact: M/M ▶ Mr. First: Thomas MI: F Last: Taft, Sr.

Address: 631 Dickinson Avenue

City: Greenville St. ▶ NC Zip: 27834

Phone: (252) 752-7101 Ext.          Fax: (252) 758-1002

Email address: ttaftoffice@tfonc.com

Federal I.D. No. 871540770 (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.  
CJ Tyree, cj@taftmillsgroup.com, 216-659-8178

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

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

<u>Names **</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>	
Middlebrook Trace VA MM LLC	(252) 752-7101	Managing Memb	0.000%	<i>need:</i>
Taft-Mills Group, LLC	(252) 752-7101	Managing Memb	0.000%	<i>need:</i>
Thomas F. Taft, Jr.	(252) 752-7101	Member	26.246%	
Jonathan G. Taft	(252) 752-7101	Member	26.246%	
Dustin T. Mills	(252) 752-7101	Member	15.000%	
C.J. Tyree	(252) 752-7101	Member	7.500%	
Thomas F. Taft, Sr.	(252) 752-7101	Managing Memb	0.008%	
RWN Consulting Group LLC	(804) 350-6429	Member	0.000%	<i>need:</i>
Wavord Hayes	(804) 350-6429	Member	25.000%	
			0.000%	
			0.000%	

**C. OWNERSHIP INFORMATION**

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			0.000%
			0.000%

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

**C. OWNERSHIP INFORMATION**

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

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

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

**TRUE**

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

**3. Developer Experience:**

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

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

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

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

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

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

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

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

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

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

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

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

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

**D. SITE CONTROL**

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

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

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

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

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

Applicant controls site by (select one):

Select Type:  Option

Expiration Date: 7/29/22

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..... 9/27/22 .

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: Lane Arbor, L.L.C. with assignment from Investco Holdings, LLC (IOI info below)

Address: P.O. Box 124

City: Staunton St.: VA Zip: 24402

Contact Person: Jon Dameron Phone: (540) 885-1501

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

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Thomas F. Taft, Jr.	#####	Managing Member	55.00%
Dustin T. Mills	#####	Managing Member	15.00%
CJ Tyree	#####	Managing Member	15.00%
			0.00%
			0.00%
			0.00%
			0.00%

**E. DEVELOPMENT TEAM INFORMATION**

Complete the following as applicable to your development team.

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

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

- |                         |  |                           |                        |
|-------------------------|--|---------------------------|------------------------|
| 1. Tax Attorney:        |  | This is a Related Entity. | FALSE                  |
| Firm Name:              |  | DEI Designation?          | FALSE                  |
| Address:                |  |                           |                        |
| Email:                  |  | Phone:                    |                        |
|                         |  |                           |                        |
| 2. Tax Accountant:      | Kevin Rayfield   | This is a Related Entity. | FALSE                  |
| Firm Name:              | Dixon Hughes Goodman LLP                                     | DEI Designation?          | FALSE                  |
| Address:                | 1829 Eastchster Drive; High Point, North Carolina 27265      |                           |                        |
| Email:                  | Kevin.Rayfield@dhg.com                                       | Phone:                    | (336) 822-4362         |
|                         |  |                           |                        |
| 3. Consultant:          | Rosa H. Turner   | This is a Related Entity. | FALSE                  |
| Firm Name:              | EUP Management Group, LLC                                    | DEI Designation?          | TRUE                   |
| Address:                | 4820 Old Stage Highway; Smithfield, Vi                       |                           |                        |
| Email:                  | eupgroup@gmail.com   | Role:                     | Application Consultant |
|                         |  | Phone:                    | (757) 530-3274         |
|                         |  |                           |                        |
| 4. Management Entity:   | Ann Hanson   | This is a Related Entity. | FALSE                  |
| Firm Name:              | Excel Property Management, Inc.                              | DEI Designation?          | FALSE                  |
| Address:                | 1004 Bullard Court; Suite 106; Raleigh, North Carolina 27615 |                           |                        |
| Email:                  | ahanson@excelpropertymanagement.c                            | Phone:                    | (919) 878-0522         |
|                         |  |                           |                        |
| 5. Contractor:          | Todd Peacock   | This is a Related Entity. | FALSE                  |
| Firm Name:              | Peacock Holland Construction, PLLC                           | DEI Designation?          | FALSE                  |
| Address:                | 301 S Main Street; Suite 103; Blacksburg, Virginia 24060     |                           |                        |
| Email:                  | todd@peacockhollandconstruction.com                          | Phone:                    | (540) 613-2160         |
|                         |  |                           |                        |
| 6. Architect:           | Donald C. Harwood  | This is a Related Entity. | FALSE                  |
| Firm Name:              | Donald C. Harwood, Architect LLC                             | DEI Designation?          | FALSE                  |
| Address:                | 13 Kenwood Lane; Greenville, SC 29609                        |                           |                        |
| Email:                  | dharwood08@gmail.com   | Phone:                    | (865) 915-2126         |
|                         |  |                           |                        |
| 7. Real Estate Attorney | Susan Ellinger   | This is a Related Entity. | FALSE                  |
| Firm Name:              | Ellinger & Carr, PLLC  | DEI Designation?          | FALSE                  |
| Address:                | 2840 Plaza Place; Suite 475; Raleigh, NC 27612               |                           |                        |
| Email:                  | sellinger@ellingercarr.com                                   | Phone:                    | (919) 785-9998         |
|                         |  |                           |                        |
| 8. Mortgage Banker:     |  | This is a Related Entity. | FALSE                  |
| Firm Name:              |  | DEI Designation?          | TRUE                   |
| Address:                |  |                           |                        |
| Email:                  |  | Phone:                    |                        |
|                         |  |                           |                        |
| 9. Other:               | Jen Surber   | This is a Related Entity. | FALSE                  |
| Firm Name:              | Surber Development and Consulting LLC                        | DEI Designation?          | FALSE                  |
| Address:                | 120 Green Tree Circle; Bristol, VA 2420                      |                           |                        |
| Email:                  | jensurber@surberdev.com                                      | Role:                     | Consultant             |
|                         |  | Phone:                    | (276) 698-8760         |

**F. REHAB INFORMATION**

**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development. **FALSE**  
**Action:** If true, provide an electronic copy of the Existing Condition Questionnaire and Appraisal
- b. This development has received a previous allocation of credits..... **FALSE**  
 If so, in what year did this development receive credits? .....
- 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..... **TRUE**
- ii. Applicant has obtained a waiver of this requirement from Virginia Housing prior to the application submission deadline..... **FALSE**

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

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

---

**F. REHAB INFORMATION**

---

**3. Rehabilitation Credit Information**

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



G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

Nonprofit meets eligibility requirements for nonprofit pool and points. FALSE

C. Identity of Nonprofit (All nonprofit applicants):

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

Name: [Yellow Box]

Contact Person: [Yellow Box]

Street Address: [Yellow Box]

City: [Yellow Box] State: [Yellow Box] Zip: [Yellow Box]

Phone: [Yellow Box] Contact Email: [Yellow Box]

**G. NONPROFIT INVOLVEMENT**

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

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

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

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

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

**Name of qualified nonprofit:** \_\_\_\_\_

or indicate true if Local Housing Authority TRUE  
**Name of Local Housing Authority** Staunton Redevelopment and Housing Authority

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

**Action:** Provide Homeownership Plan **(TAB N)**

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

**H. STRUCTURE AND UNITS INFORMATION**

**# General Information**

a. Total number of <b>all</b> units in development	<u>82</u>	bedrooms	<u>204</u>
Total number of <b>rental</b> units in development	<u>82</u>	bedrooms	<u>204</u>
Number of low-income rental units	<u>82</u>	bedrooms	<u>204</u>
Percentage of rental units designated low-income	<u>100.00%</u>		
b. Number of new units:.....	<u>82</u>	bedrooms	<u>204</u>
Number of adaptive reuse units: .....	<u>0</u>	bedrooms	<u>0</u>
Number of rehab units:.....	<u>0</u>	bedrooms	<u>0</u>
c. If any, indicate number of planned exempt units (included in total of all units in development)	<u>0</u>		
d. Total Floor Area For The Entire Development.....	<u>105,522.70</u> (Sq. ft.)		
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....	<u>308.00</u> (Sq. ft.)		
f. Nonresidential Commercial Floor Area (Not eligible for funding).....	<u>0.00</u>		
g. Total Usable Residential Heated Area.....	<u>105,214.70</u> (Sq. ft.)		
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .	<u>100.00%</u>		
i. Exact area of site in acres .....	<u>8.150</u>		
j. Locality has approved a final site plan or plan of development.....	<u>FALSE</u>		
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.....	<u>FALSE</u>		

**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**

**# UNIT MIX**

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	1021.55	SF	42	42
3BR Garden	1557.74	SF	40	40
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.

**# Structures**

- a. Number of Buildings (containing rental units)..... 2
- b. Age of Structure:..... 0 years
- c. 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

**H. STRUCTURE AND UNITS INFORMATION**

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

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

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

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

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

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

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

m. Number of Proposed Parking Spaces 178  
 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 FALSE  
 If **True**, Provide required documentation (**TAB K3**).

**H. STRUCTURE AND UNITS INFORMATION**

**# Plans and Specifications**

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

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

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

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

**# Market Study Data: (MANDATORY)**

Obtain the following information from the **Market Study** conducted in connection with this tax credit application:

Project Wide Capture Rate - LIHTC Units	8.80%
Project Wide Capture Rate - Market Units	NA
Project Wide Capture Rate - All Units	8.80%
Project Wide Absorption Period (Months)	9

**J. ENHANCEMENTS**

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

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

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

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

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

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

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

- |               |  |
|---------------|--|
| <b>TRUE</b>   | a. A community/meeting room with a minimum of 749 square feet is provided.   |
| <b>50.00%</b> | b1. Percentage of brick covering the exterior walls.   |
| <b>50.00%</b> | b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations. |
| <b>TRUE</b>   | c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).  |
| <b>FALSE</b>  | d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.  |
| <b>FALSE</b>  | e. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.  |
|               | f. <i>Not applicable for 2022 Cycles</i>   |
| <b>FALSE</b>  | g. Each unit is provided free individual high speed internet access.   |
|               | or   |
| <b>TRUE</b>   | h. Each unit is provided free individual WiFi access.  |
| <b>TRUE</b>   | i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.   |
|               | or   |
| <b>FALSE</b>  | j. Full bath fans are equipped with a humidistat.  |
| <b>TRUE</b>   | k. Cooking surfaces are equipped with fire prevention features   |
|               | or   |
| <b>FALSE</b>  | l. Cooking surfaces are equipped with fire suppression features.   |
| <b>FALSE</b>  | m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.   |
|               | or   |
| <b>TRUE</b>   | n. All Construction types: each unit is equipped with a permanent dehumidification system.   |
| <b>TRUE</b>   | o. All interior doors within units are solid core.   |
| <b>TRUE</b>   | p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.   |
| <b>TRUE</b>   | q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.   |
|               | r. <i>Not applicable for 2022 Cycles</i>   |
| <b>FALSE</b>  | 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"/> FALSE | Earthcraft Gold or higher certification        | <input type="checkbox"/> TRUE  | National Green Building Standard (NGBS) certification of Silver or higher. |
| <input type="checkbox"/> FALSE | U.S. Green Building Council LEED certification | <input type="checkbox"/> FALSE | Enterprise Green Communities (EGC) Certification                           |

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

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

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

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

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

- 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:

NA

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



J. ENHANCEMENTS

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

- FALSE a. All cooking ranges have front controls.
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The applicant will also obtain one of the following:

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

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

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

- FALSE Zero Energy Ready Home Requirements      FALSE Passive House Standards

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

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

- 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: NA

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

**I. UTILITIES**

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	0	40	50	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	63	73	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$0	\$103	\$123	\$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. TRUE Local PHA
- e. TRUE Other: Southern Energy Manager

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

**K. SPECIAL HOUSING NEEDS**

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

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

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

**TRUE**

- a. Any development in which (i) the greater of 5 units or 10% of units will be assisted by HUD project-based vouchers (as evidenced by the submission of a letter satisfactory to the Authority from an authorized public housing authority (PHA) that the development meets all prerequisites for such assistance), or another form of documented and binding federal project-based rent subsidies in order to ensure occupancy by extremely low-income persons. Locality project based rental subsidy meets the definition of state project based
  - (ii) will conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the
  - (iii) above must include roll-in showers, roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

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

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

**FALSE**

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

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

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

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

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

- ####** Elderly (as defined by the United States Fair Housing Act.)
- ####** Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only
- ####** Supportive Housing (as described in the Tax Credit Manual)

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

**K. SPECIAL HOUSING NEEDS**

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

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

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

TRUE

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

(ii) will conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the (iii) above must include roll-in showers, roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

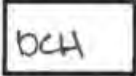
Documentation from source of assistance must be provided with the application.

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

FALSE

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

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

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

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

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

####

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

####

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

####

Supportive Housing (as described in the Tax Credit Manual)

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

**K. SPECIAL HOUSING NEEDS**

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

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

**# Leasing Preferences**

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

Organization which holds waiting list: Staunton Redevelopment and Housing Authority

Contact person: Wanda Stevens

Title: Executive Director

Phone Number: (540) 886-3413

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

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

- c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 40  
 % of total Low Income Units 49%

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

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

**# Target Population Leasing Preference**

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

First Name: Ann

Last Name: Hanson

Phone Number: (919) 878-0522 Email: ahanson@excelpropertymanagement.com

**K. SPECIAL HOUSING NEEDS**# **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

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

#### Section 8 New Construction Substantial Rehabilitation

#### Section 8 Moderate Rehabilitation

#### Section 8 Certificates

TRUE Section 8 Project Based Assistance

#### RD 515 Rental Assistance

#### Section 8 Vouchers

\*Administering Organization \_\_\_\_\_

#### State Assistance

\*Administering Organization \_\_\_\_\_

#### Other: \_\_\_\_\_

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

TRUE

i. If True above, how many of the 30% units will not have project based vouchers: 9

d. Number of units receiving assistance:

15

How many years in rental assistance contract

15.00

Expiration date of contract:

1/31/38

There is an Option to Renew.....

TRUE

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

**L. UNIT DETAILS**

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

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

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

Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
21	25.61%	30% Area Median	630%
0	0.00%	40% Area Median	0%
20	24.39%	50% Area Median	1000%
20	24.39%	60% Area Median	1200%
0	0.00%	70% Area Median	0%
21	25.61%	80% Area Median	1680%
0	0.00%	Market Units	
82	100.00%	<b>Total</b>	<b>55.00%</b>

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
21	25.61%	30% Area Median	630%
0	0.00%	40% Area Median	0%
20	24.39%	50% Area Median	1000%
20	24.39%	60% Area Median	1200%
0	0.00%	70% Area Median	0%
21	25.61%	80% Area Median	1680%
0	0.00%	Market Units	
82	100.00%	<b>Total</b>	<b>#####</b>

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

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

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

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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	2 BR - 1.5 Bath	30% AMI	9	6	789.24	\$369.00	\$3,321
Mix 2	2 BR - 1.5 Bath	50% AMI	17		789.24	\$690.00	\$11,730
Mix 3	2 BR - 1.5 Bath	60% AMI	4		789.24	\$850.00	\$3,400
Mix 4	2 BR - 1.5 Bath	80% AMI	12		789.24	\$850.00	\$10,200
Mix 5	3 BR - 2 Bath	60% AMI	16		1251.91	\$975.00	\$15,600
Mix 6	3 BR - 2 Bath	80% AMI	5		1251.91	\$975.00	\$4,875
Mix 7	3 BR - 2 Bath	80% AMI	4		1255.36	\$975.00	\$3,900
Mix 8	3 BR - 2 Bath	30% AMI	12	4	1251.91	\$967.00	\$11,604
Mix 9	3 BR - 2 Bath	50% AMI	3		1251.91	\$967.00	\$2,901
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0

**L. UNIT DETAILS**

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

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

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Income Levels			Avg Inc.
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0	0.00%	40% Area Median	0%
20	24.39%	50% Area Median	1000%
20	24.39%	60% Area Median	1200%
0	0.00%	70% Area Median	0%
21	25.61%	80% Area Median	1680%
0	0.00%	Market Units	
82	100.00%	<b>Total</b>	55.00%

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
21	25.61%	30% Area Median	630%
0	0.00%	40% Area Median	0%
20	24.39%	50% Area Median	1000%
20	24.39%	60% Area Median	1200%
0	0.00%	70% Area Median	0%
21	25.61%	80% Area Median	1680%
0	0.00%	Market Units	
82	100.00%	<b>Total</b>	#####

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

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

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

PCH 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
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Mix 3	2 BR - 1.5 Bath	60% AMI	4		789.24	\$850.00	\$3,400
Mix 4	2 BR - 1.5 Bath	80% AMI	12		789.24	\$850.00	\$10,200
Mix 5	3 BR - 2 Bath	60% AMI	16		1251.91	\$975.00	\$15,600
Mix 6	3 BR - 2 Bath	80% AMI	5		1251.91	\$975.00	\$4,875
Mix 7	3 BR - 2 Bath	80% AMI	4		1255.36	\$975.00	\$3,900
Mix 8	3 BR - 2 Bath	30% AMI	12	4	1251.91	\$967.00	\$11,604
Mix 9	3 BR - 2 Bath	50% AMI	3		1251.91	\$967.00	\$2,901
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0



**L. UNIT DETAILS**

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

**L. UNIT DETAILS**

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	10		\$67,531

<b>Total Units</b>	<b>82</b>	<b>Net Rentable SF: TC Units</b>	<b>83,238.28</b>
		<b>MKT Units</b>	<b>0.00</b>
		<b>Total NR SF:</b>	<b>83,238.28</b>

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

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing		\$2,000
2. Office Salaries		\$0
3. Office Supplies		\$4,000
4. Office/Model Apartment	(type _____ )	\$0
5. Management Fee		\$46,300
<u>6.07%</u> of EGI	<u>\$564.63</u> Per Unit	
6. Manager Salaries		\$50,000
7. Staff Unit (s)	(type _____ )	\$0
8. Legal		\$1,000
9. Auditing		\$0
## Bookkeeping/Accounting Fees		\$0
## Telephone & Answering Service		\$8,000
## Tax Credit Monitoring Fee		\$3,360
## Miscellaneous Administrative		\$600
<b>Total Administrative</b>		<b>\$115,260</b>

**Utilities**

## Fuel Oil		\$0
## Electricity		\$14,000
## Water		\$7,000
## Gas		\$0
## Sewer		\$7,000
<b>Total Utility</b>		<b>\$28,000</b>

**Operating:**

## Janitor/Cleaning Payroll		\$0
## Janitor/Cleaning Supplies		\$0
## Janitor/Cleaning Contract		\$0
## Exterminating		\$4,000
## Trash Removal		\$7,000
## Security Payroll/Contract		\$0
## Grounds Payroll		\$0
## Grounds Supplies		\$0
## Grounds Contract		\$38,000
## Maintenance/Repairs Payroll		\$16,000
## Repairs/Material		\$14,000
## Repairs Contract		\$16,000
## Elevator Maintenance/Contract		\$4,000
## Heating/Cooling Repairs & Maintenance		\$0
## Pool Maintenance/Contract/Staff		\$0
## Snow Removal		\$3,000
## Decorating/Payroll/Contract		\$3,356
## Decorating Supplies		\$2,000
## Miscellaneous		\$0
<b>Totals Operating &amp; Maintenance</b>		<b>\$107,356</b>

**M. OPERATING EXPENSES**

<b>Taxes &amp; Insurance</b>	
## Real Estate Taxes	\$66,000
## Payroll Taxes	\$2,784
## Miscellaneous Taxes/Licenses/Permits	\$2,000
## Property & Liability Insurance	\$49,000
## Fidelity Bond	\$0
## Workman's Compensation	\$0
## Health Insurance & Employee Benefits	\$8,000
## Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$127,784</b>
<b>Total Operating Expense</b>	<b>\$378,400</b>

<b>Total Operating Expenses Per Unit</b>	<u>\$4,615</u>	<b>C. Total Operating Expenses as % of</b>	<u>49.62%</u>
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**Replacement Reserves** (Total # Units X \$300 or \$250 New Const. Elderly Mini \$24,600)

<b>Total Expenses</b>	<b>\$403,000</b>
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**ACTION:** Provide Documentation of Operating Budget at **Tab R** if applicable.

**N. PROJECT SCHEDULE**

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract	2/28/22	Dustin Mills
b. Site Acquisition	7/1/22	Dustin Mills
c. Zoning Approval	IN PLACE	IN PLACE
d. Site Plan Approval	5/1/22	Dustin Mills
<b>2. Financing</b>		
a. <b>Construction Loan</b>		
i. Loan Application	February, 2022	Dustin Mills
ii. Conditional Commitment	June, 2022	Dustin Mills
iii. Firm Commitment	June, 2022	Dustin Mills
b. <b>Permanent Loan - First Lien</b>		
i. Loan Application	February, 2022	Dustin Mills
ii. Conditional Commitment	June, 2022	Dustin Mills
iii. Firm Commitment	June, 2022	Dustin Mills
c. <b>Permanent Loan-Second Lien</b>		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
d. <b>Other Loans &amp; Grants</b>		
i. Type & Source, List		
ii. Application		
iii. Award/Commitment		
<b>2. Formation of Owner</b>	1/27/21	Dustin Mills
<b>3. IRS Approval of Nonprofit Status</b>	NA	NA
<b>4. Closing and Transfer of Property to Owner</b>	7/1/22	Dustin Mills
<b>5. Plans and Specifications, Working Drawings</b>	IN PLACE	IN PLACE
<b>6. Building Permit Issued by Local Government</b>	April, 2022	Dustin Mills
<b>7. Start Construction</b>	July, 2022	Dustin Mills
<b>8. Begin Lease-up</b>	June, 2023	Ann Hanson
<b>9. Complete Construction</b>	July, 2023	Dustin Mills
<b>10. Complete Lease-Up</b>	March, 2024	Ann Hanson
<b>11. Credit Placed in Service Date</b>	March, 2024	Dustin Mills

**O. PROJECT BUDGET - HARD COSTS**

**Cost/Basis/Maximum Allowable Credit**

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

Complete cost column and basis column(s) as appropriate

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

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>1. Contractor Cost</b>				
a. Unit Structures (New)	11,150,220	0	0	11,150,220
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
<b>Total Structure</b>	11,150,220	0	0	11,150,220
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Renewable Energy	0	0	0	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	0	0	0	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	1,696,241	0	0	1,696,241
q. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	1,696,241	0	0	1,696,241
<b>Total Structure and Land</b>	12,846,461	0	0	12,846,461
r. General Requirements	765,908	0	0	765,908
s. Builder's Overhead ( 2.0% Contract)	259,136	0	0	259,136
t. Builder's Profit ( 6.0% Contract)	765,908	0	0	765,908
u. Bonds	0	0	0	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: HIEE	287,000	0	0	287,000
z. Other 2:	0	0	0	0
aa. Other 3:	0	0	0	0
<b>Contractor Costs</b>	<b>\$14,924,413</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,924,413</b>

**O. PROJECT BUDGET - OWNER COSTS**

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"	(C) Rehab/ New Construction	(D) "70 % Present Value Credit"
		(B) Acquisition		
<b>2. Owner Costs</b>				
a. Building Permit	25,000	0	0	25,000
b. Architecture/Engineering Design Fee \$1,958 /Unit)	160,525	0	0	160,525
c. Architecture Supervision Fee \$518 /Unit)	42,445	0	0	42,445
d. Tap Fees	95,000	0	0	95,000
e. Environmental	4,250	0	0	4,250
f. Soil Borings	7,500	0	0	7,500
g. Green Building (Earthcraft, LEED, etc.)	28,554	0	0	28,554
h. Appraisal	6,000	0	0	6,000
i. Market Study	7,500	0	0	7,500
j. Site Engineering / Survey	160,000	0	0	160,000
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	40,000	0	0	40,000
n. Construction Interest ( 4.0% fo 10 months)	460,000	0	0	380,000
o. Taxes During Construction	7,500	0	0	7,500
p. Insurance During Construction	15,000	0	0	15,000
q. Permanent Loan Fee ( )	76,400	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	10,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	60,000	0	0	0
w. Legal Fees for Closing	40,000	0	0	30,000
x. Mortgage Banker	76,400	0	0	0
y. Tax Credit Fee	98,040			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	20,000	0	0	20,000
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	357,911	0	0	0
ad. Contingency	746,221	0	0	746,221
ae. Security	0	0	0	0

**O. PROJECT BUDGET - OWNER COSTS**

af. Utilities	0	0	0	0
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**O. PROJECT BUDGET - OWNER COSTS**

ag. Servicing Reserve	0			
(1) Other* specify lease up reserve	50,000	0	0	0
(2) Other* specify syndicator fee	30,000	0	0	0
(3) Other* specify construction inspections	20,000	0	0	20,000
(4) Other* specify soft cost contingency	56,200	0	0	56,200
(5) Other * specify	0	0	0	0
(6) Other* specify	0	0	0	0
(7) Other* specify	0	0	0	0
(8) Other* specify	0	0	0	0
(9) Other* specify	0	0	0	0
<b>Owner Costs Subtotal (Sum 2A..2(10))</b>	<b>\$2,700,446</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,851,695</b>
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	<b>\$17,624,859</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,776,108</b>
<b>3. Developer's Fees</b>	<b>1,650,000</b>	<b>0</b>	<b>0</b>	<b>1,650,000</b>
<b>Action:</b> Provide Developer Fee Agreement (Tab A)				
<b>4. Owner's Acquisition Costs</b>				
Land	800,000			
Existing Improvements	0	0		
Subtotal 4:	\$800,000	\$0		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	\$20,074,859	\$0	\$0	\$18,426,108

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

(Provide documentation at Tab E)

\$0	Land
\$0	Building

**Maximum Developer Fee: \$1,903,989**

Proposed Development's Cost per Sq Foot \$183 **Meets Limits**  
 Applicable Cost Limit by Square Foot: \$314

Proposed Development's Cost per Unit \$235,059 **Meets Limits**  
 Applicable Cost Limit per Unit: \$303,292

2022 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	20,074,859	0	0	18,426,108

2. Reductions in Eligible Basis

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

3. Total Eligible Basis (1 - 2 above)

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	0	0	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	5,527,832	0
c. For Green Certification (Eligible Basis x 10%)	0	0	0
<b>Total Adjusted Eligible basis</b>	0	0	23,953,940

5. Applicable Fraction

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

7. Applicable Percentage

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

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

(Must be same as BIN total and equal to or less than credit amount allowed)	\$0	\$0	\$2,155,855
	\$2,155,855 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.	Churchill Stateside Grd	02/15/22	06/15/22	\$13,500,000	Dan Duda
2.					
3.					
Total Construction Funding:				\$13,500,000	

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

	Source of Funds	Date of Application	<i>(Whole Numbers only)</i>		Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
		Date of Commitment	Amount of Funds	Annual Debt Service Cost			
1.	Churchill Stateside Grd	02/15/22	\$5,117,833	\$237,912	3.50%	40	40
2.	ASNH	9/15/21	\$2,497,000	\$74,910	3.00%	1000	30
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$7,614,833	\$312,822			

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

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

**Q. SOURCES OF FUNDS**

---

Total Permanent Grants:

**Q. SOURCES OF FUNDS**

**4. Subsidized Funding**

	Source of Funds	Date of Commitment	Amount of Funds
1.	ASNH	1/31/22	\$2,497,000
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$2,497,000

**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..... **FALSE**

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

Below-Market Loans

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

Market-Rate Loans

a.	Taxable Bonds	\$0
b.	Section 220	\$0
c.	Section 221(d)(3)	\$0
d.	Section 221(d)(4)	\$5,117,833
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:

[Empty text area for listing financing and credit enhancements]

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

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

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

c. **FALSE** Other [Empty text area]

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

**R. EQUITY**

**1. Equity**

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit

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

b. Equity that Sponsor will Fund:

i. Cash Investment	\$0	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$745,909	(Note: Deferred Developer Fee cannot be negative.)
iv. Other:	\$0	

**ACTION:** If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at **TAB A**.

**Equity Total** \$745,909

**2. Equity Gap Calculation**

a. Total Development Cost	\$20,074,859
b. Total of Permanent Funding, Grants and Equity	- <u>\$8,360,743</u>
c. Equity Gap	\$11,714,116
d. Developer Equity	- <u>\$1,174</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$11,712,942

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

a. Actual or Anticipated Name of Syndicator:	Red Stone Equity Partners		
Contact Person:	Darren Swanson	Phone:	347-452-0362
Street Address:	6000 Fairview Road; Suite 550		
City:	Charlotte	State:	NC
		Zip:	28210

b. Syndication Equity

i. Anticipated Annual Credits	\$1,386,286.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.845
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	\$1,386,147
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$11,712,942

c. Syndication: Private

d. Investors: Corporate

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs \$11,712,942

**5. Net Equity Factor**

Must be equal to or greater than 85% 84.4999762772%

**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>\$20,074,859</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u><u>\$8,360,743</u></u>
3. Equals Equity Gap		<u>\$11,714,116</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u><u>84.4999762772%</u></u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$13,862,863</u>
Divided by ten years		<u><u>10</u></u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,386,286</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$2,155,855</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$1,386,286</u>
Credit per LI Units	<u>\$16,905.9268</u>	<b>Combined 30% &amp; 70% PV Credit Requested</b>
Credit per LI Bedroom	<u>\$6,795.5196</u>	

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



**T. CASH FLOW**

**1. Revenue**

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

Total Monthly Rental Income for LIHTC Units	\$67,531
Plus Other Income Source (list) <u>laundry, late fees, etc.</u>	\$800
Equals Total Monthly Income:	<u>\$68,331</u>
Twelve Months	x12
Equals Annual Gross Potential Income	\$819,972
Less Vacancy Allowance <u>7.0%</u>	<u>\$57,398</u>
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>	<u><u>\$762,574</u></u>

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

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

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

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

a. Annual EGI Low-Income Units	<u>\$762,574</u>
b. Annual EGI Market Units	<u>\$0</u>
c. Total Effective Gross Income	<u>\$762,574</u>
d. Total Expenses	<u>\$403,000</u>
e. Net Operating Income	<u>\$359,574</u>
f. Total Annual Debt Service	<u>\$312,822</u>
g. Cash Flow Available for Distribution	<u>\$46,752</u>

**T. CASH FLOW**

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
<b>Eff. Gross Income</b>	762,574	777,825	793,382	809,250	825,435
<b>Less Oper. Expenses</b>	403,000	415,090	427,543	440,369	453,580
<b>Net Income</b>	359,574	362,735	365,839	368,881	371,855
<b>Less Debt Service</b>	312,822	312,822	312,822	312,822	312,822
<b>Cash Flow</b>	46,752	49,913	53,017	56,059	59,033
<b>Debt Coverage Ratio</b>	1.15	1.16	1.17	1.18	1.19

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Eff. Gross Income</b>	841,943	858,782	875,958	893,477	911,346
<b>Less Oper. Expenses</b>	467,187	481,203	495,639	510,508	525,824
<b>Net Income</b>	374,756	377,579	380,319	382,969	385,523
<b>Less Debt Service</b>	312,822	312,822	312,822	312,822	312,822
<b>Cash Flow</b>	61,934	64,757	67,497	70,147	72,701
<b>Debt Coverage Ratio</b>	1.20	1.21	1.22	1.22	1.23

	Year 11	Year 12	Year 13	Year 14	Year 15
<b>Eff. Gross Income</b>	929,573	948,165	967,128	986,471	1,006,200
<b>Less Oper. Expenses</b>	541,598	557,846	574,582	591,819	609,574
<b>Net Income</b>	387,975	390,319	392,547	394,652	396,626
<b>Less Debt Service</b>	312,822	312,822	312,822	312,822	312,822
<b>Cash Flow</b>	75,153	77,497	79,725	81,830	83,804
<b>Debt Coverage Ratio</b>	1.24	1.25	1.25	1.26	1.27

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: 2

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

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

Bldg #	BIN if known	NUMBER OF		30% Present Value Credit for Acquisition					30% Present Value Credit for Rehab / New Construction				70% Present Value Credit						
		TAX CREDIT UNITS	MARKET RATE UNITS	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount				
1.		41	0	914 Middlebrook Avenue		Staunton	VA	24401				\$0				\$11,976,970	03/01/24	9.00%	\$1,077,927
2.		41	0	914 Middlebrook Avenue		Staunton	VA	24401				\$0				\$11,976,970	03/01/24	9.00%	\$1,077,927
3.												\$0							\$0
4.												\$0							\$0
5.												\$0							\$0
6.												\$0							\$0
7.												\$0							\$0
8.												\$0							\$0
9.												\$0							\$0
10.												\$0							\$0
11.												\$0							\$0
12.												\$0							\$0
13.												\$0							\$0
14.												\$0							\$0
15.												\$0							\$0
16.												\$0							\$0
17.												\$0							\$0
18.												\$0							\$0
19.												\$0							\$0
20.												\$0							\$0
21.												\$0							\$0
22.												\$0							\$0
23.												\$0							\$0
24.												\$0							\$0
25.												\$0							\$0
26.												\$0							\$0
27.												\$0							\$0
28.												\$0							\$0
29.												\$0							\$0
30.												\$0							\$0
31.												\$0							\$0
32.												\$0							\$0
33.												\$0							\$0
34.												\$0							\$0
35.												\$0							\$0

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

Totals from all buildings

\$0

\$0

\$0

\$0

\$23,953,940

\$2,155,855

Number of BINS: 2

**V. STATEMENT OF OWNER**

The undersigned hereby acknowledges the following:

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

V. STATEMENT OF OWNER

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

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

Legal Name of Owner Middlebrook Trace VA LLC  
By: Middlebrook Trace VA MM LLC  
By: Taft-Mills Group, LLC, Its Managing Member

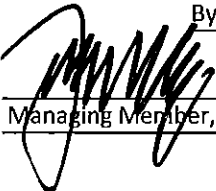
By: \_\_\_\_\_  
 Its: Managing Member, Thomas F. Taft, Sr.  
 (Title)

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.
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- 16. that undersigned waives the right to pursue a Qualified Contract on this development.
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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: Middlebrook Trace VA LLC  
 By: Middlebrook Trace VA MM LLC  
 By: Taft-Mills Group, LLC, Its Managing Member

By:   
 Its: Managing Member, Thomas F. Taft, Sr.  
 (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:	Donald C. Harwood
Virginia License#:	005297
Architecture Firm or Company:	Donald C. Harwood, Architect LLC

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

Its: Member  
(Title)

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

**V. STATEMENT OF ARCHITECT**

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

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

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

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

Its: Member  
(Title)

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



**W. LIHTC SELF SCORE SHEET**

**Self Scoring Process**

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

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

**MANDATORY ITEMS:**

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

**1. READINESS:**

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development < no points offered in Cycle 2022 >	N/A	0 pts for 2022	0.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
e. Location in a revitalization area with resolution	Y	0 or 15	15.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
<b>Total:</b>			<b>15.00</b>

**2. HOUSING NEEDS CHARACTERISTICS:**

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	4.09
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	12.44%	Up to 40	24.88
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
e. New project based rental subsidy (HUD or RD)	Y	0 or 10	10.00
f. Census tract with <12% poverty rate	10%	0, 20, 25 or 30	25.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
<b>Total:</b>			<b>88.97</b>

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			80.00
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. Proximity to public transportation (within Northern VA or Tidewater)	N	0, 10 or 20	0.00
e. Development will be Green Certified	Y	0 or 10	10.00
f. Units constructed to meet Virginia Housing's Universal Design standards	100%	Up to 15	15.00
g. Developments with less than 100 low income units	Y	up to 20	7.20
h. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			<u>162.20</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$71,200	\$59,700

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	48.78%	Up to 15	15.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to	10.98%	Up to 10	10.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	25.61%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 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>100.00</u>

5. SPONSOR CHARACTERISTICS:

a. Developer experience (Subdivision 5a - options a,b or c)	Y	0, 10 or 25	25.00
b. Experienced Sponsor - 1 development in Virginia	N	0 or 5	0.00
c. Experienced Sponsor - 3 developments in any state	N	0 or 15	0.00
d. Developer experience - life threatening hazard	N	0 or -50	0.00
e. Developer experience - noncompliance	N	0 or -15	0.00
f. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per ite	0.00
h. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
i. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
j. Socially Disadvantaged Principal owner 25% or greater	Y	0 or 5	5.00
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>30.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	119.00
b. Cost per unit		Up to 100	83.66
Total:			<u>202.66</u>

7. BONUS POINTS:

a. Extended compliance	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	Y	0 or 60	60.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 30	0.00

e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Diversity, Equity and Inclusion Designation	Y	0 or 5	5.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
Total:			70.00

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

**TOTAL SCORE: 668.83**

**Enhancements:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance material	40	40.00
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	0.00
f. N/A for 2022	0	0.00
g. Each unit provided free individual high speed internet access	10	0.00
h. Each unit provided free individual WiFi	12	12.00
i. Bath Fan - Delayed timer or continuous exhaust	3	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	5.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. N/A for 2022	0	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>80.00</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>

**Total amenities: 80.00**

X.

## Development Summary

**Summary Information**

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

<b>Deal Name:</b>	<b>Middlebrook Trace</b>
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<b>Cycle Type:</b> 9% Tax Credits	<b>Requested Credit Amount:</b> \$1,386,286
<b>Allocation Type:</b> New Construction	<b>Jurisdiction:</b> Staunton City
<b>Total Units:</b> 82	<b>Population Target:</b> General
<b>Total LI Units:</b> 82	
<b>Project Gross Sq Ft:</b> 105,522.70	<b>Owner Contact:</b> Thomas Taft, Sr.
<b>Green Certified?</b> TRUE	

<b>Total Score</b>
<b>668.83</b>

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$7,614,833	\$92,864	\$72	\$312,822
Grants	\$0	\$0		
Subsidized Funding	\$2,497,000	\$30,451		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$12,846,461	\$156,664	\$122	63.99%
General Req/Overhead/Profit	\$1,790,952	\$21,841	\$17	8.92%
Other Contract Costs	\$287,000	\$3,500	\$3	1.43%
Owner Costs	\$2,700,446	\$32,932	\$26	13.45%
Acquisition	\$800,000	\$9,756	\$8	3.99%
Developer Fee	\$1,650,000	\$20,122	\$16	8.22%

**Total Uses** **\$20,074,859** \$244,815

Income		
Gross Potential Income - LI Units	\$819,972	
Gross Potential Income - Mkt Unit:	\$0	
Subtotal	\$819,972	
Less Vacancy %	7.00%	\$57,398
<b>Effective Gross Income</b>	<b>\$762,574</b>	

**Rental Assistance?** TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$115,260	\$1,406
Utilities	\$28,000	\$341
Operating & Maintenance	\$107,356	\$1,309
Taxes & Insurance	\$127,784	\$1,558
<b>Total Operating Expenses</b>	<b>\$378,400</b>	<b>\$4,615</b>
Replacement Reserves	\$24,600	\$300
<b>Total Expenses</b>	<b>\$403,000</b>	<b>\$4,915</b>

Cash Flow	
EGI	\$762,574
Total Expenses	\$403,000
<b>Net Income</b>	<b>\$359,574</b>
Debt Service	\$312,822
<b>Debt Coverage Ratio (YR1):</b>	<b>1.15</b>

Total Development Costs	
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Total Improvements	\$17,624,859
Land Acquisition	\$800,000
Developer Fee	\$1,650,000
<b>Total Development Costs</b>	<b>\$20,074,859</b>

<b>Proposed Cost Limit/Sq Ft:</b>	\$183
<b>Applicable Cost Limit/Sq Ft:</b>	\$314
<b>Proposed Cost Limit/Unit:</b>	\$235,059
<b>Applicable Cost Limit/Unit:</b>	\$303,292

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	0
# of 2BR	42
# of 3BR	40
# of 4+ BR	0
<b>Total Units</b>	<b>82</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	21	21
40% AMI	0	0
50% AMI	20	20
60% AMI	20	20
>60% AMI	21	21
<b>Market</b>	<b>0</b>	<b>0</b>

**Income Averaging?** TRUE

**Extended Use Restriction?** 30

**i. Efficient Use of Resources**

**Credit Points for 9% Credits:**

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

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

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

Combined Max	\$2,155,855
Credit Requested	\$1,386,286
% of Savings	35.70%
Sliding Scale Points	119

4% Deals EUR Point	0.00
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**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	\$19,274,859
Total Square Feet	105,522.70
Proposed Cost per SqFt	\$182.66
Applicable Cost Limit per Sq Ft	\$314.00
% of Savings	41.83%
Total Units	82
Proposed Cost per Unit	\$235,059
Applicable Cost Limit per Unit	\$303,292
% of Savings	22.50%
Max % of Savings	41.83%
Sliding Scale Points	83.66

\$/SF = **178.89** Credits/SF = **13.1758** Const \$/unit = **182,005.04**

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

**11000**  
**300**  
**1**

**300**  
**1**

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

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

GENERAL								
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	0.00	1,021.55	1,557.74	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	42	40	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	25,043	28,262	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	25,043	28,262	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	25,043	28,262	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	13,460	20,524	0	0	0	0
<b>CREDIT PER UNIT POINTS</b>	<b>0.00</b>	<b>0.00</b>	<b>47.38</b>	<b>26.71</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

TOTAL CREDIT PER UNIT POINTS

**0.00**

This calculation of Credit per Unit points applies to 4% Tax Exempt deals only

Credit Parameters - Elderly

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

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	25,043	28,262	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>25,043</b>	<b>28,262</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Credit Parameters - Elderly

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

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	25,043	28,262	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>25,043</b>	<b>28,262</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# **Tab A:**

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



COMMONWEALTH OF VIRGINIA  
TOWN OF STAUNTON

MIDDLEBROOK TRACE VA LLC – LIMITED LIABILITY COMPANY OPERATING  
AGREEMENT

THIS OPERATING AGREEMENT (the “Agreement”) made as of the 9<sup>th</sup> day of March 2021, by Taft-Mills Group, LLC, a North Carolina limited liability company (“Taft-Mills”), and Middlebrook Trace VA MM LLC, a Virginia limited liability company, (the “Manager”), the undersigned members of Middlebrook Trace VA LLC, a Virginia limited liability company (the “Company”), such persons also being hereinafter referred to individually as a “Member” and collectively as the “Members.”

WITNESSETH:

WHEREAS, the Member hereto desires to organize a limited liability company to engage in any lawful business including ownership, rehabilitation and development of an affordable housing apartment complex in the Town of Staunton, Virginia known as Middlebrook Trace (the “Project”).

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

1. NAME AND BUSINESS. The Members hereby form a limited liability company (“LLC”) under the name of Middlebrook Trace VA LLC in accordance with and pursuant to the Virginia Limited Liability Company Act (the “Act”), to engage in any lawful business including ownership and development of real property. The organizing Member, or its representatives, shall execute and file Articles of Organization on behalf of the Company in the Office of the Secretary of State of Virginia. The Member shall do or cause to be done all such filings, recordings or other acts as may be necessary or appropriate from time to time to comply with the requirements of the Act or otherwise as necessary for the operation of LLCs in the State of Virginia. The Company shall promptly reimburse any cost incurred by the Member in connection with the foregoing. The office of the Company shall be 631 Dickinson Avenue, Greenville, NC 27834.

2. TERM. The Company shall begin as of the date of filing the aforementioned Articles

and shall continue perpetually unless sooner terminated as provided in paragraph 15 of this Agreement.

3. CAPITAL; LIABILITY OF MEMBERS.

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

<u>Members</u>	<u>Capital Interest</u>
Taft-Mills Group, LLC	99.99%
Middlebrook Trace VA MM LLC	00.01%

(b) Subsequent Capital Contributions. For purposes of paragraphs 3 - 6 of this Agreement, and with respect only to allocations and distributions to a Member, capital contribution obligations, and capital account maintenance rules (but not with respect to any other rights including voting rights of a Member), the term "Member" shall include the assignee, if any, of such Member. Each Member is personally liable for its proportionate part (determined with reference to its interest in profits as provided in paragraph 4(a)) of any capital contribution required for continuation of the Company business as determined reasonably and in good faith by the affirmative vote of at least 100% in voting interest (as determined in paragraph 7(c)) of the Members. In the event that any Member refuses or fails to make any such required capital contribution within thirty (30) days after written notice of the Members' approval of the additional contributions, then such Member (the "Defaulting Member") shall be in default of this Agreement and the other Members and the Company shall have any and all remedies available at law or in equity as a result of such default, including without limitation the right (upon the affirmative vote of a majority in voting interest of all Members other than the defaulting Member) to expel such defaulting Member from the Company, in which event the value to be paid for the defaulting Member's interest and the manner of payment shall be determined in accordance with the provisions of paragraph 12 of this Agreement. In addition, but without limiting any such rights or remedies of the other Members or the Company, the other Members may, but shall not be required to, contribute such deficiency to the Company. To the extent that any Member does contribute any deficiency to the Company for the Member failing to do so, such contribution at the sole

election of the contributing Member(s) shall be deemed to be either (i) an additional capital contribution requiring adjustments to the Percentage Interests as set forth in the next paragraph, or (ii) a loan to the defaulting Member repayable on demand which shall bear interest from the date of such contribution at a rate computed to be One Percent (1%) above the prime rate established by Bank of America, N.A. on the date of such contribution. The defaulting Member shall have no voting rights on matters of Company business, and no further distributions or withdrawals may be made to or by the defaulting Member, until such loan with interest is paid in full. Any distributions, withdrawals, or rights thereto that would otherwise be distributed to or withdrawn by the defaulting Member (including any distribution made on expulsion of such Member as described below) during the term of any such demand loan shall be paid, credited, or accrued to the Member or Members who contributed the deficiency to the Company and shall be applied as a credit against the amount due from the defaulting Member, but such amounts shall be treated for book and tax purposes as if they had been distributed to the defaulting Member and then paid to the Member or Members actually receiving the same in respect of the loan. Failure to repay any such demand loan within thirty (30) days after written demand therefor shall be deemed sufficient grounds for expulsion of such Member from the Company. In such event, the value to be paid for the defaulting Member's interest and the manner of payment shall be determined in accordance with the provisions of paragraph 12 of this Agreement. Except for the payment to liquidate its membership interest in the Company as herein provided, such defaulting Member shall have no further interest or rights in the Company, its business or assets.

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

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

maintained for each Member

(i) to which shall be credited:

(A) The amount of money and fair market value of other property comprising the Member's capital contributions,

(B) Any allocations of Company income, gains, and profits made to the Member for book purposes under paragraph 4, and

(C) The amount of any Company liabilities that are assumed by the Member or that are secured by any Company property distributed to the Member; and

(ii) to which shall be debited:

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

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

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

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

(e) Adjustment of Values. The gross value of Company property for book purposes, and the capital accounts of the Members, shall be simultaneously adjusted to reflect the gross fair market value (as determined in good faith by the affirmative vote of at least 100% in voting interest of the Members as required by paragraph 7(c)) of such assets as if the

Company recognized gain or loss (determined with reference to the Company's bases in its assets for book purposes) in an actual disposition of such assets (i) at such times as is permitted under (and pursuant to the rules of) Treasury Regulations Section 1.704-1 (b), as amended, and (ii) upon any other change in a Member's Percentage Interest (defined in paragraph 4(a)). Any such adjustment to the individual capital accounts of the Members shall be made by allocations of any such deemed gains or losses in accordance with the Members' relative interests in such gains or losses as provided in paragraph 4 in effect immediately before the triggering event described in items "(i)" and "(ii)" of this subparagraph (e). If the Members are unable to agree by the affirmative vote described above regarding the gross fair market value of Company assets, or if any Member otherwise requests the valuation determination to be made by appraisal, such value shall be determined by appraisal as follows. The Members unanimously shall select two qualified appraisers, such two appraisers shall then appoint a third qualified appraiser, and the three appraisers separately shall appraise such gross fair market value. The average of the two appraisals which are closest in amount shall be binding upon the parties hereto, and the other appraisal shall be ignored. The Company shall pay all expenses involved with such appraisers unless a Member requests an appraisal determination of value as provided above, in which case the costs of the appraisal shall be paid by the requesting Member. For purposes hereof, a qualified appraiser shall be any entity or person who regularly engages in the valuation of assets of the kind and nature owned by the Company and who holds themselves out as being in such business and qualified to make such valuation.

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

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

becoming a Member). Except as otherwise provided in this Agreement, no Member shall be liable to restore a deficit balance in its capital account.

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

4. PROFIT AND LOSS.

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

the proportions of their "Percentage Interests", as follows:

<u>Members</u>	<u>Capital Interest</u>
Taft-Mills Group, LLC	99.99%
Middlebrook Trace VA MM LLC	00.01%

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

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

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

(e) Allocations in Respect of Nonrecourse Liabilities. To the extent that the Company incurs any nonrecourse liabilities as described in Treasury Regulations Section 1.704-

2, the following provisions shall apply notwithstanding paragraph 4(a) hereof:

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

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

(f) Curative Allocations. The Members acknowledge that allocations made pursuant to paragraphs 4(b)-(e) above (collectively, the “Regulatory Allocations”) are intended to comply with certain requirements of Treasury Regulation Section 1.704-1(b) and may not be consistent with the manner in which the Members intend to share distributions of the Company. Accordingly, in the event any Regulatory Allocations are made to the Members, subsequent curative allocations provided for in this paragraph shall be made in a manner to prevent the Regulatory Allocations from distorting the manner in which Company allocations and distributions are shared pursuant to paragraphs 4(a) and 5, respectively. Such curative allocations of items of Company income, gain, loss, and deduction shall be made to the extent possible in any tax year in amounts sufficient such that the aggregate cumulative Regulatory Allocations and the cumulative curative allocations required by this sentence are made to the Members in proportion to their Percentage Interests described in paragraph 4(a) above in effect during the time period affected by such allocations, as if the Regulatory Allocations had not occurred.

(g) Other Allocations Rules. Although it is intended that paragraph 4(a) be the general rule for allocations of book and tax income or loss, such allocations shall be adjusted or

modified in any given instance to the extent necessary to comply with Section 704(b) and (c) of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations promulgated thereunder. For purpose of determining the profits, losses, or any other items allocable to any period, profits, losses, and any such other items shall be determined on a daily, monthly, or other basis using any permissible method under Code Section 706 and the Treasury Regulations promulgated thereunder.

5. SALARIES AND DISTRIBUTIONS.

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

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

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

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



such assets or by distributions of undivided interests therein with all other Members so entitled, as is determined by the unanimous agreement of the Members.

6. EXCESS LOAN AND CAPITAL TRANSACTIONS PROCEEDS. In the event that a loan is obtained on security of Company property in substitution or in addition to any existing loan or in the event of the sale or other disposition of such property in whole or in part, then, upon the consummation of such loan or the sale or other disposition of such property, as the case may be, the proceeds thereof shall be applied in the following order: 4 distributed to the Members as provided in paragraph 5(b), subject to paragraph 5(c).

7. MEMBERSHIP.

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

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

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

shall require the affirmative vote of at least 100% in voting interest of the Members:

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

(ii) Merger of the Company,

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

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

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

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

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

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

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

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

## 8. MANAGEMENT.

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

Each Manager shall continue as a Manager of the Company with all rights, authority, and

responsibilities provided in this Agreement until the time that he ceases to be a Manager as provided in paragraph 8(d) below, whereupon his successor shall be appointed as provided therein.

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

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

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

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

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

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

(vi) prepay in whole or in part, refinance, recast, increase, modify, or extend any liabilities affecting the Company property and in

connection therewith execute any extensions or renewals of encumbrances on any or all of the Company property;

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

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

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

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

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

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

(i) A Manager's failure or refusal to perform those duties which it is required hereunder or by law to perform in furtherance of the business of the Company;

(ii) A Manager's intentional activity which causes material injury to the Company;

(iii) A Manager's committing a fraud against the Company or using or appropriating for personal use or benefit funds or properties of the Company when not authorized to do so;

(iv) A Manager's committing an act of gross negligence regarding the business of the Company; or

(v) In conducting its own affairs or those of the Company, a Manager's jeopardizing the status of the Company for purposes of federal income taxation in accordance with the then existing provisions of the Internal Revenue Code, as amended, and the regulations promulgated thereunder, or the policies of the Internal Revenue Service.

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

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

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

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

(g) Tax Matters Partner. The person specifically authorized to act as the "Partnership Representative" under the Code and in any similar capacity under federal, state or local law is Middlebrook Trace VA MM LLC.

9. INDEMNIFICATION. Company shall not indemnify Manager with respect to (i) acts or omissions that the Manager knew at the time of such acts or omissions were clearly in conflict with the interests of the Company, (ii) any transaction from which the Manager derived an improper personal benefit, (iii) acts or omissions occurring prior to the date of this Agreement, all as provided in the Act, or (iv) matters expressed in the last sentence of paragraph 8(b) for which the Manager would be liable.

10. ASSIGNMENT.

(a) General Prohibition on Assignment. Except as otherwise provided in this Agreement, each Member is prohibited from selling, assigning, transferring, setting over, mortgaging, creating a security interest in, or hypothecating its interest in the Company or the Company assets in any manner whatsoever, including without limitation transfers incident to separation, divorce, or equitable distribution, nor may the interest of any of the Members in the Company or the Company assets be transferred by operation of law or by any

assignment by operation of law, unless otherwise agreed in writing by all Members. Any assignment in violation of this paragraph 10 shall be null and void.

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

made before any transfer may thereafter be made. Any transferee or assignee of an interest pursuant to this Agreement (who has not become a Member) shall have all the obligations imposed upon a Member as set forth in this Agreement with respect to the transferred interest.

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

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

12. EXPULSION.

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



and payable as provided below. Any loss due to such default shall be charged against the capital account of the defaulting Member before it is entitled to receive the above payment. A defaulting Member shall not be entitled to any voting rights as to any matter of Company business while any such default shall remain uncured. For all purposes of this paragraph 12, any such event of default by (i) an assignee of a membership interest hereunder (if such assignee has not in fact become a Member), or (ii) a shareholder, partner, or member of a Member which is a corporation, partnership, or LLC, shall be deemed a default by such assignee or Member and shall subject such assignee's or such Member's interest to the purchase options of this paragraph.

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

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

liquidation, dissolution, or similar relief under any statute, law, or regulation; (v) the commencement by such Member of a voluntary case under any Bankruptcy, insolvency or other similar law now or hereafter in effect; (vi) the Member's filing an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Member in any proceeding described in the prior items of this paragraph; (vii) the making by such Member of any general assignment for the benefit of creditors; (viii) the continuation of any proceeding against the Member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, for 120 days after the commencement thereof; or (ix) the appointment of a trustee, receiver, or liquidator for the person or all or any substantial part of the person's properties without the Member's agreement or acquiescence, which appointment is not vacated or stayed for 120 days or, if the appointment is stayed, for 120 days after the expiration of the stay during which period the appointment is not vacated

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

Payment of the purchase price shall be made in the same manner as that provided in paragraph 12 above, except that the Effective Date of withdrawal of the decedent shall be

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

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

15. DISSOLUTION AND WINDING UP. The Company shall be dissolved and

its affairs wound up upon the time specified in paragraph 2 for termination or upon the vote of the Members as provided in paragraph 7(c). Unless otherwise required by law or this paragraph, no event, including a Member's cessation of membership in the Company, shall dissolve the Company. Notwithstanding the foregoing, if any such dissolution of the Company occurs pursuant to requirement of law or otherwise, the Company shall continue and not be liquidated and terminated if (i) there is at least one remaining Member and (ii) the remaining Members elect to continue the Company pursuant to the affirmative vote of a majority of the voting interests of the remaining Members, such election to be made within ninety (90) days after the event of dissolution. If the Company is dissolved and is not continued as provided above, the Managers shall wind up the affairs of the Company and liquidate and terminate the Company in accordance with the provisions of the Act and paragraph 5(c).

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

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

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

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

notice sent by registered or certified mail to the Company.

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

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

22. USDA-RD PROVISIONS. Notwithstanding anything to the contrary set forth herein, if the Project becomes subject to the governance by the United States Department of Agriculture, Rural Development, the following provisions shall apply:

(a) The Managing Members shall have and maintain an aggregate minimum five percent (5.0%) financial interest in the residual or refinancing proceeds of the Company; and

(b) In addition to any other consent(s) required by this Agreement, none of the following actions shall be taken without first having obtained the prior consent from the United States Department of Agriculture, Rural Development: (i) withdrawing a Member (including removal), (ii) adding a Member, (iii) substituting or deleting a Member, (iv) amending the operating agreement or the Company's articles of organization, (v) dissolving or terminating the Company, and (vi) borrowing funds from Members or third parties.

23. PURCHASE RIGHTS OF STAUNTON REDEVELOPMENT AND HOUSING AUTHORITY.

The Company is authorized to enter a Purchase Option and Right of First Refusal Agreement with the Staunton Redevelopment and Housing Authority, a Virginia public housing authority organized and chartered pursuant to Virginia law, containing the terms required by Virginia Housing Development Authority.

[signatures on following page]

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

Taft-Mills Group, LLC,  
a North Carolina limited liability company

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

Name: Thomas F. Taft, Sr.

Title: Managing Member

Date: March 10, 2021

Middlebrook Trace VA MM LLC  
a Virginia limited liability company

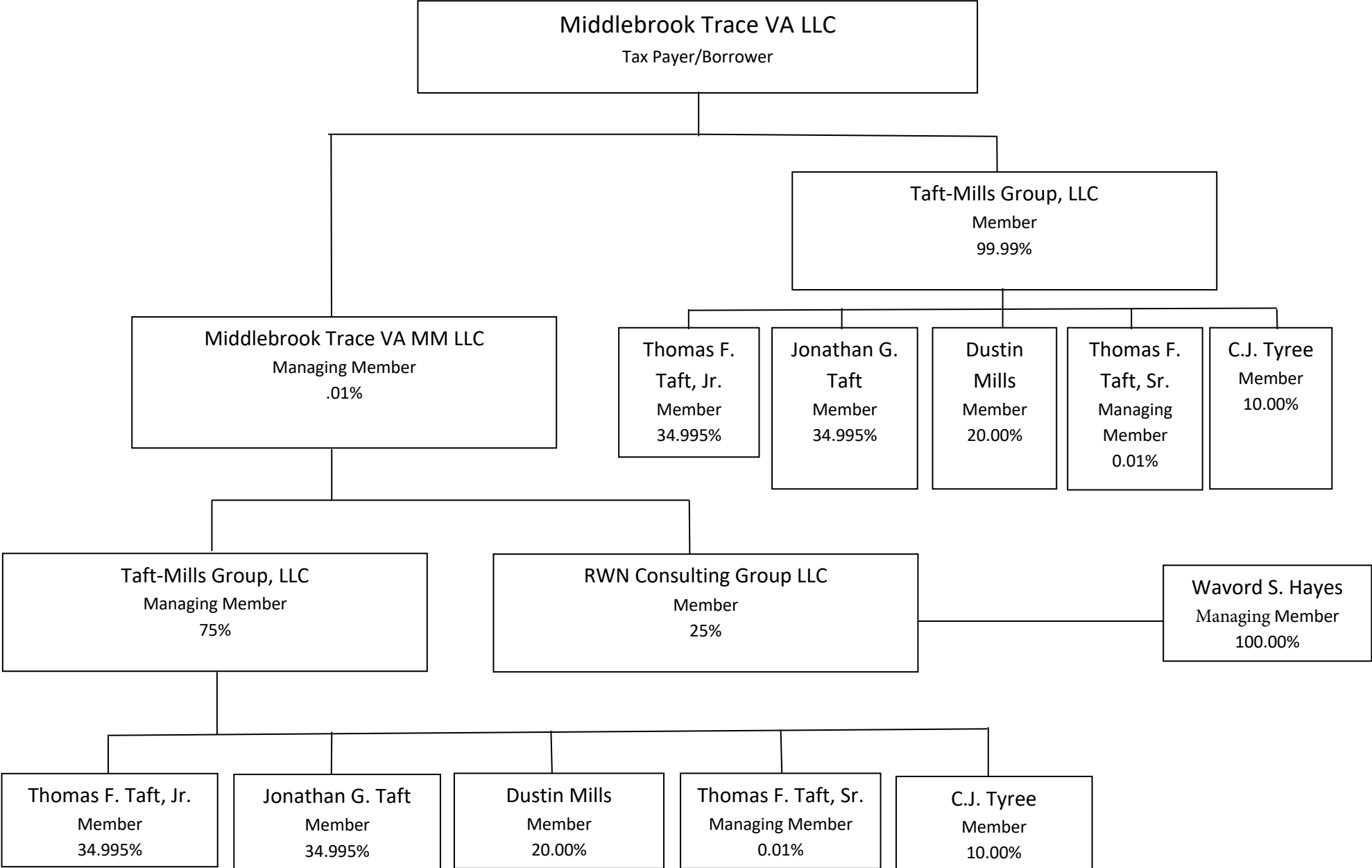
By:  \_\_\_\_\_

Name: Thomas F. Taft, Sr.

Title: Managing Member

Date: March 10, 2021

Middlebrook Trace VA LLC



## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “*Agreement*”) is made and entered into as of the 9th day of March, 2021, between MIDDLEBROOK TRACE VA LLC, a Virginia limited liability company (“*Company*”), and TAFT-MILLS GROUP, LLC, a North Carolina limited liability company (the “*Developer*”).

### RECITALS:

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

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

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

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

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

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

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



- (f) Analyze competitiveness of Project against others in the market area.
- (g) Make preliminary estimates of Project costs and determine Project feasibility.

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

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

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

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

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

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

(i) Coordination and administration of the Architect or engineer, the general contractor and other contractors, professionals and consultants employed in connection with the construction or rehabilitation of the Project;

(ii) Administration of any construction contracts on behalf of the Company;

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

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

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

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

(vii) Compliance with all terms and conditions applicable to 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;

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

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

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

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

(i) Obtain required building permits;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (a) Locate, evaluate the suitability of, negotiate the purchase or lease of, or arrange the financing for the land on which the Project is to be located.
- (b) Arrange, or negotiate the terms and conditions of, the permanent financing.
- (c) Arrange, or negotiate the terms and conditions of, the capital contributions of an investor member in the Company.
- (d) Perform or assist in the marketing or leasing of units in the Project.

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

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

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

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

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

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

Deferred Development Fee shall be evidenced by a note in the form attached hereto as Exhibit A.

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

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

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

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

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

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

15. **Successors and Assigns, Termination.** This Agreement shall be binding on the parties hereto and their heirs, successors, and assigns. However, this Agreement may not be assigned by any party hereto without the consent of all members of the Company, nor may it be

terminated without the consent of all of the members of the Company (except in the case of a material breach hereunder by the Developer); such consent shall not be unreasonably withheld.

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

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

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

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

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

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

*[signature page follows]*

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

**COMPANY:**

Middlebrook Trace VA LLC  
a Virginia limited liability company

By: Middlebrook Trace VA MM LLC  
a Virginia limited liability company  
Its: Managing Member

By: Taft-Mills Group, LLC  
a North Carolina limited liability company  
Its: Managing Member

By:   
Thomas F. Taft, Sr. Managing Member

**DEVELOPER:**

Taft-Mills Group, LLC  
a North Carolina limited liability company

By:   
Thomas F. Taft, Sr., Managing Member



# **Tab B:**

Virginia State Corporation Commission Certification  
(MANDATORY)

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

Richmond, January 27, 2021

This is to certify that the certificate of organization of

### **Middlebrook Trace VA LLC**

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

Effective date: January 27, 2021



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

# **Tab C:**

Principal's Previous Participation Certification  
(MANDATORY)



## Previous Participation Certification

Development Name: Middlebrook Trace  
Name of Applicant (entity): Middlebrook Trace VA LLC

I hereby certify that:

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

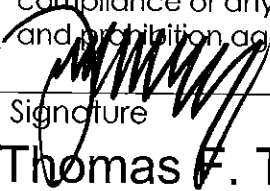
**Previous Participation Certification, cont'd**

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

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

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

Signature

  
**Thomas F. Taft Sr.**

Printed Name

**February 25, 2022**

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: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Dustin T. Mills 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	Wakefield Commons, Raleigh, NC	Wakefield Commons, LLC/(252) 916-2691	Y	80	80	10/31/17	5/10/18	N
2	Legacy Trace, Benson, NC	Legacy Trace, LLC/(252) 916-2691	Y	64	64	10/16/19	5/14/20	N
3	Quary Trace, Raleigh, NC	Quary Trace, LLC/(252) 916-2691	Y	96	96	12/30/19	8/20/20	N
4	Amberly Trace, Burlington, NC	Amberly Trace, LLC/(252) 916-2691	Y	80	80	12/30/19	8/20/20	N
5	Oliver's Trace, Winston-Salem, NC	Oliver's Trace, LLC/(252) 916-2691	Y	88	88	1/15/21	10/1/21	N
6	Farrington Trace, Greenville, NC	Farrington Trace, LLC/(252) 916-2691	Y	80	80	11/4/21	TBD	N
7	Crenshaw Trace, Wake Forest, NC	Crenshaw Trace, LLC/(252) 916-2691	Y	68	68	10/29/21	TBD	N
8	Walnut Trace, Raleigh, NC	Walnut Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
9	East Bend Trace, Greenville, NC	East Bend Trace, LLC/(252) 916-2691	Y	72	72	TBD	TBD	N
10	Residences at Railroad Square, Brunswick, MD	Residences at Railroad Square, LLC/(252) 916-2691	Y	45	45	TBD	TBD	N
11	Middlebrook Trace, Staunton, VA	Middlebrook Trace VA LLC/(252) 916-2691	Y	82	82	TBD	TBD	N
12	Arlington Trace, Greenville, NC	Arlington Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
13	Townsend Trace, Greensboro, NC	Townsend Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
14	Farrington Trace Senior, Greenville, NC	Farrington Trace Senior, LLC/(252) 916-2691	Y	80	80	TBD	TBD	N
15	Old Hundred Trace, Midlothian, VA	Old Hundred Trace VA LLC/(252-916-2691	Y	54	54	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,429 1,429 LIHTC as % of Total Units 100%

ADD ADDITIONAL PROPERTIES USING NEXT TAB

# List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Thomas F. Taft, Jr. 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	Legacy Trace, Benson, NC	Legacy Trace, LLC/(252) 916-2691	N	64	64	10/16/19	5/14/20	N
2	Quary Trace, Raleigh, NC	Quary Trace, LLC/(252) 916-2691	N	96	96	12/30/19	8/20/20	N
3	Amberly Trace, Burlington, NC	Amberly Trace, LLC/(252) 916-2691	N	80	80	12/30/19	8/20/20	N
4	Oliver's Trace, Winston-Salem, NC	Oliver's Trace, LLC/(252) 916-2691	Y	88	88	1/15/21	10/1/21	N
5	Farrington Trace, Greenville, NC	Farrington Trace, LLC/(252) 916-2691	Y	80	80	11/4/21	TBD	N
6	Crenshaw Trace, Wake Forest, NC	Crenshaw Trace, LLC/(252) 916-2691	Y	68	68	10/29/21	TBD	N
7	Walnut Trace, Raleigh, NC	Walnut Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
8	East Bend Trace, Greenville, NC	East Bend Trace, LLC/(252) 916-2691	Y	72	72	TBD	TBD	N
9	Residences at Railroad Square, Brunswick, MD	Residences at Railroad Square, LLC/(252) 916-2691	Y	45	45	TBD	TBD	N
10	Middlebrook Trace, Staunton, VA	Middlebrook Trace VA LLC/(252) 916-2691	Y	82	82	TBD	TBD	N
11	Arlington Trace, Greenville, NC	Arlington Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
12	Townsend Trace, Greensboro, NC	Townsend Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
13	Farrington Trace Senior, Greenville, NC	Farrington Trace Senior, LLC/(252) 916-2691	Y	80	80	TBD	TBD	N
14	Old Hundred Trace, Midlothian, VA	Old Hundred Trace VA LLC/(252) 916-2691	Y	54	54	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,349 1,349 100% LIHTC as % of Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB



# List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Jonathan G. Taft 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	Legacy Trace, Benson, NC	Legacy Trace, LLC/(252) 916-2691	N	64	64	10/16/19	5/14/20	N
2	Quary Trace, Raleigh, NC	Quary Trace, LLC/(252) 916-2691	N	96	96	12/30/19	8/20/20	N
3	Amberly Trace, Burlington, NC	Amberly Trace, LLC/(252) 916-2691	N	80	80	12/30/19	8/20/20	N
4	Oliver's Trace, Winston-Salem, NC	Oliver's Trace, LLC/(252) 916-2691	Y	88	88	1/15/21	10/1/21	N
5	Farrington Trace, Greenville, NC	Farrington Trace, LLC/(252) 916-2691	Y	80	80	11/4/21	TBD	N
6	Crenshaw Trace, Wake Forest, NC	Crenshaw Trace, LLC/(252) 916-2691	Y	68	68	10/29/21	TBD	N
7	Walnut Trace, Raleigh, NC	Walnut Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
8	East Bend Trace, Greenville, NC	East Bend Trace, LLC/(252) 916-2691	Y	72	72	TBD	TBD	N
9	Residences at Railroad Square, Brunswick, MD	Residences at Railroad Square, LLC/(252) 916-2691	Y	45	45	TBD	TBD	N
10	Middlebrook Trace, Staunton, VA	Middlebrook Trace VA LLC/(252) 916-2691	Y	82	82	TBD	TBD	N
11	Arlington Trace, Greenville, NC	Arlington Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
12	Townsend Trace, Greensboro, NC	Townsend Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
13	Farrington Trace Senior, Greenville, NC	Farrington Trace Senior, LLC/(252) 916-2691	Y	80	80	TBD	TBD	N
14	Old Hundred Trace, Midlothian, VA	Old Hundred Trace VA LLC/(252) 916-2691	Y	54	54	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,349 1,349 100% LIHTC as % of Total Units

# List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: C.J. Tyree 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	Legacy Trace, Benson, NC	Legacy Trace, LLC/(252) 916-2691	N	64	64	10/16/19	5/14/20	N
2	Quary Trace, Raleigh, NC	Quary Trace, LLC/(252) 916-2691	N	96	96	12/30/19	8/20/20	N
3	Amberly Trace, Burlington, NC	Amberly Trace, LLC/(252) 916-2691	N	80	80	12/30/19	8/20/20	N
4	Oliver's Trace, Winston-Salem, NC	Oliver's Trace, LLC/(252) 916-2691	N	88	88	1/15/21	10/1/21	N
5	Farrington Trace, Greenville, NC	Farrington Trace, LLC/(252) 916-2691	N	80	80	11/4/21	TBD	N
6	Crenshaw Trace, Wake Forest, NC	Crenshaw Trace, LLC/(252) 916-2691	N	68	68	10/29/21	TBD	N
7	Walnut Trace, Raleigh, NC	Walnut Trace, LLC/(252) 916-2691	N	180	180	TBD	TBD	N
8	East Bend Trace, Greenville, NC	East Bend Trace, LLC/(252) 916-2691	N	72	72	TBD	TBD	N
9	Residences at Railroad Square, Brunswick, MD	Residences at Railroad Square, LLC/(252) 916-2691	N	45	45	TBD	TBD	N
10	Middlebrook Trace, Staunton, VA	Middlebrook Trace VA LLC/(252) 916-2691	N	82	82	TBD	TBD	N
11	Arlington Trace, Greenville, NC	Arlington Trace, LLC/(252) 916-2691	N	180	180	TBD	TBD	N
12	Townsend Trace, Greensboro, NC	Townsend Trace, LLC/(252) 916-2691	N	180	180	TBD	TBD	N
13	Farrington Trace Senior, Greenville, NC	Farrington Trace Senior, LLC/(252) 916-2691	N	80	80	TBD	TBD	N
14	Old Hundred Trace, Midlothian, VA	Old Hundred Trace VA LLC/(252) 916-2691	N	54	54	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,349 1,349 100% LIHTC as % of Total Units

# List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Thomas F. Taft, Sr. Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y  
 Y or N

1	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	Parkside Commons, Greenville, NC	Parkside Elderly, LLC/(252) 916-2691	Y	98	98	6/22/16	4/26/17	N
2	Wakefield Commons, Raleigh, NC	Wakefield Commons, LLC/(252) 916-2691	Y	80	80	10/31/17	5/10/18	N
3	Legacy Trace, Benson, NC	Legacy Trace, LLC/(252) 916-2691	Y	64	64	10/16/19	5/14/20	N
4	Quarry Trace, Raleigh, NC	Quarry Trace, LLC/(252) 916-2691	Y	96	96	12/30/19	8/20/20	N
5	Amberly Trace, Burlington, NC	Amberly Trace, LLC/(252) 916-2691	Y	80	80	12/30/19	8/20/20	N
6	Oliver's Trace, Winston-Salem, NC	Oliver's Trace, LLC/(252) 916-2691	Y	88	88	1/15/21	10/1/21	N
7	Farrington Trace, Greenville, NC	Farrington Trace, LLC/(252) 916-2691	Y	80	80	11/4/21	TBD	N
8	Crenshaw Trace, Wake Forest, NC	Crenshaw Trace, LLC/(252) 916-2691	Y	68	68	10/29/21	TBD	N
9	Walnut Trace, Raleigh, NC	Walnut Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
10	East Bend Trace, Greenville, NC	East Bend Trace, LLC/(252) 916-2691	Y	72	72	TBD	TBD	N
11	Residences at Railroad Square, Brunswick, MD	Residences at Railroad Square, LLC/(252) 916-2691	Y	45	45	TBD	TBD	N
12	Middlebrook Trace, Staunton, VA	Middlebrook Trace VA LLC/(252) 916-2691	Y	82	82	TBD	TBD	N
13	Arlington Trace, Greenville, NC	Arlington Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
14	Townsend Trace, Greensboro, NC	Townsend Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
15	Farrington Trace Senior, Greenville, NC	Farrington Trace Senior, LLC/(252) 916-2691	Y	80	80	TBD	TBD	N
16	Old Hundred Trace, Midlothian, VA	Old Hundred Trace VA LLC/(252) 916-2691	Y	54	54	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE  
**TOTAL:** 1,527 1,527 100% LIHTC as % of Total Units

# List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Taft-Mills Group, LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y  
 Principal's Name: 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	Legacy Trace, Benson, NC	Legacy Trace, LLC/(252) 916-2691	Y	64	64	10/16/19	5/14/20	N
2	Quary Trace, Raleigh, NC	Quary Trace, LLC/(252) 916-2691	Y	96	96	12/30/19	8/20/20	N
3	Amberly Trace, Burlington, NC	Amberly Trace, LLC/(252) 916-2691	Y	80	80	12/30/19	8/20/20	N
4	Oliver's Trace, Winston-Salem, NC	Oliver's Trace, LLC/(252) 916-2691	Y	88	88	1/15/21	10/1/21	N
5	Farrington Trace, Greenville, NC	Farrington Trace, LLC/(252) 916-2691	Y	80	80	11/4/21	TBD	N
6	Crenshaw Trace, Wake Forest, NC	Crenshaw Trace, LLC/(252) 916-2691	Y	68	68	10/29/21	TBD	N
7	Walnut Trace, Raleigh, NC	Walnut Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
8	East Bend Trace, Greenville, NC	East Bend Trace, LLC/(252) 916-2691	Y	72	72	TBD	TBD	N
9	Residences at Railroad Square, Brunswick, MD	Residences at Railroad Square, LLC/(252) 916-2691	Y	45	45	TBD	TBD	N
10	Middlebrook Trace, Staunton, VA	Middlebrook Trace VA LLC/(252) 916-2691	Y	82	82	TBD	TBD	N
11	Arlington Trace, Greenville, NC	Arlington Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
12	Townsend Trace, Greensboro, NC	Townsend Trace, LLC/(252) 916-2691	Y	180	180	TBD	TBD	N
13	Farrington Trace Senior, Greenville, NC	Farrington Trace Senior, LLC/(252) 916-2691	Y	80	80	TBD	TBD	N
14	Old Hundred Trace, Midlothian, VA	Old Hundred Trace VA LLC/(252) 916-2691	Y	54	54	TBD	TBD	N
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,349 1,349 100% LIHTC as % of Total Units

# List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

RWN Consulting Group LLC **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?\*** N  
 Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8602 (per entity/development) for a total of 6.

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

# List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8602 (per entity/development) for a total of 6.

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

## List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

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

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

## List of LIHTC Developments (Schedule A)



Development Name: Middlebrook Trace  
 Name of Applicant: Middlebrook Trace VA LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

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

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



# **Tab E:**

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

**ASSIGNMENT OF CONTRACT**

**THIS ASSIGNMENT OF CONTRACT** (this “**Assignment**”), is made the 8 day of March, 2022, by and between Investco Holdings, LLC, a North Carolina limited liability company (hereinafter called “**Assignor**”), and Middlebrook Trace VA LLC, a Virginia limited liability company (hereinafter called “**Assignee**”).

RECITALS:

WHEREAS, by that certain Option Agreement dated February 28, 2022 (the “**Underlying Contract**”) by and between Lane Arbor, L.L.C. (the “**Underlying Seller**”) and Assignor, Underlying Seller agreed to sell and Assignor agreed to purchase property comprising approximately 24.343 acres of land located in the City of Staunton, Virginia, together with all improvements and appurtenances thereto, if any (the “**Underlying Contract Property**”), as more particularly described in the Underlying Contract. A copy of the Underlying Contract is attached hereto as **Exhibit A**; and

WHEREAS, Assignor has agreed to assign all of its rights and obligations under the Underlying Contract to purchase an approximately 8.15-acre portion of the Underlying Contract Property as generally depicted on **Exhibit B** attached hereto (the “**Property**”) to Assignee, and Assignee has agreed to assume and perform the same; and

WHEREAS, Assignee is applying to the Virginia Housing Development Authority for a reservation of housing tax credits (the “**Tax Credits**”) for the Property; and

WHEREAS, Assignee desires to acquire the Property from the Underlying Seller and the interest and obligations of Assignor as the owner and holder of the right to purchase the Property, and Assignor has agreed to assign its right to purchase the Property to Assignee and release its rights to acquire the Property from the Underlying Seller (such right to purchase the Property under the Underlying Contract is referred to as the “**Contract Rights**”), and Assignee has agreed to assume and perform the same.

WITNESSETH:

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable considerations, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises hereinafter set forth, the parties agree as follows:

1. Recitals; Defined Terms. The foregoing recitals are incorporated herein by reference. Capitalized terms used but not defined herein have the meaning ascribed to those terms in the Underlying Contract.

2. Assignment. Assignor hereby assigns to Assignee and Assignee accepts and assumes from Assignor the Contract Rights.

3. Consideration. Assignor's total purchase price for the Property (inclusive of the Assignment Fee and Underlying Contract Deposit Amount defined below) shall be Eight Hundred Thousand Dollars (\$800,000.00) (the "**Assignee Purchase Price**"). Of the Assignee Purchase Price, Assignee shall pay to Assignor at Closing: (i) the "**Assignment Fee**" in an amount equal to One Hundred Fifty Thousand Dollars (\$150,000.00), and (ii) any Option Money paid by Assignor to the Underlying Seller that are applicable to the Purchase Price. Assignee shall pay the remainder of the Assignee Purchase Price to the Underlying Seller at Closing.

4. Tax Credits. Assignor and Assignee acknowledge that Assignee's purchase of the Property is contingent on an award of Tax Credits to Assignee. In the event Assignee is not awarded Tax Credits, Assignee shall assign its rights hereunder back to Assignor.

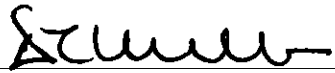
5. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one agreement binding on all the parties.

[signature page follows]

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

ASSIGNOR:

Investco Holdings, LLC,  
a North Carolina limited liability company

By:  (Seal)  
Name: DUSTIN T. MILLS  
Title: MEMBER

ASSIGNEE:

Middlebrook Trace VA LLC,  
a Virginia limited liability company

By: Middlebrook Trace VA MM LLC  
a Virginia limited liability company  
Its: Managing Member

By: Taft-Mills Group, LLC  
a North Carolina limited liability company  
Its: Managing Member

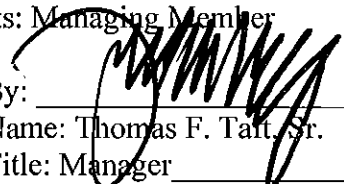
By:  (Seal)  
Name: Thomas F. Taft, Sr.  
Title: Manager \_\_\_\_\_

Exhibit A  
Underlying Contract

## OPTION AGREEMENT

THIS OPTION AGREEMENT ("Agreement"), made and entered into as of the 28<sup>th</sup> day of February, 2022 ("Effective Date") by and between **Investco Holdings, LLC**, a North Carolina limited liability company (hereinafter called "Buyer"), and **Lane Arbor, L.L.C.**, a Virginia limited liability company (hereinafter called "Seller");

### WITNESSETH:

That for and in consideration of Thirty Five Thousand and No/100 Dollars (\$35,000.00) (the "Option Money") and other good and valuable considerations, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises and conditions expressed below, Seller hereby grants to Buyer the sole and exclusive right to purchase, at the price and subject to the terms, conditions and provisions hereinafter stated that property containing approximately 24.343 acres in the City of Staunton, Virginia as shown on **Exhibit A** attached hereto ("Property").

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

1. Term. This Option shall become effective on the Effective Date and shall exist and continue through midnight on the 29th day of July, 2022, at which time it will expire (the foregoing time period and any extended term, if any, shall be deemed the "Option Term").
2. Option Money. Seller acknowledges that \$15,000.00 of the Option Money has already been paid by Buyer to Seller. The remaining \$20,000.00 of the Option Money shall be paid by Buyer to Seller no later than five (5) days after the execution of this Option. All of the Option Money shall be credited against the Purchase Price.
3. Exercise of Option. The Option herein granted may be exercised only by the giving of written notice of exercise of the Option to Seller by Buyer prior to the expiration of the Option Term, which notice shall be in accordance with the provisions of Paragraph 13 hereof. If this Option Agreement is not exercised during the Option Term, all rights of Buyer shall cease and terminate and all of the Option Money shall be retained by Seller if the Option is not exercised by Buyer.
4. Purchase Price. The Purchase Price for the Property shall be \$800,000.00.
5. Closing Date. Closing shall be no later than July 29, 2022 or earlier upon no less than five (5) days' notice to Seller. Notwithstanding the foregoing, Buyer may extend the Closing by sixty (60) days by providing Seller written notice of extension and \$10,000.00 ("Extension Fees") prior to the expiration of the original Closing. The Extension Fees shall be non-refundable and applicable to the Purchase Price.

6. Title. At Closing, Seller shall deliver to Buyer indefeasible and marketable fee simple title to the Property, free and clear of any deeds of trust, liens, security interests, encumbrances or other restrictions other than matters or conditions (i) currently existing of record, (ii) that would be disclosed by a survey or inspection of the Property, (iii) or which are caused by Buyer, its agents, employees or representatives. No later than thirty (30) days after exercise of the Option, Buyer shall conduct its title search and obtain a title insurance commitment. If the title search reveals any objectionable title matters (in Buyer's reasonable discretion), Buyer shall notify Seller, within 10 days thereafter, in writing of any defect or condition related to the title insurance commitment that materially affects the title to the Property or the use of the Property as a multi-family residential development. Seller shall have five (5) days after the receipt of such written notice to notify Seller if it intends to correct said defects or conditions. If Seller is unable or unwilling to correct such defects or conditions within thirty (30) days thereafter, and unless Buyer agrees in writing to purchase the Property with the particular defect or condition uncorrected, Buyer shall have the option to terminate this Agreement and receive a return of the Option Money, if any, regardless of whether the Option has been exercised. If Seller declines to correct such defects or is unable or unwilling to correct such defects within said thirty (30) days period, Buyer shall then have five (5) days in which to notify Seller of the Buyer's election to terminate this Agreement. The failure of the Buyer to give Seller written notice of its election to terminate the Agreement shall constitute a waiver of the condition or defect and shall be deemed an election to purchase the Property with the particular defect or condition uncorrected.

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

7. Closing Costs. At closing Seller shall pay the cost of the deed preparation, the statutory Grantor's tax, any instruments which may be required to clear the title of any prior liens (if agreed by Seller in writing in accordance with Section 6 above), and any counsel fees for counsel employed or retained by Seller. Buyer shall pay for title examination, title policy, surveys, recording fees, all State and Local Grantee tax, and for any counsel fees Buyer incurs in the transaction. Buyer shall pay the special use permit fees. Rents and ad valorem property taxes shall be prorated on a calendar year basis and the tenant security deposits shall be transferred to Buyer with Buyer being credited with the day of Closing.

8. Inspection. Seller does hereby agree to provide access to Buyer and its engineers and agents to the Property for purposes of undertaking such surveys, inspections or such other tests and analyses as Buyer may deem necessary and appropriate. Seller consents to Buyer applying for any zoning and/or land use permits, applying for a reservation of housing tax credits from the Virginia Housing Development Authority, determining the permits, approvals and licenses necessary for its use of the Property, performing tests and audits at the Property, securing any approvals from the Commonwealth of Virginia and local municipalities that Buyer determines

necessary, and conducting a survey of the Property. Seller shall cooperate reasonably with Buyer in any applications it files for zoning and/or land use permits; securing of approvals, licenses and permits; surveying the Property; obtaining title insurance; conducting tests and audits; and inspecting the property, but Seller shall not be required to agree to any proffers, conditions or other obligations that would attach to or be an obligation of the Property or of Seller should Closing not occur, nor shall Seller be required to incur more than incidental costs as part of Buyer's applications and similar approvals. All expenses associated with the inspection of the property and all applications, permitting and similar activities shall be paid for by Buyer. Buyer does hereby agree to indemnify and hold Seller, its members, managers, employees and agents, harmless from any loss or liability that may occur as a result of such inspection activity that may be undertaken by Buyer, its engineers or agents and this obligation shall survive any consummating or termination of this Agreement.

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

8.2 In the event of the termination of this Agreement for any reason whatsoever other than a Seller default, Buyer shall deliver to Seller, at no cost to Seller, all documents, work papers, engineering and environmental studies and reports, and all other materials created or ordered by Buyer in connection with the transactions contemplated hereby, such information and documents to be delivered with any warranty or representations of any kind of Buyer.

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

8.4 Seller shall provide Buyer copies of any due diligence items concerning the Property that are in Seller's possession or reasonably obtainable by Seller including, but not limited to, leases, tenant files, title insurance policies, surveys and environmental reports.

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

10. Closing Documents. At Closing Seller will execute, acknowledge and deliver to Buyer a general warranty deed conveying title as hereinbefore required, an assignment of leases and security deposits, a bill of sale for any personal property transferred, such lien waivers or affidavits as Buyer's title insurer may reasonably require to insure against any possible unfiled and



unpaid laborer's or materialmen's liens, together with such other papers and documents as may be reasonably necessary in connection with the completion of the closing.

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

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

Seller:

Lane Arbor, L.L.C.  
Attn: Guy C. Eavers  
PO Box 124  
Staunton, VA 24402-0124

Buyer:

c/o CJ Tyree  
PO Box 566  
Greenville, NC 27834  
Email: cj@taftmillsgroup.com

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

a. There is not now, nor has there ever been located in, on, or about the Property any pollutants, contaminants, gas or petroleum products, or other hazardous or toxic materials, the presence of which is either penalized or prohibited or removal required by any local, state, or federal government instrumentality or by applicable laws, statutes, or regulations except as may be disclosed in any prior environmental reports delivered to Buyer by Seller. The parties acknowledge that Buyer, as a part of its due diligence, may obtain a Phase I Environmental Audit, at the Buyer's sole cost and expense, to determine the environmental condition of the Property. If an environmental condition occurs which adversely affects the Property between the time of the initial Phase I and any Phase I update, then Buyer shall have the right to terminate this Agreement and receive a refund of all Option Money, regardless of whether the Option has been exercised.

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

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

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

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

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

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

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

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

15. Buyer's Representations and Warranties.

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

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

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

16. Brokerage. Buyer and Seller warrant and represent to each other that they have dealt with no brokers or agents in this transaction. If any commission may be due and owing, the party whose alleged actions form the basis for such claim shall be fully responsible for such claim, without recourse to the other, each party hereby agreeing to save the other harmless from the payment of any such commission.

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

18. Default. Should Buyer default under this Option and if and such default is not cured within ten (10) days of written notice from Seller to Buyer (or such additional period of time as

shall be necessary to effect a cure provided Buyer is proceeding in good faith with a cure), there shall be deemed an event of default hereunder by Buyer. For any event of default by Buyer hereunder, Seller shall retain the Option Money as its sole and exclusive remedy.

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

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

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

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


22. Recitals. The recitals are incorporated into this Agreement.

[signatures on following page]

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

BUYER:

Investco Holdings, LLC,  
a North Carolina limited liability company

By:   
Name: DUSTIN T. MILLS  
Title: Member

SELLER:

Lane Arbor, L.L.C.,  
a Virginia limited liability company


By:   
Name: GUY C. EVERS  
Title: MEMBER

Exhibit A

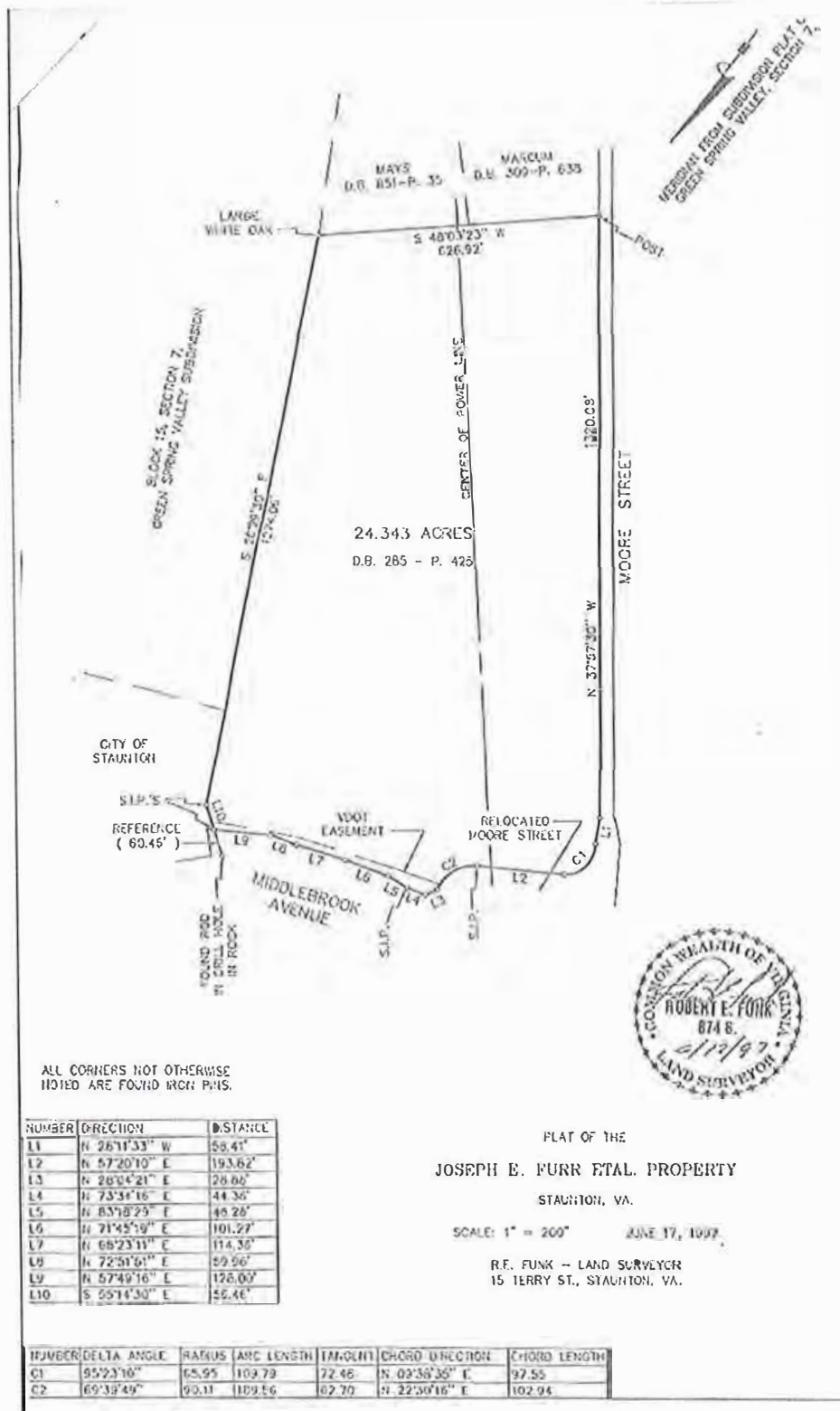
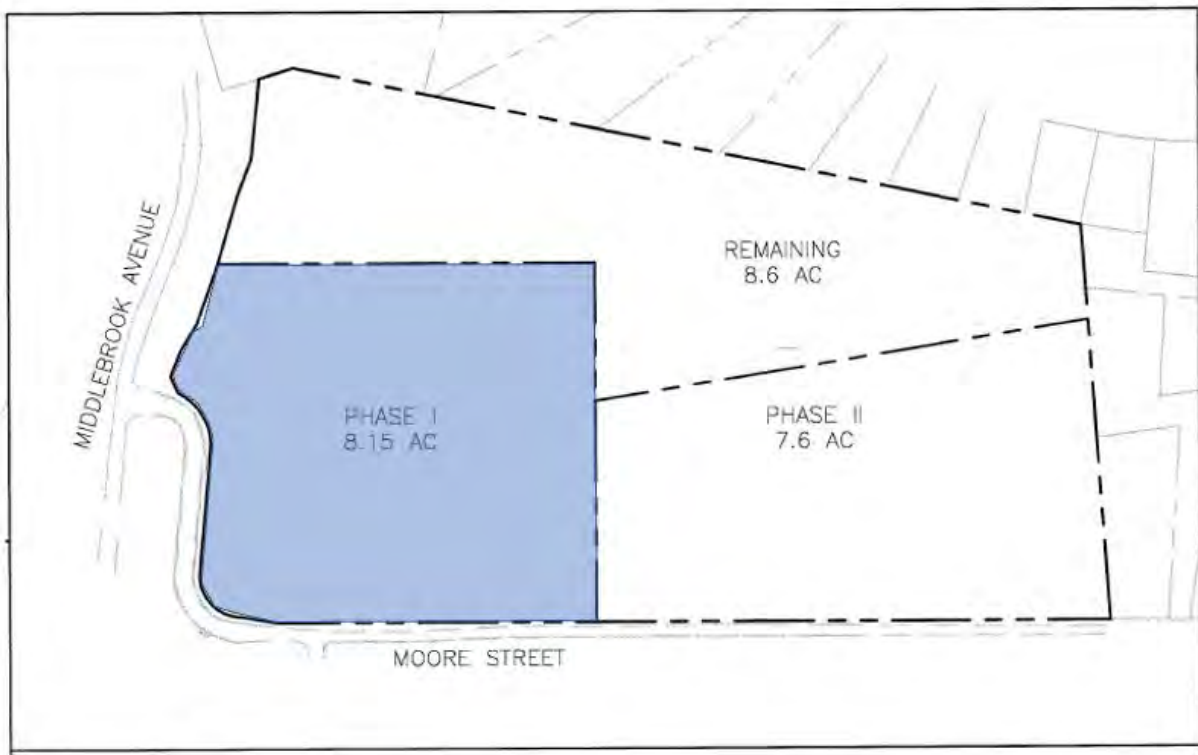


Exhibit B  
Property Description

All that certain parcel of land lying and being in the City of Staunton, Virginia located on the southeast side of Middlebrook Road containing 8.15 of the 24.343 acres as shown on a plat entitled "Plat of the Joseph E. Furr, et al Property" dated June 17, 1997 made by R.E. Funk, Land Surveyor, a copy of which is recorded in the Office of the Clerk of Circuit Court of the City of Staunton, Virginia as Instrument Number 970003150. Property ID 2896

Area of Phase 1 approximated in blue shaded area below



# 914 MIDDLEBROOK AVE

**Location** 914 MIDDLEBROOK AVE

**Acct#** 2896

**Owner** LANE ARBOR LLC

**Assessment** \$243,930

**PID** 2896

**Building Count** 1

**Legal Description** PARCEL 67-(24.34 AC)

**Historic Dist**

**Zoning** R4

**Map Number** 440

**Subdivision** NO SUBDIVISION

## Current Value

Assessment			
Valuation Year	Improvements	Land	Total
2022	\$500	\$243,430	\$243,930

## Owner of Record

**Owner** LANE ARBOR LLC

**Sale Price** \$0

**Co-Owner**

**Certificate**

**Address** PO BOX 124  
STAUNTON, VA 24402

**Book & Page** 150002731/0

**Sale Date** 12/21/2015

**Instrument** 01

## Ownership History

Ownership History					
Owner	Sale Price	Certificate	Book & Page	Instrument	Sale Date
LANE ARBOR LLC	\$0		150002731/0	01	12/21/2015
GUY C EAVERS EXCAVATION CORP	\$130,000		000003598/0	01	10/16/2000
HERITAGE CORPORATION	\$103,312		000003597/0	01	10/16/2000
WANDREI ROBERT T	\$80,000		0393/0846	01	11/17/1997
FURR JOSEPH E & TERRIE PYLES	\$50,000		0285/0425	01	05/25/1988

## Building Information

**Building 1 : Section 1**

**Building Photo**

Year Built:

Living Area: 0

Replacement Cost

Less Depreciation: \$0

**Building Attributes**

Field	Description
Style	Outbuildings
Model	
Grade:	
Stories	
Occupancy	
Exterior Wall 1	
Exterior Wall 2	
Roof Structure	
Roof Cover	
Interior Wall 1	
Interior Wall 2	
Interior Flr 1	
Interior Flr 2	
Heat Fuel	
Heat Type:	
AC Type:	
Total Bedrooms:	
Total Bthrms:	
Total Half Baths:	
Extra Fixtures	
Total Rooms:	
Bath Style:	
Kitchen Style:	
Basement Garage	
Framing	
SF Fin Bsmt	
Fin Bsmt Qual	
Foundation	
Bsmt Type	
Attic Type	
Attic SF	
Fireplaces	
Usrflid 108	
SF Gar	
SF Bsmt	
Usrflid 100	

**Building Photo**



(<http://images.vgsi.com/photos/StauntonVAPhotos//\00\00\24\89.JPG>)

**Building Layout**

Building Layout

([http://images.vgsi.com/photos/StauntonVAPhotos//Sketches/2896\\_2896.jp](http://images.vgsi.com/photos/StauntonVAPhotos//Sketches/2896_2896.jp))

Building Sub-Areas (sq ft)	Legend
No Data for Building Sub-Areas	



Usrflid 300	
Usrflid 301	

### Extra Features

Extra Features	<a href="#">Legend</a>
No Data for Extra Features	

### Land

#### Land Use

**Use Code** 401  
**Description** Res Land - LD  
**Zone** R4  
**Neighborhood** VISTA HTS  
**Alt Land Appr** No  
**Category**

#### Land Line Valuation

**Size (Acres)** 24.34  
**Frontage**  
**Depth**  
**Assessed Value** \$243,430

### Outbuildings

Outbuildings						<a href="#">Legend</a>
Code	Description	Sub Code	Sub Description	Size	Value	Bldg #
UTL2	Wood Bldg			0.00 SF	\$400	1
FGR1	Garage - 1 Car			0.00 SF	\$100	1

### Valuation History

Assessment			
Valuation Year	Improvements	Land	Total
2021	\$500	\$243,430	\$243,930
2020	\$500	\$243,430	\$243,930
2019	\$500	\$243,430	\$243,930

# **Tab F:**

RESNET Rater Certification (MANDATORY)



Appendix F  
RESNET Rater Certification of Development Plans

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

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

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

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

**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 VHDA of energy performance.

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

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

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

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

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

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

Signed:

Date: 3/2/22

Printed Name: Benoit Rivard

Resnet Provider Agency  
Southern Energy Management

RESNET Rater  
Signature

Provider Contact and Phone/Email Laurie Colwander / laurie@southern-energy.com / 919-538-7837 / (HERS 1998-093)

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03

Registry ID:

Ekotrope ID: DLz3lpad

### 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

# \$559

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.2	\$100
Cooling	0.8	\$16
Hot Water	2.6	\$49
Lights/Appliances	11.3	\$218
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>19.9</b>	<b>\$463</b>

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

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

### Rating Completed by:

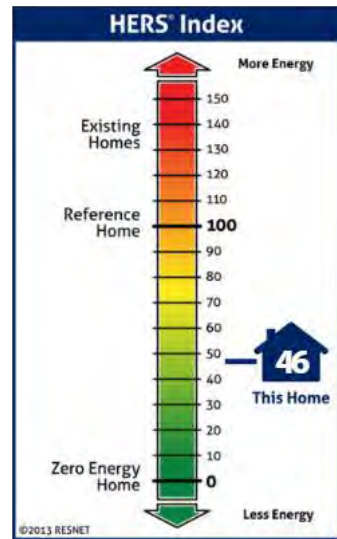
**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, end unit  
Model: 2Br ext ground  
Community: Middlebrook Trace  
Conditioned Floor Area: 908 ft<sup>2</sup>  
Number of Bedrooms: 2  
Primary Heating System: Air Source Heat Pump • Electric • 10.3 HSPF  
Primary Cooling System: Air Source Heat Pump • Electric • 21.4 SEER  
Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
House Tightness: 0.3 CFM50 / s.f. Shell Area  
Ventilation: 100 CFM • 35 Watts (Default)  
Duct Leakage to Outside: 36 CFM @ 25Pa (3.96 / 100 ft<sup>2</sup>)  
Above Grade Walls: R-19  
Ceiling: Adiabatic, R-11  
Window Type: U-Value: 0.29, SHGC: 0.27  
Foundation Walls: N/A  
Framed Floor: N/A

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 2Br ext ground  
Community: Middlebrook Trace

Middlebrook Trace\_2Br ext ground  
Middlebrook Trace\_2Br ext ground -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	71
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>71</u>
As Designed Home HERS	46
As Designed Home HERS w/o PV	46

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

	ENERGY STAR	As Designed
Heating	8.3	6.9
Cooling	5.0	1.6
Water Heating	6.8	2.3
Lights and Appliances	13.2	11.3
<b>Total</b>	<b>33.3</b>	<b>22.1</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.2

## Energy Cost Savings

	\$/yr
Heating	-26
Cooling	26
Water Heating	97
Lights & Appliances	35
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>132</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03

Registry ID:

Ekotrope ID: ILVbk4KL

### HERS® Index Score:

# 44

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

# \$569

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.8	\$72
Cooling	0.7	\$14
Hot Water	2.6	\$49
Lights/Appliances	11.3	\$218
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>18.4</b>	<b>\$433</b>

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

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

### Rating Completed by:

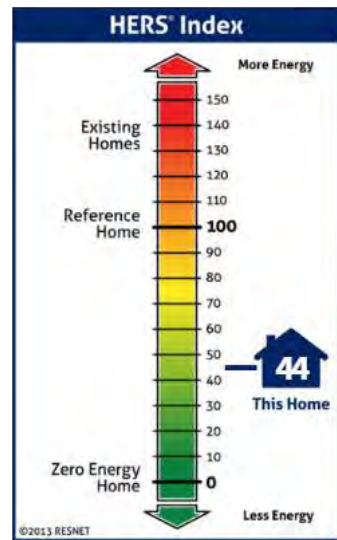
**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, end unit  
Model: 2Br ext middle  
Community: Middlebrook Trace  
Conditioned Floor Area: 908 ft<sup>2</sup>  
Number of Bedrooms: 2  
Primary Heating System: Air Source Heat Pump • Electric • 10.3 HSPF  
Primary Cooling System: Air Source Heat Pump • Electric • 21.4 SEER  
Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
House Tightness: 0.3 CFM50 / s.f. Shell Area  
Ventilation: 100 CFM • 35 Watts (Default)  
Duct Leakage to Outside: 36 CFM @ 25Pa (3.96 / 100 ft<sup>2</sup>)  
Above Grade Walls: R-19  
Ceiling: Adiabatic, R-11  
Window Type: U-Value: 0.29, SHGC: 0.27  
Foundation Walls: N/A  
Framed Floor: R-11

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 2Br ext middle  
Community: Middlebrook Trace

Middlebrook Trace\_2Br ext middle  
Middlebrook Trace\_2Br ext middle -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	71
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>71</u>
As Designed Home HERS	44
As Designed Home HERS w/o PV	44

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

	ENERGY STAR	As Designed
Heating	7.4	4.8
Cooling	4.2	1.4
Water Heating	6.8	2.3
Lights and Appliances	13.2	11.3
<b>Total</b>	<b>31.6</b>	<b>19.8</b>



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

## Pollution Prevented

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

## Energy Cost Savings

	\$/yr
Heating	-28
Cooling	18
Water Heating	98
Lights & Appliances	36
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>125</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03

Registry ID:

Ekotrope ID: 7d1pEzAL

### HERS® Index Score:

# 45

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

# \$572

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.6	\$89
Cooling	0.9	\$17
Hot Water	2.6	\$49
Lights/Appliances	11.3	\$218
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>19.4</b>	<b>\$452</b>

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

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

### Rating Completed by:

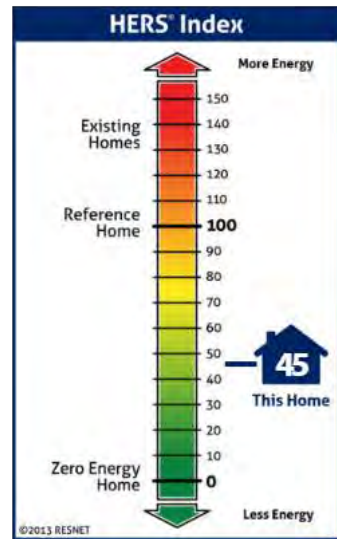
**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, end unit  
Model: 2Br ext top  
Community: Middlebrook Trace  
Conditioned Floor Area: 908 ft<sup>2</sup>  
Number of Bedrooms: 2  
Primary Heating System: Air Source Heat Pump • Electric • 10.3 HSPF  
Primary Cooling System: Air Source Heat Pump • Electric • 21.4 SEER  
Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
House Tightness: 0.3 CFM50 / s.f. Shell Area  
Ventilation: 100 CFM • 35 Watts (Default)  
Duct Leakage to Outside: Untested Forced Air  
Above Grade Walls: R-19  
Ceiling: Attic, R-38  
Window Type: U-Value: 0.29, SHGC: 0.27  
Foundation Walls: N/A  
Framed Floor: R-11



# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 2Br ext top  
Community: Middlebrook Trace

Middlebrook Trace\_2Br ext top  
Middlebrook Trace\_2Br ext top -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	74
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>74</u>
As Designed Home HERS	45
As Designed Home HERS w/o PV	45

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

	ENERGY STAR	As Designed
Heating	8.2	5.9
Cooling	5.9	1.7
Water Heating	6.8	2.3
Lights and Appliances	13.2	11.3
<b>Total</b>	<b>34.0</b>	<b>21.2</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.4

## Energy Cost Savings

	\$/yr
Heating	-9
Cooling	31
Water Heating	97
Lights & Appliances	35
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>153</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03  
 Registry ID:  
 Ekotrope ID: P2lEmYeL

### 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

# \$563

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
 Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.1	\$98
Cooling	0.8	\$16
Hot Water	2.6	\$49
Lights/Appliances	11.3	\$218
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>19.8</b>	<b>\$461</b>

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

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

### Rating Completed by:

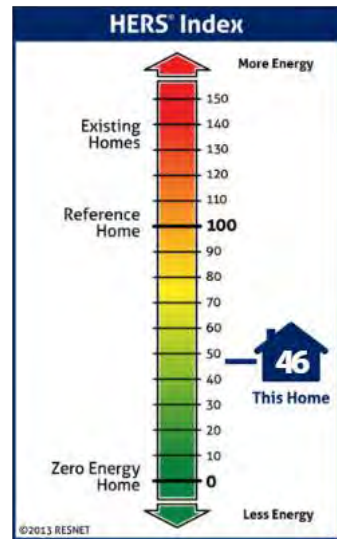
**Energy Rater:** Benoit Rivard  
 RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
 Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, inside unit  
 Model: 2Br int ground  
 Community: Middlebrook Trace  
 Conditioned Floor Area: 908 ft<sup>2</sup>  
 Number of Bedrooms: 2  
 Primary Heating System: Air Source Heat Pump • Electric • 10.3 HSPF  
 Primary Cooling System: Air Source Heat Pump • Electric • 21.4 SEER  
 Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
 House Tightness: 0.3 CFM50 / s.f. Shell Area  
 Ventilation: 100 CFM • 35 Watts (Default)  
 Duct Leakage to Outside: 36 CFM @ 25Pa (3.96 / 100 ft<sup>2</sup>)  
 Above Grade Walls: R-19  
 Ceiling: Adiabatic, R-11  
 Window Type: U-Value: 0.29, SHGC: 0.27  
 Foundation Walls: N/A  
 Framed Floor: N/A



Ekotrope RATER - Version:4.0.1.2847

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 2Br int ground  
Community: Middlebrook Trace

Middlebrook Trace\_2Br int ground  
Middlebrook Trace\_2Br int ground -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	72
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>72</u>
As Designed Home HERS	46
As Designed Home HERS w/o PV	46

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

	ENERGY STAR	As Designed
Heating	8.4	6.7
Cooling	5.3	1.7
Water Heating	6.8	2.3
Lights and Appliances	13.2	11.3
<b>Total</b>	<b>33.7</b>	<b>22.0</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.3

## Energy Cost Savings

	\$/yr
Heating	-19
Cooling	27
Water Heating	97
Lights & Appliances	35
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>140</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03

Registry ID:

Ekotrope ID: B26ZrVR2

### HERS® Index Score:

# 43

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

# \$583

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.1	\$79
Cooling	0.8	\$15
Hot Water	2.6	\$49
Lights/Appliances	11.3	\$218
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>18.8</b>	<b>\$441</b>

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

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

### Rating Completed by:

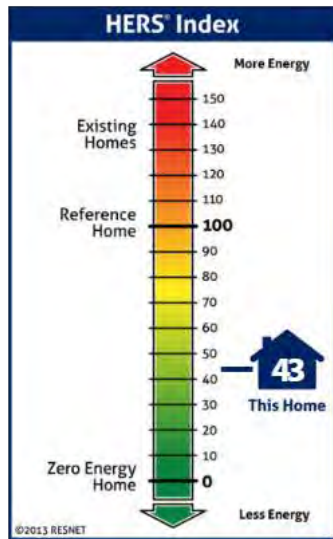
**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	2Br int middle
Community:	Middlebrook Trace
Conditioned Floor Area:	908 ft <sup>2</sup>
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 10.3 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 21.4 SEER
Primary Water Heating:	Residential Water Heater • Electric • 2.2 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area
Ventilation:	100 CFM • 35 Watts (Default)
Duct Leakage to Outside:	36.32 CFM @ 25Pa (4 / 100 ft <sup>2</sup> )
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.29, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-11

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 2Br int middle  
Community: Middlebrook Trace

Middlebrook Trace\_2Br int middle  
Middlebrook Trace\_2Br int middle -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	72
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>72</u>
As Designed Home HERS	43
As Designed Home HERS w/o PV	43

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

	ENERGY STAR	As Designed
Heating	8.3	5.3
Cooling	5.0	1.6
Water Heating	6.8	2.3
Lights and Appliances	13.2	11.3
<b>Total</b>	<b>33.4</b>	<b>20.4</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.2

## Energy Cost Savings

	\$/yr
Heating	-22
Cooling	24
Water Heating	98
Lights & Appliances	36
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>136</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03

Registry ID:

Ekotrope ID: yL0qVI9d

### HERS® Index Score:

# 45

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

# \$584

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.0	\$96
Cooling	0.9	\$17
Hot Water	2.6	\$49
Lights/Appliances	11.3	\$218
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>19.8</b>	<b>\$460</b>

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

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

### Rating Completed by:

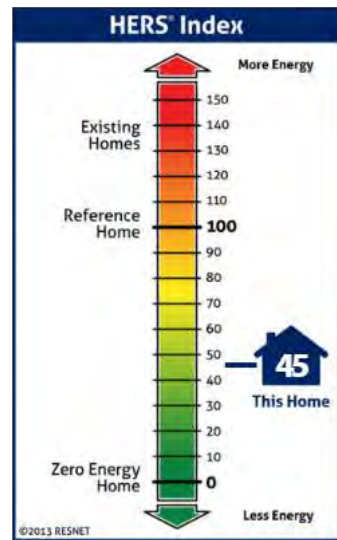
**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, inside unit  
Model: 2Br int top  
Community: Middlebrook Trace  
Conditioned Floor Area: 908 ft<sup>2</sup>  
Number of Bedrooms: 2  
Primary Heating System: Air Source Heat Pump • Electric • 10.3 HSPF  
Primary Cooling System: Air Source Heat Pump • Electric • 21.4 SEER  
Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
House Tightness: 0.3 CFM50 / s.f. Shell Area  
Ventilation: 100 CFM • 35 Watts (Default)  
Duct Leakage to Outside: 36.32 CFM @ 25Pa (4 / 100 ft<sup>2</sup>)  
Above Grade Walls: R-19  
Ceiling: Attic, R-38  
Window Type: U-Value: 0.29, SHGC: 0.27  
Foundation Walls: N/A  
Framed Floor: R-11

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 2Br int top  
Community: Middlebrook Trace

Middlebrook Trace\_2Br int top  
Middlebrook Trace\_2Br int top -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	74
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>74</u>
As Designed Home HERS	45
As Designed Home HERS w/o PV	45

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

	ENERGY STAR	As Designed
Heating	9.3	6.5
Cooling	6.2	1.8
Water Heating	6.8	2.3
Lights and Appliances	13.2	11.3
<b>Total</b>	<b>35.4</b>	<b>21.9</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.5

## Energy Cost Savings

	\$/yr
Heating	-3
Cooling	32
Water Heating	96
Lights & Appliances	34
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>159</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03

Registry ID:

Ekotrope ID: gdEEEmz9d

### HERS® Index Score:

# 52

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

# \$648

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	8.9	\$166
Cooling	1.2	\$24
Hot Water	3.2	\$61
Lights/Appliances	13.9	\$263
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>27.3</b>	<b>\$593</b>

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

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

### Rating Completed by:

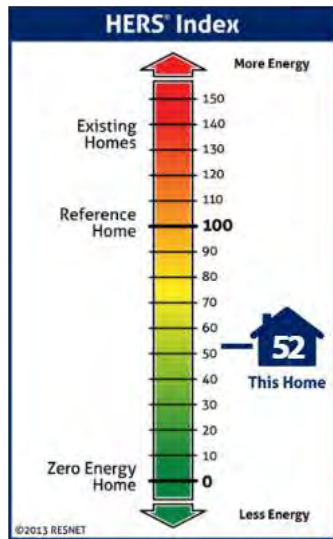
**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3Br ext ground
Community:	Middlebrook Trace
Conditioned Floor Area:	1,293 ft <sup>2</sup>
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 12.6 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 2.2 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area
Ventilation:	100 CFM • 45 Watts
Duct Leakage to Outside:	51.72 CFM @ 25Pa (4 / 100 ft <sup>2</sup> )
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.29, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A



# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 3Br ext ground  
Community: Middlebrook Trace

Middlebrook Trace\_3Br ext ground  
Middlebrook Trace\_3Br ext ground -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	70
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>70</u>
As Designed Home HERS	52
As Designed Home HERS w/o PV	52

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

	ENERGY STAR	As Designed
Heating	11.2	11.9
Cooling	5.6	2.5
Water Heating	8.5	2.9
Lights and Appliances	16.0	13.7
<b>Total</b>	<b>41.4</b>	<b>31.0</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.2

## Energy Cost Savings

	\$/yr
Heating	-50
Cooling	24
Water Heating	116
Lights & Appliances	42
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>132</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03  
 Registry ID:  
 Ekotrope ID: ZdmMp8Vd

### 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

# \$675

\*Relative to an average U.S. home

**Home:**  
 914 Middlebrook Avenue  
 Staunton, VA 24401

**Builder:**  
 Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.1	\$116
Cooling	1.2	\$23
Hot Water	3.2	\$62
Lights/Appliances	13.9	\$267
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>24.4</b>	<b>\$547</b>

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

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

### Rating Completed by:

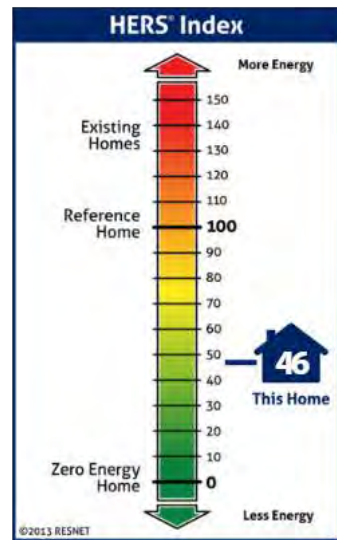
**Energy Rater:** Benoit Rivard  
 RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
 Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

- Home Type: Apartment, end unit
- Model: 3Br ext middle
- Community: Middlebrook Trace
- Conditioned Floor Area: 1,293 ft<sup>2</sup>
- Number of Bedrooms: 3
- Primary Heating System: Air Source Heat Pump • Electric • 12.6 HSPF
- Primary Cooling System: Air Source Heat Pump • Electric • 18 SEER
- Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF
- House Tightness: 0.3 CFM50 / s.f. Shell Area
- Ventilation: 100 CFM • 45 Watts
- Duct Leakage to Outside: 51.72 CFM @ 25Pa (4 / 100 ft<sup>2</sup>)
- Above Grade Walls: R-19
- Ceiling: Adiabatic, R-11
- Window Type: U-Value: 0.29, SHGC: 0.27
- Foundation Walls: N/A
- Framed Floor: R-11

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 3Br ext middle  
Community: Middlebrook Trace

Middlebrook Trace\_3Br ext middle  
Middlebrook Trace\_3Br ext middle -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	70
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>70</u>
As Designed Home HERS	46
As Designed Home HERS w/o PV	46

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

	ENERGY STAR	As Designed
Heating	9.5	7.8
Cooling	5.7	2.3
Water Heating	8.5	2.9
Lights and Appliances	16.0	13.7
<b>Total</b>	<b>39.9</b>	<b>26.8</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.2

## Energy Cost Savings

	\$/yr
Heating	-54
Cooling	22
Water Heating	118
Lights & Appliances	44
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>130</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03  
 Registry ID:  
 Ekotrope ID: ILKEBalv

### 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

# \$676

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
 Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	7.9	\$150
Cooling	1.2	\$24
Hot Water	3.2	\$61
Lights/Appliances	13.8	\$262
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>26.2</b>	<b>\$577</b>

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

ENERGY STAR MF v1.1  
 ENERGY STAR MF v1.0  
 ENERGY STAR v3.1  
 ENERGY STAR v3  
 2009 International Energy Conservation Code  
 2006 International Energy Conservation Code

### Rating Completed by:

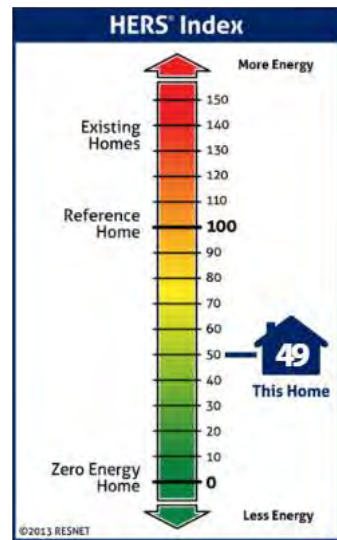
**Energy Rater:** Benoit Rivard  
 RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
 Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, end unit  
 Model: 3Br ext top  
 Community: Middlebrook Trace  
 Conditioned Floor Area: 1,293 ft<sup>2</sup>  
 Number of Bedrooms: 3  
 Primary Heating System: Air Source Heat Pump • Electric • 12.6 HSPF  
 Primary Cooling System: Air Source Heat Pump • Electric • 18 SEER  
 Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
 House Tightness: 0.3 CFM50 / s.f. Shell Area  
 Ventilation: 100 CFM • 35 Watts (Default)  
 Duct Leakage to Outside: Untested Forced Air  
 Above Grade Walls: R-19  
 Ceiling: Attic, R-38  
 Window Type: U-Value: 0.29, SHGC: 0.27  
 Foundation Walls: N/A  
 Framed Floor: R-11

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 3Br ext top  
Community: Middlebrook Trace

Middlebrook Trace\_3Br ext top  
Middlebrook Trace\_3Br ext top -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	73
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>73</u>
As Designed Home HERS	49
As Designed Home HERS w/o PV	49

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

	ENERGY STAR	As Designed
Heating	12.0	10.4
Cooling	6.3	2.5
Water Heating	8.5	2.9
Lights and Appliances	16.0	13.6
<b>Total</b>	<b>42.9</b>	<b>29.4</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.5

## Energy Cost Savings

	\$/yr
Heating	-22
Cooling	26
Water Heating	116
Lights & Appliances	42
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>162</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03  
 Registry ID:  
 Ekotrope ID: Od4XrVmd

### HERS® Index Score:

# 51

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

# \$654

\*Relative to an average U.S. home

**Home:**  
 914 Middlebrook Avenue  
 Staunton, VA 24401

**Builder:**  
 Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	8.9	\$166
Cooling	1.3	\$24
Hot Water	3.2	\$61
Lights/Appliances	13.8	\$261
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>27.2</b>	<b>\$591</b>

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

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

### Rating Completed by:

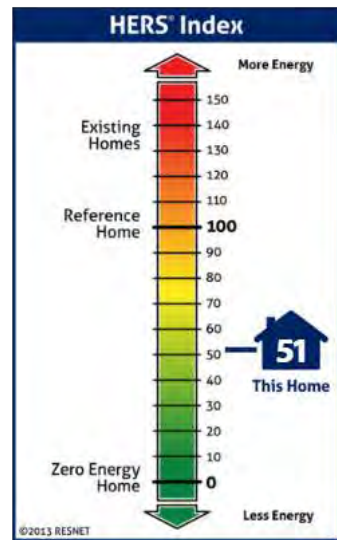
**Energy Rater:** Benoit Rivard  
 RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
 Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, inside unit  
 Model: 3Br int ground  
 Community: Middlebrook Trace  
 Conditioned Floor Area: 1,293 ft<sup>2</sup>  
 Number of Bedrooms: 3  
 Primary Heating System: Air Source Heat Pump • Electric • 12.6 HSPF  
 Primary Cooling System: Air Source Heat Pump • Electric • 18 SEER  
 Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
 House Tightness: 0.3 CFM50 / s.f. Shell Area  
 Ventilation: 100 CFM • 35 Watts (Default)  
 Duct Leakage to Outside: 51 CFM @ 25Pa (3.94 / 100 ft<sup>2</sup>)  
 Above Grade Walls: R-19  
 Ceiling: Adiabatic, R-11  
 Window Type: U-Value: 0.29, SHGC: 0.27  
 Foundation Walls: N/A  
 Framed Floor: N/A

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 3Br int ground  
Community: Middlebrook Trace

Middlebrook Trace\_3Br int ground  
Middlebrook Trace\_3Br int ground -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	70
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>70</u>
As Designed Home HERS	51
As Designed Home HERS w/o PV	51

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

	ENERGY STAR	As Designed
Heating	11.4	11.8
Cooling	5.8	2.5
Water Heating	8.5	2.9
Lights and Appliances	16.0	13.6
<b>Total</b>	<b>41.7</b>	<b>30.9</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.3

## Energy Cost Savings

	\$/yr
Heating	-48
Cooling	24
Water Heating	116
Lights & Appliances	44
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>136</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03

Registry ID:

Ekotrope ID: 9vgE0YKL

### 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

# \$686

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.8	\$130
Cooling	1.2	\$24
Hot Water	3.2	\$62
Lights/Appliances	13.8	\$264
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>25.0</b>	<b>\$557</b>

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

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

### Rating Completed by:

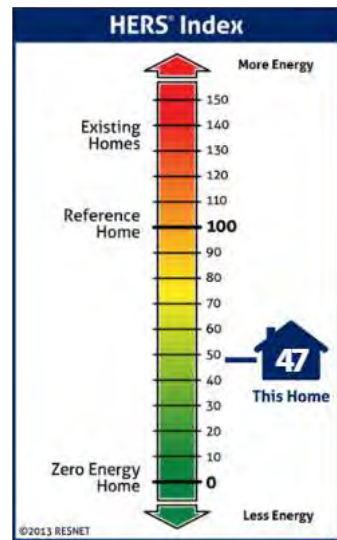
**Energy Rater:** Benoit Rivard  
RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

- Home Type: Apartment, inside unit
- Model: 3Br int middle
- Community: Middlebrook Trace
- Conditioned Floor Area: 1,293 ft<sup>2</sup>
- Number of Bedrooms: 3
- Primary Heating System: Air Source Heat Pump • Electric • 12.6 HSPF
- Primary Cooling System: Air Source Heat Pump • Electric • 18 SEER
- Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF
- House Tightness: 0.3 CFM50 / s.f. Shell Area
- Ventilation: 100 CFM • 35 Watts (Default)
- Duct Leakage to Outside: 51.72 CFM @ 25Pa (4 / 100 ft<sup>2</sup>)
- Above Grade Walls: R-19
- Ceiling: Adiabatic, R-11
- Window Type: U-Value: 0.29, SHGC: 0.27
- Foundation Walls: N/A
- Framed Floor: R-11



Ekotrope RATER - Version:4.0.1.2847

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.



# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 3Br int middle  
Community: Middlebrook Trace

Middlebrook Trace\_3Br int middle  
Middlebrook Trace\_3Br int middle -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	71
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>71</u>
As Designed Home HERS	47
As Designed Home HERS w/o PV	47

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

	ENERGY STAR	As Designed
Heating	11.2	8.8
Cooling	5.9	2.4
Water Heating	8.5	2.9
Lights and Appliances	16.0	13.7
<b>Total</b>	<b>41.7</b>	<b>27.7</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.2

## Energy Cost Savings

	\$/yr
Heating	-52
Cooling	22
Water Heating	117
Lights & Appliances	44
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>132</b>

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

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2022-03-03  
 Registry ID:  
 Ekotrope ID: VvnEgYGd

### 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

# \$685

\*Relative to an average U.S. home

### Home:

914 Middlebrook Avenue  
 Staunton, VA 24401

### Builder:

Peacock Holland Construction

### Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	8.6	\$161
Cooling	1.1	\$22
Hot Water	3.2	\$61
Lights/Appliances	13.8	\$261
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
<b>Total:</b>	<b>26.7</b>	<b>\$584</b>

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

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

### Rating Completed by:

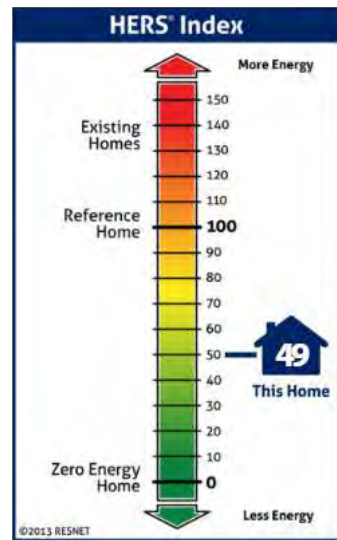
**Energy Rater:** Benoit Rivard  
 RESNET ID: 4443444

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

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



Benoit Rivard, Certified Energy Rater  
 Digitally signed: 3/7/22 at 8:40 AM



### Home Feature Summary:

Home Type: Apartment, inside unit  
 Model: 3Br int top  
 Community: Middlebrook Trace  
 Conditioned Floor Area: 1,293 ft<sup>2</sup>  
 Number of Bedrooms: 3  
 Primary Heating System: Air Source Heat Pump • Electric • 12.6 HSPF  
 Primary Cooling System: Air Source Heat Pump • Electric • 18 SEER  
 Primary Water Heating: Residential Water Heater • Electric • 2.2 UEF  
 House Tightness: 0.3 CFM50 / s.f. Shell Area  
 Ventilation: 100 CFM • 35 Watts (Default)  
 Duct Leakage to Outside: 51.72 CFM @ 25Pa (4 / 100 ft<sup>2</sup>)  
 Above Grade Walls: R-19  
 Ceiling: Attic, R-38  
 Window Type: U-Value: 0.29, SHGC: 0.27  
 Foundation Walls: N/A  
 Framed Floor: R-11

# ENERGY STAR MF V1 Home Report

## Property

914 Middlebrook Avenue  
Staunton, VA 24401  
Model: 3Br int top  
Community: Middlebrook Trace

Middlebrook Trace\_3Br int top  
Middlebrook Trace\_3Br int top -  
HIEE

## Organization

Southern Energy Manager  
Benoit Rivard  
9196228441

## Builder

Peacock Holland  
Construction

## Inspection Status

Results are projected

## Mandatory Requirements

- ✓ Duct leakage at post construction better than or equal to ENERGY STAR v3/3.1 requirements.
- ✓ Envelope insulation levels meet or exceed ENERGY STAR v3/3.1 requirements.
- ✓ Slab on Grade Insulation must be > R-5, and at IECC 2009 Depth for Climate Zones 4 and above.
- ✓ Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.
- ✓ Windows meet the 2009 IECC Requirements - Table 402.1.1.
- ✓ Duct insulation meets the EPA minimum requirements of R-6.
- ✓ Mechanical ventilation system is installed in the home.
- ✓ ENERGY STAR Checklists fully verified and complete.

## HERS Index Target

Reference Home HERS	74
SAF (Size Adjustment Factor)	1.00
SAF Adjusted HERS Target	<u>74</u>
As Designed Home HERS	49
As Designed Home HERS w/o PV	49

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

	ENERGY STAR	As Designed
Heating	13.0	11.2
Cooling	6.7	2.2
Water Heating	8.5	2.9
Lights and Appliances	16.0	13.7
<b>Total</b>	<b>44.3</b>	<b>29.9</b>



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

## Pollution Prevented

Type of Emissions	Reduction
Carbon Dioxide (CO <sub>2</sub> ) - tons/yr	1.6

## Energy Cost Savings

	\$/yr
Heating	-26
Cooling	35
Water Heating	116
Lights & Appliances	42
<b>Generation Savings</b>	<b>0</b>
<b>Total</b>	<b>167</b>

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

# **Tab G:**

Zoning Certification Letter (MANDATORY)

# Zoning Certification



**DATE:** March 1, 2022

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

**RE:** ZONING CERTIFICATION

Middlebrook Trace

Name of Development:

Middlebrook Trace VA LLC

Name of Owner/Applicant:

Lane Arbor, L.L.C./Investco Holdings, LLC

Name of Seller/Current Owner:

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

## DEVELOPMENT DESCRIPTION:

Development Address:

914 Middlebrook Avenue

Legal Description:

All that certain parcel of land lying and being in the City of Staunton, Virginia located on the southeast side of

Middlebrook Road containing 8.15 of the 24.343 acres as shown on a plat entitled "Plat of the Joseph E. Furr,

et al Property" dated June 17, 1997 made by R.E. Funk, Land Surveyor, a copy of which is recorded in the Office

of the Clerk of Circuit Court of the City of Staunton, Virginia as Instrument Number 970003150.

Property ID 2896

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>82</u> # Units	<u>2</u> # Buildings	<u>105,522.70</u> Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	_____ # Units	_____ # Buildings	_____ Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	_____ # Units	_____ # Buildings	_____ Total Floor Area Sq. Ft.

**Zoning Certification, cont'd**

Current Zoning: R4 High Density Residential District allowing a density of \_\_\_\_\_ units per acre, and the following other applicable conditions: Density based on the following: Multiple-family lot area requirement 3-5 story 6,000 square feet plus 800 square feet per dwelling unit

**Other Descriptive Information:**

Density is met as proposed for 3 or 4 story structures.

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**LOCAL CERTIFICATION:**

Check one of the following as appropriate:

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

  
Signature

William S. Moore  
Printed Name

PE  
Title of Local Official or Civil Engineer

540-248-3220  
Phone:

March 1, 2022  
Date:

**NOTES TO LOCALITY:**

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

# **Tab H:**

Attorney's Opinion (MANDATORY)



March 10, 2022

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

RE: 2022 Tax Credit Allocation Request

Name of Development: Middlebrook Trace  
Name of Owner: Middlebrook Trace VA LLC

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 10, 2022 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in 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 satisfies all applicable requirements of the Code and Regulations.



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

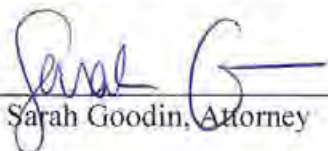
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions 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 ("VHDA") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by VHDA and may not be relied upon by any other party for any other purpose.

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

ELLINGER & CARR PLLC

By:

  
Sarah Goodin, Attorney

# Tab I:

## Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: The following documents need not be submitted unless requested by Virginia Housing:

- Nonprofit Articles of Incorporation
- IRS Documentation of Nonprofit Status
- Joint Venture Agreement (if applicable)
- For-profit Consulting Agreement (if applicable)

NA

# **Tab J:**

Relocation Plan and Unit Delivery Schedule  
(MANDATORY-Rehab)

NA

# Tab K:

Documentation of Development Location:

# **Tab K.1**

Revitalization Area Certification

**RESOLUTION OF THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA,  
DESIGNATING 914 MIDDLEBROOK AVENUE (PID 2896)  
AS A REVITALIZATION AREA**

**RECITALS**

A. Pursuant to § 36-55.30:2(A) of the Code of Virginia of 1950, as amended, the City Council of the City of Staunton, Virginia, desires to designate 914 Middlebrook Avenue (PID 2896) as shown on Exhibit A attached hereto as a revitalization area;

B. 914 Middlebrook Avenue (PID 2896) is located in an area where the industrial, commercial, or other economic development of such area will benefit the City of Staunton but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and private enterprise and investment are not reasonably expected, without assistance, to produce the construction 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.

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Staunton, Virginia, that pursuant to § 36-55.30:2(A) of the Code of Virginia of 1950, as amended, 914 Middlebrook Avenue (PID 2896) is hereby designated as a revitalization area.

Adopted this 11<sup>th</sup> of March, 2021.

  
\_\_\_\_\_  
Andrea W. Oakes, Mayor

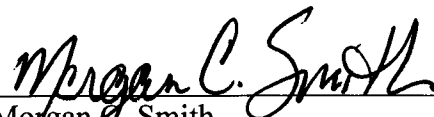
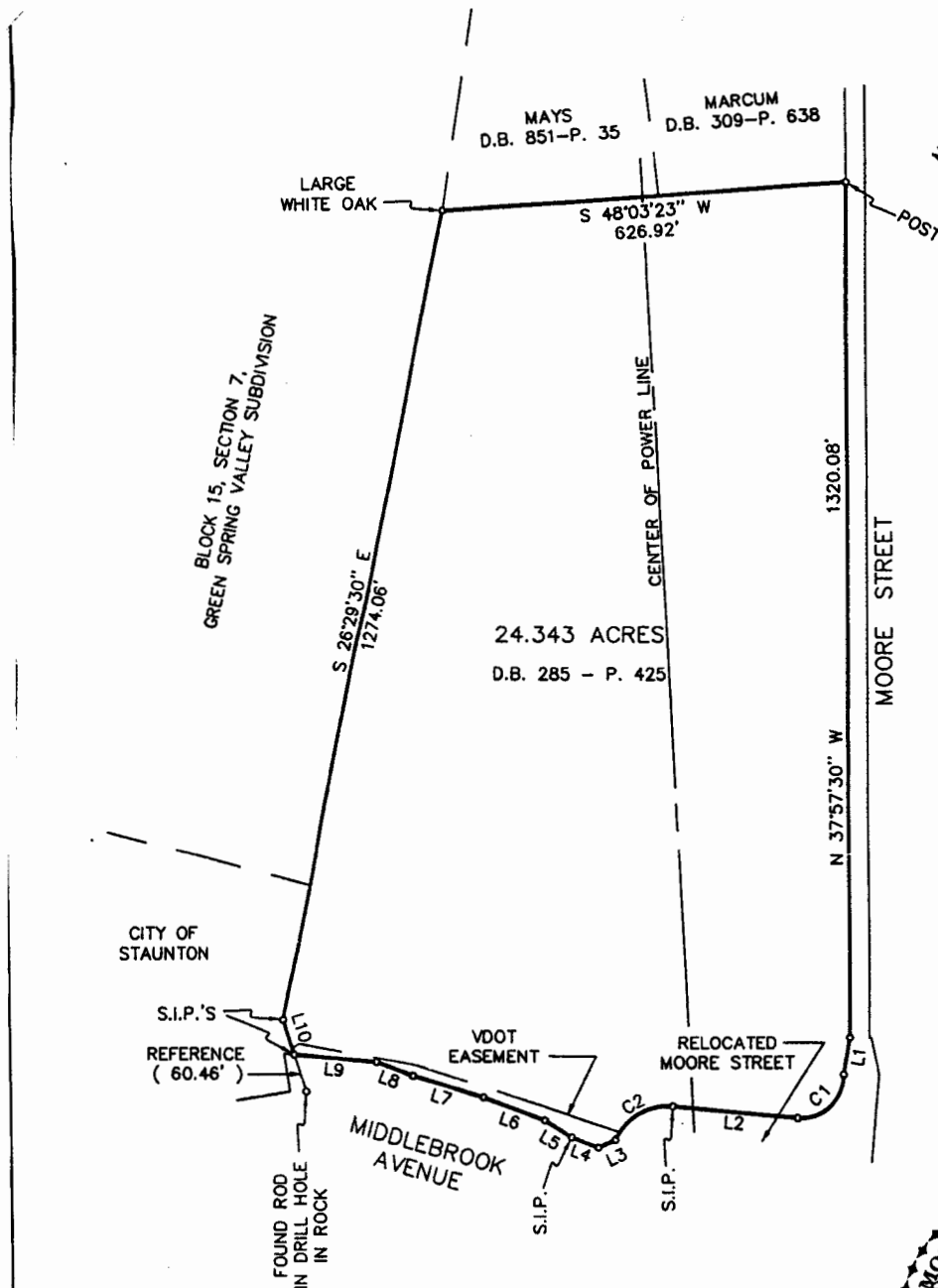
Attest:   
\_\_\_\_\_  
Morgan C. Smith  
Interim Clerk of Council



Exhibit A

MERIDIAN FROM SUBDIVISION PLAT C  
GREEN SPRING VALLEY, SECTION 7.



ALL CORNERS NOT OTHERWISE NOTED ARE FOUND IRON PINS.



NUMBER	DIRECTION	DISTANCE
L1	N 28°11'33" W	58.41'
L2	N 57°20'10" E	193.82'
L3	N 28°04'21" E	28.88'
L4	N 73°34'16" E	44.38'
L5	N 83°18'29" E	48.28'
L6	N 71°45'19" E	101.27'
L7	N 68°23'11" E	114.36'
L8	N 72°51'51" E	59.96'
L9	N 57°49'16" E	128.00'
L10	S 55°14'30" E	56.46'

PLAT OF THE  
JOSEPH E. FURR ETAL. PROPERTY  
STAUNTON, VA.

SCALE: 1" = 200'      JUNE 17, 1997

R.E. FUNK - LAND SURVEYOR  
15 TERRY ST., STAUNTON, VA.

NUMBER	DELTA ANGLE	RADIUS	ARC LENGTH	TANGENT	CHORD DIRECTION	CHORD LENGTH
C1	95°23'10"	65.95	109.79	72.46	N 09°38'35" E	97.55
C2	69°39'49"	90.11	109.56	62.70	N 22°30'16" E	102.94

# Vicinity Map – 914 Middlebrook Ave



**REGULAR MEETING OF STAUNTON CITY COUNCIL****Thursday, March 11, 2021****7:30 p.m.****Rita S. Wilson Council Chambers**

**PRESENT:**           **Mayor Andrea Oakes**  
                          **Mark Robertson, Vice Mayor**  
                          **Stephen W. Claffey**  
                          **Amy G. Darby**  
                          **Carolyn W. Dull**  
                          **R. Terry Holmes**  
                          **Brenda O. Mead**

**ALSO PRESENT:**   **Steven Rosenberg, City Manager**  
                          **Leslie Beauregard, Assistant City Manager**  
                          **Andrew McRoberts, Interim City Attorney**  
                          **Morgan C. Smith, Interim Clerk of Council**

**Mayor Oakes called the meeting to order:** Mayor Oakes called this meeting of Staunton City Council to order. Mayor Oakes noted that this meeting is being broadcast over the City's cable channel and streamed live on the City's website so that members of the public may hear the meeting. The meeting is also being recorded.

Mayor Oakes asked the Clerk of Council to call the roll for confirmation of those Council members present for today's meeting.

**Clerk of Council Call the Roll of Council Members Present:**

Mayor Oakes	aye	Vice Mayor Robertson	aye
Ms. Darby	aye	Ms. Dull	aye
Mr. Holmes	aye	Ms. Mead	aye
Mr. Claffey	aye		

Mayor Oakes asked that City Manager Steve Rosenberg note the participation of any City officials or colleagues, or anyone else, during today's meeting by Zoom or telephone.

Mr. Rosenberg stated participating on the Zoom platform were Andrew McRoberts, Interim City Attorney, council members Mead and Dull and Jen Surber and CJ Tyree, representatives of the developer of Middlebrook Trace.

**Background Statement:**

Mayor Oakes stated "please let me mention that notice, reasonable under the circumstances, of this meeting has been given to the public contemporaneously with the notice provided to members of City Council. In addition to limited public seating in city hall, access to this meeting has been provided to the public by audio feed on the City's cable channel and the City's website. During

public hearings, toward the beginning of the meeting, and Matters from the Public on Council's agenda, toward the end of the meeting, public comments will be taken, in person and by telephone. Members of the public who wish to participate in such matters by telephone, at the appropriate time, may call (844) 854-2222 and, when prompted, enter the access code 619358#. Callers will be recognized in order. The public is reminded that public hearings and Matters from the Public is a time for Council simply to listen to your comments. Each speaker will be limited to five minutes. Detailed instructions for public participation by telephone have been publicized over the course of the past week on the City's website and Facebook page and can be found now on the agenda for this meeting and on Council's website at: [www.ci.staunton.va.us/government/city-council](http://www.ci.staunton.va.us/government/city-council).

Also, let me highlight and have reflected in the meeting minutes that this meeting, although being conducted in person, is also being conducted by Zoom, with virtual participation of certain members of City Council, given the catastrophic nature of the declared emergency and disaster related to the COVID-19 outbreak, which as part of the total circumstances makes it impracticable or unsafe to assemble in a single location. The meeting is being held consistent with City Council Ordinance 2020-04 regarding continuity of government, a copy of which can be found online at: [www.staunton.va.us/cogord2020-04](http://www.staunton.va.us/cogord2020-04), as extended by City Council Ordinance No. 2021-06."

Mayor Oakes then asked that everyone wear a mask while in City Hall and Council Chambers. She reminded the public that there were hand sanitizing stations in the hall, sanitizing wipes at the podium and that everyone should remember to socially distance.

The Pledge of Allegiance was recited in unison.

The invocation/moment of silence was given by Mr. Claffey.

### **MAYOR'S REPORT**

Mayor Oakes stated that she had the honor of speaking to a group of fourth grade students at A. R. Ware Elementary School about serving as Mayor and on City Council. She attended, along with Mr. Rosenberg, a meeting of the Staunton Downtown Development Association (SDDA). She is pleased to report that SDDA continues to keep downtown as vibrant as possible. Mayor Oakes and her son also participated in a trash pickup in the West End. Finally, she wanted to thank Interim City Attorney Andrew McRoberts for his guidance and professionalism during his tenure.

### **ADDITIONAL ITEMS BY MEMBERS OF COUNCIL**

Ms. Dull stated Council Procedure Memoranda No. 2 Item 4 says that a report from the Nominations Committee will be sent to Council with the agenda materials prior to the Council meeting. As this wasn't done, she said that Council needed to wait until those who are not on the Nominations Committee received the report.

Mayor Oakes asked Mr. Rosenberg and/or Mr. McRoberts to provide guidance. Mr. Rosenberg stated that the Council Memoranda, adopted by Council at its organizational meeting, generally govern the conduct of the body in a particular instance, but in his opinion, it is within Council's

authority to dispense with the application of a procedure in a particular instance if it so desires. Mr. McRoberts concurred and said that if the Council wishes to make a motion to supersede it, then they can certainly do that.

Ms. Dull stated that she was amazed that Council was going to ignore memoranda, but that it was good because then Council could ignore waiting two years to name something after someone who passed. Ms. Mead agreed.

Ms. Mead asked why the Nominations Committee did not provide a report. Mayor Oakes responded that as long as she has been on Council, that the Council have proceeded with the vote from the Nominations Committee right after they have had their meeting. She opined that in some cases the Nominations Committee would have meetings right before the Work Session. She asked if anyone on the Nominations Committee would like to make any comments. Mr. Claffey stated that he believed the Committee was following standard routine policy and had not changed their procedures. Mayor Oakes suggested that perhaps it was a time to look at the Nominations Committee procedure.

Vice Mayor Roberts moved that Council go ahead and proceed with the Nominations Committee report and dispense with Council Memoranda No. 2 Item 4 so that Council could vote.

The motion was seconded by Ms. Darby and carried as follows:

Mr. Holmes	aye	Mayor Oakes	aye
Mr. Claffey	aye	Vice Mayor Robertson	aye
Ms. Dull	no	Ms. Mead	no
Ms. Darby	aye		

Mr. Claffey stated the Nominations Committee met on March 2, 2021 and offered the following recommendations for persons to serve on Boards and Commissions:

To appoint Allison Profeta to the Redevelopment and Housing Authority to replace the expired term of Vickie Painter for a four-year term beginning March 1, 2021 and ending February 28, 2025.

And to appoint David Rissmeyer to the Redevelopment and Housing Authority to fill the unexpired term of Shannon Harrington, beginning March 1, 2021 and expiring January 31, 2022

And to appoint Pamela Mason Wagner to the Tourism Advisory Board to fill the unexpired term of Charis Tucker, beginning March 1, 2021 and expiring December 31, 2022.

And to appoint Nelson Ashby to the Economic Development Authority fill the unexpired term of Bruce Elder, beginning March 1, 2021 and expiring January 31, 2023.

And to reappoint Taylor Flavin Rose to the Youth Commission for a three-year term beginning February 1, 2021 and expiring January 31, 2024.

Mr. Claffey stated he moved for Council to appoint all persons listed.

Ms. Dull stated that she would prefer that each of these board appointments be in a separate motion so that Council can vote individually on the applicants. Mayor Oakes made the recommendation that Council would vote on the appointments as a slate so as not to embarrass any citizen that is willing to serve on a board or commission.

Council members did not have any further questions or comments.

Vice Mayor Robertson	aye	Ms. Dull	aye
Ms. Mead	aye	Ms. Darby	aye
Mr. Holmes	aye	Mayor Oakes	aye
Mr. Claffey	aye		

Ms. Mead shared that Shenandoah Green would be planting trees over the weekend and if anyone was interested in volunteering, they were to reach out to Ms. Dull or herself. She also said that the organization is looking for private homes and/or churches interested in having trees planted on their property.

**APPROVAL OF MINUTES**

Mr. Holmes moved to approve the Work Session and Regular Meeting Minutes of February 25, 2021 with a correction to the Regular Meeting minutes on line 122 changing “wanted” to “saw.”

The motion was seconded by Vice Mayor Robertson and carried as follows:

Mayor Oakes	aye	Mr. Holmes	aye
Ms. Mead	aye	Ms. Darby	aye
Mr. Claffey	aye	Ms. Dull	aye
Vice Mayor Robertson	aye		

**REGULAR MEETING**

**A. Public Hearing and Consideration of an Ordinance to Authorize a Public Right-of-Way Encroachment by the City of Staunton for Placement of a Sign by American Frontier Culture Foundation Located Along George M. Cochran Parkway**

Jeff Johnston, Director of Public Works, stated that the American Frontier Culture Foundation, on behalf of the Frontier Culture Museum, has asked permission to encroach upon the public right of way to put a sign up in the roundabout on the George M. Cochran Parkway, between McDonald’s and Chick-Fil-A off of Richmond Avenue. Staff has reviewed the design and the Foundation has been very accommodating in meeting all of the City’s requirements. Mr. Johnston stated that while he is normally anti-encroachment, in this particular case, he concurs with staff that Council allows this encroachment as it is in the public interest.

Mayor Oakes asked Council members if they had any questions.

Council members did not have any questions.

The public hearing was opened.

Peggy Sheets, 2087 Hermitage Road, stated that she was the Chair of the Board of Trustees for the Frontier Culture Museum. She encouraged Council’s consideration of this ordinance. The Frontier Culture Museum has been a partner with the City of Staunton and surrounding areas for 31 years. The new development in front of the Museum’s entrance has made it difficult for visitors to find the Frontier Culture Museum.

There being no one else wishing to speak, the public hearing was closed.

Ms. Darby moved that City Council adopt an ordinance to authorize a public right-of-way encroachment by the American Frontier Culture Foundation of a sign into the public right-of-way of the City of Staunton along George M. Cochran Parkway, as presented.

The motion was seconded by Mr. Claffey and carried as follows:

Vice Mayor Robertson	aye	Ms. Dull	aye
Ms. Mead	aye	Ms. Darby	aye
Mr. Holmes	aye	Mayor Oakes	aye
Mr. Claffey	aye		

Ordinance No. 2021 - 07

**AN ORDINANCE AUTHORIZING A PUBLIC RIGHT-OF WAY ENCROACHMENT BY AMERICAN FRONTIER CULTURE FOUNDATION, ON A CITY OF STAUNTON PUBLIC RIGHT-OF-WAY LOCATED ALONG GEORGE M. COCHRAN PARKWAY IN THE CITY OF STAUNTON, VIRGINIA**

**Recitals**

- A. American Frontier Culture Foundation (“Owner”) is the Owner of the property located at 1290 Richmond Avenue (Parcel ID 10509), in the City of Staunton, Virginia (“City” or “City of Staunton”);
- B. The Owner desires to establish and maintain a private sign which will encroach into the public right-of-way of the City of Staunton along a portion George M. Cochran Parkway, as shown by the plans entitled Frontier Culture Traffic Circle Sign prepared by Lineage Architects, P.C. and last revised February 25, 2020, annexed as **Exhibit A** and incorporated by reference;
- C. The public right-of-way will not be significantly impaired by this encroachment;

D. The encroachment has been the subject of a public hearing by the Council of the City of Staunton;

E. Owner is a foundation affiliated with the Frontier Culture Museum of Virginia, an agency of the Commonwealth of Virginia, which operates a museum in the City of Staunton (“Museum”);

F. The proposed sign will serve a valid public purpose of promoting tourism and assisting visitors and citizens to locate the Museum, located proximately to the sign on George M. Cochran Parkway;

G. It has been determined by the Council of the City of Staunton that this encroachment will serve the public interest at this time; and

H. These recitals are an integral part of this ordinance.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Staunton, Virginia, that:

1. The Owner be, and the same hereby is, authorized to establish and maintain an encroachment into the public right-of-way along George M. Cochran Parkway, such encroachment consisting of a sign, as generally shown on the annexed drawings, until the encroachment is removed or destroyed or the authorization to maintain it is terminated by the City; provided, that this authorization to establish and maintain this encroachment, to the extent that Owner may be held liable under the Virginia Tort Claims Act, shall not be construed to relieve Owner of liability for any negligence on account of or in connection with the encroachment and shall be subject to the provisions set forth below.

2. The authorization hereby granted to establish and maintain such encroachment shall be subject to and conditioned upon Owner maintaining, at all times and at its own expense, liability insurance, covering both bodily injury and property damage, with a company authorized to transact business in the Commonwealth of Virginia and with minimum limits as follows:

Bodily Injury:	\$1,000,000 each occurrence
	\$1,000,000 aggregate
Property Damage:	\$1,000,000 each occurrence
	\$1,000,000 aggregate

This liability insurance policy shall identify the City of Staunton as named additional insured and shall provide for the indemnification of the City of Staunton and Owner against any and all loss occasioned by the establishment, construction, placement, existence, use or maintenance of the encroachment. Evidence of the policy and any renewal thereof shall be filed with the city manager’s office. Any other provision herein to the contrary notwithstanding, in the event this policy of insurance lapses, is canceled, is not renewed or otherwise ceases to be in force and effect, the authorization herein granted to establish and maintain the encroachment shall, at the option of the city, forthwith and without notice or demand by the city, terminate. In that event, Owner shall, upon notice from the city, remove the encroachment from the public right-of-way, or



the city, at its option, may remove the encroachment at the expense and risk of Owner. Nothing in this section shall relieve Owner of his obligations and undertakings required under this ordinance.

3. The authorization to establish and maintain such encroachment is subject to and conditioned upon the city's approval of the design, materials, and placement of the sign.

4. The authorization to establish and maintain such encroachment is subject to and conditioned upon Owner contractually requiring its contractor(s) responsible for performing work in conjunction with or establishing or maintaining the encroachment to obtain from the City all permits required by the City for such work and complying with all insurance requirements associated with such permits.

5. The authorization hereby granted to establish and maintain such encroachment shall in addition be subject to and conditioned upon the following terms: Neither the City of Staunton nor any public utility company shall be responsible for damage to Owner's property encroaching into the public right-of-way during repair, maintenance or replacement of the public right-of-way or any public facilities or utilities in the area of encroachment.

6. By accepting the authorization hereby granted to establish and maintain the encroachment and by so establishing and/or maintaining the encroachment, Owner shall be deemed to have promised and agreed to indemnify, defend, and hold harmless the City of Staunton, its officials and employees, from any and all liability (including attorneys' fees and litigation expenses) arising by reason of the establishment, construction, placement, existence, use or maintenance of the encroachment.

7. The authorization herein granted to establish and maintain the encroachment shall be subject to Owner maintaining the area of the encroachment in a condition as required by provisions of the Staunton City Code, including, without limitation, Chapter 18.140, Signs, Billboards, and Other Advertising Structures, to the extent applicable. Without limiting the foregoing, the Owner shall be further obligated, to the satisfaction of the City, to (a) maintain the sign erected in the encroachment in good repair and in a safe, neat, clean, and attractive condition, and (b) cut the grass in the entire traffic circle in which the encroachment is located.

8. Nothing in this ordinance is intended to constitute, or shall be deemed to be, a waiver of sovereign immunity by or on behalf of the City of Staunton, the Owner, or any of their officers or employees.

9. The authorization herein granted to establish and maintain the encroachment shall be terminated whenever the City of Staunton desires to use or modify the affected public right-of-way for any purpose whatsoever and, by written notification, demands from Owner the removal of the encroachment. Owner shall, upon such notice from the City, remove the encroachment from the public right-of-way by such time as designated by the City; or the City, at its option, may remove the encroachment at the expense and risk of Owner without liability to Owner for any loss or damage to the structure of the encroachment, the attached structure, if any, or personal property therein caused by the removal.

10. Pursuant to Virginia Code § 15.2-2011, as amended, the Owner be, and the same hereby is, further authorized to maintain an additional sign encroaching on the existing public

right-of-way along Frontier Center Trail, as such sign exists in its present location on the date of adoption of this ordinance, until such sign is destroyed or removed; however, nothing contained in this ordinance shall be construed to relieve Owner of negligence on its part on account of such sign and such further authorization is subject to the other provisions of this ordinance applicable to the encroachment of a sign authorized in the right-of-way of George M. Cochran Parkway.

Introduced: March 11, 2021

Adopted: March 11, 2021

Effective: March 11, 2021

ATTEST: /s/Morgan C. Smith  
Morgan C. Smith  
Interim Clerk of Council

/s/Andrea W. Oakes  
Andrea W. Oakes  
Mayor

**B. Public Hearing and Consideration of an Ordinance to Partially Exempt from Real Estate Taxation by Classification or Designation Property Located at 914 Middlebrook Avenue in the City of Staunton, Virginia and Proposed to be Developed by Middlebrook Trace VA LLC as Middlebrook Trace**

Rodney Rhodes, Senior Planner, stated that Middlebrook Trace VA, LLC., proposes to develop an 82-unit apartment complex at 914 Middlebrook Avenue that will serve low- and moderate-income families. The proposal is for two, 3-story buildings consisting of 40 units with two bedrooms and 42 units with three bedrooms. The site contains 24.34 acres and is zoned R-4 High Density Residential. Multi-family apartments are permitted in the R-4 District with administrative review/approval of a site plan. No further land use approvals are required. The proposed development is well within the density limits of the R-4 District.

Mr. Rhodes reiterated that this development is a federal tax credit project, therefore the developer is requesting three things from the Council. (1) a tax abatement ordinance; (2) a revitalization area resolution; and (3) authorization of the City Manager to submit a letter to Virginia Housing supporting the project for the allocation of federal tax credits.

The tax abatement ordinance request is for a tax abatement of \$2,000 per year for a period of three years. The developer estimates they will do about \$11.5 million worth of improvements to this property. Based on that figure and the current tax rate, the City Assessor estimates that the annual tax revenue would be \$109,000 starting in 2024 when the project is completed.

The revitalization area resolution will increase the developer's application score by 15 points. Although this area is not already established as a redevelopment area or conservation area, nor is it in a housing rehabilitation zone, if Council adopts the resolution, the project may qualify for the aforementioned points. Staunton's comprehensive plan supports low to moderate income housing, therefore support of this resolution helps the City move toward the Consolidated Plan directive established in 2019.

The purpose of the support letter is to communicate the City’s support for the allocation of Federal Housing Tax Credits requested by the developer for the proposed development. Staff recommends that City Council approve all three of these items.

Mayor Oakes asked Council members if they had any questions.

Council members did not have any questions.

The public hearing was opened.

Callers:

Carter Hunter Hopkins, 632 West Frederick Street, asked if there was a sidewalk on Bridge Street and whether or not Council believed that people making \$7.25 an hour can be expected to pay half of their income on rent.

There being no one else wishing to speak, the public hearing was closed.

Vice Mayor Robertson moved that City Council, pursuant to Virginia Code § 58.1-3219.4, adopt the proposed ordinance, partially exempting from real estate taxation property located at 914 Middlebrook Avenue in the City of Staunton, Virginia and proposed to be developed by Middlebrook Trace VA LLC as Middlebrook Trace, as presented.

The motion was seconded by Mr. Holmes.

Ms. Mead stated that Council and staff need to make sure that in the future if the City is going to provide affordable housing for Staunton citizens that safe access to public transportation be a priority.

The motion carried as follows:

Ms. Dull	aye	Mr. Holmes	aye
Ms. Darby	aye	Ms. Mead	aye
Mr. Claffey	aye	Mayor Oakes	aye
Vice Mayor Robertson	aye		

Ordinance No. 2021-08

**AN ORDINANCE TO PARTIALLY EXEMPT FROM REAL ESTATE TAXATION  
 BY CLASSIFICATION OR DESIGNATION  
 PROPERTY LOCATED AT 914 MIDDLEBROOK AVENUE (PID 2896)  
 IN THE CITY OF STAUNTON, VIRGINIA  
 AND PROPOSED TO BE DEVELOPED BY MIDDLEBROOK TRACE VA LLC  
 AS MIDDLEBROOK TRACE**

Recitals

A. Middlebrook Trace VA LLC (Middlebrook Trace) has applied to the Council of the City of Staunton, Virginia, for an ordinance providing it with partial tax-exempt status from the City of Staunton on real property taxes relating to the proposed development of 914 Middlebrook Avenue (PID 2896) (Property);

B. Council desires to support and encourage the development of the Property by enacting an ordinance to provide Middlebrook Trace with a partial tax exemption from real property taxes;

C. On March 11, 2021, Council held a public hearing in accordance with notice duly and lawfully published in *The News Leader*;

D. Virginia Code § 58.1-3219.4 authorizes Council to enact such exemptions within the limitations therein prescribed and as may be prescribed by this Council; and

E. These recitals are an integral part of this ordinance.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Staunton, Virginia, pursuant to § 58.1-3219.4 of the Code of Virginia that:

1. The real property located of 914 Middlebrook Avenue (PID 2896) is to be partially exempted, as provided in this ordinance.

2. At a public hearing duly and lawfully held on March 11, 2021, pursuant to public notice, the Council examined and considered Middlebrook Trace's proposal for partial tax exemption.

3. Council hereby finds that:

A. The Property, along with improvements currently located thereon, is assessed at a total of Two Hundred Forty-Three Thousand Nine Hundred Thirty and No/100 Dollars (\$243,930.00) for tax year 2020, and the cost of the proposed improvements, as represented by Middlebrook Trace, is expected to be Eleven Million Four Hundred Eighty Thousand and No/100 Dollars (\$11,480,000.00).

B. The real property taxes that were paid by the Property's owner for tax year 2020, were Two Thousand Three Hundred Seventeen and 34/100 Dollars (\$2,317.34). The increase in value attributable to the proposed improvements could result in an increase of the amount of total tax on the Property in the amount of One Hundred Nine Thousand and No/100 Dollars (\$109,000.00).

C. Middlebrook Trace is an organization that proposes to develop housing structures for historically underprivileged residents of the City of Staunton, and nearby areas. The proposed development of the Property will serve the City of Staunton, and its residents, as an affordable housing option. Accordingly, Middlebrook Trace is eligible for a partial exemption

from the assessment of real property taxes as a result of such development under Virginia Code § 58.1-3219.4.

4. Council hereby exempts Middlebrook Trace from real property taxes assessed against the Property in the amount Two Thousand and No/100 Dollars (\$2,000.00) annually for a period of three (3) tax years from the date of final completion of such development, but in no event shall the exemption continue for more than five (5) tax years from the effective date of this ordinance.

5. The cost of the proposed improvements shall be presumed as shown on the building permit application submitted by Middlebrook Trace.

6. The exemption granted by this ordinance is contingent upon the following:

A. Middlebrook Trace’s acquisition of record title to the Property; and

B. Middlebrook Trace providing housing predominately for persons with low to moderate income as defined by Virginia Housing.

Introduced: March 11, 2021

Adopted: March 11, 2021

Effective Date: March 11, 2021

/s/Andrea W. Oakes

Andrea W. Oakes, Mayor

ATTEST: /s/ Morgan C. Smith  
Morgan C. Smith  
Interim Clerk of Council

**C. Consideration of a Resolution to Designate Property Located at 914 Middlebrook Avenue as a Revitalization Area**

Vice Mayor Robertson moved that City Council, pursuant to Virginia Code § 36-55.30:2(A), adopt the proposed resolution designating property located at 914 Middlebrook Avenue as a revitalization area, as presented.

The motion was seconded by Mr. Claffey and carried as follows:

Ms. Darby	aye	Mr. Holmes	aye
Mr. Claffey	aye	Ms. Mead	aye
Vice Mayor Robertson	aye	Mayor Oakes	aye
Ms. Dull	aye		

**D. Consideration of Authorization of City Manager to Execute and Deliver to Virginia Housing Development Authority a Letter in Support of Allocation of Tax Credits to Middlebrook Trace VA LLC**

Mr. Holmes moved that the City Manager be authorized and directed to prepare and send to Virginia Housing a letter, substantially in the form attached as Attachment A, supporting the allocation of federal housing tax credits requested by the developer for the proposed development, as presented.

The motion was seconded by Steve Claffey and carried as follows:

Vice Mayor Robertson	aye	Ms. Dull	aye
Ms. Mead	aye	Ms. Darby	aye
Mr. Holmes	aye	Mayor Oakes	aye
Mr. Claffey	aye		

**RESOLUTION OF THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA,  
DESIGNATING 914 MIDDLEBROOK AVENUE (PID 2896)  
AS A REVITALIZATION AREA**

**RECITALS**

**A.** Pursuant to § 36-55.30:2(A) of the Code of Virginia of 1950, as amended, the City Council of the City of Staunton, Virginia, desires to designate 914 Middlebrook Avenue (PID 2896) as shown on Exhibit A attached hereto as a revitalization area;

**B.** 914 Middlebrook Avenue (PID 2896) is located in an area where the industrial, commercial, or other economic development of such area will benefit the City of Staunton but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and private enterprise and investment are not reasonably expected, without assistance, to produce the construction 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.

**NOW, THEREFORE, BE IT RESOLVED,** by the Council of the City of Staunton, Virginia, that pursuant to § 36-55.30:2(A) of the Code of Virginia of 1950, as amended, 914 Middlebrook Avenue (PID 2896) is hereby designated as a revitalization area.

Adopted this \_\_\_ of \_\_\_\_\_, 2021.

/s/ Andrea W. Oakes  
Andrea W. Oakes, Mayor

Attest: /s/ Morgan C. Smith  
Morgan C. Smith  
Interim Clerk of Council

**E. Update on Progress of COVID-19 Vaccine Distribution**

Mr. Rosenberg stated that at the request Councilmember Amy Darby, this item has been added to Council's regular meeting agenda. Due to unforeseen circumstances, Dr. Laura Kornegay, health director of the Central Shenandoah Health District (CSHD), was unable to attend. Laura Lee Wright, Public Information Officer for the CSHD, was also unavailable, but provided Mr. Rosenberg with a statement to read.

He read the following: "Tomorrow, March 12th, marks the year anniversary since the first documented case of COVID- 19 in the Central Shenandoah Health District. Over the last 12 months, CSHD has reported 25,655 COVID-19 cases, 875 hospitalizations due to COVID-19, and 471 deaths due to COVID-19. In the City of Staunton specifically, there have been 2,488 COVID-19 cases, 77 hospitalizations due to COVID-19, and 69 deaths due to COVID-19.

In the City of Staunton, cases have been decreasing for the past 73 days, which is reflective of an overall decrease in cases throughout the Northwest region of the Commonwealth. Staunton's percent positivity is at 7-day average of 4.7%, a percentage that we have not seen since prior to the surge of cases in November. Overall, cases are decreasing, as well as hospitalizations and deaths due to COVID-19, which is great news. Furthermore, we now have three very effective COVID-19 vaccines available to our community members. Though we are seeing a decrease in cases coupled with an increase in COVID-19 vaccines, we need to continue to be vigilant in practicing mask wearing, social distancing, hand hygiene, and following quarantine and isolation protocol. This is especially true as we see more new variants of the virus that causes COVID-19 pop up across the Nation and in the Commonwealth.

To date, the Central Shenandoah Health District has dispensed over 35,000 COVID-19 vaccines to our community. This number is reflective of only the health districts efforts and does not capture the vaccine efforts of local healthcare partners. For the City of Staunton, approximately 11, 657 persons have received their first dose of the COVID-19 vaccine. Approximately 5,000 persons in Staunton are fully vaccinated. Though we experienced a slow vaccine rollout due to limited vaccine supplies at the Federal and State level, vaccines are coming and our local vaccine allocation continues to increase. The health district has access to all three COVID-19 vaccines available, including the two dose Moderna and Pfizer mRNA vaccines, and the first dose Johnson & Johnson viral vector vaccine.

CSHD and our healthcare partners are currently vaccinating persons in Phase 1a and Phase 1b. We recently expanded eligibility for persons in Phase 1b to include essential workers in food and agriculture, manufacturing, and grocery store workers (in conjunction with the essential worker groups we were already vaccinating which includes law enforcement/fire/hazmat, migrant labor camps/correctional facilities/homeless shelters, and K-12/childcare workers).

We have also expanded our vaccination efforts for individuals who are eligible for the COVID-19 vaccine based on age and/or medical condition. Currently, we are vaccinating persons age 65+ and persons 50-64 with certain medical conditions and disabilities. We expect to be expanding to other age groups who are eligible for the vaccine as a part of the persons age 16-64 with certain medical conditions and disabilities very soon.

We encourage everyone to pre-register for the COVID-19 vaccine by going to [vaccinate.virginia.gov](https://vaccinate.virginia.gov) or by calling 877-VAX-IN-VA (877-829-4682). Pre-registering for the COVID-19 vaccine is very important for everyone to do, no matter if they are eligible for the COVID-19 vaccine in Phase 1 or Phase 2. CSHD is transitioning our COVID-19 vaccine clinic appointment process from invitation-only to a combination of invitation-only and posting appointment slots on our website starting Sunday, March 7th. CSHD will be posting available appointment slots for the next day's clinics at 12:00 pm on our website. These appointments are based on vaccine availability.

CSHD will be continuing to use the State Pre-Registration database to pull names of eligible persons and inviting them to our clinics first. If there are still appointment slots that need to be filled, then these appointments will be available on our website. Persons who are pre-registered will receive priority access to vaccine appointments. We hope to make appointments more accessible to eligible community members and provide another way to register for an appointment. Our goal is to get vaccines in arms as quickly, efficiently, and equitably as possible. Our COVID-19 vaccine appointment webpage is: <https://www.vdh.virginia.gov/central-shenandoah/covid-19-vaccine-appointments/>."

Vice Mayor Robertson provided an update from the Augusta Health COVID clinic. As of this morning, Augusta Health had given 34,000 vaccinations. During the day an additional 700 were provided. The guidelines for Augusta Health are different for those interested in getting the vaccine at Augusta Health. Those aged 65 and above from Staunton, Augusta County or Waynesboro are eligible. As are those aged 45 to 64 with chronic health conditions. Augusta Health is mainly distributing the Pfizer vaccine, but on weekends are providing the Johnson & Johnson vaccine. The Vice Mayor encouraged everyone to get a vaccine no matter which kind and to sign up at [Augustahealth.com](https://Augustahealth.com).

Mayor Oakes asked Council members if they had any questions.

Ms. Mead asked the Vice Mayor if he was speaking as an authorized representative of Augusta Health. He responded that he was a pharmacist who works in the Augusta Health COVID clinic and had been given permission to relay the information.

Council members did not have any further questions.

**F. Resolution Requesting the Staunton Circuit Court to Appoint an Alternate Member to the Staunton Board of Equalization**

Charley Haney, City Assessor, stated that it would be beneficial to the City and its citizens if the Board of Equalization (BOE) had an alternate member of the board to more equitably and efficiently consider assessment appeals. The board is made up of citizens of the City of Staunton and at least one of those members must be a real estate professional. Currently the BOE has three members. Often there are times when a BOE member must recuse themselves from hearing an appeal or a taxpayer may request a board member recuse themselves. Therefore, supporting the resolution to have an alternate member appointed would help the BOE be more efficient.



Mayor Oakes asked Council members if they had any questions.

Ms. Mead asked if Mr. Haney had anyone in mind for the position and how these people are identified. Mr. Haney responded that he does have one person who volunteered if the position was created and he has another person in mind if the original does not accept. He stated that names of those interested come from professional connections and recommendations are welcome. Ultimately the Circuit Court Judge has to appoint them. Members must be a resident of the City; the majority must be freeholders and at least a third of the members have to be in the category of a real estate professional.

Council members did not have any questions.

Mr. Holmes moved that City Council adopt a resolution requesting the Staunton Circuit Court to appoint an alternate member to the Staunton Board of Equalization, as presented.

The motion was seconded by Ms. Darby and carried as follows:

Ms. Mead	aye	Mr. Holmes	aye
Ms. Dull	aye	Ms. Darby	aye
Vice Mayor Robertson	aye	Mayor Oakes	aye
Mr. Claffey	aye		

**RESOLUTION  
OF THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA  
REQUESTING THE CIRCUIT COURT FOR THE CITY OF STAUNTON, VIRGINIA  
TO APPOINT AN ALTERNATE MEMBER TO THE STAUNTON BOARD OF  
EQUALIZATION**

**Recitals**

A. The City of Staunton elected to create a permanent Board of Equalization (Board), consistent with Virginia Code § 58.1-3373;

B. The Board is tasked with hearing and giving consideration to complaints and adjusting and equalizing real estate assessments and is charged with the especial duty of increasing as well as decreasing real estate assessments;

C. The Board consists of three regular members, appointed by the Circuit Court for the City of Staunton who are appointed for three-year terms;

D. In addition to the appointment of regular members, at the request of the local governing body, the circuit court for any locality may appoint one alternate member to the Board;

E. Pursuant to Virginia Code § 58.1-3373, the qualifications and compensation of alternate members shall be the same as those of regular members. In the case of a three-member board, the alternate shall be appointed for a two-year term;

F. The City Assessor believes it would be in the best interests of the City and its citizens to have an alternate member appointed to the Board to serve during absences or abstentions of another member;

G. This matter has been properly heard and considered; and

H. These recitals are an integral part of this resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA that:**

1. It **REQUESTS** the Circuit Court for the City of Staunton, Virginia to appoint an alternate member to the Board of Equalization, consistent with the provisions of Virginia Code § 58.1-3373(B), *et seq.*; and

2. It directs the Clerk of Council to transmit immediately an attested copy of this Resolution to the Circuit Court for the City of Staunton, Virginia.

Introduced: March 11, 2021

Adopted: March 11, 2021

Effective: March 11, 2021

/s/ Andrea W. Oakes

Andrea W. Oakes

Mayor

ATTEST: /s/ Morgan C. Smith

Morgan C. Smith

Interim Clerk of Council

**G. Discussion and Introduction of Ordinance to Appropriate an Additional 20% of the FY2021 Adopted Budget**

Phil Trayer, Chief Finance Officer, stated that in response to the uncertainty of the pandemic, the City's budget was appropriated at a level of 60% to allow staff to assess the impact of the pandemic was having on revenue as the fiscal year unfolded. In December 2020 Council appropriated an additional 20% of the FY2021 Adopted Budget bringing the total appropriation up to 80% at that time. Revenues continue to flow into the City at a level to meet the FY 2021 Budget requirements.

Meals Taxes through January are down \$313,000 compared to the same time last year, but are \$317,000 above budget projections. Sales Taxes through December are up \$32,000 compared to the same time last year, and are \$645,000 above budget projections. Lodging Taxes through January are down \$223,000 compared to the same time last year, and are \$104,000 below budget projections. In addition, Real Estate, Personal Property and Business Occupational are all set to meet budget projections.

Given these overall positive variances, Mr. Trayer feels comfortable with suggesting the appropriation of the final 20% of the FY 2021 Budget.

The final request equals \$22,858,124 and does not require a public hearing as one was held during the budgeting process for the full budget amount.

City portion of the budget appropriation equals \$15,417,704 and the Schools portion of the budget appropriation equals \$7,440,420. Consideration of the ordinance is scheduled for March 25, 2021.

Mayor Oakes asked Council members if they had any questions.

Council members did not have any questions.

Vice Mayor Robertson moved to introduce an ordinance amending the fiscal year 2021 budget by adding an additional twenty percent (20%) of the FY2021 adopted budget in an amount equal to \$22,858,124.

The motion was seconded by Mr. Holmes and carried as follows:

Mr. Holmes	aye	Ms. Dull	aye
Ms. Mead	aye	Mr. Claffey	aye
Vice Mayor Robertson	aye	Mayor Oakes	aye
Ms. Darby			

### **MATTERS FROM THE CITY MANAGER**

Mr. Rosenberg stated that not only would new City Attorney John Blair be starting on Monday, but so would the new Communications Manager, Michelle Bixler. She will be introduced to Council at the March 25 meeting. He also provided an update on the safety improvements to Gypsy Hill Park. Some of those improvements include signage and pavement markings and other measures to address occasional conflicts among bicyclists, pedestrians and vehicles.

### **MATTERS FROM THE PUBLIC**

Mayor Oakes read the following statement:

“This part of City Council’s agenda is entitled ‘matters from the public.’ It is a time that Council sets aside to hear from citizens and others about a wide variety of subjects. Before we begin, I’d like to share five basic ground rules that we ask you to respect as you make your remarks:

1. Please come to the podium, identify yourself, and complete your remarks within 5 minutes. The Mayor will let you know when you’ve reached your 5 minutes. So we ask that you please give your name, your address, and then keep your remarks at 5 minutes or less.

2. This is a time for us as a Council simply to listen to your remarks. In an effort to encourage and maintain orderly conduct, we will not engage in give and take debate. If you are seeking information, you may mention it during your remarks and the City Manager or his staff may get in touch with you in the days ahead.
3. We ask that you direct your comments to Council as a whole and not to identify members of Council or to an individual employee of the City. If you want to take up an issue with an individual member of Council or an employee, please speak with us before or after the meeting. We are also accessible by phone, mail or email. Again, we ask that you direct your comments to the Council as a whole.
4. We expect every speaker to be civil and courteous. Using profanity, making personal attacks on an individual, and doing anything that is disruptive to the orderly conduct of this meeting will not be tolerated.
5. Finally, as the presiding officer, it is my duty to remind you that if you choose not to abide by these ground rules, I may find that you are out of order and will ask you to withdraw from the podium. We certainly do not want to reach that point and even beyond, so we respectfully ask for your full cooperation in observing these guidelines.

When you reach 5 minutes, I will let you know. If you continue to speak, I will ask you to step away from the podium, and a third time I will ask you to please stop speaking and step away from the podium. Otherwise, you may be charged with disorderly conduct under Virginia Code Section 18.2-415.A.2.

If you wish, you may obtain a copy of the ground rules from our Clerk of Council, Ms. Simmons. And now, we welcome all speakers. The podium is now available for matters from the public.”

Speaking in person were:

Rusty Ashby, 917 Powhatan Street, thanked City Council for supporting his appointment to the Economic Development Authority. He also stated that he was looking forward to a time when meetings could once again be in person.

Deborah Kushner, 1311 North Augusta Street, encourages Council to denounce the violence of January 6, 2021 and would appreciate a response regarding the Staunton Equity Coalition’s request for an equity officer. She spoke against the purchase of golf carts for the golf course and the expansion of the Middle River Regional Jail. She also suggested renovation of Booker T. Washington to be used as a community center.

There was no one else to speak in person.

Callers on the line included:

Kim Miller, Middlebrook Avenue, opposed the Council making a statement on the January 6, 2021 incident. She opined that the COVID-19 pandemic had wreaked havoc on the citizens and businesses of Staunton. She encouraged reopening safely now.

Baldwin Jennings, 332 Sharon Lane, spoke on the need for landscaping around the entrance way signs to the City.

David Copper, 1603 Ridgeway Drive, asked that Council oppose the expansion of the Middle River Regional Jail and that Council make a statement in regards to January 6, 2021.

Julie Scofield, Lake Avenue, asked Council to condemn the actions of January 6, 2021 and that they oppose the expansion of the Middle River Regional Jail.

Sheila Ahmadi, College Park, requested that City Council make a statement concerning January 6, 2021. She also spoke against the expansion of the Middle River Regional Jail.

James Mills, 1500 North Coalter Street, thanked City Council for discussing the COVID-19 vaccine and encouraging everyone to get vaccinated. He also spoke out against the Middle River Regional Jail expansion.

Nitch Narduzzi, South Jefferson Street, spoke in opposition of the Middle River Regional Jail expansion.


Linda Shalash, Spring Hill Road, asked that Council condemn the actions of January 6, 2021. She also spoke in opposition of the purchase of golf carts and the expansion of the Middle River Regional Jail.

Barbara Lee, 904 Rockway Street, conveyed to Council her sentiments in opposition to Council's prior vote regarding the November election and the January 6 events in D. C.

There were no other callers on the line.

### **ADJOURNMENT**

There being no further business to come before Council, the meeting adjourned at 9:27 p.m.

  
Morgan C. Smith  
Interim Clerk of Council

# Tab K.2

Location Map



Virginia School for the Deaf

Montgomery Hall Park

Villages at Staunton

Middlebrook Business Park

914 MIDDLEBROOK AVE

---

[Click Here for Assessment Information](#)

Parcel ID: 2896  
 Legal Desc: PARCEL 67 (24.34 AC)

Owner Name: LANE ARBOR LLC  
 Owner Address: P.O. BOX 124, STAUNTON, VA 24402-0124

Transfer Date: 12/21/2015

Located in Flood Zone: NO  
 Flood Zone Code: [More Info](#)

SQ Feet: 1060337  
 Acreage: 24.342

[Zoom to](#) ...

MILL  
BARE ST  
DAVIS ST  
ERST  
SERD

PAIGE ST  
PIERCE ST  
HAYS A  
AUSTIN A  
THOMPSON ST  
HAMRICK ST  
TREMARI

PERSON ST  
W FREDERICK ST  
W JOHNSON ST  
CHURCH ST  
SWASHINGTON ST  
S SAINT CLAIR ST  
SILEWIS ST  
E BEVERLEY ST

TROUT ST  
SUDBURY ST  
ASHBY ST  
JACKSON ST  
STUART ST  
C & O FLT  
MAPLE ST  
WYTHE ST  
MCMAHON ST  
TANNER HILL ST  
WHEAT ST

GARBER ST  
KALORAMA ST  
CHIEF ST  
BALTIMORE AVE  
GOOCH ST  
ELSON ST

LAGYB KINGWAY  
SETH DR

WOODROW WILSON PKWY

MIDDLEBROOK AVE  
MINEOLA ST  
GRAYSON ST

STATLER SQ  
AMHERST RD  
SHARON LN  
DRISCOLL ST  
RAMSEY  
BET  
JOAN CIR  
LINDEN DR  
OLD GREENVILLE RD  
VILLEAVE  
STERLIN

(2 of 2)

#### Census Tract Information

The address entered is situated in  
Census Tract 6 in **Staunton city**.

Is this address eligible for (only one may  
apply):

Points associated with being in a tract  
with less than 12% poverty? **No**  
Points associated with being in a tract  
with less than 10% poverty? **Yes**  
Points associated with being in a tract  
with less than 3% poverty? **No**

The tract's poverty is 3.60%

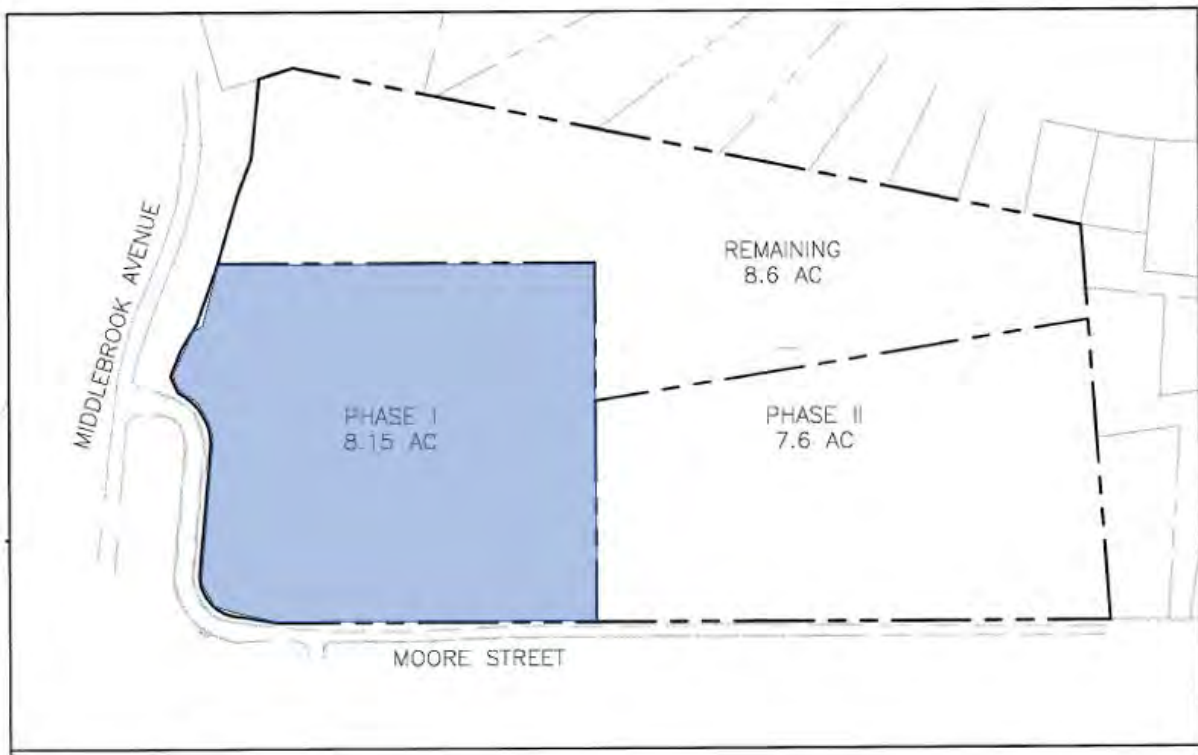
This location falls  
within **Northwest/North Central**  
**VA** geographic pool. It is also subject to  
Zoom to



Exhibit A

All that certain parcel of land lying and being in the City of Staunton, Virginia located on the southeast side of Middlebrook Road containing 8.15 of the 24.343 acres as shown on a plat entitled "Plat of the Joseph E. Furr, et al Property" dated June 17, 1997 made by R.E. Funk, Land Surveyor, a copy of which is recorded in the Office of the Clerk of Circuit Court of the City of Staunton, Virginia as Instrument Number 970003150. Property ID 2896

Area of Phase 1 approximated in blue shaded area below



# **Tab K.3**

Surveyor's Certification of Proximity To Public  
Transportation

NA

# Tab L:

PHA / Section 8 Notification Letter



## PHA or Section 8 Notification Letter

Development Name: Middlebrook Trace

Tracking #: 2022-C-55

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

### General Instructions

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

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

# PHA or Section 8 Notification Letter

**DATE:** February 24, 2022

**TO:** Staunton Redev. and Housing Auth.  
900 Elizabeth Miller Gardens  
Staunton, VA 24401

**RE:** PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Middlebrook Trace  
Name of Owner: Middlebrook Trace VA LLC

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

The following is a brief description of the proposed development:

Development Address:  
914 Middlebrook Avenue; Staunton, VA 24401

Proposed Improvements:

<input checked="" type="checkbox"/> New Constr.:	<u>82</u>	# units	<u>2</u>	# Bldgs
<input type="checkbox"/> Adaptive Reuse:	<u>      </u>	# units	<u>      </u>	# Bldgs
<input type="checkbox"/> Rehabilitation:	<u>      </u>	# units	<u>      </u>	# Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ <u>      </u>	/ month
<input type="checkbox"/> 1 Bedroom Units:	\$ <u>      </u>	/ month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>369-850</u>	/ month
<input checked="" type="checkbox"/> 3 Bedroom Units:	\$ <u>967-975</u>	/ month
<input type="checkbox"/> 4 Bedroom Units:	\$ <u>      </u>	/ month

Other Descriptive Information:

Middlebrook Trace consists of the new construction of 82 apartment units.

# PHA or Section 8 Notification Letter

---

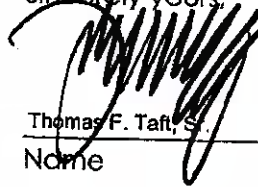
---

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at  
( ) - . 252-752-7101

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

Sincerely yours,



Thomas F. Taft, Sr.

Name

Managing Member

Title

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

Seen and Acknowledged By: 

Printed Name: Wanda Yvonne Stevens

Title: Executive Director

Phone: 540-886-3413

Date: March 7, 2022

# **Tab M:**

Locality CEO Response Letter



LESLIE M. BEAUREGARD  
ACTING CITY MANAGER



BIRTHPLACE OF THE  
COUNCIL MANAGER  
FORM OF GOVERNMENT

OFFICE OF THE CITY MANAGER

March 3, 2022

JD Bondurant  
Director, LIHTC Programs  
Virginia Housing Development  
Authority 601 South Belvidere  
Street  
Richmond, Virginia 23220

VHDA Tracking Number: 2022-C-55  
Development Name: Middlebrook Trace  
Name of Owner/Applicant: Middlebrook Trace VA LLC

Dear Mr. Bondurant:

The construction or rehabilitation of the above-named development and the allocation of federal housing tax credits available under IRC Section 42 for such development will help to meet the housing needs and priorities of the City of Staunton. Accordingly, the City of Staunton supports the allocation of federal housing tax credits requested by Middlebrook Trace VA LLC for this development.

Sincerely,

A handwritten signature in blue ink, appearing to read "L. Beauregard", written over a horizontal line.

Leslie M. Beauregard  
Interim City Manager

cc: The Honorable Mayor and Members of Staunton City Council  
Rodney Rhodes, Senior Planner, City of Staunton

# **Tab N:**

Homeownership Plan

NA

# **Tab O:**

Plan of Development Certification Letter

NA

# Tab P:

Developer Experience documentation and Partnership agreements

## VHDA Experienced LIHTC Developers

**Notes:**

**Updated:** 2/09/2022

I Listed if 'named' Controlling General Partner or Managing Member (as confirmed by supporting documentation)

I Listed if documentation supported at least 6 LIHTC developments

I Listed if a principal who has developed at least 3 LIHTC deals and has at least \$500,000 in liquid assets

**See LIHTC Manual for instructions on being added to this list**

### INDIVIDUALS

1 Alexander, Randall P.	29 Fitch, Hollis M.	60 Melton, Melvin B.
2 Arista, Roberto	30 Fore, Richard L.	61 Midura, Ronald J.
3 Asarch, Chad	31 Franklin, Wendell C.	62 Mirmelstein, George
4 Ayd, Tom	32 Franklin, Taylor	63 Nelson, IV, John M.
5 Barnhart, Richard K.	33 Friedman, Mitchell M.	64 Orth, Kevin
6 Baron, Richard	34 Gardner, Mark E.	65 Page, David
7 Bennett, Vincent R.	35 Goldberg, Jeffrey	66 Parent, Brian
8 Burns, Laura P.	36 Gunderman, Timothy L.	67 Park, Richard A.
9 Chapman, Tim	37 Haskins, Robert G.	68 Park, William N.
10 Cohen, Howard Earl	38 Hardee, Carl	69 Pasquesi, R.J.
11 Connelly, T. Kevin	39 Heatwole, F. Andrew	70 Pedigo, Gerald K.
12 Connors, Cathy	40 Honeycutt, Thomas W.	71 Poulin, Brian M.
13 Copeland, M. Scott	41 Hunt, Michael C.	72 Queener, Brad
14 Copeland, Robert O.	42 Iglesias, Adrian	73 Rappin, Steve
15 Copeland, Todd A.	43 Jaeger, Jeffrey	74 Ripley, F. Scott
16 Cordingley, Bruce A.	44 Jester, M. David	75 Ripley, Ronald C.
17 Counselman, Richard	45 Johnston, Thomas M.	76 Ross, Stephen M.
18 Crosland, Jr., John	46 Jones Kirkland, Janice	77 Salazar, Tony
19 Curtis, Lawrence H.	47 Kirkland, Milton L.	78 Sari, Lisa A.
20 Daigle, Marc	48 Kittle, Jeffery L.	79 Sciocino, Richard
21 Dambly, Mark H.	49 Koogler, David M.	80 Sinito, Frank T.
22 Deutch, David O.	50 Koogler, David Mark	81 Stockmaster, Adam J.
23 Dischinger, Chris	51 Lancaster, Dale	82 Stoffregen, Phillip J.
24 Douglas, David D.	52 Lawson, Phillip O.	83 Surber, Jen
25 Edmondson, Jim	53 Lawson, Steve	84 Taft, Sr., Thomas F.
26 Edson, Rick	54 Leon, Miles B.	85 Uram, David
27 Ellis, Gary D.	55 Lewis, David R.	86 Valey, Ernst
28 Fekas, William L.	56 Levitt, Michael	87 Wilson, Stephen
	57 Margolis, Robert B.	88 Woda, Jeffrey J.
	58 McCormack, Kevin	89 Wohl, Michael D.
	59 McNamara, Michael L.	90 Wolfson, III, Louis

### NON-PROFITS, LHAS & (PUBLICLY TRADED) CORPORATIONS

1 AHC, Inc.
2 Alexandria RHA
3 Arlington Partnership for Affordable Housing (APAH)
4 Atlantic Housing Foundation, Inc.
5 Better Housing Coalition
6 Buckeye Community Hope Foundation
7 Community Housing Partners
8 Community Housing, Inc.
9 ElderHomes (dba Project: Homes)
10 Enterprise Homes, Inc
11 Fairfax County RHA
12 Homes for America, Inc.
13 Humanities Foundation, Inc.
14 Huntington Housing, Inc.
15 LEDIC Realty Company, LLC
16 Newport News RHA
17 NHT Communities
18 Norfolk Redevelopment Housing Authority
19 People Incorporated
20 Piedmont Housing Alliance
21 Preserving US, Inc.
22 Portsmouth RHA
23 RHA/Housing, Inc.
24 Rush Homes
25 The Community Builders
26 Virginia Supportive Housing
27 Virginia United Methodist Housing Development Corporation
28 Wesley Housing Development Corporation

# **Tab Q:**

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





Wanda Stevens-Ruckman  
*Executive Director*

February 17, 2021

Via email – [cj@taftmillsgroup.com](mailto:cj@taftmillsgroup.com)

CJ Tyree  
Taft-Mills Group, LLC  
631 Dickinson Avenue  
Greenville, NC 27834  
Dear Mr. Tyree:

Thank you for responding to Staunton Redevelopment and Housing Authority's Request for Proposal No. **SRHA PBV 01-25-2021** for Project Based Vouchers issued **January 25, 2021**. In response to your proposal, I am pleased to inform you that you have been awarded **15 PVB's** for **Middlebrook Trace VA LLC** located at **914 Middlebrook Avenue, Staunton, VA 24401**.

The terms of the PBV's will be for 15 years subject to the execution of a HAP contract. This commitment is in effect from February 17, 2021 to August 17, 2023 (30 months) 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 VHDA, then this commitment is contingent upon receiving an allocation of Low Income Housing Tax Credits no later than December 31, 2021.

Again, congratulations on receiving this commitment. We look forward to working with you. I remain

Sincerely,

A handwritten signature in black ink that reads "Wanda Yvonne Stevens".

Wanda Yvonne Stevens  
Executive Director

Cc/file



**EXTRACT FROM THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE STAUNTON REDEVELOPMENT AND HOUSING AUTHORITY HELD ON TUESDAY, FEBRUARY 11, 2021, NOON.**

The Board of Commissioners of the Staunton Redevelopment and Housing Authority met in a regular meeting via Zoom (normally held at the office of the Authority located at 100 Elizabeth Miller Garden Drive, Staunton, Virginia on Tuesday, February 11, 2021 at 12:00 noon.

Chair Kivlighan called the meeting to order and upon roll call the following answered present:

**Ms. Mary Kivlighan, Commissioner**  
**Mr. Tra' Scott Toye, Commissioner**  
**Mr. Nicholas Hurston, Commissioner**

Also present: **Wanda Yvonne Stevens, Executive Director**

Absent: **Brenda Mead, City Liaison**  
**Lance Allen, Accountant/Deputy Director**

The following motion was introduced to the Board to be considered:

**A RESOLUTION OF THE STAUNTON REDEVELOPMENT AND HOUSING AUTHORITY EXTENDING TH APPROVAL OF PROJECT BASED VOUCHERS FOR MIDDLEBROOK TRACE VA, LLC FOR MIDDLEBROOK TRACE APARTMENTS.**

Upon discussion Commissioner Scott Toye made a motion to adopt the resolution as read and presented. The motion was seconded by Commissioner Hurston and the following votes were recorded:

**AYES**

**NAYS**

**Ms. Mary Kivlighan, Commissioner**  
**Mr. Tra' Scott Toye, Commissioner**  
**Mr. Nicholas Hurston, Commissioner**

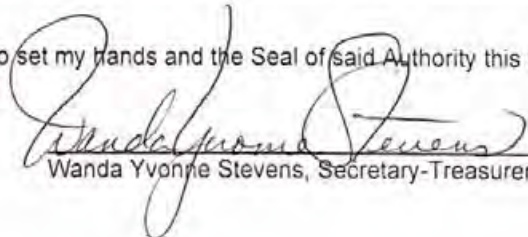
**NONE**

There being no further business and the meeting was adjourned.

CERTIFICATE OF RECORDING OFFICER

I, Wanda Yvonne Stevens, the duly appointed, qualified and acting Secretary-Treasurer of the Staunton Redevelopment and Housing Authority, do hereby certify that the above extract from the minutes of a meeting of the Board of Commissioners of the Authority, held on February 11, 2021 is a true and correct from the original minutes of said meeting on file and of record as they relate to the subject set forth in the above extract, and I do further certify that such extract is true and correct of a motion adopted at such meeting and on file and of record.

IN TESTIMONY WHEREOF, I have hereunto set my hands and the Seal of said Authority this eleventh day of February, 2021.

  
Wanda Yvonne Stevens, Secretary-Treasurer

**AN ORDINANCE TO PARTIALLY EXEMPT FROM REAL ESTATE TAXATION  
BY CLASSIFICATION OR DESIGNATION  
PROPERTY LOCATED AT 914 MIDDLEBROOK AVENUE (PID 2896)  
IN THE CITY OF STAUNTON, VIRGINIA  
AND PROPOSED TO BE DEVELOPED BY MIDDLEBROOK TRACE VA LLC  
AS MIDDLEBROOK TRACE**

Recitals

A. Middlebrook Trace VA LLC (Middlebrook Trace) has applied to the Council of the City of Staunton, Virginia, for an ordinance providing it with partial tax exempt status from the City of Staunton on real property taxes relating to the proposed development of 914 Middlebrook Avenue (PID 2896) (Property);

B. Council desires to support and encourage the development of the Property by enacting an ordinance to provide Middlebrook Trace with a partial tax exemption from real property taxes;

C. On March 11, 2021, Council held a public hearing in accordance with notice duly and lawfully published in *The News Leader*;

D. Virginia Code § 58.1-3219.4 authorizes Council to enact such exemptions within the limitations therein prescribed and as may be prescribed by this Council; and

E. These recitals are an integral part of this ordinance.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Staunton, Virginia, pursuant to § 58.1-3219.4 of the Code of Virginia that:

1. The real property located of 914 Middlebrook Avenue (PID 2896) is to be partially exempted, as provided in this ordinance.

2. At a public hearing duly and lawfully held on March 11, 2021, pursuant to public notice, the Council examined and considered Middlebrook Trace's proposal for partial tax exemption.

3. Council hereby finds that:

A. The Property, along with improvements currently located thereon, is assessed at a total of Two Hundred Forty-Three Thousand Nine Hundred Thirty and No/100 Dollars (\$243,930.00) for tax year 2020, and the cost of the proposed improvements, as represented by Middlebrook Trace, is expected to be Eleven Million Four Hundred Eighty Thousand and No/100 Dollars (\$11,480,000.00).

B. The real property taxes that were paid by the Property's owner for tax year 2020, were Two Thousand Three Hundred Seventeen and 34/100 Dollars (\$2,317.34). The increase in value attributable to the proposed improvements could result in an increase of the amount of total tax on the Property in the amount of One Hundred Nine Thousand and No/100 Dollars (\$109,000.00).

C. Middlebrook Trace is an organization that proposes to develop housing structures for historically underprivileged residents of the City of Staunton, and nearby areas. The proposed development of the Property will serve the City of Staunton, and its residents, as an affordable housing option. Accordingly, Middlebrook Trace is eligible for a partial exemption from the assessment of real property taxes as a result of such development under Virginia Code § 58.1-3219.4.

4. Council hereby exempts Middlebrook Trace from real property taxes assessed against the Property in the amount Two Thousand and No/100 Dollars (\$2,000.00) annually for a period of three (3) tax years from the date of final completion of such development, but in no event shall the exemption continue for more than five (5) tax years from the effective date of this ordinance.

5. The cost of the proposed improvements shall be presumed as shown on the building permit application submitted by Middlebrook Trace.

6. The exemption granted by this ordinance is contingent upon the following:

A. Middlebrook Trace's acquisition of record title to the Property; and

B. Middlebrook Trace providing housing predominately for persons with low to moderate income as defined by Virginia Housing.

Introduced: March 11, 2021  
Adopted: March 11, 2021  
Effective Date: March 11, 2021



Andrea W. Oakes, Mayor

ATTEST:



Morgan C. Smith  
Interim Clerk of Council

# **Tab R:**

Documentation of Operating Budget and Utility Allowances



03.02.2022

Thomas F. Taft Sr  
Taft-Mills Group  
631 Dickinson Ave  
Greensboro, NC 27834  
[ttaftoffice@tfonc.com](mailto:ttaftoffice@tfonc.com)

**Middlebrook Trace Preliminary Review Utility Allowance Estimation**

Dear Thomas,

Thank you for the opportunity to provide a preliminary review and Utility Allowance (UA) for Middlebrook Trace in Staunton, VA.

In order to estimate the electric utility use, we used RESNET standard approved software (Ekotrope and/or REM/Rate). Below is the projected electric utility allowance cost that represents the ‘worst case’ unit type (highest projected cost). The inputs used in the energy modeling were from the preliminary plans and attached assumptions of units meeting ENERGY STAR v3 standards. Water and sewer projections below were calculated using the HUD Water & Sewage Calculator, as well as the [VHDA Utility Allowance Schedule](#).

Unit Type	Electricity (ekotrope)	Water & Sewer (HUD)	Water & Sewer (VHDA)	Total UA (VHDA + ekotrope)
2Br	\$40	\$66	\$63	<b>\$103</b>
3Br	\$50	\$107	\$73	<b>\$123</b>

These figures are based on a set of assumptions that were needed to complete an initial assessment of development plans, as per *Appendix F – RESNET Rater Certification of Development Plans*, and will be revised accordingly as more detailed plans are developed. Should you have any questions do not hesitate to contact me.

Sincerely,

Benoit Rivard  
Project Manager - Multifamily Affordable Housing  
Southern Energy Management  
[benoit@southern-energy.com](mailto:benoit@southern-energy.com)

The 2021 HUD Fair Market Rent and SRHA 's Payment Standard is below.

HUD/SRHA 2022 HCV Fair Market Rent (FMR) Payment Standard (PS) Effective 1/01/2022		
Bedroom Size	HUD FMR	SRHA Payment Standard
2	\$910	\$910
3	\$1,239	\$1,239

All rental amounts under the PBV program must include the cost of monthly utilities paid by the tenant SRHA 's current utility allowance schedule is below.

SRHA MONTHLY UTILITY ALLOWANCE			
Locality	Unit Type	Date (01/01/2022)	
Staunton Redevelopment and Housing Authority	Flat/Garden/High Rise Apt		
Utility or Service	Monthly Dollar Allowances		
	Bedroom Size		
	1 BR	2BR	3BR
<b>Heating</b>			
Natural Gas	\$25	\$31	\$38
Bottle Gas	\$51	\$63	\$78
Electric	\$59	\$71	\$88
Electric Heat Pump	\$56	\$66	\$82
Fuel Oil	\$43	\$52	\$65
<b>Other Electric</b>			
Lights and Appliances	\$39	\$50	\$65
Air Conditioning	\$18	\$22	\$26

Water Heating			
Natural Gas	13	\$16	\$19
Bottle Gas	16	\$21	\$28
Electric	\$17	\$23	\$31
Fuel Oil	\$13	\$18	\$24
Water	City	County	\$16 \$15 \$23 \$24 \$30 \$31
Sewer	City	County	\$21 \$21 \$29 \$37 \$38 \$48
Range/Microwave	\$6	\$6	\$6
Refrigerator	\$7	\$7	\$7
Electric Customer	\$7	\$7	\$7
Natural Gas Customer	\$19	\$19	\$19

Total Utility Allowance = \$272

**Due to the above conditions and requirements, applicant should be aware of the significant lead time necessary to secure all required approvals priors to commencement of construction.**

Payment Standard: \$1,239  
Less UA : \$272  
Net Rent : \$967

# **Tab S:**

Supportive Housing Certification



NA

# **Tab T:**

Funding Documentation



Ralph S. Northam  
Governor

R. Brian Ball  
Secretary of  
Commerce and Trade

# COMMONWEALTH of VIRGINIA

Erik C. Johnston  
Director

## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 13, 2022

Mr. Dustin Mills  
Managing Member  
Taft-Mills Group  
631 Dickinson Avenue  
Greenville, NC 27834  
dustin@taftmillsgroup.com

Re: Affordable and Special Needs Housing Funding  
Proposal

Dear Mr. Dustin Mills:

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Taft-Mills Group will receive a preliminary offer from the Fall 2021 Affordable and Special Needs Housing competitive loan pool in the amount of \$899,530 in National Housing Trust Fund (NHTF) funds to support the Middlebrook Trace project.

Please note that you will receive further communication regarding the need to execute a NHTF program agreement within the next few weeks. The program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a program commitment and reservation of funds.

An allocation of federal NHTF funds requires a developer to designate a specific number of targeted units at 30 percent AMI. The specific number of NHTF-assisted units will be determined prior to the execution of the NHTF program agreement. No work activities on the proposed project can be initiated prior to fully executing the HOME program agreement. A HUD required environmental review must be completed, and any adjustment to the capital budget, operating expense budget, pro forma numbers and other project parameters must be approved by DHCD before the program agreement can be executed.

A member of our ASNH team will be contacting you via email to begin the contract negotiation process soon. We are pleased to be of assistance to Taft-Mills Group in its affordable housing efforts.

Sincerely,

Sandra Powell  
Senior Deputy Director  
Community Development & Housing

Partners for Better Communities



[www.dhcd.virginia.gov](http://www.dhcd.virginia.gov)



Glenn A. Youngkin  
Governor

Caren Merrick  
Secretary of  
Commerce and Trade

## COMMONWEALTH of VIRGINIA

Bryan W. Horn  
Director

### DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 31, 2022

Mr. Dustin Mills  
Managing Member  
Taft-Mills Group  
631 Dickinson Avenue  
Greenville, NC 27834  
Via: [dustin@taftmillsgroup.com](mailto:dustin@taftmillsgroup.com)

#### **Proposed Affordable & Special Needs Housing Financing Offer**

Dear Mr. Dustin Mills,

I am pleased to advise you that the Department of Housing and Community Development has approved the request of Taft-Mills Group's Middlebrook Trace project. Included with this letter are the proposed rate and terms granted to you in accordance with your project description.

Please note that upon agreement you will receive further communication regarding program agreement(s) within the next few weeks. These program agreements must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a program commitment and reservation of funds.

Please review the attached offer letter carefully, and attach any updated or new information with your response as it may pertain to this project. For projects which are awarded a HOME or NHTF award, a HUD required environmental review must be completed prior to execution of a program agreement. In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters must be approved by DHCD before the program agreements may be executed.

At your earliest convenience, please submit your project's Phase I Environmental Assessment to DHCD staff for review. If your project is financed utilizing HOME or NHTF funds, please prepare and submit the Part 58 checklist with your EA to DHCD staff. The Part 58 Checklist may be found on DHCD's website under Affordable and Special Needs Housing.

We are looking forward to working with you to provide affordable housing, if you have any questions as it pertains to this offer please feel free to contact your Program Administrator or myself at 804-840-1909.

Sincerely,

Chloe Rote  
ASNH Program Manager



## Terms & Conditions

### Middlebrook Trace

914 Middlebrook Avenue, Staunton, VA 24401

The Department of Housing and Community Development herein referred to as DHCD (“Lender”), has approved the request of Taft-Mills Group, listed as the developer of the project and herein is referred to as (“Developer”), regarding Middlebrook Trace (“Project”). Please review the following information as it pertains to your project:

The Project is awarded \$899,530 of National Housing Trust Fund funding. Please review the following proposed terms and conditions carefully, and notate any questions you may have for DHCD staff:

Interest Rate	3% Fixed
Loan Repayment Period	360 months (Interest Only)
Mandatory Compliance Period	360 months (from date of loan closing)
Extended Affordability Period	n/a (following mandatory compliance)

The compliance and repayment period begins upon loan closing. This loan constitutes permanent, must pay hard debt, which is not cash flow dependent. Deferred principle & accrued interest shall be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period.

It is the intention of the Lender to disburse the National Housing Trust Fund award as part of the permanent financing package upon final permanent close, which includes the issuance of the final Certificate of Occupancy or Certificate of Substantial Completion.

Final permanent close shall commence upon receipt of acceptable title, survey & environmental reports, closing of other required funding, customary due diligence, rehab completion (if applicable), rental occupancy report, and issuance of COO/CSC by a local building official. Impediments to loan closing include, but are not limited to: failure to complete construction/renovations, due diligence items, or rent & occupancy requirements for the project in accordance with HOME, NHTF, VHTF and/or HIEE requirements (whichever is applicable).



DHCD shall be placed in the 2<sup>nd</sup> lien position, unless otherwise approved by the agency. Program agreements must be executed within 12 months of this letter, with an estimated closing of permanent debt to take place no later than 24 months after construction start. Failure to execute a program agreement within 12 months could result in a de-obligation of funds to your project.

Please execute and return this document to DHCD via email. Once received, DHCD will be in communication with you regarding next steps.

It is our sincere pleasure to make this financing proposal to you; we look forward to your acceptance and to our continuing relationship.

Sincerely,

Department of Housing & Community Development



---

Chloe Rote: ASNH Program Manager

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:



---

(Authorized Officer)

By: DUSTIN T. MILLS Its: MANAGER

Date: 2.1.22





Ralph S. Northam  
Governor

R. Brian Ball  
Secretary of  
Commerce and Trade

# COMMONWEALTH of VIRGINIA

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Director

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January 13, 2022

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Taft-Mills Group  
631 Dickinson Avenue  
Greenville, NC 27834  
dustin@taftmillsgroup.com

Re: Affordable and Special Needs Housing Funding  
Proposal

Dear Mr. Dustin Mills:

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Taft-Mills Group will receive a preliminary offer from the Fall 2021 Affordable and Special Needs Housing competitive loan pool in the amount of \$697,470 in Housing Innovations in Energy Efficiency (HIEE) funds to support the Middlebrook Trace project.

Please note that you will receive further communication regarding the need to execute a HIEE program agreement within the next few weeks. The program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a program commitment and reservation of funds.

As the project gets underway, please be aware that any adjustments to the capital budget, operating expense budget, pro forma numbers, and other project parameters must be approved by DHCD before the program funding agreement is transferred to Virginia Housing to request formal loan documents be drafted. Execution of the program agreement is necessary in order to finalize a formal funding reservation and loan commitment.

A member of our ASNH team will be contacting you via email to begin the contract negotiation process soon. We are pleased to be of assistance to Taft-Mills Group in its affordable housing efforts.

Sincerely,

Sandra Powell  
Senior Deputy Director  
Community Development & Housing

Partners for Better Communities



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### DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 31, 2022

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#### **Proposed Affordable & Special Needs Housing Financing Offer**

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Please note that upon agreement you will receive further communication regarding program agreement(s) within the next few weeks. These program agreements must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a program commitment and reservation of funds.

Please review the attached offer letter carefully, and attach any updated or new information with your response as it may pertain to this project. For projects which are awarded a HOME or NHTF award, a HUD required environmental review must be completed prior to execution of a program agreement. In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters must be approved by DHCD before the program agreements may be executed.

At your earliest convenience, please submit your project's Phase I Environmental Assessment to DHCD staff for review. If your project is financed utilizing HOME or NHTF funds, please prepare and submit the Part 58 checklist with your EA to DHCD staff. The Part 58 Checklist may be found on DHCD's website under Affordable and Special Needs Housing.

We are looking forward to working with you to provide affordable housing, if you have any questions as it pertains to this offer please feel free to contact your Program Administrator or myself at 804-840-1909.

Sincerely,

Chloe Rote  
ASNH Program Manager





**Terms & Conditions**  
**Middlebrook Trace**

914 Middlebrook Avenue, Staunton, VA 24401

The Department of Housing and Community Development herein referred to as DHCD ("Lender"), has approved the request of Taft-Mills Group, listed as the developer of the project and herein is referred to as ("Developer"), regarding Middlebrook Trace ("Project"). Please review the following information as it pertains to your project:

The Project is awarded \$697,470 of Housing Innovations in Energy Efficiency funding. Please review the following proposed terms and conditions carefully, and notate any questions you may have for DHCD staff:

Interest Rate	0% Fixed
Loan Repayment Period	360 months (Interest Only)
Mandatory Compliance Period	360 months (from date of loan closing)
Extended Affordability Period	n/a (following mandatory compliance)

The compliance and repayment period begins upon loan closing. This loan constitutes permanent, must pay hard debt, which is not cash flow dependent. Deferred principle & accrued interest shall be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period.

It is the intention of the Lender to disburse the Housing Innovations in Energy Efficiency award as part of the permanent financing package upon final permanent close, which includes the issuance of the final Certificate of Occupancy or Certificate of Substantial Completion.

Final permanent close shall commence upon receipt of acceptable title, survey & environmental reports, closing of other required funding, customary due diligence, rehab completion (if applicable), rental occupancy report, and issuance of COO/CSC by a local building official. Impediments to loan closing include, but are not limited to: failure to complete construction/renovations, due diligence items, or rent & occupancy requirements for the project in accordance with HOME, NHTF, VHTF and/or HIEE requirements (whichever is applicable).



DHCD shall be placed in the 2<sup>nd</sup> lien position, unless otherwise approved by the agency. Program agreements must be executed within 12 months of this letter, with an estimated closing of permanent debt to take place no later than 24 months after construction start. Failure to execute a program agreement within 12 months could result in a de-obligation of funds to your project.

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It is our sincere pleasure to make this financing proposal to you; we look forward to your acceptance and to our continuing relationship.

Sincerely,

Department of Housing & Community Development



Chloe Rote: ASNH Program Manager

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:



(Authorized Officer)

By: DUSTIN T. MILLS Its: MANAGER

Date: 2/1/22





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On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Taft-Mills Group will receive a preliminary offer from the Fall 2021 Affordable and Special Needs Housing competitive loan pool in the amount of \$900,000 in Virginia Housing Trust Fund (VHTF) funds to support the Middlebrook Trace project.

Please note that you will receive further communication regarding the need to execute a VHTF program agreement within the next few weeks. The program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a program commitment and reservation of funds.

As the project gets underway, please be aware that any adjustments to the capital budget, operating expense budget, pro forma numbers, and other project parameters must be approved by DHCD before the program funding agreement is transferred to Virginia Housing to request formal loan documents be drafted. Execution of the program agreement is necessary in order to finalize a formal funding reservation and loan commitment.

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Sincerely,

Chloe Rote  
ASNH Program Manager



## Terms & Conditions

### Middlebrook Trace

914 Middlebrook Avenue, Staunton, VA 24401

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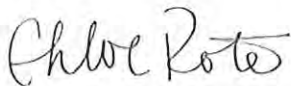
DHCD shall be placed in the 2<sup>nd</sup> lien position, unless otherwise approved by the agency. Program agreements must be executed within 12 months of this letter, with an estimated closing of permanent debt to take place no later than 24 months after construction start. Failure to execute a program agreement within 12 months could result in a de-obligation of funds to your project.

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It is our sincere pleasure to make this financing proposal to you; we look forward to your acceptance and to our continuing relationship.

Sincerely,

Department of Housing & Community Development



Chloe Rote: ASNH Program Manager

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:

 (Authorized Officer)

By: DUSTIN T. MILLS Its: MANAGER

Date: 2.1.22



# **Tab U:**

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

[Type here]

## Middlebrook Trace VA LLC

### Virginia Housing Free Housing Education Acknowledgement

I \_\_\_\_\_, have read, understand, and acknowledge, I have been presented information regarding the Virginia Housing free renter education to tenants.

I understand that it is my responsibility to review the website link provided here [www.virginiahousing.com/renters](http://www.virginiahousing.com/renters).

By signing below, I acknowledge that I have read, and understand the terms of all items contained this form.

Resident Name: \_\_\_\_\_

Resident Signature: \_\_\_\_\_

Date: \_\_\_\_\_



# **Tab V:**

Nonprofit or LHA Purchase Option or Right of First  
Refusal

Prepared by and return to:  
Ellinger & Carr, PLLC  
2840 Plaza Place #475  
Raleigh, NC 27612

Tax Parcel: \_\_\_\_\_

## **PURCHASE OPTION AND RIGHT OF FIRST REFUSAL AGREEMENT**

This Purchase Option and Right of First Refusal Agreement (“Agreement”) is made as of the 1st day of March, 2021 by and among Middlebrook Trace VA LLC, a Virginia limited liability company (the “Company”) and Staunton Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia and whose primary purpose is providing housing to low-income families (the “Grantee”) (the Company and the Grantee are the “Parties”).

**WHEREAS**, the Company intends to construct a multifamily apartment complex to be known as Middlebrook Trace VA LLC to be located in the Town of Staunton, Virginia as more particularly described on **Exhibit A** (“Property”) and the Property is or will be subject to one or more governmental agency regulatory agreements (collectively, the “Regulatory Agreement”) restricting its use to low-income housing and may become subject to a low-income use restriction (the “Special Covenant”) pursuant to the terms and conditions of this Agreement (such use restrictions under the Regulatory Agreement and Special Covenant being referred to collectively herein the “Use Restrictions”); and

**WHEREAS**, Grantee is a member of the Company and desires to provide for the continuation of the Property as low-income housing upon termination of the Company’s ownership of the Project by the Grantee purchasing the Property at the applicable price determined under this Agreement and operating the Property in accordance with the Use Restrictions; and

**WHEREAS**, Grantee has negotiated and required that the Company execute and deliver this Agreement in order to provide for such low-income housing.

**NOW THEREFORE**, in consideration of the execution and delivery of the Agreement and the payment of the Grantee to the Company of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Grant of Option.** The Company hereby grants to the Grantee an option (the “Option”) to purchase the real estate, fixtures, and personal property comprising the Property or associated with the physical operation thereof, owned by the Company at the time of Purchase, after the close of the fifteen (15) year compliance period for the low-income tax credit for the Property (the “Compliance Period”) as determined under Section 42(i)(1) of the Internal Revenue Code of 1986, as amended (the “Code”), on the terms and conditions set forth in this Agreement and subject to the conditions precedent to exercise of the Option specified herein.

2. **Grant of Refusal Right.** In the event that the company receives a bona fide offer to purchase the Property, which offer the Company intends to accept, Grantee shall have a right of first refusal to purchase the Property (the "Refusal Right") after the close of the Compliance Period, on the terms and conditions set forth in this Agreement, and subject to the conditions precedent to exercise of the Refusal Right specified herein. In addition to all the other applicable conditions set forth to this Agreement, (a) the foregoing grant of the Refusal Right shall be effective only if Grantee is currently and remains at all times hereafter, until (i) the Refusal Right has been exercised and the resulting purchase and sale has been closed or (ii) the Refusal Right has been assigned to Permitted Assignee described in Section 10 hereof, whichever first occurs, a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code and (b) any assignment of the Refusal Right permitted under this Agreement and the Refusal Right so assigned shall be effective only if the assignee is at the time of the assignment and remains at all times thereafter, until the Refusal Right has been exercised and the resulting purchase and sale has been closed, a Permitted Assignee meeting the requirements of Section 42(i)(7)(A) of the Code. Prior to accepting any bona fide offer to purchase the Property, the Company shall notify the Grantee of such offer and deliver a copy thereof. The Company shall not accept any such offer unless and until the Refusal Right has expired without exercise by Grantee under Section 6 hereof.

3. **Purchase Price Under Option.** The purchase price for the Property pursuant to the Option shall be the greater of (i) the Fair Market Value of the Property or (ii) the amount sufficient (a) to pay all debts (including member loans) and liabilities of the Company upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Option, and (b) to distribute to the members cash proceeds equal to the taxes projected to be imposed on the members of the Company as a result of the sale pursuant to the Option.

As used in this Section 3, Fair Market Value shall mean:

- i) The fair market value determined as the Parties shall agree.
- ii) If the Parties cannot agree on a determination of the Fair Market Value, the fair market value as determined by an appraiser mutually acceptable to the Parties.
- iii) If the Parties cannot agree on selection of an appraiser, the Company shall provide Grantee with a list of three potential alternative appraisers. The Grantee shall choose one appraiser from such list who shall determine the fair market value of the Property.

4. **Purchase Price Under Refusal Right.** The purchase price of the Property pursuant to Refusal Right shall be equal to the sum of: (a) an amount sufficient to pay all debts (including Member Loans) and liabilities of the Company upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Refusal Right, (b) an amount sufficient to distribute to the members of the Company cash

proceeds equal to the taxes projected to be imposed on the members of the Company as a result of the sale pursuant to the Refusal Right, (c) an amount necessary to repay the managing member of the Company for any special capital contribution it had to make to pay off unpaid development fee, (d) expenses of sale, and (e) any amounts owed to the investor member of the Company under the operating agreement of the Company.

5. **Conditions Precedent.** Notwithstanding anything in this Agreement to the contrary, the Option and Refusal Right granted hereunder shall be contingent on the following:

- (i) the Regulatory Agreement shall have been entered into and remained in full force and effect and those Use Restrictions to be contained therein, shall have remained unmodified without its prior written consent, or
- (ii) if the Regulatory Agreement is no longer in effect due to reasons other than a default thereunder by the Company, such Use Restrictions, as so approved and unmodified, shall have remained in effect and shall continue in effect by inclusion in the vesting deed of the Property to the Company.

If any or all of such conditions precedent have not been met, the Option and the Refusal Right shall not be exercisable.

6. **Exercise of Option or Refusal Right.** The Option and Refusal Right may each be exercised by Grantee by giving prior notice of its intent to exercise the Option or the Refusal Right to the Company and each of its members in the manner provided in the Agreement in compliance with the requirements of this Agreement.

If prior to exercise of the Option or Refusal Right, as applicable, the Service has issued a revenue ruling or provided a private letter ruling to the Company holding that a covenant of the nature described hereinbelow may be utilized without limiting tax credits or deductions that would otherwise be available to the members of the Company, then as a condition of the Option and Refusal Right, the deed to Grantee shall include a special covenant ("Special Covenant") specifically restricting continued use of the Property to low-income and maximum rent requirements (excluding any right under the Code to raise rents after notice to the applicable state or local housing credit agency if it is unable to find a buyer at the statutory price) as are currently specified in the Agreement with reference to low-income housing tax credit (notwithstanding any future discontinuation of such credit or modification of federal requirements thereof), except insofar as stringent use requirements are imposed by the Regulatory Agreement. The Special Covenant shall constitute part of the Use Restrictions. The Special Covenant may state that is applicable and enforceable only to the extent such housing produces income sufficient to pay all operating expenses and debt service and fund customary reserves and there is a need for low-income housing in the geographic area the Property is located. The Special Covenant shall run with the land for a period of fifteen (15) years after closing of the purchase under the Option of the Refusal Right, as applicable, or, if longer, for the period

measured by the then remaining period of Use Restrictions under the Regulatory Agreement, provided that the Special Covenant shall terminate the option of any holder of the reverter rights described hereinabove, upon enforcement thereof.

In the event that neither the Option nor the Refusal Right is exercised, or the sale pursuant thereto is not consummated, then upon conveyance of the Property to any one other than Grantee or its permitted assignee hereunder, the foregoing provisions shall terminate and have no further force and effect.

7. **Assignment.** Grantee may assign all or any of its rights under this Agreement to (a) qualified nonprofit organization, as defined in Section 42(h)(5)(c) of the Code, (b) a government agency, or (c) a tenant organization (in cooperative form or otherwise) or resident management corporation of the Property (each a "Permitted Assignee") that demonstrates its ability and willingness to maintain the Property as low-income housing in accordance with the Use restrictions, and subject to any event to the conditions precedent to the Refusal Right grant and the Option price set forth in Sections 2 and 3 hereof. Prior to any assignment or proposed assignment of its rights hereunder, Grantee shall give written notice to the Company and all members of the Company. Upon any permitted assignment hereunder references to this Agreement to Grantee shall mean the permitted Assignee where the contact so requires, subject to all applicable conditions to the effectiveness of the rights granted under this Agreement and so assigned. No assignment of Grantee's rights hereunder shall be effective unless and until the permitted Assignee enters into a written agreement accepting the assignment and assuming all of Grantee's obligations under the Agreement. Except as specifically permitted herein, Grantee's rights hereunder shall not be assignable.

8. **Miscellaneous.** This Agreement shall be governed by the laws of the Commonwealth of Virginia. This Agreement may be executed in counterparts or counterpart signature pages, which together shall constitute a single agreement.

[signatures on following page]

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

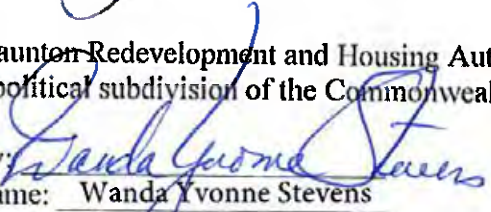
Middlebrook Trace VA LLC,  
a Virginia limited liability company

By: Middlebrook Trace VA MM LLC,  
a Virginia limited liability company

By: Taft-Mills Group, LLC,  
a North Carolina limited liability company, Managing Member

By:   
Thomas F. Taft, Sr., Managing Member

Staunton Redevelopment and Housing Authority  
a political subdivision of the Commonwealth of Virginia

By:   
Name: Wanda Yvonne Stevens  
Title: Executive Director

STATE OF North Carolina :  
COUNTY OF Martin :

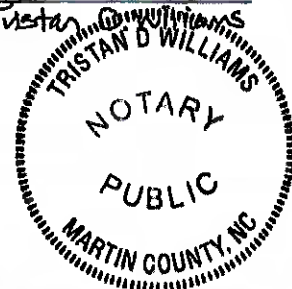
I, a Notary Public, certify that Thomas F. Taft, Sr., Managing Member of Taft-Mills Group, LLC, a North Carolina limited liability company, Managing Member Middlebrook Trace VA LLC of Middlebrook Trace VA MM LLC, a Virginia limited liability company personally came before me this day and being duly authorized executed the foregoing instrument on behalf of the company.

Witness my hand and official seal, this the 4<sup>th</sup> day of March, 2021

Tristan D. Williams

Notary Public Tristan D. Williams

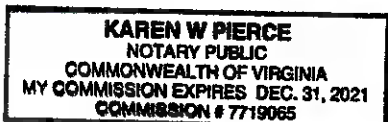
My Commission expires: 09-19-2022



COMMONWEALTH OF VIRGINIA :  
COUNTY OF Staunton :  
City

I, a Notary Public certify that Wanda Yvonne Stevens, Executive Director of Staunton Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia, personally came before me this day and being duly authorized executed the foregoing instrument on behalf of the corporation.

Witness my hand and official seal, this the 11 day of MARCH, 2021.



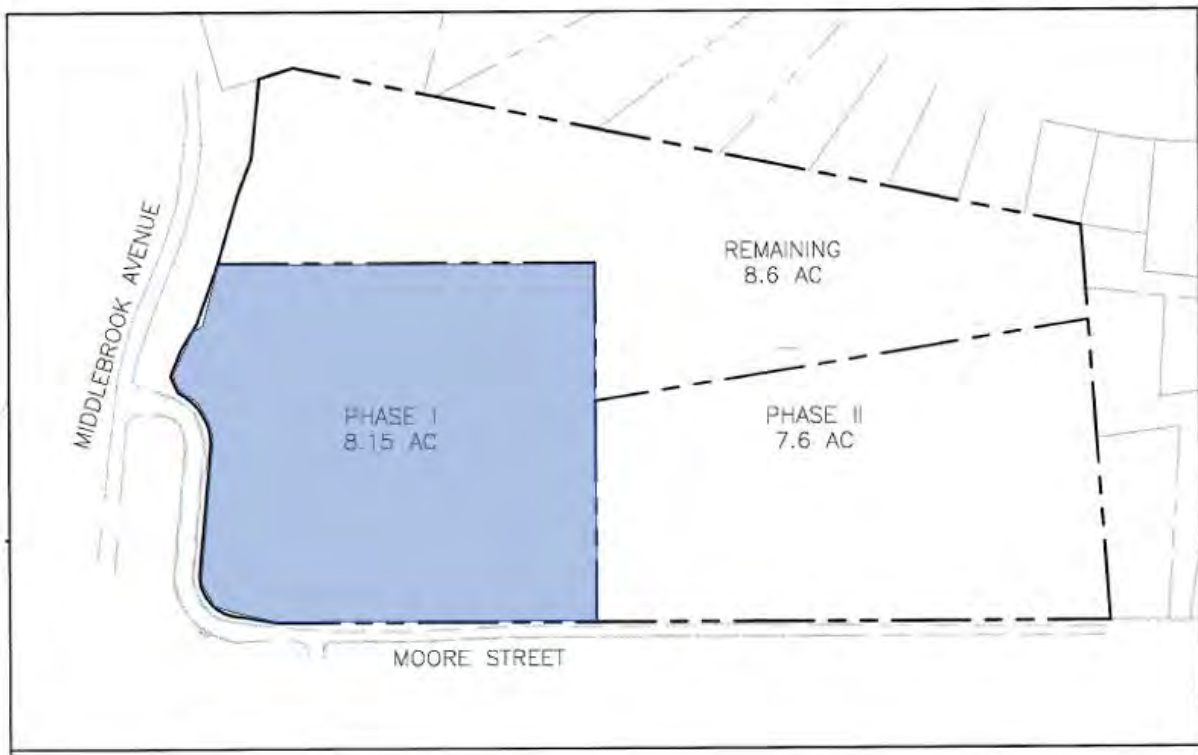
Karen W. Pierce  
Notary Public

My Commission expires: 12-31-2021

Exhibit A

All that certain parcel of land lying and being in the City of Staunton, Virginia located on the southeast side of Middlebrook Road containing 8.15 of the 24.343 acres as shown on a plat entitled "Plat of the Joseph E. Furr, et al Property" dated June 17, 1997 made by R.E. Funk, Land Surveyor, a copy of which is recorded in the Office of the Clerk of Circuit Court of the City of Staunton, Virginia as Instrument Number 970003150. Property ID 2896

Area of Phase 1 approximated in blue shaded area below





# **Tab W:**

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

## WIRELESS ACCESS POLICY

Use of wireless devices and internet access are increasing as it provides a convenient mechanism for accessing resources. Along with this convenience is a need for management access, as the devices are natively less secure than a hardwired device. The following policy is being implemented to reduce risks related to wireless networks:

- Wireless networks shall be segmented between personnel, residents and guests.
- Wireless access points or routing devices are to be secured with lock access only accessible by the management agent.
- Logical and physical user access to wireless network devices shall be restricted to authorized personnel and residents only.
- The guest access point is to be used by all guests.
- All vendor default settings for wireless devices (e.g. passwords, wireless encryption keys) shall be changed prior to installing wireless equipment.
- Wireless security protocols shall be used that are of the highest encryption possible.
- Strong passwords shall be employed for all wireless SSID and changed on a periodic basis either through the protocol or across the enterprise
- User id will be issued to all users at that time of move in or hire date
- Passwords will expire every 90 days
- Passwords will need to include at least 1 uppercase letter, 1 lowercase letter, a number and special character.
- Passwords are not to be shared with guests, other residents or personnel.

The users of wireless access are responsible for protecting the information and/or devices:

- Devices should be equipped with firewalls and/or virus protection.
- Wireless networks transmitting sensitive information or connected to sensitive information environments recommend use of strong encryption for authentication and transmission.
- Inspections will be conducted semi-annually to assure wireless access points or routing devices are secure.

Residents, personnel or guests found in violation of policy may be subject to lease or employment termination.



# Internet Safety

Playing it safe while playing online



Hi there kids! I am Charlie Cardinal and this is Speedy the Crime Fighting Hamster. We are here to introduce you to the basics of Internet Safety and some of the villains you need to watch out for. There are some bad characters out there, so you have to protect

yourself. Your parents won't always be there to watch out for you, so stay sharp, learn all you can, and stay safe!



# Privacy & Personal Information



Privacy is being able to keep things secret or hidden from others.

Personal Information is information about you or your family such as your address, a social security number, your parent's bank account, or how much money they have.

Criminals love to get people's personal information because they can pretend to be you, or use your money to buy things.

They can also make money off of your information by selling it to others. Companies or other criminals will use your info to send you junk mail or spam emails.

Criminals learning your address can be very bad. They may break in and steal from you. Protect your safety and your belongings, by keeping your information a secret.

These bad people may even use your personal information to trick someone else in your circle of friends and family. People sometimes tell criminals things that they shouldn't if they think that they are communicating with someone they know.



Think before you click



Do you know who sent that email?



# Passwords

One of the most important things you need to learn is how to create strong passwords. A password is a code you type in to let the computer know it is really you.

Having an easy to guess password could allow someone to snoop around in your private information.

The way to make your password strong is to never use your name or your birthday. Use something hard to guess, but easy for you to remember. Make your password at least 8 characters long, and mixing numbers, symbols, and upper and lower case letters makes the password strong just like Speedy. Avoid using the same password over and over. That way if they do figure out your password, they only gain access to one account. And never leave your passwords written down where someone can find it.



A great tool online that creates kid friendly passwords is the website, [www.dinopass.com](http://www.dinopass.com)

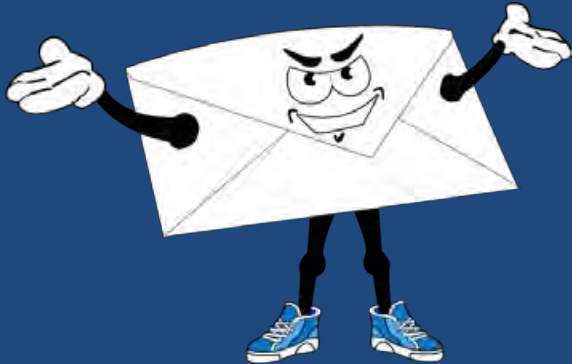
# Spam



Spam is basically email that you receive from different companies or strangers that you did not sign up for. Most times it isn't from real companies and usually the sender is up to no good.

Spam emails can sometimes be a phishing scam. Phishing emails are emails that look like it is from some trusted source. A place like your bank, the IRS where taxes are collected, or some other business you shop with often. They make their email look like it is the real thing with logos, and they put links in the email baiting you to click them. Once you click the link, you could be launching a program that can damage your computer in some way or collect your personal information.

Spam emails can also use winning a sweepstakes or some other type prize to trick you into trusting the email source. After they hook you in, they inform you that to collect your prize, you must give them your credit card number.



How do you know it is spam?

Spam emails typically have a bunch of spelling and grammar errors or a mention of someone you don't know in the subject line. Don't Open It! Delete those emails right away.



# Malware



Malware is a program written with the intent to harm your computer in some way.

Programs such as this, may be waiting for you to do something(a trigger), so that it can run. This could be the clicking of the link or opening an email attachment.

When searching for free downloads online, be very careful. There are a lot of sites out there trying to trick you. They will pay to make their site get returned at the top of the list of search results. Then when you access the page, they use blinking buttons to trick you to click. The result of clicking usually ends up being your computer loaded up with malware.

Once your machine is infected, it can change browser settings, create unusual popup ads on your computer and then pass the malware on to someone else.





Spyware is a program that gets onto your computer through a download or a virus and it gathers information about you and sends this back to its creator.

Some of the types of information spyware might send back to home base is email addresses of you or your contacts, passwords, account numbers, and credit card numbers.

Some spyware out there records how you use your computer and what you search for online.

# Adware

Adware is software that you are allowed to use by the author because of the advertisements that pop up occasionally during the game. Many of these type games you will find in the form of apps on your phone or devices.

Through the addition of advertisements, the developer gains some income that may supplement a discount to the user, sometimes making the software free.

Often after using the product with the ads, a consumer will purchase the software to get rid of the ads.

<http://www.pctools.com/security-news/what-is-adware-and-spyware/>



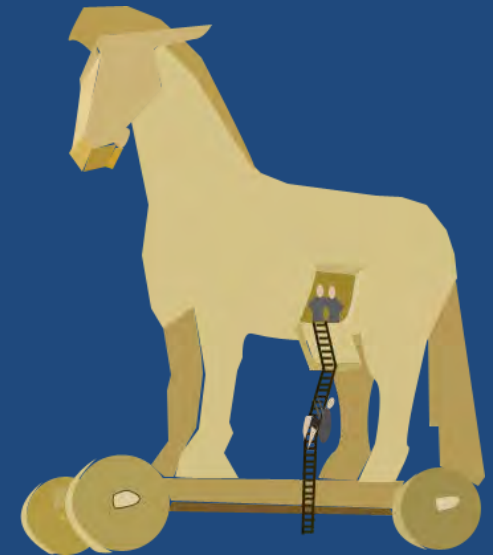
# Trojan Horse

The name for the Trojan Horse virus was derived from tale of the Trojan Horse constructed by the Greeks to gain access to the city of Troy. The wooden horse was left at the gates as an offering to Athena. The horse was then wheeled into the city and out came Greek fighters hiding inside. <http://www.britannica.com/topic/Trojan-horse>

A Trojan horse virus is a form of malware that is dressed up as something interesting or software from a source we are familiar with. The purpose is to trick the person into installing it. This allows the creator of the Trojan to do damage to data or software on your computer. They also will set up a 'back door' or access point that allows them to access your system.

Trojan viruses don't spread by infecting other files and they cannot duplicate themselves.

<http://www.webopedia.com/DidYouKnow/Internet/virus.asp>



# Worms

Worms are malware that can duplicate itself and spread to other computers. Worms always do something bad, even if it is just slowing things down.

Worms will frequently set up the ability for computers to be taken over by the worm's author by creating backdoors on the host computer. These computers are then called a "zombie computer". "Zombie computers" can be used to send out spam or as a shield to hide the web address of people who want to do bad things.

<http://www.webopedia.com/TERM/Z/zombie.html>





# Virus

A virus is a small program that is created to spread from one computer to the next and to mess up the way your computer works.

Many times viruses hop from computer to computer via email attachments or messages. They can also hide in funny pictures(memes), e-cards, or other desirable file attachments. It can also be sent through an instant message.

A virus can corrupt your data, or worse, delete it. It can also email copies of itself to your friends.

Keeping your anti-virus software up to date is key to protecting against the latest viruses and other security threats.

<https://www.microsoft.com/security/pc-security/virus-whatis.aspx>

# Social Media



Privacy settings on social media accounts are set up as public when you first get one. Unless you want everyone to be able to look at all of your photos and other private stuff, you must go into your account settings and change this.

Something to remember is whatever you post and say on your page can be shared by your friends. Think about what you post online, BEFORE you do it. What you post, could be seen by anyone at any time depending on your settings and the friends you keep. Because we can take pictures of our screens, there is really no setting that can protect you. Think twice about what you are sharing with others, so there are no regrets later.

Make sure you know the people that you accept friend requests from. Sometimes people try to friend you to hack your Facebook account or access your contacts. Once you are hacked they will send out strange messages or friend requests to your contacts. Protect your friends and yourself by being cautious with friends and creating strong passwords for your social media accounts.

# Geotagging



Geotagging is the bit of data that your electronic device packages with your picture that has information about where the picture was taken. This is something that can be turned on and off in your device and typically comes turned on until you change the setting.

When your photo is geotagged, this gives people information about your location. Letting outsiders know where you are, can allow them to plan to steal your belongings or vandalize your home.

Consider if you post a photo every Wednesday in your outfit ready to walk to ball practice and geotagging is turned on. This shows you have a routine and gives a rough area you will be in. A predator could come and take you away.

Another issue with allowing the geotagging to occur is you don't have control of your own privacy. Everyone does not need to know where you are all of the time, keep this information private.

<http://www.nytimes.com/2010/08/13/technology/personaltech>



# Be Careful of What You Say!



Defamation: Defamation is the blanket word used for all types of untrue statements made about others. [Definition of Defamation on Law.com](#)

Slander: When someone orally tells one or more people an untruth about someone, which will harm the reputation of the person it is about. It is not slander if the untruth is in writing of some sort or if it is broadcast through television or radio.

[Definition of Slander on Law.com](#)

Libel: This is where someone publishes to print(including pictures), written word, online posts, blogs, articles, or broadcast through radio, television, or film, an untruth about another which will do harm to the person's reputation. [Definition of Libel on Law.com](#)





# Be Careful of What You Say!



Much of the things people post online may get ignored, and you may get lucky and avoid legal action. But, when someone gets angry and files a lawsuit it can cause a major headache and possibly hit you hard in the wallet.

You might think you should have a right to openly complain about a company and their bad service or lousy product. Well when it comes to this, it is not always that simple. You can get sued for this and even if the judge agrees with you, you still have to pay for a defense attorney. Think twice and make sure that whatever you have to say is worth any headache you may have pop up later.

<http://ideas.time.com/2013/01/07/yelp-reviewers-beware-you-can-get-sued/>

On social media, people get into the habit of letting their emotions get the better of them and they end up speaking their minds about others online. When that person feels that this damages their character, they may opt to sue the other person for defamation. Even if their case is not successful, the stress, money, and time that you spend defending yourself is not worth it. To read more about defamatory social media posts, [click here](#).

# Stranger Danger Online



When you think of being on your computer or other electronic device in your own home, you probably think you are safe. Your mom is in the next room, what could happen?

Well there are people online that are up to no good. They go in chat rooms and pop up on your instant messenger, looking for someone to “groom”.

What is grooming you say? Well, grooming is when a stranger (can be any age) finds someone they are interested in, usually a minor. They act really nice and maybe they pretend they are much younger than they really are, like they are a kid just like you. Then they try to get you to like them and to trust them. They may ask you not to tell anyone you are talking to them. This is not okay and is a warning sign of a possible groomer.

# How to Protect Yourself in Online Chats

- Choose chat sites designed for kids, such as [www.kidzworld.com](http://www.kidzworld.com). Kidzworld is moderated and its aim is to protect kids from unwanted requests and online bullying.
- Beware of people you don't know. If they are asking too many questions or being too friendly they may be up to no good.
- If someone asks you to send them a picture or sends you a picture or video that is inappropriate, tell an adult or report them to the site moderators.
- Don't give out personal information to strangers online
- Don't tell strangers where you live or give them your telephone number
- Don't send strangers pictures of you or others
- If you are being bullied or threatened online, tell an adult or someone you trust





# Cyberbullying

- Cyberbullying is the **willful and repeated harm** inflicted through the use of computers, cell phones, and other electronic devices.
- Using PhotoShop or other tools to create harassing images.
- Posting jokes about another person on the internet
- Using the internet to entice a group to physically harm another person.
- Making threats online using IM, email, social networking sites, or other electronic devices.



# Consequences of Cyberbullying

Anything that you write, pictures that you post, or videos that you upload can be used by your school to suspend you.

College students have been removed from their athletic teams and lost college funding for writing negative comments about their coach.

When applying to colleges, they will search online to see what kind of person you are. They can deny you access if they don't like what they find.

When businesses are looking at people to hire for a job they will many times use social media to see what kind of person they are. Mean or inappropriate type posts can prevent you from getting the job you desire.

Cyberbullying can also be considered a crime and participating in this type of behavior can land you in big trouble.

# Consequences of Cyberbullying

- § 18.2-152.7:1. Harassment by Computer; Penalty makes cyberbullying a crime.
- Carries a \$2500 fine and punishable by up to **12 months in prison.**

There are many websites designed to inform and decrease the number of bullying cases we see each year. The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - [www.stopbullying.gov](http://www.stopbullying.gov)

If you experience cyberbullying or witness it, tell someone such as a school counselor, teacher, or a parent.





# The Effects of Cyberbullying

- Victims feel depressed, sad, angry, and frustrated.
- Victims become afraid and/or embarrassed to attend school.
- Can lead to low self-worth, family problems, academic problems, school violence, and bad behavior.
- Victims can also develop thoughts of killing themselves and possibly act on these feelings.
- There are no positive effects of cyberbullying, only pain and suffering for the victims.
- The affects of being bullied can affect the victim into adulthood and prevent them from being all they can be in the future.



# Dealing with Cyberbullying

- Never do the same thing back, 2 wrongs don't make a right
- Tell them to stop
- Block their access to you
- Report it to the site you are on such as Facebook or Twitter
- NEVER pass along messages from cyberbullies, stop the spread of this behavior
- Set up privacy controls and keep the bully out of your friends list
- Don't be a cyberbully yourself
- If you witness someone getting bullied, tell someone so it can be stopped. Many times the person being bullied won't tell out of fear.
- Spread the word that bullying is not cool
- Don't laugh or encourage the bully, it is not funny and it can lead to major trouble for the person doing the bullying.





# About Sexting



“Sexting” is when someone sends or receives sexually explicit or non-PG Rated pictures or video electronically, mainly via cell phones or tablets.

The numbers on how many teens say that they have sent/posted nude or semi-nude pictures or videos of themselves is upsetting.

20% of teens between 13 to 19 years of age have engaged in sexting.

22% of teen girls

18% of teen boys

11% of teen girls between 13 to 16 years of age have engaged in sexting.

Did you know that if you forward a picture of a sexual or nude photo of someone underage, you are as responsible for the image as the original sender?? You can be charged with a crime.

Many teens don't realize that if you send a picture of yourself that is inappropriate and that picture ends up online, it could be there forever. You can never fully delete things that end up on the web.



# About Sexting



There is no age minimum that protects young people from getting charged with a sexual offense.

Something that you think is okay or just a joke, might land you in a ton of trouble. For example, you might take a picture of your friend naked to embarrass them, but if they are under the age of 18, this is considered production of child pornography.

If you are sent something inappropriate, do not share it and don't delete it. Tell an adult immediately. You may feel like you are getting your friend into trouble, but you are protecting yourself and you are protecting them. They may not be thinking about the consequences or the effect this behavior can have on their future.

Anyone that gets convicted of a sex offense, will have to register as a sex offender. Sex offenders have to keep their address updated and keep a current photo with the police. The information goes on the sex offender registry where anyone can go and see your picture and where you live online.

**REMEMBER:** You can't control what other people do with your photos. Even if you think you are sending it to someone you can trust, they may end up surprising you. You can't trust anyone with something as private as that. Don't Do It!

# Legal Consequences of Sexting

- The Virginia Department of Education has an excellent resource with real life examples of the consequences of sexting that can be found [here](#).
- The Attorney General's Virginia Rules website is designed to give Virginia Youth information on all the laws in the state. [Virginia Rules](#) has extensive information on sexting and other internet security risks.
- This article in The Virginian-Pilot tells a story of five Virginia teens getting charged with felonies for sexting and being in possession of sexually explicit photos of a minor, read more about it [here](#).



Information Provided By:  
Office of the Attorney  
General  
202 North Ninth Street  
Richmond, Virginia 23219  
(804) 786-2071  
[www.ag.virginia.gov](http://www.ag.virginia.gov)

# **Tab X:**

Marketing Plan for units meeting accessibility  
requirements of HUD section 504

# ***Middlebrook Trace Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act***

This Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act (the “Marketing Plan”) has been designed to convey to current and potential residents with disabilities that Middlebrook Trace will be a new rental housing experience, with a commitment to excellent management and resident service, as well as an expectation of resident responsibility. Therefore, the majority of this plan will address ways in which property management will endeavor to secure qualified tenants, ensure quality tenancy, and effective management and maintenance of the property.

The Management Agent will be responsible for the management of Middlebrook Trace. Excel Property Management Inc., the Management Agent, will be responsible for all the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, Excel Property Management Inc. will be responsible for the development and management of community and resident services program.

## **I. Affirmative Marketing**

Excel Property Management Inc. is pledged to the letter and the spirit of the U.S. policy of the achievement of equal housing opportunity throughout the Nation and will actively promote fair housing in the development and marketing of this project. Excel Property Management Inc., its Officers, Directors and employees will not discriminate on the basis of race, creed, color, sex, religion, familial status, elderliness, disability or sexual orientation in its programs or housing. They will also comply with all provisions of the Fair Housing Act (42 U.S.C. 3600, et. Seq.).

Any employee who has discriminated in the acceptance of a resident will be subject to immediate dismissal. All persons who contact the office will be treated impartially and equally with the only qualification necessary for application acceptance being income and credit, and conformity with the requirements of the Section 8 Program and Tax Credit programs. All interested parties will be provided a copy of the apartment brochure/flyer. Any resident who has questions not answered by the housing staff will be referred to the Associate Director or the Executive Director of Excel Property Management Inc..

## **II. Marketing and Outreach**

**Locating people with disabilities to occupy the units which conform to the requirements of Section 504 of the Rehabilitation Act will be accomplished as follows:**

### **1. Networking**

**Excel Property Management Inc. will contact local centers for independent living, disability**

services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

- Area Center for Independent Living (540-433-6513)
- Virginia Board for People with Disabilities (804-786-0016)
- Virginia Department for Aging and Rehabilitative Services (540-381-7122)

**Centers for Independent Living**

Valley Associates for Independent Living (540-433-6313)

- Access Independence, Inc. (540-662-4452)
- Comprehensive Behavior Health (540-688-2646)

**Leasing Preference for Target Population Identified in MOU between the Authority and the Commonwealth**

- Unless prohibited by and applicable federal subsidy program.
- A “first preference” will be given for person in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.
- Will obtain tenant referrals from the Virginia Department of Medical Assistance Services (DMAS) or Virginia Department of Behavioral Health and Developmental Services (DBHDS) or any other agency approved by the Authority.
- Will Retain Tenant verification letter, Acknowledgment and Settlement Agreement Target Population Status
- Target Population units will be confirmed by VHDA.

**2. Internet Search**

Middlebrook Trace will also be listed on the following websites:

[www.virginiahousingsearch.com](http://www.virginiahousingsearch.com)

[www.gosection8.com](http://www.gosection8.com)

[www.craigslist.org](http://www.craigslist.org)

[accessva.org](http://accessva.org)

[dbhds.virginia.gov](http://dbhds.virginia.gov)

### 3. Print Media

Print media sources will also be identified in the Staunton area that cater to people with disabilities as well as the public at large. These sources may include, but are not limited to, rental magazines such as the *Apartment Shoppers Guide*, *Apartments For Rent*, local newspapers, etc. All advertising materials related to the project will contain the Equal Housing Opportunity logo, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available.

### 4. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as it attracts friends who will want to reside together, thus binding the community. ***Residents will be offered incentives, to be determined, for referring qualified applicants who rent at the property.*** Flyers will be distributed to residents along with the resident newsletter announcing the tenant referral program.

### 5. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

- **Brochures or news media coverage** –A simple, two color brochure may be produced at low cost which will effectively sell the apartments and community. A brochure will include a listing of features and amenities. News media may include the local newspaper and/or the local television station coverage.
- **Flyers** - As mentioned earlier, a flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic.

## III. Public and Community Relations

Equal Housing Opportunity promotions - all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office. Excel Property Management Inc. encourages and supports an affirmative marketing program in which there are no barriers to obtaining housing because of race, color, religion, national origin, sex, elderliness, marital status, personal appearance, sexual orientation, familial status, physical or mental disability, political affiliation, source of income, or place of residence or business.

Additionally, a public relations program will be instituted to create a strong relationship between



management and local disability organizations, neighborhood civic organizations, city officials, and other sources of potential qualified residents still to be identified.

#### **IV. Tenant Selection and Orientation**

The first contact with the management operations is an important one in attracting qualified residents; therefore, the management/leasing offices should convey a sense of professionalism, efficiency, and cleanliness. The management/leasing office is designed to provide a professional leasing atmosphere, with space set aside specifically for applicant interviews and application assistance. The leasing interviews will be used to emphasize the respect afforded to the applicant and the responsibilities which the applicant will be expected to assume.

Times of Operation - the Management Office will be open Monday through Friday from 8:30 A.M. to 4:30 P.M. Applicants will be processed at the Management Office Tuesday, Wednesday and Thursday, in accordance with approved criteria. Move-in process and orientation to property - applicants meet with designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

Management staff will perform housekeeping/home visits, check previous landlord and personal references, perform criminal/sex offender and credit background checks and verify income for each application taken. Tenant Selection will include minimum income limits assigned by the Owner/HUD. New residents will be given an orientation to the property including a review of the rules and regulations, information on the area, proper use of appliances, move-out procedures, maintenance procedures, rent payment procedures, energy conservation, grievance procedures and a review of the Lease documents.

#### **Tenant Selection Criteria**

Tenant Selection will include maximum income limits under the Low-Income Tax Credit and Section 8 programs. Selection criteria will also include student status guidelines pursuant to the Low-Income Housing Tax Credit program.

*Management will commit that no annual minimum income requirement that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by tenants receiving rental assistance*

#### **Application Processing**

Application processing will be done at the Management Office by the housing staff who are well versed in Fair Credit Law. As stated before, the processing will include a review of housekeeping/home visit, prior landlord references, personal references, criminal/sex offender and credit reporting and income verification. The housing staff will make further review for inaccuracies in the application. The annual income and family composition are the key factors for determining eligibility. However, the Housing Committee will also use the following criteria in selecting applicants for occupancy:

- Applicants must be individuals, not agencies or groups.

- Applicants must meet the current eligibility income limits for tax credits and any other program requirements.
- We will process the Rental Applications through a credit bureau to determine the credit worthiness of each applicant. If the score is below the threshold, and it has been determined that applicant has no bad credit and no negative rental history and no criminal history then the application can be conditionally approved after contacting the prior landlord. In these cases, the application must be reviewed by the Associate Director/ housing committee before final approval.

Note- If the applicant's denial is based upon a credit report, the applicant will be advised of the source of the credit report in accordance with the Federal Fair Reporting Act. Guidelines published by the Federal Trade Commission suggest that apartment managers fall under the provisions of the Act and are obligated to advise the person refused an apartment for credit reasons, the name and address of the credit reporting firm in writing. The credit report will not be shown to the applicant, nor will specific information be revealed.

- We will process the Rental Application through a credit bureau to determine any possible criminal conduct. Convictions will be considered, regardless of whether "adjudication" was withheld. A criminal background check will be used as part of the qualifying criteria. An applicant will automatically be denied if;
  - There is a conviction for the manufacture, sale, distribution, or possession with the intent to manufacture, sell or distribute a controlled substance within the past five years.
  - There is evidence in the criminal history that reveals that the applicant has developed a pattern of criminal behavior, and such behavior presents a real or potential threat to residents and/or property.
  - The application will be suspended if an applicant or member of the applicant's family has been arrested for a crime but has not yet been tried. The application will be reconsidered, within the above guidelines, after such legal proceedings have been concluded at applicants' request.
- Applicants must provide complete and accurate verification of all income of all family members. The household's annual income may not exceed the applicable limit and the household must meet the subsidy or assisted Income Limits as established for the area in which Middlebrook Trace is located. The annual income is compared to the area's Income Limits to determine eligibility.
- Family composition must be compatible for units available on the property.
- Applicants must receive satisfactory referrals from all previous Landlords.
- Applicants must provide verification of full-time student status for all individuals listed on the application as full-time student for tax credit units.
- Applicants must not receive a poor credit rating from the Credit Bureau and other credit reporting agencies and must demonstrate an ability to pay rent on time.
- Applicants must provide a doctor's statement and/or other proof of any handicap or disability.

- Applicants must provide all information required by current Federal regulations and policies.
- Applicants must have the demonstrated ability to maintain acceptable housekeeping standards.
- Applicants must meet current Federal program eligibility requirements for tax credits and any other programs.
- Preference will be given to those households whose family members are handicapped or disabled for housing in the units specifically designated for the handicapped or disabled.
- Applicants who meet the above criteria will be placed on a waiting list based on the date and time of their application. If an applicant turns down a unit for any reason, the applicant will be moved to the bottom of the waiting list. If the applicant turns down a unit for any reason a second time, the applicant will be removed from the waiting list.
- Held Vacant for 60 Days

**Unit must be held vacant for 60 days during which marketing efforts must be documented. However, if marketing to the Target Population is deemed to be conducted satisfactorily on an ongoing basis throughout the year and management can provide sufficient documentation to VHDA's Compliance Officer, management may request the ability to lease 60-point Units and 30-point Units, to a household not in the Target Population without the unit remaining vacant for the 60-day timeframe. "Ongoing basis" means contact to at least two (2) resources at least monthly in the manner noted below at any time the required number of units is not actually occupied by the Target Population.**

**Each time a vacancy occurs in a 60-point Unit or a 30-point Unit, if a qualified household including a person in the Target Population is not located in the 60-day timeframe, the owner or manager may submit the evidence of marketing to VHDA's Compliance Officer and request approval to rent the unit to an income-qualified household not a part of the Target Population. If the request is approved, the lease must contain a provision that the household must move to a vacant unit of comparable size in the development if a household in the Target Population applies for the unit. The move will be paid for by the owner.**

**If no vacant unit of comparable size is available at that time, the Target Population prospective tenant should be placed on the development's waiting list and placed in the 60-point Unit or 30-point Unit, when the first available vacant comparably sized unit becomes available to move the non-Targeted Population tenant.**

**NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.**

# **Tab Y:**

Inducement Resolution for Tax Exempt Bonds

NA

# **Tab Z:**

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

**SWaM CONTRACT CERTIFICATION**  
**(TO BE PROVIDED AT TIME OF APPLICATION)**

**LIHTC Applicant Name**     Middlebrook Trace VA LLC    

**Name of SWaM Service Provider**     EUP Management Group, LLC    

Part II, 13VAC10-180-60(E)(5)(e) of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority" formerly VHDA) for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended, provides that an applicant may receive five (5) points toward its application for Credits for entering into at least one contract for services provided by a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's Small, Women-owned, and Minority-owned Business certification program (SWaM Program). Any applicant seeking points from Part II, 13VAC10-180-60(E)(5)(e) of the Plan must provide in its application this certification together with a copy of the service provider's certification from the Commonwealth of Virginia's SWaM Program. The certification and information requested below will be used by the Authority in its evaluation of whether an applicant meets such requirements.

Complete a separate form for each SWaM Service Provider.

**INSTRUCTIONS:**

***Please complete all parts below. Omission of any information or failure to certify any of the information provided below may result in failure to receive points under Part II, 13VAC10-180-60(E)(5)(e) of the Plan.***

1. The SWaM Service Provider will provide the following services and roles eligible for points under the Plan:
- consulting services to complete the LIHTC application;
  - ongoing development services through the placed in service date;
  - general contractor;
  - architect;
  - property manager;
  - accounting services; or
  - legal services.

2. Please describe in the space below the nature of the services contracted for with the SWaM certified service provider listed above. Include in your answer the scope of services to be provided, when said services are anticipated to be rendered, and the length of the contract term.

The scope of services is the review of the VHDA competitive LIHTC application. Said services are to be rendered prior to the application deadline of March 10, 2022. The length of the contract term is until the application is submitted on March 10, 2022.

3. Attach to this certification a copy of the service provider's current certification from the Commonwealth of Virginia's SWAM Program.
4. The undersigned acknowledge by their signatures below that prior to the Authority's issuance of an 8609 to the applicant, the undersigned will be required to certify that the SWaM service provider successfully rendered the services described above, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the Plan, and that the undersigned service provider is still a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's SWaM) Program.

[Contract Certification and signatures appear on following page]



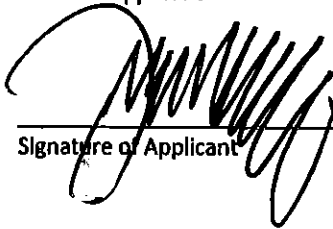
**CONTRACT CERTIFICATION**

The undersigned do hereby certify and acknowledge that they have entered into with each another at least one contract for services as described herein, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the Plan, that the undersigned service provider is a business certified as Women-Owned, Minority-Owned, or Service Disabled Veteran-owned through the Commonwealth of Virginia's SWaM Program, and that it is the current intention of the undersigned that the services be performed (i.e., the contract is *bona fide* and not entered into solely for the purpose of obtaining points under the Plan). The undersigned do hereby further certify that all information in this certification is true and complete to the best of their knowledge, that the Authority is relying upon this information for the purpose of allocating Credits, and that any false statements made herein may subject both the undersigned applicant and the undersigned service provider to disqualification from current and future awards of Credits in Virginia.

**APPLICANT:**

Middlebrook Trace VA LLC

Name of Applicant



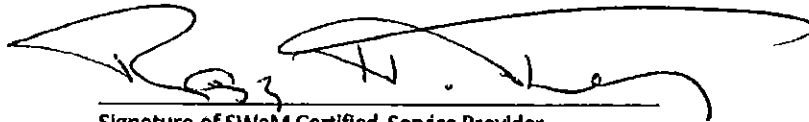
Signature of Applicant

Thomas F. Taft, Sr., Managing Member of Taft-Mills Group, LLC, the Managing Member of Middlebrook Trace VA MM LLC,  
Printed Name and Title of Authorized Signer      the Managing Member of Middlebrook Trace VA LLC

**SWAM CERTIFIED SERVICE PROVIDER:**

EUP Management Group, LLC

Name of SWaM Certified Service Provider



Signature of SWaM Certified Service Provider

Rosa Holmes Turner, Managing Member of EUP Management Group, LLC, also Engineering Manager of dba EUP Design Build Consultants SWaM #685990, Virginia Contractor #2705173254 Residential Building (RBC)

Rosa Holmes Turner  
Printed Name and Title of Authorized Signer



# Directory Listing

MWAA last updated on  
**FEB 28, 2022**  
**04:16 AM EST**

- Certification Type
- NIGP
- NAICS
- City
- ZIP Code
- Business Category

All ▼ contains ▼ 685990 🔍

Match found 1

Sort by: Company name ▼

Show entries: 5 ▼

Applied Filters Reset filters ◀

**EUP Management Group, LLC**

**DBA: EUP Management Group**  
Rosa Turner

Certification Number: 685990

**SWaM Certification Type:**

Small Start Date: 09-10-2019

Micro Start Date: 09-10-2019

4820 Old Stage Highway  
Smithfield, VA 23430  
Phone: (757) 378-8905  
eupgroup@gmail.com (mailto:eupgroup@gmail.com)

Women-Owned Start Date: 09-10-2019  
Minority-Owned Start Date: 09-10-2019  
Business Ethnicity: Black or African American  
SWaM Expiration Date: 09-10-2024

**Federal Certification Type:**

Economically Disadvantaged Women-Owned Small Business Start Date: 09-10-2019

NIGP Code and Description:

91200	CONSTRUCTION SERVICES, GENERAL (INCL. MAINTENANCE AND REPAIR SERVICES)
91800	CONSULTING SERVICES
91827	Community Development Consulting
91831	Construction Consulting
91838	Education and Training Consulting
91842	Engineering Consulting
91863	Housing Consulting
91883	Organizational Development Consulting
91893	Security/Safety Consulting
95262	Mental Health Services: Vocational, Residential, Etc.
96102	Administrative Services, All Kinds (Incl. Clerical, Secretarial Services, etc.)

**DBE Certification Type:**

DBE Start Date: 06-26-2012

DBE Fed Type: DBE/MBE/WBE

DBE/ACDBE Certifying Agency: SBSD

NAICS Code and Description:

541512	Computer Aided Design, System Integration Design
541611	Administrative Management and General Management Consulting Services
541613	Marketing Consulting Services
541614	Pcard: Y

Manufacturing management  
consulting services  
Program and project management  
consulting services  
Agents and Managers for Artists,  
Athletes, Entertainers, and Other  
Public Figures

541618  
Business Category:  
711410  
Management Services

# CERTIFICATION APPLICATION



Tracking Number: 685990

Application Status: Resubmitted

## Designations and Business type

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### *Selected Designations*

Certification Types	Designation Status
Economically Disadvantaged Women-Owned Small Business	Approved
Small	Approved
Micro	Approved
Women Owned	Approved
Minority Owned	Approved
DBE	Approved

*Business Type* : LLC

## General Information

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*Legal Business Name* : EUP Management Group, LLC

*Trade Name* : EUP Design Build Consultants

# **Tab AA:**

Priority Letter from Rural Development

NA

# **Tab AB:**

Socially Disadvantaged Population  
Documentation



**"SOCIAL DISADVANTAGE" CERTIFICATION**

Individual's Name Wavord Hayes

LIHTC Applicant Name Middlebrook Trace VA LLC

Part II, 13VAC10-180-60(E)(5)(f), of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority" formerly VHDA) for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended, provides that an applicant may receive five (5) points toward its application for Credits for demonstrating that at least one of its principals is a "socially disadvantaged individual," as such term is defined in 13 CFR 124.103, and that said principal has an ownership interest of at least 25% in the controlling general partner or managing member for the proposed development. The certification and information requested below will be used by the Authority in its evaluation of whether an applicant meets such requirements.

**INSTRUCTIONS:**

*Please complete either 1A or 1B and also provide a complete response to II. Omission of any information or failure to certify any of the information provided below may result in failure to receive points under Part II, 13VAC10-180-60(E)(5)(f) of the Plan. Though the information requested below is of a personal nature, please note that all information provided on this form shall be subject to the Virginia Freedom of Information Act, § 2.2-3700, et seq.*

**I. SOCIAL DISADVANTAGE**

(Complete only Section I(A) OR I(B) and then acknowledge II below)

**A.** I am claiming social disadvantage because of my identification as a:

- Black American
- Hispanic American
- Native American (Alaska Natives, Native Hawaiians, or enrolled members of a Federally or State recognized Indian Tribe)
- Asian Pacific American [An individual with origins from Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China (including Hong Kong), Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U. S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, The Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, or Nauru]
- Subcontinent Asian American (An individual with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal)

B. \_\_\_\_\_ I am claiming individual social disadvantage because I meet the requirements of 13 CFR 124.103(c)(2), and my social disadvantage has negatively impacted my entry into or advancement in the business world, as described in 13 CFR 124.103(c)(2)(iv).

II. **Ownership and Control**

Describe the ownership interest of the socially disadvantaged individual in the general partner or managing member of the applicant for Credits (provide any supporting documentation necessary to verify said ownership interest, such as the organizational chart provided elsewhere in the application for Credits).

Wavord Hayes is the 100% owner of RWN Consulting Group LLC. RWN Consulting Group LLC owns 25% of Middlebrook Trace II MM VA LLC which is the Managing Member of Middlebrook Trace II VA LLC. See organizational chart in Tab A of this Reservation Application.

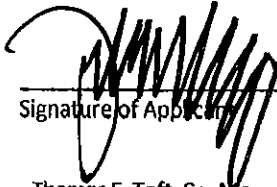
[Application continues on following page]

CERTIFICATION OF ELIGIBILITY

I hereby certify that the undersigned principal has an ownership interest of at least 25% in the controlling general partner or managing member for the proposed development, as required by the Plan. I hereby further certify that all information in this certification is true and complete to the best of my knowledge, that the Authority is relying upon this information for the purpose of allocating Credits, and that any false statements made herein may subject both the undersigned principal and the undersigned applicant to disqualification from current and future awards of Credits in Virginia.

APPLICANT:

Middlebrook Trace VA LLC  
Name of Applicant

  
Signature of Applicant

Thomas F. Taft, Sr., Managing Member of Taft-Mills Group, LLC the Managing Member of Middlebrook Trace II MM VA LLC  
the Managing Member of Middlebrook Trace II VA LLC  
Printed Name and Title of Authorized Signer

PRINCIPAL:

  
Signature of Qualifying Principal

Wavord Hayes, Managing Member of RWN Consulting Group LLC  
Printed Name and Title of Qualifying Principal