

Tab A:

Signed PDF of the Excel Application(MANDATORY)

2024 Federal Low Income Housing Tax Credit Program

Application For Reservation

Deadline for Submission

9% Competitive Credits

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

Tax Exempt Bonds

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



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

INSTRUCTIONS FOR THE VIRGINIA 2024 LIHTC APPLICATION FOR RESERVATION

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

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

Applications For 9% Competitive Credits

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

Please Note:

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

There should be distinct files which should include the following:

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

IMPORTANT:

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

Disclaimer:

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

Entering Data:

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

Please Note:

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

Assistance:

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

Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Jonathan Kinsey	jonathan.kinsey@virginiahousing.com	(804) 584-4717
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
Lauren Dillard	lauren.dillard@virginiahousing.com	(804) 584-4729
Jaki Whitehead	jaki.whitehead@virginiahousing.com	(804) 343-5861
Hadia Ali	hadia.ali@virginiahousing.com	(804) 343-5873

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

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

VHDA TRACKING NUMBER

2024-TEB-135

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 6/20/2024

1. Development Name:

Walmsley Gardens - Family

2. Address (line 1):

4850, 4870 & 4890 Walmsley Blvd.

Address (line 2):

City:

Richmond

State:

VA

Zip:

23224

3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate.

Longitude:

00.00000

Latitude:

00.00000

(Only necessary if street address or street intersections are not available.)

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

City/County of

Richmond City

5. The site overlaps one or more jurisdictional boundaries.....

FALSE

If true, what other City/County is the site located in besides response to #4?.....

6. Development is located in the census tract of:

708.03

7. Development is located in a Qualified Census Tract.....

TRUE

Note regarding DDA and QCT

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

FALSE

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

TRUE

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

FALSE

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

FALSE

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

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

3%	10%	12%
FALSE	FALSE	FALSE

Enter only Numeric Values below:

13. Congressional District:

4

Planning District:

15

State Senate District:

15

State House District:

77

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

Walmsley Gardens - Family will be a new construction multi-family community comprised of 216 units targeting families earning no more than 60% of the area median income.

VHDA TRACKING NUMBER		2024-TEB-135
A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT		Application Date: 6/20/2024

15. Local Needs and Support

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

Chief Executive Officer's Name:	J.E. Lincoln Saunders		
Chief Executive Officer's Title:	Chief Administrative Officer	Phone:	(804) 646-7987
Street Address:	900 East Broad Street, Suite 201		
City:	Richmond	State:	VA Zip: 23219

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

Kevin Vonck, Director of Planning and Development Review, 804.646.3741

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

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

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

B. RESERVATION REQUEST INFORMATION**1. Requesting Credits From:**

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

or

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

New Construction

For Tax Exempt Bonds, where are bonds being issued?

Richmond Redevelopment & Housing Authority

ACTION: Provide Inducement Resolution at **TAB Y** (if available)**Skip to Number 4 below.****2. Type(s) of Allocation/Allocation Year**

Definitions of types:

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

3. Select Building Allocation type:

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

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

5. Planned Combined 9% and 4% Developments

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

If true, provide name of companion development:

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

FALSE

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

Total Units within 9% allocation request?

0

Total Units within 4% Tax Exempt Allocation Request?

0

Total Units:

0

% of units in 4% Tax Exempt Allocation Request:

0.00%

6. Extended Use Restriction

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

Must Select One: 40**Definition of selection:**

Development will be subject to an extended use agreement of 25 additional years after the 15-year compliance period for a total of 40 years.

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

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

C. OWNERSHIP INFORMATION

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

1. Owner Information:

Must be an individual or legally formed entity.

a. Owner Name: Walmsley Gardens, LLC

Developer Name: Walmsley Family Developer, LLC

Contact: M/M ☒ Mr. First: Zachery MI: R Last: Frederick

Address: 2601 West Broad Street, Suite 201

City: Richmond St. ☒ VA Zip: 23220

Phone: (804) 519-3425 Ext. Fax:

Email address: zac@crescent-development.com

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

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

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

Andrew N. Basham, andrew@spy-rock.com, (804) 201-9618

- ACTION:**
- a. Provide Owner's organizational documents (e.g. Partnership agreements and Developer Fee agreement) **(Mandatory TAB A)**
 - b. Provide Certification from Virginia State Corporation Commission **(Mandatory TAB B)**
 - c. Provide Principals' Previous Participation Certification **(Mandatory TAB C)**
 - d. Provide a chart of ownership structure (Org Chart) and a list of all LIHTC Developments within the last 15 years. **(Mandatory at TABS A/D)**

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

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

2. Developer Experience:

May select one or more of the following choices:

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

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

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

D. SITE CONTROL

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

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

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

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

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type: ☒ Purchase Contract

Expiration Date: 11/4/2024

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..... 11/4/2024 .

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

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

D. SITE CONTROL

3. Seller Information:

Name: KCH Total Management, LLC, Chin Ha Kim & Eun Kyung Kim

Address: 3330 Broad Rock Boulevard

City: RichmondSt.: VAZip: 23224

Contact Person: Chin Ha KimPhone:

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

If above statement is TRUE, complete the following:

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

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

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

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

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

1. Tax Attorney:	Allison T. Domson	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen	DEI Designation?	FALSE
Address:	200 South 10th Street, Suite 1600, Richmond, VA 23219		
Email:	adomson@williamsmullen.com	Phone:	(804) 420-6915
2. Tax Accountant:	Tom Boccia	This is a Related Entity.	FALSE
Firm Name:	Novogradac & Company LLP	DEI Designation?	FALSE
Address:	1100 Superior Avenue, Suite 900, Cleveland, OH 44114		
Email:	thomas.boccia@novoco.com	Phone:	(216) 239-5525
3. Consultant:	Ryne Johnson	This is a Related Entity.	FALSE
Firm Name:	Astoria, LLC	DEI Designation?	FALSE
Address:	3450 Lady Marian Court, Midlothian, VA 231	Role:	
Email:	rynejohnson@astoriallc.com	Phone:	(804) 320-0585
4. Management Entity:	Eddie Duke	This is a Related Entity.	FALSE
Firm Name:	SteelHead Management	DEI Designation?	FALSE
Address:	3810 W. Broad St., Suite 200, Richmond, VA 23230		
Email:	eddie@steelheadmanagement.com	Phone:	(804) 380-5293
5. Contractor:	Michael Lynch	This is a Related Entity.	FALSE
Firm Name:	KBS, Inc.	DEI Designation?	FALSE
Address:	8050 Kimway Drive, Richmond, VA 23228		
Email:	mlynch@kbsgc.com	Phone:	(804) 262-0100
6. Architect:	Michael R. Poole	This is a Related Entity.	FALSE
Firm Name:	Poole & Poole	DEI Designation?	FALSE
Address:	4240 Park Place Court, Glen Allen, VA 23060		
Email:	mpoole@2pa.net	Phone:	(804) 225-0215
7. Real Estate Attorney:	Jeffrey P. Geiger	This is a Related Entity.	FALSE
Firm Name:	Hirschler	DEI Designation?	FALSE
Address:	2100 E. Cary St., Richmond, VA 23223		
Email:	jgeiger@hirschlerlaw.com	Phone:	(804) 771-9500
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	
9. Other:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:			
Email:		Phone:	

F. REHAB INFORMATION**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development..... **FALSE**

Action: If true, provide an electronic copy of the Existing Condition Questionnaire, Unit by Unit Matrix and Appraisal.

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

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

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

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

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

2. Ten-Year Rule For Acquisition Credits

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

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

- i. Subsection (I)..... **FALSE**
ii. Subsection (II)..... **FALSE**
iii. Subsection (III)..... **FALSE**
iv. Subsection (IV)..... **FALSE**
v. Subsection (V)..... **FALSE**

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

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section 1 must be completed in order to compete in the Non Profit tax credit pool.

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: ▶

Name:

Contact Person:

Street Address:

City:

State: ▶

Zip:

Phone:

Contact Email:

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

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

Name of qualified nonprofit:

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

Name of Local Housing Authority

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

Do not select if extended compliance is selected on Request Info Tab
Action: Provide Homeownership Plan (TAB N) and contact Virginia Housing for a Pre-Application Meeting

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

H. STRUCTURE AND UNITS INFORMATION**1. General Information**

a. Total number of all units in development	216	bedrooms	432
Total number of rental units in development	216	bedrooms	432
Number of low-income rental units	216	bedrooms	432
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	216	bedrooms	432
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....	251,064.00	(Sq. ft.)	
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....	41,346.00	(Sq. ft.)	
f. Nonresidential Commercial Floor Area (Not eligible for funding).....	0.00		
g. Total Usable Residential Heated Area.....	209,718.00	(Sq. ft.)	
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space	100.00%		
i. Exact area of site in acres	8.363		
j. Locality has approved a final site plan or plan of development.....	TRUE		
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....	FALSE		

Definition:

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

H. STRUCTURE AND UNITS INFORMATION**2. UNIT MIX**

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

Note: Average sq foot should include the prorata of common space.	Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
	Supportive Housing	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	630.00	SF	54	54
	2BR Garden	1043.50	SF	108	108
	3BR Garden	1151.00	SF	54	54
	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
				216	216

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

3. Structures

a. Number of Buildings (containing rental units)..... **9**

b. Age of Structure:..... **0** years

c. Maximum Number of stories:..... **3**

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

e. Commercial Area Intended Use: **N/A**

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

i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood).....

TRUE

ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood).....

FALSE

iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood).....

FALSE

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

i. Row House/Townhouse

FALSE

v. Detached Single-family

FALSE

ii. Garden Apartments

TRUE

vi. Detached Two-family

FALSE

iii. Slab on Grade

TRUE

vii. Basement

FALSE

iv. Crawl space

FALSE

h. Development contains an elevator(s).

FALSE

If true, # of Elevators.

0

Elevator Type (if known)

H. STRUCTURE AND UNITS INFORMATION

H. STRUCTURE AND UNITS INFORMATION

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Stand-alone club house building

m. Number of Proposed Parking Spaces 328
Parking is shared with another entity FALSE

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

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

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

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

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

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

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

J. ENHANCEMENTS

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

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

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

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

- ACTION:** Provide RESNET rater certification of Development Plans **(TAB F)**
- ACTION:** Provide Internet Safety Plan and Resident Information Form **(Tab W)** if corresponding options selected below.

REQUIRED:

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

TRUE	a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only.
15.00%	b1. Percentage of brick covering the exterior walls.
85.00%	b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations.
FALSE	c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
TRUE	d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
FALSE	e. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
	f. <i>Not applicable for 2024 Cycles</i>
FALSE	g. Each unit is provided free individual broadband/high speed internet access.
or	<i>(both access point categories have a minimum upload/download speed per manual.)</i>
FALSE	h. Each unit is provided free individual WiFi access.
FALSE	i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
or	
FALSE	j. Full bath fans are equipped with a humidistat.
FALSE	k. Cooking surfaces are equipped with fire prevention features as defined in the manual
or	
FALSE	l. Cooking surfaces are equipped with fire suppression features as defined in the manual
FALSE	m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
or	
FALSE	n. All Construction types: each unit is equipped with a permanent dehumidification system.
FALSE	o. All interior doors within units are solid core.
FALSE	p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
TRUE	q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
0%	r. Percentage of development's on-site electrical load that can be met by a renewable energy electric system

J. ENHANCEMENTS(for the benefit of the tenants) - Provide documentation at **Tab F**.

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

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

- FALSE** a. All cooking ranges have front controls.

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

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

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

2. Green Certification

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

The applicant will also obtain one of the following:

- TRUE** Earthcraft Gold or higher certification

FALSE

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

- FALSE** LEED Certification

FALSE

Enterprise Green Communities (EGC) Certification

If Green Certification is selected, no points will be awarded for d. Watersense Bathroom fixtures above.**Action:** If seeking any points associated Green certification, provide appropriate documentation at **TAB F**.

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

- FALSE** Zero Energy Ready Home Requirements

FALSE

Passive House Standards

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

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

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

0

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

0% of Total Rental Units

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

If not, please explain:



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

I. UTILITIES

1. Utilities Types:

- a. Heating Type

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?

TRUE

Heat?

FALSE
- Hot Water?

FALSE

AC?

FALSE
- Lighting/ Electric?

FALSE

Sewer?

TRUE
- Cooking?

FALSE

Trash Removal?

TRUE

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	16	19	22	0
Air Conditioning	0	7	9	10	0
Cooking	0	6	8	9	0
Lighting	0	25	30	36	0
Hot Water	0	15	18	21	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$69	\$84	\$98	\$0

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

- a. FALSE

HUD

d. FALSE

Local PHA
- b. FALSE

Utility Company (Estimate)

e. TRUE

Other: viridiant
- c. FALSE

Utility Company (Actual Survey)

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

K. SPECIAL HOUSING NEEDS

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

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

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

FALSE

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

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

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

FALSE

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

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



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

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

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

FALSE

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

FALSE

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

FALSE

Supportive Housing (as described in the Tax Credit Manual)

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

FALSE

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

K. SPECIAL HOUSING NEEDS

K. SPECIAL HOUSING NEEDS

b. The development has existing tenants and a relocation plan has been developed.....

(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.)

FALSE

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

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: No

Organization which holds waiting list:

Contact person:

Title:

Phone Number:

Action: Provide required notification documentation (TAB L)

b. Leasing preference will be given to individuals and families with children.....

(Less than or equal to 20% of the units must have of 1 or less bedrooms).

FALSE

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 54

% of total Low Income Units 25%

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

[Download Current CMA List from VirginiaHousing.com](#)

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

4. Target Population Leasing Preference

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

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

First Name: Rebecca

Last Name: Bryan

K. SPECIAL HOUSING NEEDS

Phone Number: (804) 564-8575 Email: rebecca@steelheadmanagement.com

K. SPECIAL HOUSING NEEDS

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

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

- FALSE

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

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

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

6. Rental Assistance

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

FALSE

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

- FALSE

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

Section 8 New Construction Substantial Rehabilitation
- FALSE

Section 8 Moderate Rehabilitation
- FALSE

Section 811 Certificates
- FALSE

Section 8 Project Based Assistance
- FALSE

RD 515 Rental Assistance
- FALSE

Section 8 Vouchers

*Administering Organization:
- FALSE

State Assistance

*Administering Organization:
- FALSE

Other:

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

FALSE

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

0

d. Number of units receiving assistance:

0

How many years in rental assistance contract?

Expiration date of contract:

There is an Option to Renew.....

FALSE

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

7. Public Housing Revitalization

Is this development replacing or revitalizing Public Housing Units?

FALSE

K. SPECIAL HOUSING NEEDS

If so, how many existing Public Housing units?

0

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

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

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
216	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
216	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
216	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
216	100.00%	Total

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

20-30% Levels

FALSE

40% Levels

FALSE

50% levels

FALSE

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

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

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



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	1 BR - 1 Bath	60% AMI	52	0	630.00	\$1,173.00	\$60,996
Mix 2	1 BR - 1 Bath	60% AMI	2	0	630.00	\$1,173.00	\$2,346
Mix 3	2 BR - 2 Bath	60% AMI	54	0	1001.00	\$1,405.00	\$75,870
Mix 4	2 BR - 2 Bath	60% AMI	46	0	1086.00	\$1,405.00	\$64,630
Mix 5	2 BR - 2 Bath	60% AMI	6	0	1086.00	\$1,405.00	\$8,430
Mix 6	2 BR - 2 Bath	60% AMI	2	0	1086.00	\$1,405.00	\$2,810
Mix 7	3 BR - 2 Bath	60% AMI	52	0	1151.00	\$1,623.00	\$84,396
Mix 8	3 BR - 2 Bath	60% AMI	2	0	1151.00	\$1,623.00	\$3,246
Mix 9							\$0

L. UNIT DETAILS

Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0
Mix 23							\$0
Mix 24							\$0
Mix 25							\$0
Mix 26							\$0
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Mix 58							\$0
Mix 59							\$0
Mix 60							\$0
Mix 61							\$0
Mix 62							\$0
Mix 63							\$0
Mix 64							\$0
Mix 65							\$0

L. UNIT DETAILS

Mix 66							\$0
Mix 67							\$0
Mix 68							\$0
Mix 69							\$0
Mix 70							\$0
Mix 71							\$0
Mix 72							\$0
Mix 73							\$0
Mix 74							\$0
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Mix 87							\$0
Mix 88							\$0
Mix 89							\$0
Mix 90							\$0
Mix 91							\$0
Mix 92							\$0
Mix 93							\$0
Mix 94							\$0
Mix 95							\$0
Mix 96							\$0
Mix 97							\$0
Mix 98							\$0
Mix 99							\$0
Mix 100							\$0
TOTALS			216	0			\$302,724

Total Units	216	Net Rentable SF:	TC Units	208,872.00
			MKT Units	0.00
			Total NR SF:	208,872.00

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

M. OPERATING EXPENSES**Administrative:****Use Whole Numbers Only!**

1. Advertising/Marketing			\$27,000
2. Office Salaries			\$0
3. Office Supplies			\$2,250
4. Office/Model Apartment	(type		\$0
5. Management Fee			\$119,256
<u>3.33%</u> of EGI	<u>\$552.11</u>	Per Unit	
6. Manager Salaries			\$117,500
7. Staff Unit (s)	(type		\$0
8. Legal			\$4,500
9. Auditing			\$10,000
10. Bookkeeping/Accounting Fees			\$38,250
11. Telephone & Answering Service			\$12,850
12. Tax Credit Monitoring Fee			\$14,040
13. Miscellaneous Administrative			\$8,250
Total Administrative			\$353,896

Utilities

14. Fuel Oil		\$0
15. Electricity		\$12,500
16. Water		\$65,000
17. Gas		\$500
18. Sewer		\$2,500
Total Utility		\$80,500

Operating:

19. Janitor/Cleaning Payroll		\$0
20. Janitor/Cleaning Supplies		\$0
21. Janitor/Cleaning Contract		\$47,500
22. Exterminating		\$10,250
23. Trash Removal		\$25,000
24. Security Payroll/Contract		\$3,000
25. Grounds Payroll		\$0
26. Grounds Supplies		\$0
27. Grounds Contract		\$12,500
28. Maintenance/Repairs Payroll		\$72,500
29. Repairs/Material		\$18,250
30. Repairs Contract		\$20,250
31. Elevator Maintenance/Contract		\$0
32. Heating/Cooling Repairs & Maintenance		\$0
33. Pool Maintenance/Contract/Staff		\$12,000
34. Snow Removal		\$0
35. Decorating/Payroll/Contract		\$750
36. Decorating Supplies		\$0
37. Miscellaneous		\$0
Totals Operating & Maintenance		\$222,000

M. OPERATING EXPENSES**Taxes & Insurance**

38. Real Estate Taxes		\$213,047
39. Payroll Taxes		\$37,500
40. Miscellaneous Taxes/Licenses/Permits		\$0
41. Property & Liability Insurance	\$411 per unit	\$88,750
42. Fidelity Bond		\$0
43. Workman's Compensation		\$0
44. Health Insurance & Employee Benefits		\$85,300
45. Other Insurance		\$0
Total Taxes & Insurance		\$424,597

Total Operating Expense**\$1,080,993**

Total Operating Expenses Per Unit	\$5,005	C. Total Operating Expenses as % of EGI	30.16%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum)	\$54,000
---	-----------------

Total Expenses	\$1,134,993
-----------------------	--------------------

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	4/22/2022	Zachery R. Frederick
b. Site Acquisition	8/1/2024	Zachery R. Frederick
c. Zoning Approval	6/26/2023	Zachery R. Frederick
d. Site Plan Approval	6/7/2024	Andrew N. Basham
2. Financing		
a. Construction Loan		
i. Loan Application	2/20/2024	Zachery R. Frederick
ii. Conditional Commitment	5/10/2024	Zachery R. Frederick
iii. Firm Commitment	7/26/2024	Zachery R. Frederick
b. Permanent Loan - First Lien		
i. Loan Application	2/20/2024	Zachery R. Frederick
ii. Conditional Commitment	5/10/2024	Zachery R. Frederick
iii. Firm Commitment	7/26/2024	Zachery R. Frederick
c. Permanent Loan-Second Lien		
i. Loan Application	N/A	Zachery R. Frederick
ii. Conditional Commitment	N/A	Zachery R. Frederick
iii. Firm Commitment	N/A	Zachery R. Frederick
d. Other Loans & Grants		
i. Type & Source, List	ARPA	Zachery R. Frederick
ii. Application	2/14/2023	Zachery R. Frederick
iii. Award/Commitment	10/3/2023	Zachery R. Frederick
2. Formation of Owner	2/10/2023	Zachery R. Frederick
3. IRS Approval of Nonprofit Status	N/A	Zachery R. Frederick
4. Closing and Transfer of Property to Owner	8/1/2024	Zachery R. Frederick
5. Plans and Specifications, Working Drawings	6/27/2023	Andrew N. Basham
6. Building Permit Issued by Local Government	7/31/2024	Andrew N. Basham
7. Start Construction	8/1/2024	Andrew N. Basham
8. Begin Lease-up	12/1/2025	S. Taylor Williams
9. Complete Construction	5/31/2026	Andrew N. Basham
10. Complete Lease-Up	12/31/2026	S. Taylor Williams
11. Credit Placed in Service Date	5/1/2026	Zachery R. Frederick

O. PROJECT BUDGET - HARD COSTS**Cost/Basis/Maximum Allowable Credit**

Complete cost column and basis column(s) as appropriate

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

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

Must Use Whole Numbers Only!		Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
Item	(A) Cost	"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	33,930,842	0	33,930,842	0
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	33,930,842	0	33,930,842	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input type="checkbox"/> 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	0	0	0	0
q. Other Site work	0	0	0	0
Total Land Improvements	0	0	0	0
Total Structure and Land	33,930,842	0	33,930,842	0
r. General Requirements	2,390,962	0	2,390,962	0
s. Builder's Overhead	1,024,698	0	1,024,698	0
(3.0% Contract)				
t. Builder's Profit	1,024,698	0	1,024,698	0
(3.0% Contract)				
u. Bonds	0	0	0	0
v. Building Permits	200,000	0	200,000	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: <input type="text"/>	0	0	0	0
z. Other 2: <input type="text"/>	0	0	0	0
aa. Other 3: <input type="text"/>	0	0	0	0
Contractor Costs	\$38,571,200	\$0	\$38,571,200	\$0

Construction cost per unit: \$178,570.37

MAXIMUM COMBINED GR, OVERHEAD & PROFIT =

\$4,750,318

ACTUAL COMBINED GR, OVERHEAD & PROFIT =

\$4,440,358

O. PROJECT BUDGET - OWNER COSTS

		To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.		
MUST USE WHOLE NUMBERS ONLY! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$3,241 /Unit)	700,000	0	700,000	0
c. Architecture Supervision Fee \$0 /Unit)	0	0	0	0
d. Tap Fees	0	0	0	0
e. Environmental	25,000	0	25,000	0
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	15,000	0	0	0
i. Market Study	15,000	0	0	0
j. Site Engineering / Survey	30,000	0	30,000	0
k. Construction/Development Mgt	450,000	0	450,000	0
l. Structural/Mechanical Study	100,000	0	100,000	0
m. Construction Loan Origination Fee	3,812,500	0	3,812,500	0
n. Construction Interest (0.0% for 0 months)	5,924,749	0	2,785,669	0
o. Taxes During Construction	70,746	0	70,746	0
p. Insurance During Construction	375,000	0	375,000	0
q. Permanent Loan Fee (0.0%)	10,000			
r. Other Permanent Loan Fees	450,000			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	25,000	0	25,000	0
u. Accounting	50,000	0	45,000	0
v. Title and Recording	250,000	0	230,000	0
w. Legal Fees for Closing	400,000	0	400,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	186,439			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	225,000	0	225,000	0
ab. Organization Costs	10,000			
ac. Operating Reserve	1,540,151			
ad. Contingency	0			
ae. Security	30,000	0	30,000	0
af. Utilities	30,000	0	30,000	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify:	Inspection Fee	39,600	0	39,600	0
(2) Other* specify:	Marketing/Lease Up	150,000	0	0	0
(3) Other* specify:	Syndication Fee	125,000	0	0	0
(4) Other* specify:		0	0	0	0
(5) Other* specify:		0	0	0	0
(6) Other* specify:		0	0	0	0
(7) Other* specify:		0	0	0	0
(8) Other* specify:		0	0	0	0
(9) Other* specify:		0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))		\$15,039,185	\$0	\$9,373,515	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)		\$53,610,385	\$0	\$47,944,715	\$0
3. Developer's Fees		4,918,717	0	3,000,000	0
4. Owner's Acquisition Costs					
Land		2,498,580			
Existing Improvements		0	0		
Subtotal 4:		\$2,498,580	\$0		
5. Total Development Costs					
Subtotal 1+2+3+4:		\$61,027,682	\$0	\$50,944,715	\$0

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$4,918,717

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

\$233 **Meets Limits**
\$344

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

\$270,968 **Meets Limits**
\$331,194

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	61,027,682	0	50,944,715	0

2. Reductions in Eligible Basis

a. Amount of federal grant(s) used to finance qualifying development costs	0	0	0
b. Amount of nonqualified, nonrecourse financing	0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)	0	0	0
d. Historic Tax Credit (residential portion)	0	0	0
3. Total Eligible Basis (1 - 2 above)	0	50,944,715	0

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

a. For QCT or DDA (Eligible Basis x 30%)	15,283,415	0
State Designated Basis Boosts:		
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0
Total Adjusted Eligible basis	66,228,130	0

5. Applicable Fraction	100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)	0	66,228,130	0
7. Applicable Percentage	4.00%	4.00%	9.00%

8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage)	\$0	\$2,649,125	\$0
(Must be same as BIN total and equal to or less than credit amount allowed)	\$2,649,125 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.	Bank of America	02/20/24		\$36,250,000	Sam Buzzelli	
2.	Other - ARPA Grant/Loan	02/14/23	10/03/23	\$1,000,000		
3.						
Total Construction Funding:				\$37,250,000		

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

Source of Funds		Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
		(Whole Numbers only)						
1.	Cedar Rapids Bank & Trust	2/20/2024		\$31,741,351	\$2,122,356	6.10%	40	18
2.	Other - ARPA Grant/Loan	2/14/2023	10/3/2023	\$1,000,000		0.00%	30	30
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
Total Permanent Funding:				\$32,741,351	\$2,122,356			

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

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

Q. SOURCES OF FUNDS

4. Subsidized Funding

Source of Funds		Date of Commitment	Amount of Funds
1.	ARPA Grant/Loan	10/3/2023	\$1,000,000
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$1,000,000

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$31,000,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$0
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$0
k.	Other:	\$0
l.	Other:	\$0

Market-Rate Loans

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

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

Q. SOURCES OF FUNDS

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

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

58.01%

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

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

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

- a. TRUE Real Estate Tax Abatement on the increase in the value of the development.
- b. FALSE New project based subsidy from HUD or Rural Development for the greater of 5 or 10% of the units in the development.
- c. FALSE Other

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

R. EQUITY**1. Equity****a. Portion of Syndication Proceeds Attributable to Historic Tax Credit**

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

b. Housing Opportunity Tax Credit Request (paired with 4% credit requests only)

Amount of State HOTC	\$0	x Equity \$	\$0.000	=	\$0
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c. Equity that Sponsor will Fund:

i. Cash Investment	\$10	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$0	(Note: Deferred Developer Fee cannot be negative.)
iv. 45L Credit Equity	\$472,824	
v. Other: <u>GIC Income</u>	\$4,501,200	

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 \$4,974,034

2. Equity Gap Calculation

a. Total Development Cost		\$61,027,682
b. Total of Permanent Funding, Grants and Equity	-	<u>\$37,715,385</u>
c. Equity Gap		<u>\$23,312,297</u>
d. Developer Equity	-	<u>\$2,328</u>
e. Equity gap to be funded with low-income tax credit proceeds		\$23,309,969

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	▶ Red Stone Equity Partners		
Contact Person:	Darren Swanson	Phone:	(704) 200-9508
Street Address:	6000 Fairview Road, Suite 550		
City:	Charlotte	State:	NC
		Zip:	28210

b. Syndication Equity

i. Anticipated Annual Credits	\$2,649,125.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.880
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	\$2,648,860
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	<u>\$23,309,969</u>

c. Syndication: Public

d. Investors: Corporate

4. Net Syndication Amount

Which will be used to pay for Total Development Costs

\$23,309,969

5. Net Equity Factor

Must be equal to or greater than 85%

88.0000008683%

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			\$61,027,682
2. Less Total of Permanent Funding, Grants and Equity	-		\$37,715,385
3. Equals Equity Gap			\$23,312,297
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)			88.0000008683%
5. Equals Ten-Year Credit Amount Needed to Fund Gap			\$26,491,246
Divided by ten years			10
6. Equals Annual Tax Credit Required to Fund the Equity Gap			\$2,649,125
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)			\$2,649,125
8. Requested Credit Amount		For 30% PV Credit:	\$2,649,125
		For 70% PV Credit:	\$0
Credit per LI Units	\$12,264.4676	Combined 30% & 70% PV Credit Requested	
Credit per LI Bedroom	\$6,132.2338		
			\$2,649,125

9. **Action:** Provide Attorney’s Opinion using Virginia Housing template (**Mandatory Tab H**)

T. CASH FLOW

1. Revenue

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

Total Monthly Rental Income for LIHTC Units	\$302,724
Plus Other Income Source (list): Tax abatement, misc.	\$18,456
Equals Total Monthly Income:	\$321,180
Twelve Months	x12
Equals Annual Gross Potential Income	\$3,854,165
Less Vacancy Allowance 7.0%	\$269,792
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$3,584,374

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

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$3,584,374
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$3,584,374
d. Total Expenses	\$1,134,993
e. Net Operating Income	\$2,449,381
f. Total Annual Debt Service	\$2,122,356
g. Cash Flow Available for Distribution	\$327,025

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	3,584,374	3,656,061	3,729,183	3,803,766	3,879,841
Less Oper. Expenses	1,134,993	1,169,043	1,204,114	1,240,237	1,277,445
Net Income	2,449,381	2,487,019	2,525,068	2,563,529	2,602,397
Less Debt Service	2,122,356	2,122,356	2,122,356	2,122,356	2,122,356
Cash Flow	327,025	364,663	402,712	441,173	480,041
Debt Coverage Ratio	1.15	1.17	1.19	1.21	1.23

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	3,957,438	4,036,587	4,117,319	4,199,665	4,283,659
Less Oper. Expenses	1,315,768	1,355,241	1,395,898	1,437,775	1,480,908
Net Income	2,641,670	2,681,346	2,721,421	2,761,890	2,802,750
Less Debt Service	2,122,356	2,122,356	2,122,356	2,122,356	2,122,356
Cash Flow	519,314	558,990	599,065	639,534	680,394
Debt Coverage Ratio	1.24	1.26	1.28	1.30	1.32

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	4,369,332	4,456,718	4,545,853	4,636,770	4,729,505
Less Oper. Expenses	1,525,336	1,571,096	1,618,229	1,666,775	1,716,779
Net Income	2,843,996	2,885,623	2,927,624	2,969,994	3,012,726
Less Debt Service	2,122,356	2,122,356	2,122,356	2,122,356	2,122,356
Cash Flow	721,640	763,267	805,268	847,638	890,370
Debt Coverage Ratio	1.34	1.36	1.38	1.40	1.42

Estimated Annual Percentage Increase in Revenue 2.00% (Must be \leq 2%)

Estimated Annual Percentage Increase in Expenses 3.00% (Must be \geq 3%)

U. Building-by-Building Information

Must Complete

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

Number of BINS:9

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS	Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit				
		TAX CREDIT UNITS	MARKET RATE UNITS							Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	
1.		24					Richmond	VA	23224				\$0	\$7,358,681	12/31/25	4.00%	\$294,347				\$0	
2.		24					Richmond	VA	23224				\$0	\$7,358,681	12/31/25	4.00%	\$294,347				\$0	
3.		24					Richmond	VA	23224				\$0	\$7,358,681	12/31/25	4.00%	\$294,347				\$0	
4.		24					Richmond	VA	23224				\$0	\$7,358,681	02/28/26	4.00%	\$294,347				\$0	
5.		24					Richmond	VA	23224				\$0	\$7,358,681	02/28/26	4.00%	\$294,347				\$0	
6.		24					Richmond	VA	23224				\$0	\$7,358,681	02/28/26	4.00%	\$294,347				\$0	
7.		24					Richmond	VA	23224				\$0	\$7,358,681	04/30/26	4.00%	\$294,347				\$0	
8.		24					Richmond	VA	23224				\$0	\$7,358,681	04/30/26	4.00%	\$294,347				\$0	
9.		24					Richmond	VA	23224				\$0	\$7,358,682	04/30/26	4.00%	\$294,347				\$0	
10.													\$0				\$0				\$0	
11.													\$0				\$0				\$0	
12.													\$0				\$0				\$0	
13.													\$0				\$0				\$0	
14.													\$0				\$0				\$0	
15.													\$0				\$0				\$0	
16.													\$0				\$0				\$0	
17.													\$0				\$0				\$0	
18.													\$0				\$0				\$0	
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21.													\$0				\$0				\$0	
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25.													\$0				\$0				\$0	
26.													\$0				\$0				\$0	
27.													\$0				\$0				\$0	
28.													\$0				\$0				\$0	
29.													\$0				\$0				\$0	
30.													\$0				\$0				\$0	
31.													\$0				\$0				\$0	
32.													\$0				\$0				\$0	
33.													\$0				\$0				\$0	
34.													\$0				\$0				\$0	
35.													\$0				\$0				\$0	
216		0 If development has more than 35 buildings, contact Virginia Housing.																				
Totals from all buildings										\$0				\$66,228,130				\$0				\$0
														\$0				\$2,649,125				\$0

Number of BINS:9

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: Walmsley Gardens, LLC

By:

Its: Managing Member


(Title)

V. STATEMENT OF ARCHITECT

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

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

Legal Name of Architect:	Michael R. Poole
Virginia License#:	0401011493
Architecture Firm or Company:	Poole & Poole Architecture

By:	
Its:	<div>Principal, CEO</div> <div>(Title)</div>

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

W.

LIHTC SELF SCORE SHEET**Self Scoring Process**

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

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

MANDATORY ITEMS:

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

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

1. READINESS:

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

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

2. HOUSING NEEDS CHARACTERISTICS:

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

N	0 or up to 5	0.00
N	0 or 20	0.00
1.64%	Up to 40	3.28
Y	0 or 5	5.00
N	0 or 10	0.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
Y	Up to 20	20.00
Total:		28.28

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			33.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	N	0 or 50	0.00
or c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Provides approved resident services or eligible childcare services	N	0 or 15	0.00
e. Provides telephonic or virtual health services	N	0 or 15	0.00
f. Proximity to public transportation	Y10	0, 10 or 20	10.00
g. Development will be Green Certified	Y	0 or 10	10.00
h. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
i. Developments with less than 100 low income units	N	up to 20	0.00
j. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			53.00

4. TENANT POPULATION CHARACTERISTICS:

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

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	25.00%	Up to 15	0.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			0.00

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit	Up to 200	89.00
b. Cost per unit	Up to 100	64.46
Total:		153.46

7. BONUS POINTS:

a. Extended Use Restriction	25 Years	40 or 50	40.00
or b. Nonprofit or LHA purchase option	N	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 30	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Diversity, Equity and Inclusion Designation	N	0 or 5	0.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N	0 or 20	0.00
Total:			45.00

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

TOTAL SCORE: **314.74**

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	26.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	0.00
f. N/A for 2022	0	0.00
g. Each unit provided free individual high speed internet access	10	0.00
h. Each unit provided free individual WiFi	12	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. % of renewable energy electric systems	10	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>33.00</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:		<u>33.00</u>

X.

Development Summary

Summary Information

2024 Low-Income Housing Tax Credit Application For Reservation

Deal Name:

Walmsley Gardens - Family

Cycle Type:4% Tax Exempt Bonds Credits

Requested Credit Amount:\$2,649,125

Allocation Type:0

Jurisdiction:Richmond City

Total Units216

Population Target:General

Total LI Units216

Total Score314.74

Project Gross Sq Ft:251,064.00

Owner Contact:Zachery Frederick

Green Certified?TRUE

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$32,741,351	\$151,580	\$130	\$2,122,356
Grants	\$0	\$0		
Subsidized Funding	\$1,000,000	\$4,630		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$33,930,842	\$157,087	\$135	55.60%
General Req/Overhead/Profit	\$4,440,358	\$20,557	\$18	7.28%
Other Contract Costs	\$200,000	\$926	\$1	0.33%
Owner Costs	\$15,039,185	\$69,626	\$60	24.64%
Acquisition	\$2,498,580	\$11,568	\$10	4.09%
Developer Fee	\$4,918,717	\$22,772	\$20	8.06%
Total Uses	\$61,027,682	\$282,536		

Income	
Gross Potential Income - LI Units	\$3,854,165
Gross Potential Income - Mkt Units	\$0
Subtotal	\$3,854,165
Less Vacancy %7.00%	\$269,792
Effective Gross Income	\$3,584,374

Rental Assistance?

FALSE

Expenses		
Category	Total	Per Unit
Administrative	\$353,896	\$1,638
Utilities	\$80,500	\$373
Operating & Maintenance	\$222,000	\$1,028
Taxes & Insurance	\$424,597	\$1,966
Total Operating Expenses	\$1,080,993	\$5,005
Replacement Reserves	\$54,000	\$250
Total Expenses	\$1,134,993	\$5,255

Cash Flow	
EGI	\$3,584,374
Total Expenses	\$1,134,993
Net Income	\$2,449,381
Debt Service	\$2,122,356
Debt Coverage Ratio (YR1):	1.15

Total Development Costs	
Total Improvements	\$53,610,385
Land Acquisition	\$2,498,580
Developer Fee	\$4,918,717
Total Development Costs	\$61,027,682

Proposed Cost Limit/Sq Ft:

\$233

Applicable Cost Limit/Sq Ft:

\$344

Proposed Cost Limit/Unit:

\$270,968

Applicable Cost Limit/Unit:

\$331,194

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	54
# of 2BR	108
# of 3BR	54
# of 4+ BR	0
Total Units	216

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	216	216
>60% AMI	0	0
Market	0	0

Income Averaging?

FALSE

Extended Use Restriction?

40

Y. Efficient Use of Resources

Credit Points for 9% Credits:

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

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

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

Combined Max	\$2,649,125
Credit Requested	\$2,649,125
% of Savings	0.00%
Sliding Scale Points	89

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	\$58,529,102
Total Square Feet	251,064.00
Proposed Cost per SqFt	\$233.12
Applicable Cost Limit per Sq Ft	\$344.00
% of Savings	32.23%
Total Units	216
Proposed Cost per Unit	\$270,968
Applicable Cost Limit per Unit	\$331,194
% of Savings	18.18%
Max % of Savings	32.23%
Sliding Scale Points	64.46

Tab A:

Organizational Documents, developer fee agreement and Org Chart for this deal
(MANDATORY)

**OPERATING AGREEMENT
OF
WALMSLEY GARDENS, LLC**

APRIL 10, 2024

Operating Agreement

This Operating Agreement, dated effective as of April 10, 2024 (the "Operating Agreement"), is made by Walmsley Gardens MM, LLC, a Virginia limited liability company (the "Member") the sole member of Walmsley Gardens, LLC, a Virginia limited liability company (the "Company"), to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted.

Section 1 Organization and Purpose

1.01 *Formation of Company.* The Member has caused the Company to be organized as a limited liability company under the Virginia Limited Liability Company Act, Virginia Code §13.1-1000, *et seq.* (the "Act"). The Articles of Organization of the Company (the "Articles") were filed with the Virginia State Corporation Commission and a Certificate of Organization was issued on February 10, 2023.

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

1.03 *Purpose.* The Company shall own, operate, lease, develop, construct and maintain that certain affordable housing development to be located in the City of Richmond, Virginia. Additionally, the Company may engage in any and all lawful activities as may be necessary, incidental or convenient to carrying out the business of the Company as contemplated in this Operating Agreement.

1.04 *Registered Agent.* The name and address of the registered agent of the Company for the purposes of the Act is Crescent Preservation & Development Co., LLC whose address is 2601 West Broad Street, Suite 201, Richmond, Virginia 23220. The sole duty of the registered agent shall be to forward to the Company at its principal office and place of business any notice that is served on it.

Section 2 Management

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

2.02 *Management of the Company.*

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

(b) The Manager is granted the right, power, and authority to do in the name of, and on behalf of, the Company all things that, in the Manager's sole judgment, are necessary, proper or desirable to carry out the purposes of the Company, including, but not limited to, the right, power and authority to enter into any kind of contract or activity and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Company, so long as those activities and contracts may be lawfully carried on or performed by a limited liability company under applicable laws and regulations.

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

2.03 *Compensation and Reimbursements.*

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

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

Section 3 **Member Meetings**

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

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

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

Section 4

Capital Contributions and Distributions

4.01 *Member's Capital Contributions.*

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

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

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

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

Section 5

Tax Matters

Tax Status. It is intended that the Company be treated as a single member entity within the meaning of Section 301.7701-2(c)(2) of the Treasury Regulations and, accordingly, disregarded as a separate entity for tax purposes, until such time as another member is admitted to the Company.

Section 6

Dissolution and Termination

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

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

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

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

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

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

(a) First, to the payment of the debts and liabilities of the Company (including but not limited to loans made by the Member) and the expenses of liquidation, including a sales commission to the selling agent, if any; then

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

(c) Third, to the Member.

6.05 *Certificate of Cancellation.*

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

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

Section 7

Notices

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

have been given at the time it is deposited, postage prepaid, in the United States mail. Notice to a person may also be given personally or by telegram or telecopy sent to his address as it appears on the records of the Company.

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

Section 8

Miscellaneous Provisions

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

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

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

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

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

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

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

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

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

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


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

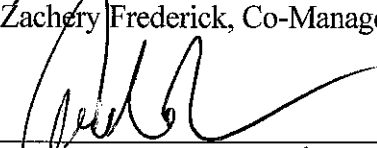
8.12 *Counterparts.* This Operating Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

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

Walmsley Gardens MM, LLC,
a Virginia limited liability company

By: 
Zachery Frederick, Co-Manager

By: 
Andrew Basham, Co-Manager

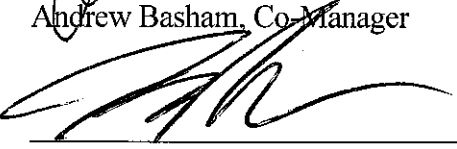
By: 
S. Taylor Williams, Co-Manager

EXHIBIT A

TO OPERATING AGREEMENT OF WALMSLEY GARDENS, LLC

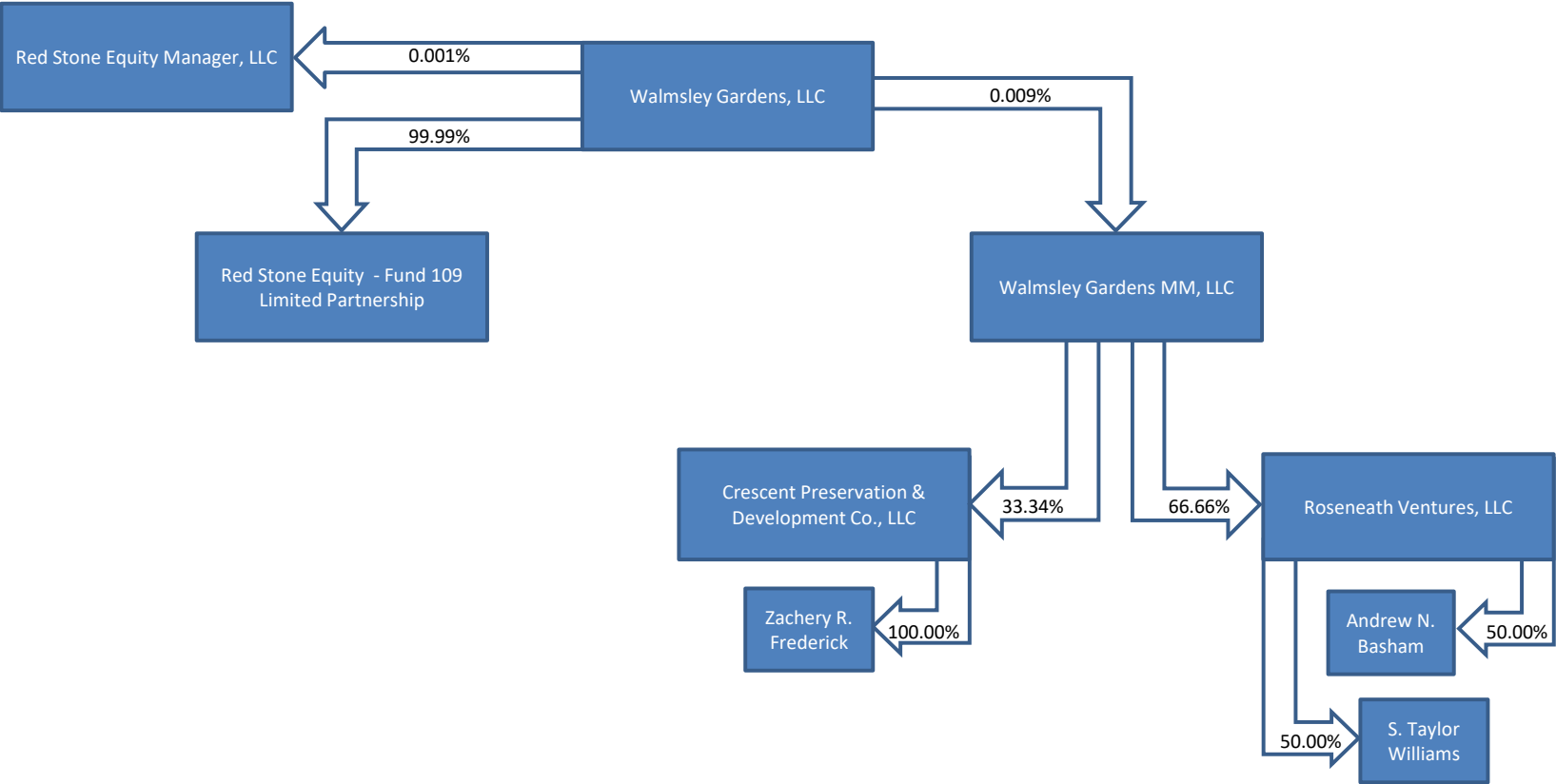
**Member's Name, Address, Membership Interests
and Initial Capital Contributions**

<u>Name</u>	<u>Address</u>	<u>Membership Interest</u>	<u>Initial Capital Contributions</u>
Walmsley Gardens MM, LLC	2601 W. Broad Street Suite 201 Richmond, VA 23220	100.0%	*
Total		100.0%	*

*To be determined by the accountants

Walmsley Gardens_ LLC - Initial Operating Agreement(105049692.1)

Walmsley Gardens (Family)
Walmsley Gardens, LLC
Organizational Chart



Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, February 10, 2023

This is to certify that the certificate of organization of

Walmsley Gardens, 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: February 10, 2023



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, April 10, 2024

This is to certify that the certificate of organization of

Walmsley Gardens MM, 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: April 10, 2024



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:

Name of Applicant (entity):

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

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

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

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

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

5. There are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the Participants were Principals.
6. During any time that any of the Participants were Principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for such property.
7. None of the Participants has been convicted of a felony and is not presently the subject of a complaint or indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less.
8. None of the Participants has been suspended, debarred, or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity.
9. None of the Participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the Participants is a Virginia Housing employee or a member of the immediate household of any Virginia Housing employee.
11. None of the Participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the Participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the Participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the Participant was a Principal of the owner of such property (this does not refer to corrected 8823's).
14. None of the Participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
15. None of the Participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

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

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

A handwritten signature in black ink, appearing to be "J. F. Hill", written in a cursive style.

Signature

Printed Name

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



Previous Participation Certification

Development Name: **Walmsley Gardens - Family**

Name of Applicant (entity): **Walmsley Gardens, LLC**

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

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

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

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

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

5. There are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the Participants were Principals.
6. During any time that any of the Participants were Principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for such property.
7. None of the Participants has been convicted of a felony and is not presently the subject of a complaint or indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less.
8. None of the Participants has been suspended, debarred, or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity.
9. None of the Participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the Participants is a Virginia Housing employee or a member of the immediate household of any Virginia Housing employee.
11. None of the Participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the Participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the Participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the Participant was a Principal of the owner of such property (this does not refer to corrected 8823's).
14. None of the Participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
15. None of the Participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.



Previous Participation Certification & Schedule A Instructions

Previous Participation Certification Instructions:

The following certification:

- Must be completed, regardless of whether one or more Principals of the Applicant qualifies to receive points as an Experienced Sponsor.
- Must be signed by an individual who is, or is authorized to act on behalf of, the Controlling General Partner (if LP) or Managing Member (if LLC) of the Applicant, as designated in the partnership agreement or operating agreement. Virginia Housing will accept an authorization document, which gives signatory authorization to sign on behalf of the principals.
- Must be dated no more than 30 days prior to submission of the LIHTC Application.

Schedule A Instructions:

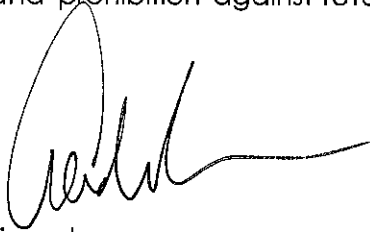
- List each Principal of the General Partner or Managing Member of the Owner that is a joint venture, partnership, limited liability company, corporation, nonprofit organization, trust, or any other public or private entity. List all individual Principals with an ownership interest in any entity within the direct chain of Principals maintaining managerial control over the General Partner or Managing Member of the Owner, except as follows:
- For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
- For Principals organized as a limited liability company with more than 100 individual members, list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
- For Principals organized as a trust, list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.

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

If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

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.

A handwritten signature in black ink, appearing to read 'Andrew N. Basham', with a long horizontal flourish extending to the right.

Signature

Andrew N. Basham

Printed Name

6.18.24

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



Previous Participation Certification

Development Name: Walmsley Gardens - Family

Name of Applicant (entity): Walmsley Gardens, LLC

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

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

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

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

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

5. There are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the Participants were Principals.
6. During any time that any of the Participants were Principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for such property.
7. None of the Participants has been convicted of a felony and is not presently the subject of a complaint or indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less.
8. None of the Participants has been suspended, debarred, or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity.
9. None of the Participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the Participants is a Virginia Housing employee or a member of the immediate household of any Virginia Housing employee.
11. None of the Participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the Participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the Participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the Participant was a Principal of the owner of such property (this does not refer to corrected 8823's).
14. None of the Participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
15. None of the Participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.



Previous Participation Certification & Schedule A Instructions

Previous Participation Certification Instructions:

The following certification:

- Must be completed, regardless of whether one or more Principals of the Applicant qualifies to receive points as an Experienced Sponsor.
- Must be signed by an individual who is, or is authorized to act on behalf of, the Controlling General Partner (if LP) or Managing Member (if LLC) of the Applicant, as designated in the partnership agreement or operating agreement. Virginia Housing will accept an authorization document, which gives signatory authorization to sign on behalf of the principals.
- Must be dated no more than 30 days prior to submission of the LIHTC Application.

Schedule A Instructions:

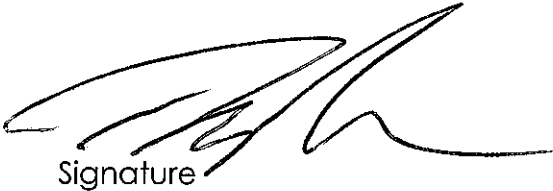
- List each Principal of the General Partner or Managing Member of the Owner that is a joint venture, partnership, limited liability company, corporation, nonprofit organization, trust, or any other public or private entity. List all individual Principals with an ownership interest in any entity within the direct chain of Principals maintaining managerial control over the General Partner or Managing Member of the Owner, except as follows:
- For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
- For Principals organized as a limited liability company with more than 100 individual members, list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
- For Principals organized as a trust, list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.

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

If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

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.

A handwritten signature in black ink, appearing to be 'S. Taylor Williams', written over the word 'Signature'.

Signature

S. Taylor Williams

Printed Name

6.18.24

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

Tab D:

List of LIHTC Developments (Schedule A)
(MANDATORY)

List of LIHTC Developments (Schedule A)



Development Name: Walmsley Gardens - Family

Name of Applicant: Walmsley Gardens, LLC

INSTRUCTIONS:

- 1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:**
 - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 - For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- List only tax credit development experience for the past 15 years.
- Use separate pages as needed, for each principal.

Zachery R. Frederick

Principal's Name:

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	Herod Seed (aka The Oliver) - 904, 908 & 1020 Oliver Hill Way, Richmond, VA 23219	908 Oliver Hill Way, LLC - (804) 519-3425	Y	164	164	12/17/2019	5/26/2021	N
2	SPA Lofts (aka The Mirage) - 1125 Commerce Road, Richmond, VA 23224	SPA Lofts, LLC - (804) 519-3425	Y	139	139	8/18/2020	1/20/2022	N
3	School Street Apartments (aka The Concord at Northside) - 1705 Chamberlayne Parkway, Richmond, VA 23222	CRF, LLC - (804) 519-3425	Y	152	152	9/24/2021	9/12/2022	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:

455

455

LIHTC as % of
100% Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Walmsley Gardens - Family
 Name of Applicant: Walmsley Gardens, LLC

INSTRUCTIONS:

- 1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:**
 - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 - For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- List only tax credit development experience for the past 15 years.
- Use separate pages as needed, for each principal.

Andrew N. Basham
 Principal's Name:

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	Herod Seed (aka The Oliver) - 904, 908 & 1020 Oliver Hill Way, Richmond, VA 23219	908 Oliver Hill Way, LLC - (804) 519-3425	Y	164	164	12/17/2019	5/26/2021	N
2	SPA Lofts (aka The Mirage) - 1125 Commerce Road, Richmond, VA 23224	SPA Lofts, LLC - (804) 519-3425	Y	139	139	8/18/2020	1/20/2022	N
3	School Street Apartments (aka The Concord at Northside) - 1705 Chamberlayne Parkway, Richmond, VA 23222	CRF, LLC - (804) 519-3425	Y	152	152	9/24/2021	9/12/2022	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: 455 455

LIHTC as % of
 100% Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Walmsley Gardens - Family
 Name of Applicant: Walmsley Gardens, LLC

INSTRUCTIONS:

- 1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:** •For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
 •For Principals organized as a limited liability company with more than 100 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual member holding 25% or more interest in the Principal.
 •For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
- For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- List only tax credit development experience for the past 15 years.
- Use separate pages as needed, for each principal.

S. Taylor Williams
 Principal's Name: _____ 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	Herod Seed (aka The Oliver) - 904, 908 & 1020 Oliver Hill Way, Richmond, VA 23219	908 Oliver Hill Way, LLC - (804) 519-3425	Y	164	164	12/17/2019	5/26/2021	N
2	SPA Lofts (aka The Mirage) - 1125 Commerce Road, Richmond, VA 23224	SPA Lofts, LLC - (804) 519-3425	Y	139	139	8/18/2020	1/20/2022	N
3	School Street Apartments (aka The Concord at Northside) - 1705 Chamberlayne Parkway, Richmond, VA 23222	CRF, LLC - (804) 519-3425	Y	152	152	9/24/2021	9/12/2022	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:

455

455

LIHTC as % of
 100% Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB

Tab E:

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

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement"), dated as of the Effective Date (as defined below), between **KCH TOTAL MANAGEMENT, LLC** a Virginia limited liability company, **CHIN HA KIM**, and **EUN KYUNG KIM** (collectively, the "Seller"), and **CRESCENT PRESERVATION & DEVELOPMENT CO., LLC**, a Virginia limited liability company or its assignee (the "Purchaser"), recites and provides:

RECITALS

The Seller is the owner of approximately 12.395 acres of real estate located in the City of Richmond, Virginia (the "City") commonly known as 4818, 4824, 4830, 4838, 4850, 4870, 4890 Walmsley Boulevard and 3332 Broad Rock Boulevard and identified on the City's tax map as Parcel IDs: C0080745024, C0080745026, C0080745028, C0080745030, C0080745031, C0080745032, C0080745033, and C0080745010 (collectively, the "Property"). The Seller wishes to sell to the Purchaser and the Purchaser wishes to purchase from the Seller the Property in accordance with the terms and provisions hereof. The Purchaser desires to redevelop the Property for multi-family use (the "Intended Use").

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller and the Purchaser hereby agree as follows:

1. **Purchase and Sale.** The Seller agrees to sell and convey the Property to the Purchaser and the Purchaser agrees to purchase the Property from the Seller in accordance with and subject to the terms and provisions of this Agreement.

2. **Property.** The exact location, gross acreage and useable acreage of the Property shall be determined by the Survey (defined below), which shall be obtained by the Purchaser during the Feasibility Period (defined below). The term "Property," as used herein, shall also include (a) any improvements thereon, (b) all easements, rights, privileges, remainders, reversions, and appurtenances thereunto belonging or in any way appertaining, and (c) all of the estate, right, title and interest of the Seller in the public streets adjacent thereto, either at law or in equity, in possession or expectancy, now or hereafter acquired. The Property is being sold "AS IS," but subject to (i) the Seller's and Purchaser's representations and warranties in the Certificate (defined below) and (ii) the Seller's warranty of title provided in the Deed (defined below).

3. **Purchase Price.** The purchase price for the Property shall be Four-Million Seven-Hundred Thousand and No/100 Dollars (\$4,700,000.00) (the "Purchase Price"). The Purchase Price shall be paid to the Seller in the following manner:

(a) **Deposit.** As used in this Agreement, "Business Day" means any day, other than a Saturday, Sunday or holiday in which national banks in the Commonwealth of

Virginia are required to be closed. Upon the Purchaser's receipt of a fully-executed counterpart of this Agreement, the Purchaser shall pay to Hirschler Fleischer, a Professional Corporation, as escrow agent (the "Escrow Agent"), an earnest money deposit of Fifty-Thousand and No/100 Dollars (\$50,000.00) (the "Initial Deposit"). If the Purchaser has not already terminated the contract pursuant to Section 4 below, then upon the expiration of the Feasibility Period, the Purchaser shall pay to the Escrow Agent an additional earnest money deposit of Fifty-Thousand and No/100 Dollars (\$50,000.00) (the "Second Deposit"). The Escrow Agent shall hold the Initial Deposit and Second Deposit (collectively, the "Deposit"), as and when received, in a noninterest-bearing account. The Deposit shall be (i) delivered to the Seller and applied toward the Purchase Price in the event Closing occurs hereunder, (ii) returned to the Purchaser pursuant to the terms hereof in the event this Agreement is terminated or Closing does not occur as provided in this Agreement or pursuant to Section 15(b) below in the event the Seller defaults under this Agreement, or (iii) delivered to and retained by the Seller pursuant to Section 15(a) hereof in the event the Purchaser defaults hereunder.

(b) Balance of Purchase Price. The Purchaser shall pay the balance of the Purchase Price, as adjusted pursuant to the terms herein in accordance with Section 11 below, at Closing by making a wire transfer of immediately available federal funds or by delivering a cashier's check.

4. Feasibility Period. The Purchaser shall have one-hundred and twenty (120) days after the Effective Date (the "Feasibility Period") within which to conduct and complete, at the Purchaser's sole expense, all inspections, investigations, surveys, testing (including, without limitation, subsurface testing) and undertakings with respect to the Property that the Purchaser desires in the sole discretion of the Purchaser. As more specifically provided for in Section 6 below, the Purchaser shall have the right to enter upon the Property for the purpose of performing the foregoing inspections and investigations. If the results of any such inspection or investigation are deemed unsatisfactory in the Purchaser's sole and absolute discretion, then the Purchaser may terminate this Agreement by providing written notice thereof to the Seller on or before the expiration of the Feasibility Period, in which event the Deposit shall be returned to the Purchaser and neither party shall have any further rights or obligations hereunder, except as expressly provided herein. Within five (5) Business Days after the Effective Date, the Seller shall furnish to the Purchaser, at no cost or expense to the Purchaser, copies of all information in the possession or control of the Seller with respect to the Property, including, but not limited to, any leases and any other occupancy or use agreements, surveys, site plans, deeds, title reports, title insurance policies, hazardous material audits, documents affecting title to the Property and which constitute exceptions to the title insurance policies, environmental studies, wetland permits, zoning letters, geotechnical and soils reports, engineering plans, and other similar studies and reports (collectively, the "Seller's Information").

5. Entry; Access. Prior to Closing, the Purchaser, and its surveyors, engineers and consultants (collectively, "Agents"), shall have the right to enter the Property to inspect the Property and to conduct such studies and tests as the Purchaser deems reasonable or necessary, all at the Purchaser's expense. The Purchaser shall hold harmless, indemnify, defend and protect the Seller for, from and against any and all loss, damage, claim and liability caused by or arising in connection with the entry onto the Property by the Purchaser or its Agents, including

reasonable attorneys' fees, unless caused by the actions of the Seller and/or the Seller's agents, employees, contractors and the like. In the event that the Purchaser does not purchase the Property, the Purchaser agrees to repair any damage to the Property caused by the Purchaser or its Agents, and this obligation shall survive termination of this Agreement.

6. Title Examination; Survey. During the Feasibility Period, the Purchaser shall obtain a survey of the Property (the "Survey") and an owner's title insurance commitment (the "Title Commitment"), in form and substance and issued by a title insurance company acceptable to the Purchaser (the "Title Company"), and subject only to those exceptions to title to the Property that the Purchaser agrees to accept in the Purchaser's sole discretion (the "Permitted Encumbrances"). If the Purchaser is not satisfied with the state of title to the Property as revealed by the Survey or the Title Commitment, the Purchaser may notify the Seller of such title and/or survey objections in writing on or before the expiration of the Feasibility Period. All monetary liens or encumbrances (including, without limitation, all deeds of trust affecting the Property) need not be objected to by the Purchaser, shall not be included, nor deemed included, within the definition of Permitted Encumbrances, and shall be removed by the Seller, at the Seller's sole cost and expense, prior to or on the Closing Date. The Seller shall have five (5) Business Days after receipt of such notice to notify the Purchaser whether the Seller will attempt to cure some or all of the Purchaser's title and/or survey objections (the "Seller's Title Response Deadline"). If the Seller elects to attempt to cure some or all of the Purchaser's title and/or survey objections, then the Seller shall use good faith efforts to cure such objections within thirty (30) calendar days after the Purchaser's receipt of Seller's election notice (the "Cure Period"). If the Seller elects not to cure some or all of the Purchaser's title and survey objections and/or if the Seller has not or is unable to cure any such title or survey objections to the Purchaser's satisfaction within the Cure Period, then the Purchaser may, at its option, (i) terminate this Agreement by providing written notice thereof to the Seller, in which event the Deposit shall be returned to the Purchaser and neither party shall have any further rights or obligations hereunder, except as expressly provided herein, (ii) attempt to remove or otherwise resolve such title or survey objections, in which event the Purchase Price shall be reduced at Closing by the amount reasonably incurred by the Purchaser in connection therewith, or (iii) waive such title or survey objections in writing. Any and all of the Purchaser's title and survey objections waived by the Purchaser shall be included in the meaning of "Permitted Encumbrances." The Property shall be conveyed to the Purchaser pursuant to the description of the Property set forth in the Survey and the Title Commitment. The state of title to the Property shall be the same at Closing as disclosed by the Title Commitment for the Property but subject only to the Permitted Encumbrances.

7. Conditions Precedent. The Purchaser's obligations under this Agreement are expressly subject to the satisfaction or written waiver by the Purchaser of the conditions precedent listed below in this Section 7 (the "Conditions Precedent"). If the Conditions Precedent are not satisfied prior to Closing, the Purchaser may either (i) waive the outstanding Conditions Precedent in writing and proceed to Closing, (ii) extend Closing by written notice to Seller to the date that is ten (10) Business Days after the date all of the Conditions Precedent are satisfied, or (iii) terminate this Agreement by providing written notice thereof to the Seller, in which event (aa) the Deposit shall be refunded to the Purchaser, and (bb) neither party shall have any further rights or obligations hereunder, except as expressly provided in this Agreement (collectively, the "Purchaser's Remedies").

(a) Rezoning. Purchaser shall file for Rezoning (as defined below) of the Property by the end of the Feasibility Period. Within one-hundred and eighty (180) days after expiration of the Feasibility Period (the "Rezoning Period"), the Purchaser shall have obtained the Rezoning Approval Date (as defined below) to permit the use of the Property for the Intended Use on terms and conditions acceptable to Purchaser in its sole discretion (the "Rezoning"). As used herein, the "Rezoning Approval Date" shall be the date upon which the appeal period expires after the Rezoning is approved by the City Council without any appeal or challenge to the approved Rezoning, or, if there is an appeal or challenge to the approved Rezoning, then the day after the last appeal or challenge is resolved to the Purchaser's sole satisfaction. In the event the Rezoning Approval Date is not achieved within the Rezoning Period, then Purchaser shall have available the Purchaser's Remedies as set forth above. Seller, at no cost to Seller, shall join in, execute and timely support in good faith, as required, such applications as may be necessary or desirable to obtain the Rezoning, and in good faith will cooperate, support, and take all action reasonable or necessary to assist Purchaser in making such applications and obtaining Rezoning approval.

(a) Title Policy. The Purchaser shall have received during the Feasibility Period an owner's title insurance commitment acceptable to the Purchaser and insuring fee simple title to the Property subject only to the Permitted Encumbrances and issued by the Title Company at or below its standard rates.

(b) Seller's Cure. The Seller has cured all of the Purchaser's title and survey objections that the Seller noticed Purchaser that the Seller was willing to cure._

(c) Representations, Warranties and Covenants; Seller's Certificate. All of the Seller's representations and warranties made in this Agreement shall be true and correct as of the date of Closing as if then made, there shall have occurred no material change in the condition of the Property since the Effective Date, the Seller shall have performed all of its covenants and other obligations under this Agreement and the Seller shall have executed and delivered to the Purchaser at Closing a certificate to the foregoing effect (the "Certificate").

(d) Seller Deliverables; Performance. The Seller shall have executed and delivered into escrow with the Settlement Agent and to the Purchaser all of the funds and documents required to be deposited or delivered by the Seller pursuant to this Agreement. The Seller shall have materially performed and observed all other obligations to be performed and observed by the Seller prior to and on the Closing Date._

8. Closing. Closing of the purchase and sale of the Property pursuant to this Agreement ("Closing") shall be conducted through escrow with Safe Harbor Title Company, LLC, a Virginia limited liability company, serving as settlement agent (the "Settlement Agent") or in such other manner that is reasonably acceptable to the parties hereto, on or before the date that is one-hundred and eight (180) days after the Rezoning Approval Date (the "Closing Date"). However, in no event shall the Closing Date extend beyond May 1, 2023 (the "Outside Closing Date"). Purchaser shall have the right to set the date of Closing prior to the Closing Date by sending written notice to Seller at least five (5) Business Days prior to the desired Closing Date

and stating the desired Closing Date in such notice. All documents and instruments required to be executed and delivered hereunder and all payments required to be made hereunder by the parties shall be delivered or paid to the Escrow Agent in escrow prior to Closing, unless otherwise agreed to by the parties hereto.

(a) Post-Closing Occupancy. Purchaser shall allow Seller to remain on the Property for a period not to exceed sixty (60) days after Closing ("Post-Closing Occupancy"), and shall not charge any rent for the Purchaser's Post-Closing Occupancy. In accordance with these terms, Purchaser and Seller shall enter into a "Post-Closing Occupancy Agreement" substantially similar in form to the document attached hereto as Exhibit A.

9. Seller's Deliveries. At Closing, the Seller shall execute and deliver the following documents to the Purchaser (with the form and substance of all such documents being mutually acceptable to the Seller and the Purchaser, except as otherwise provided herein): (a) a special warranty deed (the "Deed") conveying good and marketable fee simple title to the Property to the Purchaser, subject only to the Permitted Encumbrances, (b) all necessary information for IRS Form 1099-S, (c) an affidavit as to non-foreign status of the Seller, (d) a Virginia Department of Taxation Form R-5E, (e) an owner's title affidavit by the Seller in the form and substance required by the Title Company, (f) the Certificate, (g) a settlement statement prepared by the settlement agent and approved by the Seller and the Purchaser for the transaction contemplated by this Agreement (the "Settlement Statement"), (h) Post-Closing Occupancy Agreement, and (i) any such other affidavits or other documents reasonably requested by the Purchaser or the Title Company. Sole and exclusive possession to the Property shall be delivered to the Purchaser at Closing.

10. Purchaser's Deliveries. At Closing, the Purchaser shall pay to the Seller the portion of the Purchase Price described in Section 3 hereof and shall execute and deliver the Settlement Statement to the Seller.

11. Closing Costs; Pro-rations. The Seller shall pay the cost of preparing the Deed, the Virginia grantor's tax on the Deed, the Seller's attorneys' fees, the costs of releasing all liens, mortgages or encumbrances which affect the Property and any other costs incurred by the Seller hereunder. The Purchaser shall pay the Virginia grantee's tax on the Deed, costs related to obtaining the Title Commitment, Survey, and Title Policy, the Purchaser's attorneys' fees and the other costs incurred by the Purchaser hereunder. The Purchaser shall pay the settlement fee charged by the Settlement Agent. All real estate taxes, storm water fees, other assessments, rents, utilities and operating expenses, if any, with respect to the Property shall be prorated as of the date of Closing with Purchaser being responsible for such expenses on the Closing Date. The proration of the real estate taxes and assessments will be based upon the then currently available information and, in the event the actual assessments and tax rates are different, the parties agree to appropriately adjust such pro-rations after Closing, which obligation shall survive Closing and shall not merge into the Deed. The Seller shall be solely responsible for the payment of any deferred and roll back taxes on the Property. _

12. Risk of Loss. The risk of any loss or damage to the Property prior to Closing shall remain upon the Seller.

13. Seller's and Purchaser's Representations, Warranties and Covenants. The Seller hereby makes the following representations, warranties and covenants effective as of the Effective Date and the Closing Date (at Closing in the Certificate):_

(a) Power. The Seller has all requisite powers and all governmental licenses, authorizations, consents and approvals to enter into and perform its obligations under this Agreement, if necessary, and under any document or instrument required to be executed and delivered on behalf of the Seller hereunder, if necessary._

(b) Authorization, Execution and Delivery. This Agreement constitutes the valid and binding agreement of the Seller and is enforceable in accordance with its terms._

(c) Non-contravention. The execution and delivery of, and the performance by the Seller of its obligations under, this Agreement do not and will not contravene, or constitute a default under, any provision of applicable law or regulation or any agreement, judgment, injunction, order, decree or other instrument binding upon the Seller, or result in the creation of any lien or other encumbrance on the Property. Except for this Agreement, there are no outstanding agreements (written or oral) pursuant to which the Seller (or any predecessor to or representative of the Seller) has agreed to sell or has granted an option to purchase the Property (or any portion thereof)._

(d) No Special Taxes. There are no special taxes or assessments relating to the Property or any portion thereof._

(e) Compliance with Existing Laws. There is no existing or threatened violation of any law, governmental ordinance, resolution, statute, rule, order or regulation with respect to the Property or any portion thereof._

(f) Condemnation Proceedings: Roadways. There is no (i) condemnation or eminent domain proceeding, or any purchase in lieu thereof, pending or threatened against the Property or any portion thereof or (ii) change or proposed change in the route, grade or width of, or otherwise affecting, any street or road adjacent to or serving the Property._

(g) Litigation. There is no action, suit or proceeding pending or threatened against or affecting the Seller or the Property in any court, before any arbitrator or before or by any governmental body that (i) in any manner raises any question affecting the validity or enforceability of this Agreement or any other agreement or instrument to which the Seller is a party or by which it is bound and that is or is to be used in connection with, or is contemplated by, this Agreement, (ii) could adversely affect the ability of the Seller to perform its obligations hereunder or under any document to be delivered pursuant hereto, (iii) could create a lien on the Property, any portion thereof or any interest therein, or (iv) could otherwise adversely affect the Property, any portion thereof or any interest therein or the use, operation, condition or occupancy thereof._

(h) Foreign Person. The Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended._

(i) Exclusive Rights. In consideration of the Purchaser's efforts and expenses required to perform its review of the Property, the Seller agrees that it will not, either directly or indirectly, market, offer to sell or solicit any offers to purchase or negotiate for the sale or disposition of the Property during the pendency of this Agreement._

(j) Insurance. During the pendency of this Agreement, the Seller shall maintain all insurance the Seller was carrying on the Effective Date with respect to the Property, if any._

(k) Leases. There are no parties in possession of the Property or any unrecorded leases or other agreements affecting the Property or any portion thereof.

The Purchaser as the Seller has done herein makes the same above representations, warranties and covenants effective as of the Effective Date and the Closing Date for paragraphs 13 (a) and (b).

14. Brokers. Seller and Purchaser each warrant to the other that they have dealt with no agent or broker with respect to the transaction contemplated by this Contract, other than the Purchaser's Broker (as defined below) named within this section. Seller agrees and understands that Purchaser is represented by Mattox & Associates, a Virginia limited liability company (the "Purchaser's Broker") and that Seller will pay the Purchaser's Broker a total cash commission of three percent (3%) of the Purchase Price at Closing, should Closing occur. In the event that any claim for commission or finder's fee is brought by any person or entity whatsoever as a consequence of the transaction contemplated hereby and as a result of any action or omission of either Seller or Purchaser, then Seller or Purchaser (whichever party is alleged to have committed the act or omission which is the basis of such claim), as the case may be, shall indemnify, defend and hold harmless the other party and its members, partners and principals against any loss, cost, or expense of any nature, including, but not limited to, court costs and reasonable attorneys' fees, arising as a consequence of such claim for the commission or fee. The Seller's and the Purchaser's representations, warranties and obligations set forth in this Section 14 shall survive the Closing.

15. Default.

(a) By Purchaser. If the Purchaser defaults in performing any of the Purchaser's obligations under this Agreement and such default continues for a period of ten (10) calendar days after written notice thereof from the Seller to the Purchaser, the Seller's sole and exclusive remedy as a result thereof shall be to retain the Deposit as liquidated damages (the parties agreeing that the damages the Seller would sustain as a result thereof would be difficult if not impossible to ascertain) and the Seller hereby expressly waives any right the Seller may have to any other damages (compensatory, consequential or otherwise) or any other remedy as a result of such default._

(b) By Seller. If the Seller defaults in performing any of the Seller's obligations under this Agreement and such default continues for a period of ten (10) calendar days after written notice thereof from the Purchaser to the Seller, or if any of the Seller's representations or warranties made in this Agreement shall be untrue or

incorrect, the Purchaser shall have all rights and remedies at law or in equity, including without limitation specific performance and recovery of damages, including reasonable attorneys' fees and expenses.

16. Condemnation. If all or any portion of the Property is taken or threatened to be taken pursuant to the power of eminent domain (or purchase in lieu thereof), or the Seller has received notice of an intent to condemn any part of the Property from the condemning authority, the Seller shall give written notice thereof to the Purchaser promptly after the Seller's receipt of such notice and the Purchaser may terminate this Agreement by providing written notice thereof to the Seller, in which event the Deposit shall be refunded to the Purchaser, and neither party shall have any further rights or obligations hereunder, except as expressly provided herein. If the Purchaser does not elect to so terminate this Agreement, the parties shall proceed to Closing with a reduction in the Purchase Price equal to any condemnation award or payment received by the Seller. If the Seller does not receive such award or payment by the date of Closing, the Seller shall assign all of the Seller's right, title and interest in such award or payment to the Purchaser at Closing.

17. Escrow Provisions. The Purchaser and the Seller hereby appoint Escrow Agent as escrow agent under this Agreement with respect to the Deposit upon the following understandings and agreements:

If the Escrow Agent is in doubt as to its duties or liabilities under this Agreement, for any reason, it may, in its sole discretion, (a) continue to hold the Deposit, or so much thereof as it deems appropriate until: (i) the Seller, the Purchaser and the Escrow Agent mutually agree to disbursement thereof, or (ii) an order or judgment of a court of competent jurisdiction determines the rights of the parties hereto; or (b) interplead such Deposit with the Clerk of the Circuit Court of the City, and upon notifying both the Purchaser and the Seller of such action, all duties of the Escrow Agent under the terms of the Agreement shall terminate, except to the extent of accounting for such escrow funds. The parties hereto agree that it shall not constitute a conflict of interest for the Escrow Agent to represent one of the parties hereto in connection with this Agreement. The Escrow Agent shall not be liable for anything which it may do or refrain from doing in connection herewith provided that it acts in good faith, and without gross negligence, willful neglect or intentional breach of this Agreement. Unless a dispute shall arise relating to the Escrow Agent's duties, the Purchaser shall be responsible for the Escrow Agent's fees. In the event that the Escrow Agent becomes involved in litigation relating to the Deposit, the non-prevailing party shall be responsible for the payment of the Escrow Agent's reasonable attorney's fees and expenses and for the reasonable attorney's fees and expenses of the prevailing party. The Deposit shall be held in trust by the Escrow Agent and remain in the control of the Escrow Agent until consummation or termination of the sale transaction as contemplated in this Agreement, at which time the Deposit will be disbursed in accordance with this Agreement subject to the terms of this Section. The Purchaser and the Seller will indemnify and hold the Escrow Agent harmless from any claims by them relating to the actions taken by the Escrow Agent in good faith while acting as the Escrow Agent under the terms of this Agreement. Notices to be provided to Escrow Agent shall be in accordance with Section 18(a) at the address set out in that section.

18. Miscellaneous Provisions.

(a) Notices. All notices shall be in writing and sent by hand, electronic mail, overnight delivery service or certified mail, return receipt requested, to the following addresses:

If to Seller: KCH Total Management, LLC
3330 Broad Rock Blvd
Richmond, Virginia
Attn: Chin Ha Kim
Eun Kyung Kim
E-Mail: _____

With a copy to: _____

E-Mail: _____

If to Buyer: Crescent Preservation & Development Co., LLC
600 Ridge Top Road
Henrico, Virginia 23229
Attn: Zac Frederick
E-Mail: zfrederick@crescentpdc.com

With a copy to: Hirschler
2100 East Cary Street
Richmond, Virginia 23223-7078
Attn: Jeffrey P. Geiger, Esq.
E-Mail: jgeiger@hirschlerlaw.com

With a copy to: Mattox & Co.
2601 W. Broad Street, Suite 201
Richmond, Virginia 23220
Attn: William H. Mattox, SIOR
E-Mail: bill.mattoxcompany.com

If to Escrow Agent: Hirschler
2100 East Cary Street
Richmond, Virginia 23223-7078
Attn: Jeffrey P. Geiger, Esq.
E-Mail: jgeiger@hirschlerlaw.com

Notices shall be deemed received (i) if hand delivered, when received, (ii) if given by electronic mail, when transmitted to the e-mail address specified above and confirmation of complete receipt is received, (iii) if given by overnight delivery service, the business

day after being sent prepaid by such overnight delivery service, or (iv) if given by certified mail, return receipt requested, postage prepaid, two (2) days after posting with the United States Postal Service. Either party may change its address by notifying the other party in a manner described above.

(b) Assignment. The Seller may not assign this Agreement without the written consent of the Purchaser. Purchaser may assign this Agreement in whole with Seller's prior knowledge and prior written consent, except that the Purchaser may assign this Agreement to an entity in which the Purchaser has a controlling interest without the Seller's consent.

(c) Entire Agreement; Modification; Waiver; Construction; Survival. This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior negotiations and agreements, written or oral. This Agreement may be modified only by a written instrument duly executed by the Seller and the Purchaser and no waiver of any provision hereof shall be effective unless set forth in a written instrument executed with the same formality as this Agreement. The titles and headings contained herein are intended solely for means of reference and are not intended for any purpose whatsoever to modify, explain or place any construction on any of the provisions of this Agreement. Whenever used herein and as the context so requires, the singular shall include the plural, and any gender shall include all genders and the neuter. No waiver, forbearance or failure by any party of its right to enforce any provision of this Agreement shall constitute a waiver or estoppel of any such party's right to enforce such provision in the future. This Agreement shall be construed, performed and enforced under the laws of the jurisdiction in which the Property is located. This Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns. If any term or provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law. IN THE EVENT OF ANY LEGAL PROCEEDINGS BETWEEN THE PARTIES ARISING OUT OF THIS AGREEMENT, EACH PARTY HEREBY WAIVES THE RIGHT TO TRIAL BY JURY. The parties hereto agree that they have had the opportunity to be represented by counsel in connection with this transaction and that this Agreement shall be interpreted (if any interpretation be required) according to its fair meaning and shall not be construed against either party as the draftsman hereof.

(d) Counterparts. This Agreement may be executed in counterparts by the parties hereto. It is not necessary that the signatures of the parties appear on the same counterpart or counterparts. All counterparts shall collectively constitute a single agreement. Executed counterparts of this Agreement may be delivered by electronic mail and shall have the same effect as original signatures.

(e) Days. If any action is required to be performed, or if any notice, consent or other communication is given, on a day that is a Saturday or Sunday or a legal holiday in the jurisdiction in which the action is required to be performed or in which is located the intended recipient of such notice, consent or other communication, such performance shall

be deemed to be required, and such notice, consent or other communication shall be deemed to be given, on the first business day following such Saturday, Sunday, or legal holiday._

(f) Effective Date. For purposes of this Agreement, the term "Effective Date" shall be the last date on which this Agreement has been fully executed on behalf of the Seller and the Purchaser as indicated by the dates adjacent to the signatures of the parties set forth below._

(g) Submission. The submission of this Agreement for examination does not constitute an offer or option, and this Agreement shall be effective only upon the complete ratification of this Agreement by all parties._

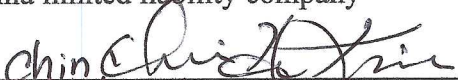
[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Seller and the Purchaser have executed or caused this Agreement to be executed as of the dates indicated below.

SELLER:

KCH TOTAL MANAGEMENT,
a Virginia limited liability company


Date: 4/22/2022

By: 
Name: Chin Ha Kim
Its: president

Date: 4/22/2022


Chin Ha Kim

Date: 4/22/2022


Eun Kyung Kim

PURCHASER:

**CRESCENT PRESERVATION &
DEVELOPMENT CO., LLC,**
a Virginia limited liability company

Date: March 22, 2022


By: 
Zachery R. Frederick, Manager

EXHIBIT A

POST-CLOSING OCCUPANCY AGREEMENT

THIS POST-CLOSING OCCUPANCY AGREEMENT ("Agreement") is made as of _____, 2022 ("Effective Date"), by and between KCH TOTAL MANAGEMENT, LLC a Virginia limited liability company, CHIN HA KIM, and EUN KYUNG KIM (collectively, the "Seller"), and CRESCENT PRESERVATION & DEVELOPMENT CO., LLC, a Virginia limited liability company or its assignee (the "Purchaser"). The Seller and the Purchaser are referred to collectively herein as the "Parties" or individually as a "Party".

RECITALS

A. The Parties have entered into that certain Purchase and Sale Agreement dated _____, 2022, by and between Seller and Purchaser (the "Purchase and Sale Agreement") regarding certain real property located in the City of Richmond, Virginia, as more particularly described in the Purchase and Sale Agreement (the "Property"). All capitalized terms not defined herein shall have the meaning ascribed to them in the Purchase and Sale Agreement.

B. As of the Effective Date, Seller desires to occupy the Property for a period of sixty (60) days after Closing (the "Post-Closing Occupancy"). The Purchaser shall not charge the Seller any rent for the term of the Post-Closing Occupancy.

C. The Parties desire to provide for the terms of the Post-Closing Occupancy as hereinafter set forth.

AGREEMENT

In consideration of the premises and of the mutual promises of the Parties, the Parties hereby agree as follows:

1. **Occupancy.** Purchaser grants permission for the Seller to remain on the Property for a term of sixty (60) days following the date of Closing of the Purchase and Sale Agreement (the "Term"). Upon expiration of the Term, the Seller shall immediately vacate the Property, with time being of the essence. Purchaser shall not charge the Seller any rent for the Post-Closing Occupancy. The Parties expressly acknowledge and agree that the rights granted herein to Seller constitute a license only, and that no landlord/tenant relationship is created hereby. This Agreement merely grants Seller a right to use and occupy the Property only during the Post-Closing Occupancy.

2. **Maintenance.** Except as otherwise agreed, the occupancy is in "as is" condition. During the Term, Seller shall maintain the Property in its current condition subject to normal wear and tear. Seller shall (a) pay all utility charges applicable to the Property during Seller's Post-Closing Occupancy, and (b) not make any alterations to the Property. Purchaser shall have no liability or responsibility for (i) maintaining or repairing any part of the Property, (ii)

providing any utilities or services, or (iii) any damage to personal property located on the Property.

3. **Indemnity.** Seller shall be fully responsible for the Property, the improvements on the Property, and any personal property owned by Seller during the Seller's Post-Closing Occupancy. Seller agrees to indemnify and hold harmless Purchaser from and against any and all claims, actions, loss, damages, liability and expense, including, without limitation, attorneys' fees and costs relating to Seller's occupancy, or resulting from or connected with Seller's acts or omissions or the negligent or willful acts or omissions of Seller's agents, employees, contractors, visitors, licensees or invitees. Seller further agrees that claims shall include, but not be limited to, claims for personal injuries, death, and property damage. The provisions of this Section 3 shall survive any termination or expiration of this Agreement.

4. **Insurance.** During the period of Seller's Post-Closing Occupancy, Seller will have in force insurance covering its personal property and general liability insurance in an amount of no less than Three Hundred thousand and no/100 Dollars (\$300,000.00) combined single limit coverage. Seller shall provide Purchaser with evidence of such insurance naming Purchaser as an additional insured party.

5. **Access.** During the period of Seller's Post-Closing Occupancy, Purchaser retains the right to enter the Property for purposes of inspection, surveying, engineering, and removing trees in conjunction with the redevelopment of the Property.

6. **Termination/Release.** The rights of occupancy granted herein shall automatically terminate on the expiration of the Term. Seller shall provide any and all keys to Purchaser and shall remove all personal property belonging to Seller at the time of the expiration of the Term. If Seller fails to remove such personal property at the time of the expiration of the Term, Purchaser may remove and dispose of such personal property in any manner that Purchaser desires without any obligation or liability to Seller and the cost of such removal shall be paid for by Seller.

7. **Default.** Seller's failure in the performance of any other provision, covenant or condition of this Agreement shall be deemed a default by Seller and a breach of this Agreement. In the event of any such default by Seller and the failure of Seller to cure such default within ten (10) days after notice thereof, Purchaser shall have the right to enter and take possession of the Property and terminate this Agreement and exercise any other right, action or proceeding for possession or damage by statute or otherwise provided at law or in equity, including the recovery of reasonable attorney's fees and court costs.

8. **Applicable Laws.** This Agreement shall be governed by the laws of the Commonwealth of Virginia. If any provision of this Agreement shall be deemed unenforceable, such provision shall be reformed to the extent necessary to make such provision enforceable in accordance with the laws of the Commonwealth of Virginia.

9. **Counterparts.** This Agreement may be executed in any number of counterparts, including facsimile or electronic signature, each of which shall be deemed an original but all which shall constitute one and the same document.

10. **Notices.** All notices shall be in writing and sent by hand, electronic mail, overnight delivery service or certified mail, return receipt requested, to the addresses as set forth in Section 16 of the Purchase and Sale Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Post-Closing Occupancy Agreement as of the Effective Date.


SELLER:

KCH TOTAL MANAGEMENT, LLC,
a Virginia limited liability company

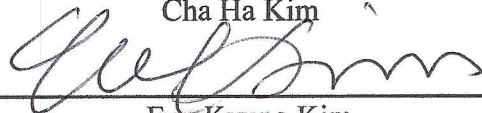
By: 

Name: Cha Ha Kim

Title: president



Cha Ha Kim



Eun Kyung Kim

PURCHASER:

CRESCENT PRESERVATION AND
DEVELOPMENT CO., LLC,
a Virginia limited liability company

By: 

Name: Zuby R. Friedrich


**ADDENDUM
TO THE
PURCHASE AND SALE AGREEMENT
Fully Executed April 22, 2022**

THIS ADDENDUM effective when fully executed is by and between, KCH Total Management, LLC, Chin Ha Kim, Eun Kyung Kim ("Seller") and Crescent Preservation and Development, LLC, ("Purchaser") for the property containing 12.395 ± acres and located at the northwest corner of Broad Rock Boulevard and Walmsley Boulevard.

1. The following provision shall be incorporated into said Purchase and Sale Agreement.
The Feasibility Period shall be extended until October 17, 2022.
2. All other terms of the Purchase and Sale Agreement not modified herein shall remain in full force and effect.
3. All parties agree that electronic/counterpart signatures will be deemed originals.

WITNESS the following signatures of the duly authorized agents of the parties:

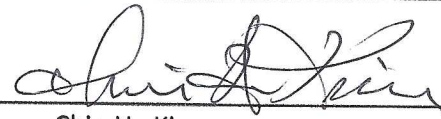
SELLER: KCH Total Management, LLC

By: 
Chin Ha Kim, President

Date: 8/19/22

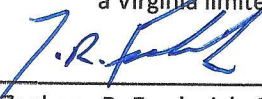
By: 
Eun Kyung Kim

Date: 8/19/22

By: 
Chin Ha Kim

Date: 8/19/22

**PURCHASER: Crescent Preservation and
Development, LLC**
a Virginia limited liability company

By: 
Zachery R. Frederick, Manager

Date: 8.19.22

SECOND ADDENDUM TO PURCHASE AND SALE AGREEMENT

THIS SECOND ADDENDUM TO PURCHASE AND SALE AGREEMENT (this "Addendum") is made as of the 17th day of October, 2022, by and between **KCH TOTAL MANAGEMENT, LLC**, a Virginia limited liability company, **CHIN HA KIM**, and **EUN KYUNG KIM** (collectively, the "Seller"), and **CRESCENT PRESERVATION & DEVELOPMENT CO., LLC**, a Virginia limited liability company or its assignee (the "Purchaser").

RECITALS

A. Seller and Purchaser entered into that certain Purchase and Sale Agreement dated April 22, 2022, as amended by that certain Addendum to Purchase and Sale Agreement dated August 19, 2022 (collectively, the "Agreement"), for the sale and purchase of certain Property, as more particularly described therein.

B. Seller and Purchaser now desire to amend the Agreement as set forth herein.

ADDENDUM

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Recitals; Capitalized Terms. The Recitals above are true and correct and are incorporated herein by reference. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

2. Inspection Period. Section 4 of the Agreement is hereby amended to provide that the Feasibility Period shall expire on December 16, 2022.

3. Outside Closing Date. Section 8 of the Agreement is hereby amended to provide that the Outside Closing Date shall be August 29, 2023.

4. Agreement Terms. All other terms of the Agreement not modified herein shall remain in full force and effect.

5. Counterparts. All parties agree that electronic and/or counterpart signatures shall be deemed originals.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date set forth above.

SELLER:

KCH TOTAL MANAGEMENT,
a Virginia limited liability company

Date: 10/17/2022

By: Chin Ha Kim
Name: Chin Ha Kim
Its: _____

Date: 10/17/2022

Chin Ha Kim
Chin Ha Kim

Date: 10/17/2022

Eun Kyung Kim
Eun Kyung Kim

PURCHASER:

**CRESCENT PRESERVATION &
DEVELOPMENT CO., LLC,**
a Virginia limited liability company

Date: 10.11.22

By: Zachery R. Frederick
Zachery R. Frederick, Manager

THIRD ADDENDUM TO PURCHASE AND SALE AGREEMENT

THIS THIRD ADDENDUM TO PURCHASE AND SALE AGREEMENT (this "Addendum") is made as of the 18th day of October, 2022, by and between **KCH TOTAL MANAGEMENT, LLC**, a Virginia limited liability company, **CHIN HA KIM**, and **EUN KYUNG KIM** (collectively, the "Seller"), and **CRESCENT PRESERVATION & DEVELOPMENT CO., LLC**, a Virginia limited liability company or its assignee (the "Purchaser").

RECITALS

A. Seller and Purchaser entered into that certain Purchase and Sale Agreement dated April 22, 2022, as amended by that certain Addendum to Purchase and Sale Agreement dated August 19, 2022, and by that certain Second Addendum to Purchase and Sale Agreement dated October 17, 2022 (collectively, the "Agreement"), for the sale and purchase of certain Property, as more particularly described therein.

B. Seller and Purchaser now desire to amend the Agreement as set forth herein.

ADDENDUM

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Recitals; Capitalized Terms. The Recitals above are true and correct and are incorporated herein by reference. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

2. Deposit; Purchase Price. Upon the expiration of the Feasibility Period, the Escrow Agent shall disburse Twenty-Thousand and No/100 Dollars (\$20,000.00) of the Initial Deposit to the Seller (the "Disbursement"). Upon the Disbursement, the Purchase Price shall be reduced to Four-Million Six-Hundred and Eighty Thousand and No/100 Dollars (\$4,680,000.00).

3. Agreement Terms. All other terms of the Agreement not modified herein shall remain in full force and effect.

4. Counterparts. All parties agree that electronic and/or counterpart signatures shall be deemed originals.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date set forth above.

SELLER:

KCH TOTAL MANAGEMENT,
a Virginia limited liability company

Date: 10/18/22

By: [Signature]
Name: Chin Ha Kim
Its: President

Date: 10/18/22

[Signature]
Chin Ha Kim

Date: 10/18/22

[Signature]
Eun Kyung Kim

PURCHASER:

**CRESCENT PRESERVATION &
DEVELOPMENT CO., LLC,**
a Virginia limited liability company

Date: 10.18.22

By: [Signature]
Zachery R. Frederick, Manager

15435766.2 041199.00037

FOURTH ADDENDUM TO PURCHASE AND SALE AGREEMENT

THIS FOURTH ADDENDUM TO PURCHASE AND SALE AGREEMENT (this "Addendum") is made as of the 12th day of December, 2022, by and between **KCH TOTAL MANAGEMENT, LLC**, a Virginia limited liability company, **CHIN HA KIM**, and **EUN KYUNG KIM** (collectively, the "Seller"), and **CRESCENT PRESERVATION & DEVELOPMENT CO., LLC**, a Virginia limited liability company or its assignee (the "Purchaser").

RECITALS

A. Seller and Purchaser entered into that certain Purchase and Sale Agreement dated April 22, 2022 (the "Original Agreement"), as amended by that certain Addendum to Purchase and Sale Agreement dated August 19, 2022, by that certain Second Addendum to Purchase and Sale Agreement dated October 17, 2022, and by that certain Third Addendum to Purchase and Sale Agreement dated October 18, 2022 (collectively, the "Agreement"), for the sale and purchase of certain Property, as more particularly described therein.

B. Seller and Purchaser now desire to amend the Agreement as set forth herein.

ADDENDUM

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Recitals; Capitalized Terms. The Recitals above are true and correct and are incorporated herein by reference. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.


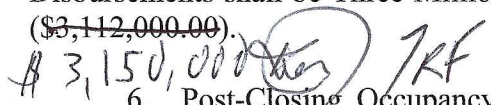
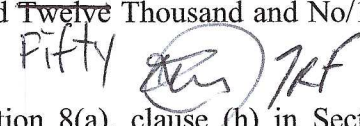
2. Deposit. After expiration of the Feasibility Period, the Escrow Agent shall disburse Thirty-Five Thousand and No/100 Dollars (\$35,000.00) from the Initial Deposit to Seller (the "First Disbursement"). After the Purchaser obtains the Rezoning, the remaining Fifteen Thousand and No/100 Dollars (\$15,000.00) from the Initial Deposit shall be disbursed to Seller (the "Second Disbursement") (the First Disbursement and Second Disbursement shall be collectively referred to as the "Disbursements"). The Second Deposit requirement as set out in the Agreement is hereby deleted. For clarification, the Deposit shall hereinafter only refer to the amount of the Initial Deposit. No further earnest money deposit shall be required of the Purchaser pursuant to the Agreement.

3. Closing. Section 8 of the Agreement is hereby deleted and replaced as follows:

“ 8. Closing. Closing of the purchase and sale of the Property pursuant to this Agreement ("Closing") shall be conducted through escrow with Safe Harbor Title Company, LLC, a Virginia limited liability company, serving as settlement agent (the "Settlement Agent") or in such

other manner that is reasonably acceptable to the parties hereto, on January 5, 2024 (the "Closing Date"). Purchaser shall have the right to set the date of Closing prior to the Closing Date by sending written notice to Seller at least five (5) Business Days prior to the desired Closing Date and stating the desired Closing Date in such notice. All documents and instruments required to be executed and delivered hereunder and all payments required to be made hereunder by the parties shall be delivered or paid to the Escrow Agent in escrow prior to Closing, unless otherwise agreed to by the parties hereto."

4. Revised Property Description. The property commonly known as 3332 Broad Rock Blvd., and more particularly identified on the City's tax map as Parcel ID C0080745010, is hereby removed from the Property being sold in the Agreement (the "Property Removal"). For clarity, following this Addendum, Property shall only refer to the remaining Property following the Property Removal.

5. Purchase Price. Following the Disbursements, the Purchase Price shall be reduced to Four-Million Six-Hundred and Fifty-Thousand and No/100 Dollars (\$4,650,000.00). The Purchase Price is hereby further reduced by One-Million Five-Hundred Thousand and No/100 Dollars (\$1,500,000.00) to reflect the Property Removal. ~~The Purchase Price is also hereby reduced by Thirty-Eight Thousand and No/100 Dollars (\$38,000.00) to reflect the Purchaser's need to remove dumped tires on the Property.~~ As such, the new Purchase Price following the Disbursements shall be Three-Million One-Hundred and ~~Twelve~~ Fifty Thousand and No/100 Dollars (\$3,150,000.00).   

6. Post-Closing Occupancy Agreement. Section 8(a), clause (h) in Section 9, and Exhibit A in the Agreement are hereby deleted. Upon the execution of the Original Agreement, the parties mistakenly executed the Post-Closing Occupancy Agreement. Because the execution of the Post-Closing Occupancy Agreement was in error, the Post-Closing Occupancy Agreement is hereby terminated and shall have no further force or effect.

7. Agreement Terms. All other terms of the Agreement not modified herein shall remain in full force and effect.

8. Counterparts. All parties agree that electronic and/or counterpart signatures shall be deemed originals.

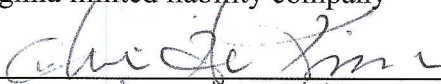
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date set forth above.

SELLER:

KCH TOTAL MANAGEMENT,
a Virginia limited liability company


Date: 12/10/22

By: 
Name: Chin Ha Kim
Its: President

Date: 12/10/22


Chin Ha Kim


Date: 12/10/22


Eun Kyung Kim

PURCHASER:

**CRESCENT PRESERVATION &
DEVELOPMENT CO., LLC,**
a Virginia limited liability company

Date: 12.7.22

By: 
Zachery R. Frederick, Manager

FIFTH ADDENDUM TO PURCHASE AND SALE AGREEMENT

THIS FIFTH ADDENDUM TO PURCHASE AND SALE AGREEMENT (this "Addendum") is made as of the ____ day of _____, 2023, by and between **KCH TOTAL MANAGEMENT, LLC**, a Virginia limited liability company, **CHIN HA KIM**, and **EUN KYUNG KIM** (collectively, the "Seller"), and **CRESCENT PRESERVATION & DEVELOPMENT CO., LLC**, a Virginia limited liability company or its assignee (the "Purchaser").

RECITALS

A. Seller and Purchaser entered into that certain Purchase and Sale Agreement dated April 22, 2022 (the "Original Agreement"), as amended by that certain Addendum to Purchase and Sale Agreement dated August 19, 2022, by that certain Second Addendum to Purchase and Sale Agreement dated October 17, 2022, by that certain Third Addendum to Purchase and Sale Agreement dated October 18, 2022, and by that certain Fourth Addendum to Purchase and Sale Agreement dated December 12, 2022 (collectively, the "Agreement"), for the sale and purchase of certain Property, as more particularly described therein.

B. Seller and Purchaser now desire to amend the Agreement as set forth herein.

ADDENDUM

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Recitals: Capitalized Terms. The Recitals above are true and correct and are incorporated herein by reference. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

2. Additional Payments. Within five (5) days after the execution of this Addendum, Purchaser shall pay to Seller a non-refundable payment of Ten Thousand One Hundred and Twenty-Six and No/100 Dollars (\$10,126.00). Additionally, Purchaser shall pay to Seller a second non-refundable payment of Ten Thousand and Twenty-Six and No/100 Dollars (\$10,126.00) within five (5) days after June 1, 2024. Neither payment contemplated by this Section 2 shall be applied toward the Purchase Price.

3. Closing Date. Section 8 of the Agreement is hereby amended to provide that the Closing Date shall take place no later than November 4, 2024.

4. Agreement Terms. All other terms of the Agreement not modified herein shall remain in full force and effect.

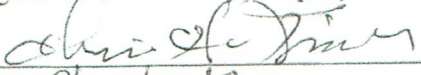
5. Counterparts. All parties agree that electronic and/or counterpart signatures shall be deemed originals.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date set forth above.

SELLER:

KCH TOTAL MANAGEMENT,
a Virginia limited liability company

Date: 11/28/2023

By: 
Name: Chin Ha Kim
Its: _____

Date: 11/28/2023


Chin Ha Kim

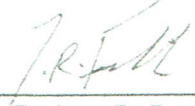
Date: 11/28/2023


Eun Kyung Kim

PURCHASER:

**CRESCENT PRESERVATION &
DEVELOPMENT CO., LLC,**
a Virginia limited liability company

Date: 11-21-23

By: 
Zachery R. Frederick, Manager

**SIXTH ADDENDUM TO
AND ASSIGNMENT OF
PURCHASE AND SALE AGREEMENT**

THIS SIXTH ADDENDUM TO AND ASSIGNMENT OF PURCHASE AND SALE AGREEMENT (this "*Addendum*"), is made as of May 23, 2024 (the "*Assignment Date*"), by and among CRESCENT PRESERVATION & DEVELOPMENT CO., LLC, a Virginia limited liability company ("*Assignor*"); WALMSLEY GARDENS, LLC, a Virginia limited liability company ("*Walmsley Gardens*"); WALMSLEY SENIOR LLC, a Virginia limited liability company ("*Walmsley Senior*"); and KCH TOTAL MANAGEMENT, LLC, a Virginia limited liability company ("*KCH*"), and CHIN HA KIM ("*Mr. Kim*", and together with KCH, "*Seller*").

RECITALS:

A. Seller and Assignor entered into that certain Purchase and Sale Agreement dated as of April 22, 2022 (as previously amended, the "*Agreement*"), pursuant to which Seller agreed to sell to Assignor, and Assignor agreed to purchase from Seller, certain real property located in the City of Richmond, Virginia (the "*City*"), consisting of approximately 10.543 acres in the aggregate (the "*Property*"), which Property comprises the following seven (7) parcels: City Tax Map Parcel C0080745024, commonly known as 4818 Walmsley Boulevard ("*Parcel 24*"), which is owned by Mr. Kim; City Tax Map Parcel C0080745026, commonly known as 4824 Walmsley Boulevard ("*Parcel 26*"), which is owned by KCH; City Tax Map Parcel C0080745028, commonly known as 4830 Walmsley Boulevard ("*Parcel 28*"), which is owned by Mr. Kim; City Tax Map Parcel C0080745030, commonly known as 4838 Walmsley Boulevard ("*Parcel 30*"), which is owned by KCH; City Tax Map Parcel C0080745031, commonly known as 4850 Walmsley Boulevard ("*Parcel 31*"), which is owned by KCH; City Tax Map Parcel C0080745032, commonly known as 4870 Walmsley Boulevard ("*Parcel 32*"), which is owned by KCH; and City Tax Map Parcel C0080745033, commonly known as 4890 Walmsley Boulevard ("*Parcel 33*"), which is owned by KCH.

B. Assignor has established its subsidiaries Walmsley Gardens and Walmsley Senior (collectively, the "*Assignees*"), to develop separate portions of the Property. Walmsley Senior intends to develop a senior living community on Parcel 24, Parcel 26, Parcel 28, Parcel 30 and that portion of Parcel 31 comprising approximately 0.815 acres and lying south and east of the line designated as "NEW PARCEL LINES" (the "*New Parcel Line*") on the plat titled "Boundary Line Adjustment Plat Between Four Parcels of Land Located Along the North Line of Walmsley Boulevard City of Richmond, Virginia", dated May 21, 2024, and prepared by Shadrach & Associates LLC (the "*Plat*", a copy of which is attached hereto as Exhibit A) (such portion of Parcel 31 being referred to herein as the "*Eastern Portion*") and (ii) Walmsley Gardens intends to develop a multifamily community on Parcel 32, Parcel 33, and the remainder of Parcel 31 lying outside the Eastern Portion.

C. In connection with the adjustments of boundary lines as shown on the Plat, and Assignor's intent for its subsidiaries to take title to separate portions of the Property, Assignor, Seller and the Assignees desire to execute this Addendum to (1) memorialize the assignment by Assignor of its rights and obligations under the Agreement to each of the Assignees and (2) modify the terms of the Agreement to contemplate the adjustments of the boundary lines and the separate conveyances occasioned by such assignment.

AGREEMENTS:

For and in consideration of the premises, the mutual agreements made herein, and other good and valuable consideration, the receipt whereof is hereby acknowledged by the parties hereto, the parties agree as follows:

1. **Adjustment of Parcel Lines.** At or before Closing, KCH agrees to execute and deliver to the Assignees, for recording immediately before the Deed in the Office of the Clerk of the Circuit Court for the City of Richmond, Virginia, a Declaration of Boundary Line Adjustment in the form attached hereto as **Exhibit B** (the "***Declaration***"), to which Declaration the Plat shall be attached as an exhibit. Pursuant to the Declaration, (i) the Eastern Portion shall be removed from Parcel 31 and incorporated into Parcel 30, such that Parcel 30 thereafter shall comprise a parcel of 1.188 acres identified on the Plat as Parcel "A" ("***New Parcel 30***"), and (ii) the common boundary lines between Parcel 31, as diminished by the removal therefrom of the Eastern Portion, and Parcel 32, and between Parcel 32 and Parcel 33, shall be vacated, resulting in a single parcel of 8.363 acres identified on the Plat as Parcel "B" (the "***Walmsley Gardens Property***").

2. **Walmsley Gardens Assignment.** Effective as of the Assignment Date, Assignor hereby assigns to Walmsley Gardens all of Assignor's right, title, interest and obligations under the Agreement with respect to the Walmsley Gardens Property. Walmsley Gardens hereby accepts such assignment and assumes all obligations of Assignor under the Agreement with respect to the Walmsley Gardens Property, effective on the date of this Addendum.

3. **Walmsley Senior Assignment.** Effective as of the Assignment Date, Assignor hereby assigns to Walmsley Senior all of Assignor's right, title and interest under the Agreement with respect to Parcel 24, Parcel 26, Parcel 28, and New Parcel 30 (collectively, the "***Walmsley Senior Property***"). Walmsley Senior hereby accepts such assignment and assumes all obligations of Assignor under the Agreement with respect to the Walmsley Senior Property, effective on the date of this Addendum.

4. **Closing Adjustments.** The parties hereby agree that the settlements of the purchase and sale of each of the Walmsley Gardens Property and the Walmsley Senior Property (respectively, the "***Walmsley Gardens Closing***" and the "***Walmsley Senior Closing***") shall take place simultaneously in accordance with the terms of the Agreement, and that all references in the Agreement (as amended hereby) to the "Closing" shall mean, collectively, the Walmsley Gardens Closing and the Walmsley Senior Closing. Deliveries due at Closing from Seller under the Agreement, including without limitation the documents and instruments set forth in Section 9 of the Agreement, shall be due to each of the Assignees with respect to each of their respective Closings and their respective portions of the Property. For the purposes of prorations of real estate taxes, storm water fees, and other assessments, rents utilities and operating expenses, if any, applicable to City Tax Map Parcel C0080745031 at Closing, 72.65% of the credits and charges (as the case may be) to Seller and Purchaser with respect thereto shall be allocated to the Walmsley Gardens Closing, and 27.35% or such credits and charges (as the case may be) shall be allocated to the Walmsley Senior Closing.

5. **Purchase Price Allocation.** Seller and the Assignees acknowledge and agree that the aggregate Purchase Price due at Closing with respect to the Property is Three Million One Hundred Fifty Thousand Dollars (\$3,150,000.00), which shall be allocated among the Assignees as follows: (a) the portion of the Purchase Price due from Walmsley Gardens at Closing with respect to the Walmsley Gardens Property shall be Two Million Four Hundred Ninety-eight Thousand Five Hundred Eighty Dollars (\$2,498,580.00); and (b) the portion of the Purchase Price due from Walmsley Senior at Closing with respect to the Walmsley Senior Property shall be Six Hundred Fifty-one Thousand Four Hundred Twenty Dollars (\$651,420.00).

6. **Permitted Assignment; Joinder by Seller.** Assignor has a controlling interest in both Walmsley Gardens and Walmsley Developer, and thus Seller's consent to this Assignment is not required pursuant to Section 18(b) of the Agreement. Assignor and Seller hereby represent and warrant to the Assignees that neither of them have any knowledge of the occurrence of any defaults under the Agreement by either Assignor or Seller on or prior to the Amendment Date. Assignor agrees and confirms to Seller that Assignor is not released from its obligations under the Agreement by or through this Addendum.

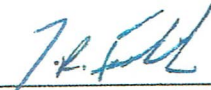
7. **Governing Law; Amendment.** This Addendum shall be interpreted under the laws of the Commonwealth of Virginia. It may not be amended other than by a written agreement executed by both Assignor and the Assignees (as to Sections 2 and 3) or by a written agreement executed by Seller and the Assignees (as to all other provisions). From and after the Amendment Date all references in the Agreement to “the Agreement” or “this Agreement” shall be deemed to refer to the Agreement as assigned and amended by this Addendum.

[signature pages to follow]

WITNESS the following signatures:

ASSIGNOR:

CRESCENT PRESERVATION & DEVELOPMENT CO., LLC,
a Virginia limited liability company

By: 
Name: Zachery R. Frederick
Its: Manager


WALMSLEY GARDENS:

WALMSLEY GARDENS, LLC,
a Virginia limited liability company

By: 
Name: Zachery R. Frederick
Its: Manager

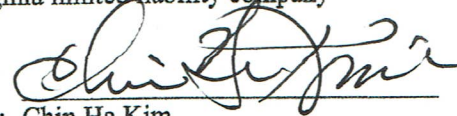
WALMSLEY SENIOR:


WALMSLEY SENIOR LLC,
a Virginia limited liability company

By: 
Name: Zachery R. Frederick
Its: Manager

SELLER:

KCH TOTAL MANAGEMENT LLC,
a Virginia limited liability company

By: 
Name: Chin Ha Kim
Title: President


CHIN HA KIM

[Remainder of page intentionally blank; exhibits follow]

EXHIBIT A

Plat

[Attached]

NEW PARCEL AREAS

(A) 1.188 Acres
51,764.15 Sq. Ft.

(Parcel 1) + 0.815 Ac. of Parcel (2)

(B) 8.363 Acres
364,296.46 Sq. Ft.
(2.165 Ac. of Parcel (2) + (3) + (4))

Legal References:

- (1)** KCH Total Management LLC
Instrument No. 2011-1892
Tax Parcel ID: C008-0745/030
#4838 Walmsley Blvd.
0.314 Acres
- (2)** KCH Total Management LLC
Instrument No. 2012-6203
Tax Parcel ID: C008-0745/031
#4850 Walmsley Blvd.
Lot 2, "Strickland"
Pilot Book 99, Pages 45-48
2.980 Acres
- (3)** KCH Total Management LLC
Instrument No. 2012-6203
Tax Parcel ID: C008-0745/032
#4870 Walmsley Blvd.
Lot 3, "Strickland"
Pilot Book 99, Pages 45-48
2.014 Acres
- (4)** KCH Total Management LLC
Instrument No. 2012-6203
Tax Parcel ID: C008-0745/033
#4890 Walmsley Blvd.
Lot 4, "Strickland"
Pilot Book 99, Pages 45-48
4.184 Acres

Boundary Line Adjustment Plat
Between Four Parcels of Land
Located Along the North Line
of Walmsley Boulevard
City of Richmond, Virginia
Date: May 21, 2024
Scale: 1" = 100'

Shadrach & Associates LLC
LAND SURVEYING
430 Southside Blvd., Suite 10-B • Richmond, Virginia 23226
Phone: (804) 779-5200 • Fax: (804) 779-5201



CURVE	RADIUS	DELTA	LENGTH	CHORD
C1	5428.20'	174.25°	168.60'	N70°44'31"W @ 168.59'
C2	34.50'	385°10'	23.46'	N2°26'16"E @ 23.01'
C3	7892.44'	0°12'15"	22.06'	N78°52'31"W @ 27.06'
C4	282.11'	358°48'	19.94'	S07°23'31"W @ 19.94'
C5	100.00'	18°44'18"	34.45'	S03°15'07"E @ 34.28'

CURVE TABLE

LINE TABLE

LINE	BEARING	LENGTH
L1	N12°51'41"E	66.76'
L2	S06°17'00"W	80.71'
L3	S01°07'02"E	54.91'

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Property: 4838 Walmsley Blvd Parcel ID: C0080745030

Assessments

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$87,000	\$103,000	\$190,000	Reassessment
2023	\$87,000	\$102,000	\$189,000	Reassessment
2022	\$62,000	\$103,000	\$165,000	Reassessment
2021	\$40,000	\$93,000	\$133,000	Reassessment
2020	\$40,000	\$87,000	\$127,000	Reassessment
2019	\$40,000	\$81,000	\$121,000	Reassessment
2018	\$40,000	\$74,000	\$114,000	Reassessment
2017	\$25,000	\$63,000	\$88,000	Reassessment
2016	\$25,000	\$63,000	\$88,000	Reassessment
2015	\$25,000	\$63,000	\$88,000	Reassessment
2014	\$31,000	\$52,000	\$83,000	Reassessment
2013	\$31,000	\$55,000	\$86,000	Reassessment
2012	\$31,000	\$65,000	\$96,000	Reassessment
2011	\$31,000	\$70,000	\$101,000	CarryOver
2010	\$31,000	\$70,000	\$101,000	Reassessment
2009	\$31,000	\$71,800	\$102,800	Reassessment
2008	\$31,000	\$75,900	\$106,900	Reassessment
2007	\$46,700	\$65,900	\$112,600	Reassessment
2006	\$37,300	\$65,900	\$103,200	Reassessment
2005	\$37,300	\$53,600	\$90,900	Reassessment
2004	\$30,800	\$44,300	\$75,100	Reassessment
2003	\$29,900	\$43,000	\$72,900	Reassessment
2002	\$27,700	\$39,800	\$67,500	Reassessment
2001	\$26,400	\$37,950	\$64,350	Reassessment
1998	\$24,000	\$34,500	\$58,500	Not Available

Property: 4850 Walmsley Blvd Parcel ID: C0080745031

Assessments

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$234,000	\$0	\$234,000	Reassessment
2023	\$223,000	\$0	\$223,000	Reassessment
2022	\$250,000	\$0	\$250,000	Reassessment
2021	\$208,000	\$0	\$208,000	Reassessment
2020	\$208,000	\$0	\$208,000	Reassessment
2019	\$208,000	\$0	\$208,000	Reassessment
2018	\$208,000	\$0	\$208,000	Reassessment
2017	\$208,000	\$0	\$208,000	Reassessment
2016	\$208,000	\$0	\$208,000	Reassessment
2015	\$138,000	\$0	\$138,000	Reassessment
2014	\$138,000	\$0	\$138,000	Reassessment
2013	\$138,000	\$0	\$138,000	Reassessment
2012	\$138,000	\$0	\$138,000	Reassessment
2011	\$138,000	\$0	\$138,000	CarryOver
2010	\$138,000	\$0	\$138,000	Reassessment
2009	\$137,600	\$0	\$137,600	Reassessment
2008	\$20,000	\$0	\$20,000	Reassessment
2007	\$20,000	\$0	\$20,000	Reassessment
2006	\$19,000	\$0	\$19,000	Correction
2005	\$157,300	\$0	\$157,300	Reassessment
2004	\$149,800	\$0	\$149,800	Reassessment
2003	\$140,000	\$0	\$140,000	Reassessment
2002	\$130,000	\$0	\$130,000	Split/Combo
2001	\$125,000	\$0	\$125,000	Split/Combo
2000	\$125,000	\$0	\$125,000	Split/Combo

[Print](#)**Property:** 4870 Walmsley Blvd **Parcel ID:** C0080745032

Assessments

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$158,000	\$0	\$158,000	Reassessment
2023	\$150,000	\$0	\$150,000	Reassessment
2022	\$71,000	\$0	\$71,000	Reassessment
2021	\$59,000	\$0	\$59,000	Reassessment
2020	\$59,000	\$0	\$59,000	Reassessment
2019	\$59,000	\$0	\$59,000	Reassessment
2018	\$59,000	\$0	\$59,000	Reassessment
2017	\$59,000	\$0	\$59,000	Reassessment
2016	\$59,000	\$0	\$59,000	Reassessment
2015	\$39,000	\$0	\$39,000	Reassessment
2014	\$39,000	\$0	\$39,000	Reassessment
2013	\$39,000	\$0	\$39,000	Reassessment
2012	\$39,000	\$0	\$39,000	Reassessment
2011	\$39,000	\$0	\$39,000	CarryOver
2010	\$39,000	\$0	\$39,000	Reassessment
2009	\$39,400	\$0	\$39,400	Reassessment
2008	\$18,000	\$0	\$18,000	Reassessment
2007	\$18,000	\$0	\$18,000	Reassessment
2006	\$17,500	\$0	\$17,500	Correction
2005	\$95,600	\$0	\$95,600	Reassessment
2004	\$91,000	\$0	\$91,000	Reassessment
2003	\$85,000	\$0	\$85,000	Reassessment
2002	\$80,000	\$0	\$80,000	Split/Combo
2001	\$75,000	\$0	\$75,000	Split/Combo
2000	\$75,000	\$0	\$75,000	Split/Combo

Property: 4890 Walmsley Blvd Parcel ID: C0080745033

Assessments

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2024	\$124,000	\$0	\$124,000	Reassessment
2023	\$124,000	\$0	\$124,000	Reassessment
2022	\$114,000	\$0	\$114,000	Reassessment
2021	\$95,000	\$0	\$95,000	Reassessment
2020	\$95,000	\$0	\$95,000	Reassessment
2019	\$95,000	\$0	\$95,000	Reassessment
2018	\$95,000	\$0	\$95,000	Reassessment
2017	\$82,000	\$0	\$82,000	Reassessment
2016	\$82,000	\$0	\$82,000	Reassessment
2015	\$82,000	\$0	\$82,000	Reassessment
2014	\$82,000	\$0	\$82,000	Reassessment
2013	\$82,000	\$0	\$82,000	Reassessment
2012	\$82,000	\$0	\$82,000	Reassessment
2011	\$82,000	\$0	\$82,000	CarryOver
2010	\$82,000	\$0	\$82,000	Reassessment
2009	\$82,000	\$0	\$82,000	Reassessment
2008	\$38,000	\$0	\$38,000	Reassessment
2007	\$34,200	\$0	\$34,200	Reassessment
2006	\$27,300	\$0	\$27,300	Correction
2005	\$48,400	\$0	\$48,400	Reassessment
2004	\$40,000	\$0	\$40,000	Reassessment
2003	\$40,000	\$0	\$40,000	Reassessment
2002	\$30,000	\$0	\$30,000	Split/Combo
2001	\$25,000	\$0	\$25,000	Split/Combo
2000	\$25,000	\$0	\$25,000	Split/Combo

Tab F:

RESNET Rater Certification (MANDATORY)



Appendix F
RESNET Rater Certification of Development Plans

Project Name: Walmsley Gardens Family

Project Address: 4850 Walmsley Blvd, Richmond VA, 23224

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP).

In the event the plans and specifications do not include requirements to meet the QAP baseline energy performance, then those requirements still must be met, even though the application is accepted for credits.

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

In addition provide HERS rating documentation as specified in the manual

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

☐ **Rehabilitation** -30% performance increase over existing, based on HERS Index
Or Must evidence a HERS Index of 80 or lower
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to Virginia Housing of energy performance.

☐ **Adaptive Reuse** - Must evidence a HERS Index of 95 or lower.
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to Virginia Housing of energy performance.

Additional Optional Certifications

I certify that the development's plans and specifications incorporate all items for the certification as indicated below, and I am a certified verifier of said certification. In the event the plans and specifications do not include requirements to obtain the certification, then those requirements still must be met, even though the application is accepted for credits. Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide Certification to Virginia Housing.

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

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

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

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

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

Signed: 

Date: 6/20/24

Printed Name: Stacey Smith

RESNET Rater

Resnet Provider Agency

Viridian

Signature 

Provider Contact and Phone/Email

Sean Shanley: (804)225-9843 / sean.shanley@viridian.org

RESNET HOME ENERGY RATING

Standard Disclosure

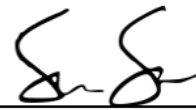
For home(s) located at: **4850 Walmsley Blvd, Richmond, VA**

Check the applicable disclosure(s):

- ☒ 1. The Rater or the Rater's employer is receiving a fee for providing the rating on this home.
- ☐ 2. In addition to the rating, the Rater or the Rater's employer has also provided the following consulting services for this home:
- ☐ A. Mechanical system design
 - ☐ B. Moisture control or indoor air quality consulting
 - ☐ C. Performance testing and/or commissioning other than required for the rating itself
 - ☐ D. Training for sales or construction personnel
 - ☐ E. Other(specify)
- ☐ 3. The Rater or the Rater's employer is:
- ☐ A. The seller of this home or their agent
 - ☐ B. The mortgagor for some portion of the financed payments on this home
 - ☐ C. An employee, contractor, or consultant of the electric and/or natural gas utility serving this home
- ☐ 4. The Rater or Rater's employer is a supplier or installer of products, which may include:
- | Products | Installed in this home by | OR is in the business of |
|---|--|--|
| HVAC systems | <input type="checkbox"/> Rater <input type="checkbox"/> Employer | <input type="checkbox"/> Rater <input type="checkbox"/> Employer |
| Thermal insulation systems | <input type="checkbox"/> Rater <input type="checkbox"/> Employer | <input type="checkbox"/> Rater <input type="checkbox"/> Employer |
| Air sealing of envelope or duct systems | <input type="checkbox"/> Rater <input type="checkbox"/> Employer | <input type="checkbox"/> Rater <input type="checkbox"/> Employer |
| Energy efficient appliances | <input type="checkbox"/> Rater <input type="checkbox"/> Employer | <input type="checkbox"/> Rater <input type="checkbox"/> Employer |
| Construction (builder, developer, construction contractor, etc) | <input type="checkbox"/> Rater <input type="checkbox"/> Employer | <input type="checkbox"/> Rater <input type="checkbox"/> Employer |
| Other (specify): <input type="text"/> | <input type="checkbox"/> Rater <input type="checkbox"/> Employer | <input type="checkbox"/> Rater <input type="checkbox"/> Employer |
- ☐ 5. This home has been verified under the provisions of Chapter 6, Section 603 "Technical Requirements for Sampling" of the Mortgage Industry National Home Energy Rating Standard as set forth by the Residential Energy Services Network (RESNET). Rater Certification #: 2279319

Name: Stacey Smith

Organization: Viridiant

Signature: 

Digitally signed: 6/20/24 at 10:16 AM

I attest that the above information is true and correct to the best of my knowledge. As a Rater or Rating Provider I abide by the rating quality control provisions of the Mortgage Industry National Home Energy Rating Standard as set forth by the Residential Energy Services Network(RESNET). The national rating quality control provisions of the rating standard are contained in Chapter One 102.1.4.6 of the standard and are posted at

<https://standards.resnet.us>

The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

2024 Pre-Review Comments

Walmsley Gardens Family



viridian

Project Address

4850 Walmsley Blvd
Richmond, VA 23224

Project Summary

Walmsley Gardens Family is a 3 story, new construction multifamily development, comprised of 216 units and located in Richmond, VA. Crescent Development plans to construct the project using 4% LIHTC funding. As part of their funding application the project is seeking the following certification(s): ENERGY STAR Multifamily New Construction v1.1, EarthCraft v7 Gold. Michael Poole of Poole & Poole Architecture is the primary architect contact for the project.

Unit Level Summary

Unit-level models were generated using Ekotrope v4.2.2 based on the proposed scope and plans provided by the project team dated: **January 17, 2024**

Modeling Summary

Enclosure:

- R-10 slab edge insulation, 2' depth
- R-19 Grade I cavity insulation in exterior above grade walls
- R-13 Grade II cavity insulation in party walls and adiabatic ceilings/floors
- R-49 Batt Cavity Insulation Grade I
- 0.30 U-Factor/0.40 SHGC Patio Door
- 0.30 U-Factor/0.27 SHGC Windows

Program Notes/Assumptions:

Energy Star
Energy Star

Energy Star
Energy Star
Energy Star/EarthCraft Gold

Mechanicals:

- SEER2 16, HSPF2 9, 18k air source heat pump 1BR, SEER 15, HSPF 9, 23.3k air source heat pump 2BR, SEER 15, HSPF 9, 26.6k air source heat pump 3BR programmable thermostat
- .93 UEF 50 gallon Electric water heater
- 5 ACH50 for infiltration threshold/blower door test
- 4% duct leakage to the outside, 6% total duct leakage
- Ducts within conditioned space and insulated to R-6
- Supply fan for ventilation, 45 cfm, 40 watts, operational 30 mins/hour, 24 hrs/day

Energy Star/EarthCraft Gold
Energy Star
Energy Star
Energy Star/EarthCraft
Energy Star/EarthCraft
EarthCraft

Lights, Appliances, and Plumbing:

- ENERGY STAR certified appliances
 - 645 kWh/yr refrigerator
 - 270 kWh/yr dishwasher
 - Energy Star Washer
- Advanced lighting 100% CFL or LED
- No Ceiling Fans Included, but if added must be Energy Star Qualified
- Low Flow Plumbing Fixtures

Energy Star/EarthCraft

Energy Star/EarthCraft
EarthCraft
EarthCraft

Ekotrope Models HERS Scores:

Unit Type	Quantity	HERS	ES Target	Difference +/-
Unit A1	36	62	63	1
Unit A1Top	18	62	64	2
Unit B1	36	62	63	1
Unit B2	36	60	63	3
Unit B2 Top	18	59	64	5
Unit B1 Top	18	61	63	2
Unit C1	36	61	62	1
Unit C1 Top	18	60	63	3
Projected Project HERS - Weighted Average		216	61	

ENERGY STAR Multifamily New Construction v1.1 requires the project to have a maximum HERS index in compliance with the ENERGY STAR floating target HERS index and completion of all required ENERGY STAR checklists. EarthCraft v7 Gold requires the project to have a maximum HERS index of Energy Star.

Program version for Energy Star is dependent on the building permit being applied for prior to the end of 2024.

If any information used to generate the energy models does not accurately reflect the project scope, please reach out.

Sincerely,

Lauren Thomson
Project Manager, Viridian

Project Team Acceptance: _____ / _____ (Initial)

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:

Registry ID:

Ekotrope ID: dG5EW9k2

HERS® Index Score:

62

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

Annual Savings

\$690

*Relative to an average U.S. home

Home:

4850 Walmsley Blvd
Richmond, VA 23224

Builder:

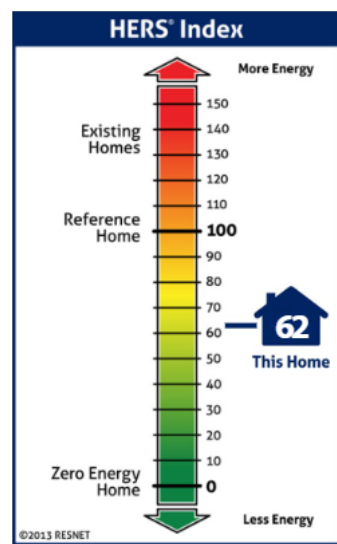
Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.0	\$155
Cooling	1.3	\$50
Hot Water	4.3	\$164
Lights/Appliances	10.5	\$403
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	20.1	\$864

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1

ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	631 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 16.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.60 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Stacey Smith

RESNET ID: 2279319

Rating Company: Viridiant

1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant

1431 W. Main Street, Richmond, VA 23220


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM





ENERGY STAR® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: 4850 Walmsley Blvd, Richmond, VA 23224

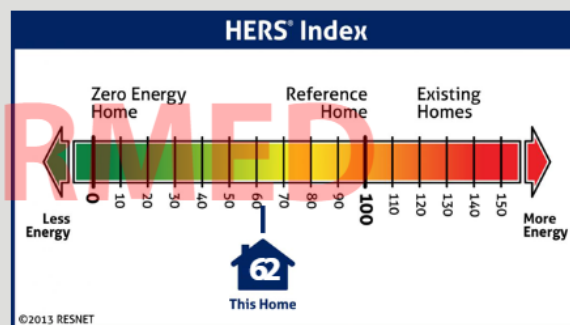
Rating Company: Viridian

Rater ID Number: 2279319

Rating Date:

Oversight By: RESNET

Program/Version Number: Multifamily V1.1



This value is not intended to be used for code compliance.

Standard Features of ENERGY STAR Certified New Homes and Apartments

Your ENERGY STAR certified new home or apartment has been designed, constructed, and independently verified to meet rigorous requirements for energy efficiency set by the U.S. Environmental Protection Agency (EPA), including:

Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: 5 ACH50

Primary Insulation Levels:

Ceiling: R-13 Floor: N/A
Wall: R-19 Slab: R-10

Primary Window Efficiency:

U-Value: 0.3 SHGC: 0.27



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: Duct Leakage to Outdoors:
6 CFM25 / 100 ft² (Post-Construction) 4 CFM25 / 100 ft²

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF2

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 16.2 SEER2

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: 100%

ENERGY STAR Certified Appliances and Fans:

Refrigerators: 0 Dishwashers: 0
Ceiling Fans: 0 Exhaust Fans: 0

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

The certificate provides a summary of the major energy efficiency and other construction features that contribute to this home or apartment earning the ENERGY STAR, as determined through independent inspection and verification performed by a trained professional. The Energy Rating Index or HERS index for this home, if reported, is calculated in accordance with ANSI/RESNET/ICC Standard 301, with any exceptions

approved by EPA. Because the version of Standard 301 used to calculate this index may not align with the version referenced by code, this value is not intended to be used to demonstrate compliance with code. Note that when a home or apartment contains multiple performance levels for a particular feature (e.g., window efficiency or insulation levels), the predominant value is shown. Also, homes and apartments may be certified

to earn the ENERGY STAR using a sampling protocol, whereby one home or apartment is randomly selected from a set for representative inspections and testing. In such cases, the features found in each home or apartment within the set are intended to meet or exceed the values presented on this certificate. The actual values for your home or apartment may differ, but offer equivalent or better performance.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: da81rMoL

HERS® Index Score:

62

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

Annual Savings

\$699

*Relative to an average U.S. home

Home:
4850 Walmsley Blvd
Richmond, VA 23224

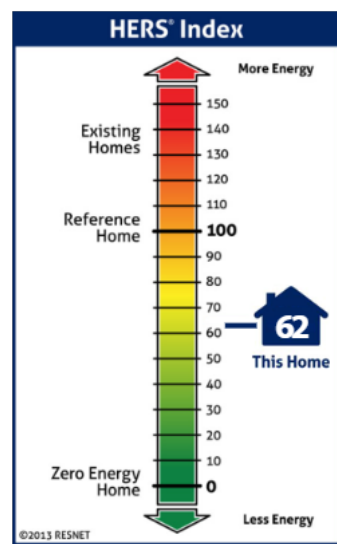
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.9	\$149
Cooling	1.6	\$60
Hot Water	4.8	\$185
Lights/Appliances	10.5	\$403
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	20.7	\$888

This home meets or exceeds the criteria of the following:

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



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	631 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 16.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.59 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM





ENERGY STAR® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: 4850 Walmsley Blvd, Richmond, VA 23224

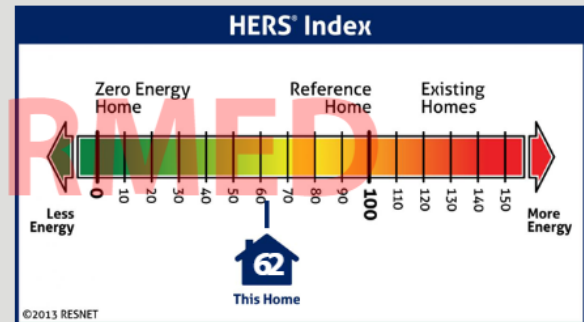
Rating Company: Viridian

Rater ID Number: 2279319

Rating Date:

Oversight By: RESNET

Program/Version Number: Multifamily V1.1



This value is not intended to be used for code compliance.

Standard Features of ENERGY STAR Certified New Homes and Apartments

Your ENERGY STAR certified new home or apartment has been designed, constructed, and independently verified to meet rigorous requirements for energy efficiency set by the U.S. Environmental Protection Agency (EPA), including:

Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: 5 ACH50

Primary Insulation Levels:

Ceiling: R-50 **Floor:** R-13
Wall: R-19 **Slab:** N/A

Primary Window Efficiency:

U-Value: 0.3 **SHGC:** 0.27



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: Duct Leakage to Outdoors:
6 CFM25 / 100 ft² (Post-Construction) 4 CFM25 / 100 ft²

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF2

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 16.2 SEER2

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: 100%

ENERGY STAR Certified Appliances and Fans:

Refrigerators: 0 **Dishwashers:** 0
Ceiling Fans: 0 **Exhaust Fans:** 0

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

The certificate provides a summary of the major energy efficiency and other construction features that contribute to this home or apartment earning the ENERGY STAR, as determined through independent inspection and verification performed by a trained professional. The Energy Rating Index or HERS index for this home, if reported, is calculated in accordance with ANSI/RESNET/ICC Standard 301, with any exceptions

approved by EPA. Because the version of Standard 301 used to calculate this index may not align with the version referenced by code, this value is not intended to be used to demonstrate compliance with code. Note that when a home or apartment contains multiple performance levels for a particular feature (e.g., window efficiency or insulation levels), the predominant value is shown. Also, homes and apartments may be certified

to earn the ENERGY STAR using a sampling protocol, whereby one home or apartment is randomly selected from a set for representative inspections and testing. In such cases, the features found in each home or apartment within the set are intended to meet or exceed the values presented on this certificate. The actual values for your home or apartment may differ, but offer equivalent or better performance.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: Le61BE8d

HERS® Index Score:

62

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

Annual Savings

\$959

*Relative to an average U.S. home

Home:
4850 Walmsley Blvd
Richmond, VA 23224

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	7.1	\$268
Cooling	2.4	\$91
Hot Water	5.7	\$217
Lights/Appliances	12.7	\$487
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	27.8	\$1,154

This home meets or exceeds the criteria of the following:

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

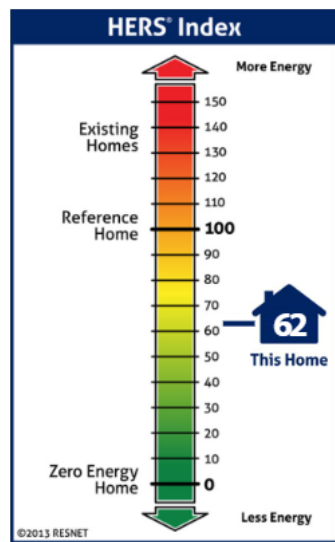
Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	1,002 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 3.09 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A



Ekotrope RATER - Version:4.2.2.3422

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® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: 4850 Walmsley Blvd, Richmond, VA 23224

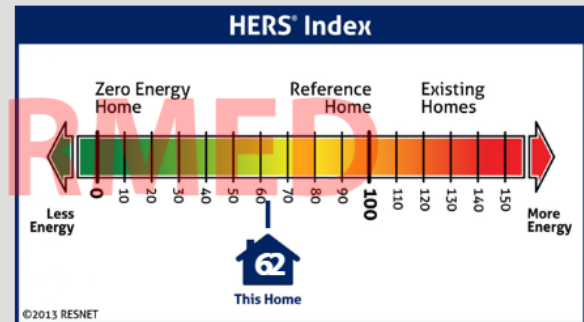
Rating Company: Viridian

Rater ID Number: 2279319

Rating Date:

Oversight By: RESNET

Program/Version Number: Multifamily V1.1



This value is not intended to be used for code compliance.

Standard Features of ENERGY STAR Certified New Homes and Apartments

Your ENERGY STAR certified new home or apartment has been designed, constructed, and independently verified to meet rigorous requirements for energy efficiency set by the U.S. Environmental Protection Agency (EPA), including:

Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: 5 ACH50

Primary Insulation Levels:

Ceiling: R-13 **Floor:** N/A
Wall: R-19 **Slab:** R-10

Primary Window Efficiency:

U-Value: 0.3 **SHGC:** 0.27



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: **Duct Leakage to Outdoors:**
6 CFM25 / 100 ft² (Post-Construction) **4 CFM25 / 100 ft²**

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 15 SEER

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: 100%

ENERGY STAR Certified Appliances and Fans:

Refrigerators: 0 **Dishwashers:** 0
Ceiling Fans: 0 **Exhaust Fans:** 0

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

The certificate provides a summary of the major energy efficiency and other construction features that contribute to this home or apartment earning the ENERGY STAR, as determined through independent inspection and verification performed by a trained professional. The Energy Rating Index or HERS index for this home, if reported, is calculated in accordance with ANSI/RESNET/ICC Standard 301, with any exceptions

approved by EPA. Because the version of Standard 301 used to calculate this index may not align with the version referenced by code, this value is not intended to be used to demonstrate compliance with code. Note that when a home or apartment contains multiple performance levels for a particular feature (e.g., window efficiency or insulation levels), the predominant value is shown. Also, homes and apartments may be certified

to earn the ENERGY STAR using a sampling protocol, whereby one home or apartment is randomly selected from a set for representative inspections and testing. In such cases, the features found in each home or apartment within the set are intended to meet or exceed the values presented on this certificate. The actual values for your home or apartment may differ, but offer equivalent or better performance.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: vg01BEq2

HERS® Index Score:

61

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

Annual Savings

\$1,012

*Relative to an average U.S. home

Home:
4850 Walmsley Blvd
Richmond, VA 23224

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	7.1	\$268
Cooling	2.8	\$108
Hot Water	6.2	\$239
Lights/Appliances	12.7	\$488
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	28.9	\$1,194

This home meets or exceeds the criteria of the following:

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

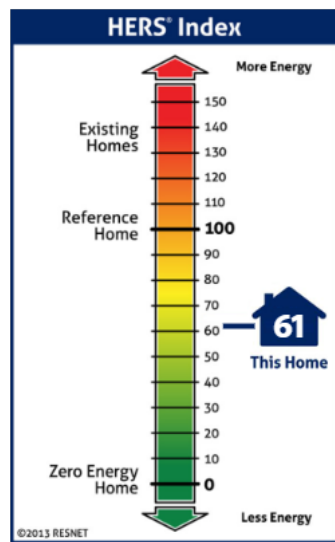
Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	1,002 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 3.09 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13



Ekotrope RATER - Version:4.2.2.3422

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® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: 4850 Walmsley Blvd, Richmond, VA 23224

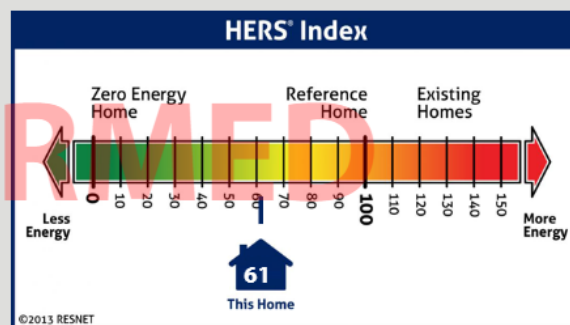
Rating Company: Viridiant

Rater ID Number: 2279319

Rating Date:

Oversight By: RESNET

Program/Version Number: Multifamily V1.1



This value is not intended to be used for code compliance.

Standard Features of ENERGY STAR Certified New Homes and Apartments

Your ENERGY STAR certified new home or apartment has been designed, constructed, and independently verified to meet rigorous requirements for energy efficiency set by the U.S. Environmental Protection Agency (EPA), including:

Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: 5 ACH50

Primary Insulation Levels:

Ceiling: R-50 **Floor:** R-13
Wall: R-19 **Slab:** N/A

Primary Window Efficiency:

U-Value: 0.3 **SHGC:** 0.27



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: Duct Leakage to Outdoors:
6 CFM25 / 100 ft² (Post-Construction) 4 CFM25 / 100 ft²

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 15 SEER

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: 100%

ENERGY STAR Certified Appliances and Fans:

Refrigerators: 0 **Dishwashers:** 0
Ceiling Fans: 0 **Exhaust Fans:** 0

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

The certificate provides a summary of the major energy efficiency and other construction features that contribute to this home or apartment earning the ENERGY STAR, as determined through independent inspection and verification performed by a trained professional. The Energy Rating Index or HERS index for this home, if reported, is calculated in accordance with ANSI/RESNET/ICC Standard 301, with any exceptions

approved by EPA. Because the version of Standard 301 used to calculate this index may not align with the version referenced by code, this value is not intended to be used to demonstrate compliance with code. Note that when a home or apartment contains multiple performance levels for a particular feature (e.g., window efficiency or insulation levels), the predominant value is shown. Also, homes and apartments may be certified

to earn the ENERGY STAR using a sampling protocol, whereby one home or apartment is randomly selected from a set for representative inspections and testing. In such cases, the features found in each home or apartment within the set are intended to meet or exceed the values presented on this certificate. The actual values for your home or apartment may differ, but offer equivalent or better performance.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: dNBEqeqd

HERS® Index Score:

60

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

Annual Savings

\$981

*Relative to an average U.S. home

Home:
4850 Walmsley Blvd
Richmond, VA 23224

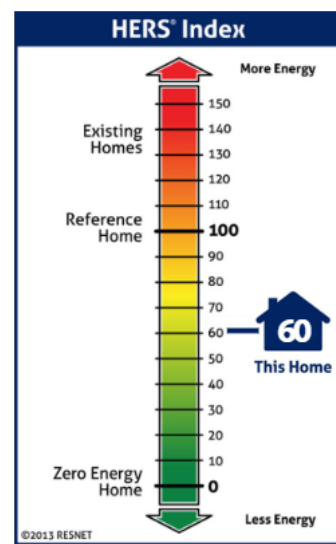
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.8	\$221
Cooling	1.9	\$73
Hot Water	5.7	\$217
Lights/Appliances	13.1	\$503
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	26.5	\$1,105

This home meets or exceeds the criteria of the following:

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



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	1,086 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.63 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM





ENERGY STAR® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: 4850 Walmsley Blvd, Richmond, VA 23224

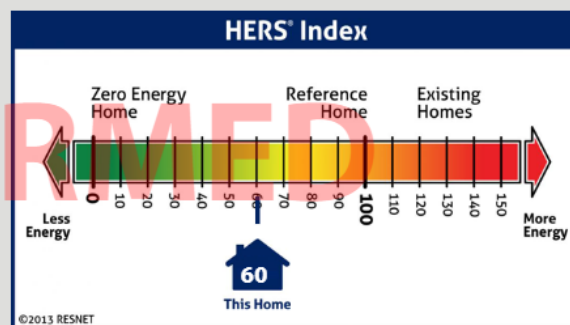
Rating Company: Viridiant

Rater ID Number: 2279319

Rating Date:

Oversight By: RESNET

Program/Version Number: Multifamily V1.1



This value is not intended to be used for code compliance.

Standard Features of ENERGY STAR Certified New Homes and Apartments

Your ENERGY STAR certified new home or apartment has been designed, constructed, and independently verified to meet rigorous requirements for energy efficiency set by the U.S. Environmental Protection Agency (EPA), including:

Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: 5 ACH50

Primary Insulation Levels:

Ceiling: R-13 **Floor:** N/A
Wall: R-19 **Slab:** R-10

Primary Window Efficiency:

U-Value: 0.3 **SHGC:** 0.27



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: **Duct Leakage to Outdoors:**
6 CFM25 / 100 ft² (Post-Construction) **4 CFM25 / 100 ft²**

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 15 SEER

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: 100%

ENERGY STAR Certified Appliances and Fans:

Refrigerators: 0 **Dishwashers:** 0
Ceiling Fans: 0 **Exhaust Fans:** 0

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

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approved by EPA. Because the version of Standard 301 used to calculate this index may not align with the version referenced by code, this value is not intended to be used to demonstrate compliance with code. Note that when a home or apartment contains multiple performance levels for a particular feature (e.g., window efficiency or insulation levels), the predominant value is shown. Also, homes and apartments may be certified

to earn the ENERGY STAR using a sampling protocol, whereby one home or apartment is randomly selected from a set for representative inspections and testing. In such cases, the features found in each home or apartment within the set are intended to meet or exceed the values presented on this certificate. The actual values for your home or apartment may differ, but offer equivalent or better performance.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: vob7Bl6d

HERS® Index Score:

59

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

Annual Savings

\$1,042

*Relative to an average U.S. home

Home:
4850 Walmsley Blvd
Richmond, VA 23224

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.0	\$228
Cooling	2.4	\$92
Hot Water	6.2	\$239
Lights/Appliances	13.1	\$504
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	27.7	\$1,154

This home meets or exceeds the criteria of the following:

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

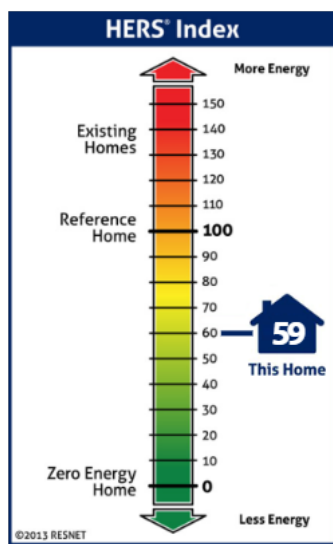
Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	1,086 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.63 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13



Ekotrope RATER - Version:4.2.2.3422

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® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: **4850 Walmsley Blvd, Richmond, VA 23224**

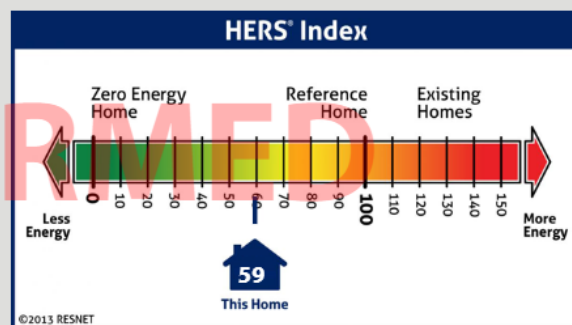
Rating Company: **Viridian**

Rater ID Number: **2279319**

Rating Date:

Oversight By: **RESNET**

Program/Version Number: **Multifamily V1.1**



This value is not intended to be used for code compliance.

Standard Features of ENERGY STAR Certified New Homes and Apartments

Your ENERGY STAR certified new home or apartment has been designed, constructed, and independently verified to meet rigorous requirements for energy efficiency set by the U.S. Environmental Protection Agency (EPA), including:

Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: **5 ACH50**

Primary Insulation Levels:

Ceiling: **R-50** Floor: **R-13**
Wall: **R-19** Slab: **N/A**

Primary Window Efficiency:

U-Value: **0.3** SHGC: **0.27**



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: Duct Leakage to Outdoors:
6 CFM25 / 100 ft² (Post-Construction) **4 CFM25 / 100 ft²**

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 15 SEER

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: **100%**

ENERGY STAR Certified Appliances and Fans:

Refrigerators: **0** Dishwashers: **0**
Ceiling Fans: **0** Exhaust Fans: **0**

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

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Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: dq3NR6j2

HERS® Index Score:

61

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

Annual Savings

\$1,109

*Relative to an average U.S. home

Home:
4850 Walmsley Blvd
Richmond, VA 23224

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	7.7	\$290
Cooling	2.5	\$95
Hot Water	7.2	\$273
Lights/Appliances	14.3	\$545
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	31.6	\$1,294

This home meets or exceeds the criteria of the following:

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

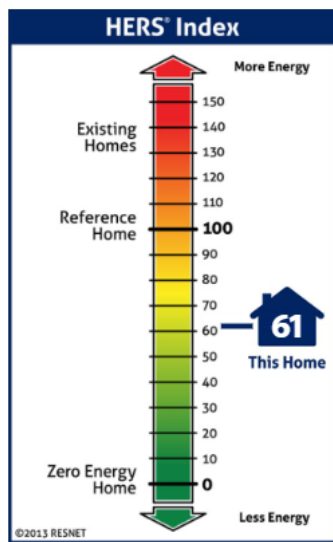
Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	1,152 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 3.08 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A



Ekotrope RATER - Version:4.2.2.3422

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® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: 4850 Walmsley Blvd, Richmond, VA 23224

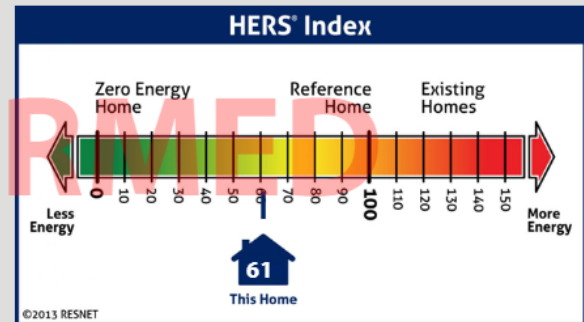
Rating Company: Viridiant

Rater ID Number: 2279319

Rating Date:

Oversight By: RESNET

Program/Version Number: Multifamily V1.1



This value is not intended to be used for code compliance.

Standard Features of ENERGY STAR Certified New Homes and Apartments

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Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: 5 ACH50

Primary Insulation Levels:

Ceiling: R-13 **Floor:** N/A
Wall: R-19 **Slab:** R-10

Primary Window Efficiency:

U-Value: 0.3 **SHGC:** 0.27



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: Duct Leakage to Outdoors:
6 CFM25 / 100 ft² (Post-Construction) 4 CFM25 / 100 ft²

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 15 SEER

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: 100%

ENERGY STAR Certified Appliances and Fans:

Refrigerators: 0 **Dishwashers:** 0
Ceiling Fans: 0 **Exhaust Fans:** 0

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

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Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: dY70leJ2

HERS® Index Score:

60

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

Annual Savings

\$1,144

*Relative to an average U.S. home

Home:
4850 Walmsley Blvd
Richmond, VA 23224

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	7.3	\$273
Cooling	3.0	\$116
Hot Water	7.8	\$298
Lights/Appliances	14.3	\$547
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	32.4	\$1,325

This home meets or exceeds the criteria of the following:

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

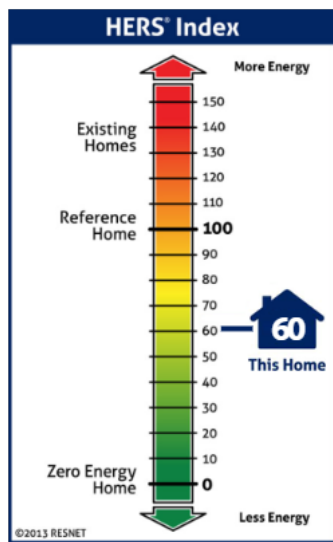
Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 6/20/24 at 2:44 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	1,152 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 3.03 ACH50)
Ventilation:	45 CFM • 40 Watts • Supply Only
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13



Ekotrope RATER - Version:4.2.2.3422

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® CERTIFIED NEW CONSTRUCTION

Builder/Developer:

Permit Date/Number:

Home/Unit Address: 4850 Walmsley Blvd, Richmond, VA 23224

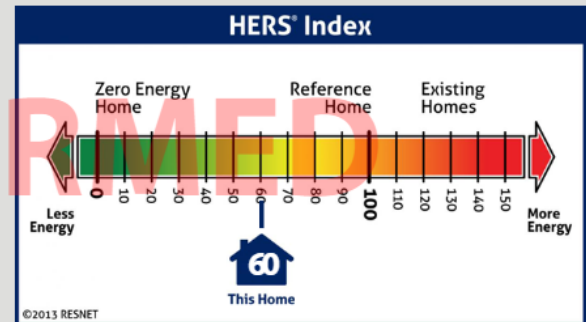
Rating Company: Viridian

Rater ID Number: 2279319

Rating Date:

Oversight By: RESNET

Program/Version Number: Multifamily V1.1



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Thermal Enclosure System

A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and high-performing windows to deliver improved comfort and lower utility bills.

Air Infiltration Test: 5 ACH50

Primary Insulation Levels:

Ceiling: R-50 **Floor:** R-13
Wall: R-19 **Slab:** N/A

Primary Window Efficiency:

U-Value: 0.3 **SHGC:** 0.27



Water Management System

A comprehensive water management system to protect roofs, walls, and foundations.

Flashing, a drainage plane, and site grading to move water from the roof to the ground and then away from the home or building.

Water-resistant materials on below-grade walls and underneath slabs to reduce the potential for water entering the home or building.

Management of moisture levels in building materials during construction.



Heating, Cooling, and Ventilation System

A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.

Total Duct Leakage: Duct Leakage to Outdoors:
6 CFM25 / 100 ft² (Post-Construction) 4 CFM25 / 100 ft²

Primary Heating (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 9 HSPF

Primary Cooling (System Type • Fuel Type • Efficiency):

Air Source Heat Pump • Electric • 15 SEER

Whole-House Ventilation Type (System Type):

Supply Only



Energy Efficient Lighting and Appliances

Energy efficient products to help reduce utility bills, while providing high-quality performance.

Energy Efficient Lighting: 100%

ENERGY STAR Certified Appliances and Fans:

Refrigerators: 0 **Dishwashers:** 0
Ceiling Fans: 0 **Exhaust Fans:** 0

Primary Water Heater (System Type • Fuel Type • Efficiency):

Residential Water Heater • Electric • 0.93 UEF



About this certificate

The certificate provides a summary of the major energy efficiency and other construction features that contribute to this home or apartment earning the ENERGY STAR, as determined through independent inspection and verification performed by a trained professional. The Energy Rating Index or HERS index for this home, if reported, is calculated in accordance with ANSI/RESNET/ICC Standard 301, with any exceptions

approved by EPA. Because the version of Standard 301 used to calculate this index may not align with the version referenced by code, this value is not intended to be used to demonstrate compliance with code. Note that when a home or apartment contains multiple performance levels for a particular feature (e.g., window efficiency or insulation levels), the predominant value is shown. Also, homes and apartments may be certified

to earn the ENERGY STAR using a sampling protocol, whereby one home or apartment is randomly selected from a set for representative inspections and testing. In such cases, the features found in each home or apartment within the set are intended to meet or exceed the values presented on this certificate. The actual values for your home or apartment may differ, but offer equivalent or better performance.

Tab G:

Zoning Certification Letter (MANDATORY)

Zoning Certification

DATE: June 18, 2024

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

RE: ZONING CERTIFICATION

Name of Development: Walmsley Gardens - Family

Name of Owner/Applicant: Walmsley Gardens, LLC

Name of Seller/Current Owner: KCH Total Management, LLC, Chin Ha Kim & Eun Kyung Kim

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:
4850, 4870 & 4890 Walmsley Boulevard
Richmond, VA 23224

Legal Description:
See attached Exhibit A

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>216</u>	# Units	<u>9</u>	# Buildings	<u>251064</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

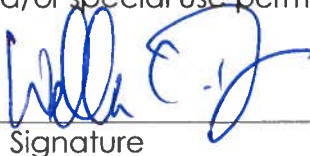
Current Zoning: B-6 allowing a density of
no limitation units per acre, and the following other applicable conditions: POD# 143233-2024
Ord. No. 2023-209

Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following as appropriate:

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


Signature

William C. Davidson


Printed Name

Zoning Administrator

Title of Local Official or Civil Engineer

804-646-6353

Phone:


Date:

NOTES TO LOCALITY:

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

Legal Description – Parcel B (8.363 Acres)

BEGINNING at a point on the northern boundary of the right of way line of Walmsley Boulevard (VA State Route #647), said point being 764.00 feet west of the point of intersection of the western boundary of the right of way line of Broad Rock Boulevard (VA State Route #10) and the northern boundary of the right of way line of Walmsley Boulevard;

Thence proceeding along the northern boundary of the right of way line of Walmsley Boulevard in a northeasterly direction the following two (2) courses and distances:

- 1) Along a curve to the left having a radius of 5428.20 feet, a delta angle of 01°00'12" and an arc length of 95.07 feet to a point;
- 2) Thence along a curve to the right having a radius of 7592.44 feet, a delta angle of 00°12'15" and an arc length of 27.06 feet to a point;

Thence leaving the northern boundary of the right of way line of Walmsley Boulevard and proceeding in a northwesterly direction the following twenty-four (24) courses and distances:

- 1) Thence N 02°25'51" W 241.06 feet to a point;
- 2) Thence S 86°49'46" W 30.18 feet to a point;
- 3) Thence N 02°25'51" W 150.41 feet to a point;
- 4) Thence N 00°37'19" W 155.60 feet to a point;
- 5) Thence N 70°31'38" W 232.55 feet to a point;
- 6) Thence N 06°19'34" W 359.62 feet to a point;
- 7) Thence N 51°03'10" E 453.69 feet to a point;
- 8) Thence S 13°09'16" W 151.16 feet to a point;
- 9) Thence S 03°37'09" W 228.95 feet to a point;
- 10) Thence S 05°01'45" W 45.14 feet to a point;
- 11) Thence S 04°13'52" E 147.58 feet to a point;
- 12) Thence S 80°24'25" E 101.74 feet to a point;
- 13) Thence S 09°35'35" W 65.00 feet to a point;
- 14) Thence S 80°24'25" E 267.80 feet to a point;
- 15) Thence S 09°35'35" W 49.91 feet to a point;
- 16) Thence along a curve to the left having a radius of 287.11 feet, a delta angle of 03°58'48" and an arc length of 19.94 feet to a point;
- 17) Thence S 06°37'00" W 80.71 feet to a point;
- 18) Thence along a curve to the left having a radius of 100.00 feet, a delta angle of 19°44'18" and an arc length of 34.45 feet to a point;
- 19) Thence S 03°19'59" E 69.37 feet to a point;
- 20) Thence S 01°07'02" E 193.47 feet to a point;
- 21) Thence N 90°00'00" W 144.00 feet to a point;
- 22) Thence S 40°27'01" W 85.87 feet to a point;
- 23) Thence S 12°57'41" W 66.76 feet to a point;
- 24) Thence along a curve to the right having a radius of 34.50 feet, a delta angle of 38°57'10" and an arc length of 23.46 feet to a point on the northern boundary of the right of way line of Walmsley Boulevard, said Point being the Point and Place of Beginning, containing 8.363 acres, more or less.

Tab H:

Attorney's Opinion (MANDATORY)

WILLIAMS MULLEN

Direct Dial: 804.420.6915
adomson@williamsmullen.com

June 20, 2024

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request (30% present value credits to be paired with tax-exempt bonds)

Name of Development: Walmsley Gardens – Family
Name of Owner: Walmsley Gardens, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated June 20, 2024 (of which this opinion is a part) (the “Application”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“Credits”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “Regulations”).

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

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

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions

June 20, 2024
Page 2

of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

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

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

Williams Mullen



By:

Its:

Shareholder

WILLIAMS MULLEN

Direct Dial: 804.420.6915
adamson@williamsmullen.com

January — June 20, 2024

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request (30% present value credits to be paired with tax-exempt bonds)

Name of Development: Walmsley Gardens – Family

Name of Owner: Walmsley Gardens, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated January — June 20, 2024 (of which this opinion is a part) (the “Application”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“Credits”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “Regulations”).

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

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

~~2. [Select One]~~

2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

~~OR~~

~~Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), the calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.~~

~~3. [Select one]~~

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

OR

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

4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.

~~5. [Delete if inapplicable] The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.~~

~~6. [Delete if inapplicable] The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.~~

~~7. [Delete if inapplicable] It is more likely than not that the representations made in the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.~~

~~8. [Delete if inapplicable] After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code §42(d)(2)(B) are not correct.~~

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

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

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

Williams Mullen

(Add)



By: _____

June 20, 2024
Page 3

Its: Shareholder

-

[Walmsley Gardens - VHDA 4% Reservation Opinion\(105547127.2\)](#)

-

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)

This deal does not require
information behind this tab.

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

This deal does not require
information behind this tab.

Tab K:

Documentation of Development Location:



2023 and 2024 Small DDAs and QCTs

Overview of 2023 and 2024 Small DDAs and QCTs

Current zoom: 15

Select Year:

☒ 2024 ☐ 2023

Select Layer(s):

☒ LIHTC Projects (Zoom 11+)

☒ FMR Outlines (Zoom 4+)

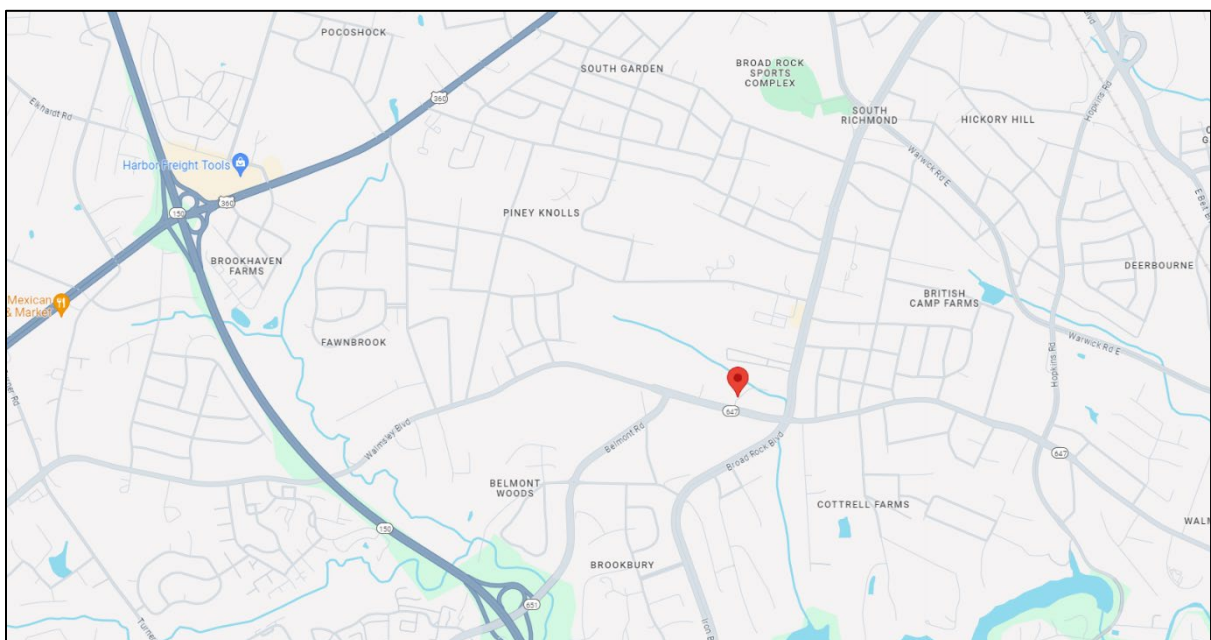
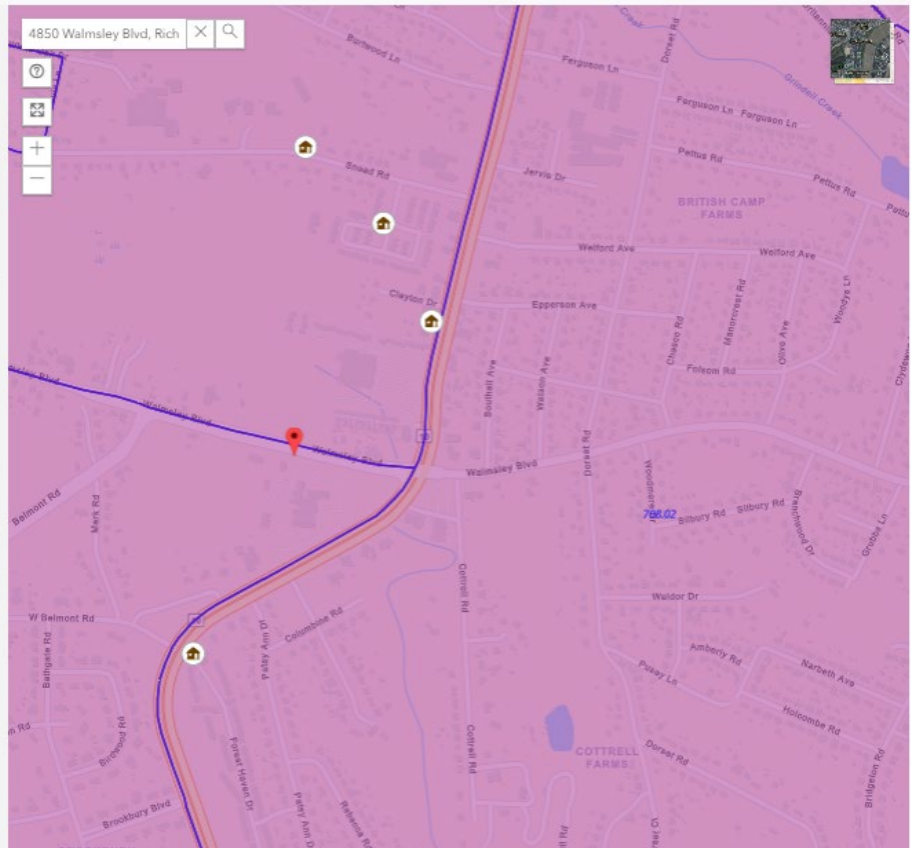
☒ Difficult Development Areas (Zoom 7+)

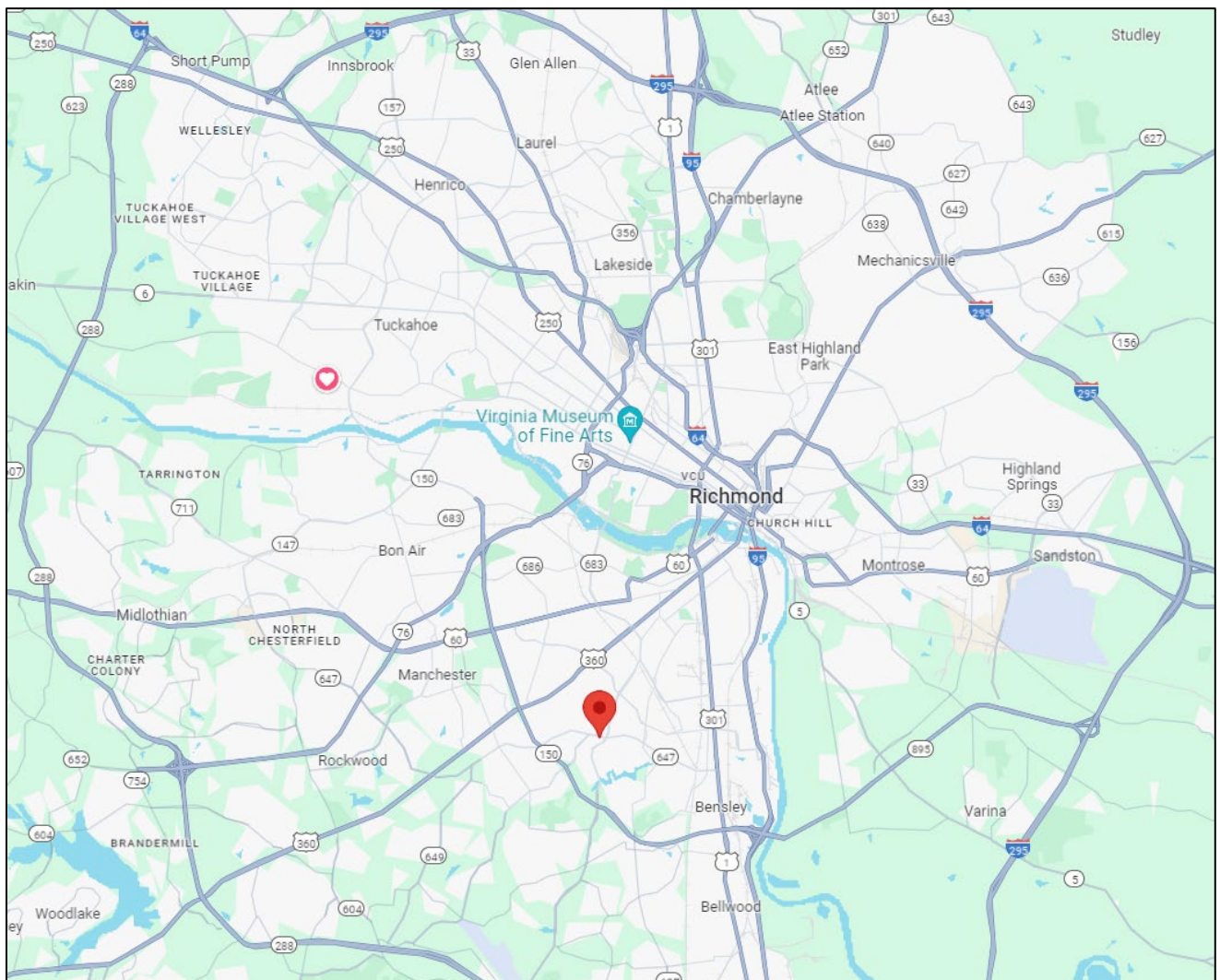
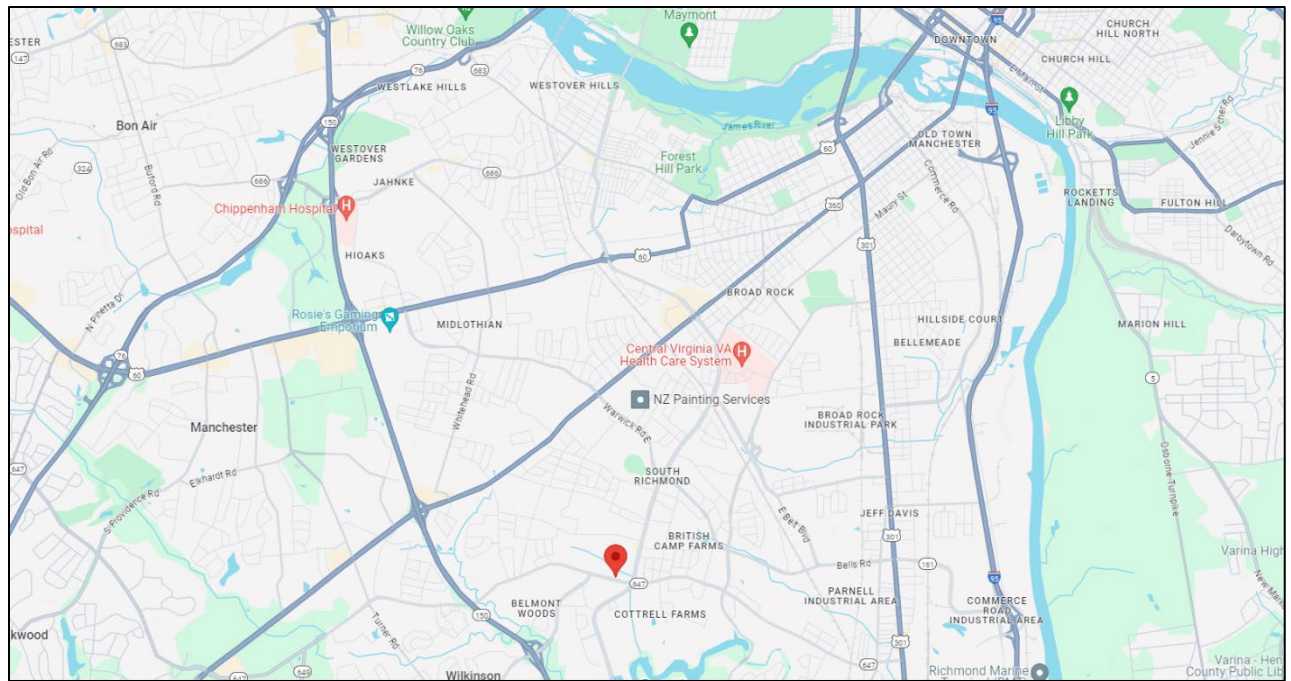
Non Metro Difficult Development Areas

Small Difficult Development Areas

☒ Color QCT Qualified Tracts (Zoom 7+)

☒ Tracts Outline (Zoom 11+)





Tab K.1

Revitalization Area Certification

This deal does not require
information behind this tab.

Tab K.2

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

Surveyor's Certification of Proximity to Transportation

General Instructions

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

Date 5/19/24

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2024 Tax Credit Reservation Request

Name of Development Walmsley Gardens - Family

Name of Owner Walmsley Gardens, LLC

Ladies and Gentlemen:

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

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

☐ 2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **OR**

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

Firm Name SHADRACH & ASSOCIATES, LLC

By RODNEY B. SHADRACH, L.S. #2274

Its PRESIDENT

Title

Tab L:

PHA / Section 8 Notification Letter

This deal does not require
information behind this tab.

Tab M:

Intentionally Blank

This deal does not require
information behind this tab.

Tab N:

Homeownership Plan

This deal does not require
information behind this tab.

Tab O:

Plan of Development Certification Letter

Plan of Development Certification

DATE:

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development: _____
Name of Owner/Applicant: _____
Name of Seller/Current Owner: _____

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

DEVELOPMENT DESCRIPTION:

Development Address:

Legal Description:

Plan of Development Number: _____

Proposed Improvements:

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

Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following as appropriate:

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

The above plan of development approval is in effect until: _____



Signed

Printed Name

Title

Phone

Date

NOTES TO LOCALITY:

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

Legal Description – Parcel B (8.363 Acres)

BEGINNING at a point on the northern boundary of the right of way line of Walmsley Boulevard (VA State Route #647), said point being 764.00 feet west of the point of intersection of the western boundary of the right of way line of Broad Rock Boulevard (VA State Route #10) and the northern boundary of the right of way line of Walmsley Boulevard;

Thence proceeding along the northern boundary of the right of way line of Walmsley Boulevard in a northeasterly direction the following two (2) courses and distances:

- 1) Along a curve to the left having a radius of 5428.20 feet, a delta angle of 01°00'12" and an arc length of 95.07 feet to a point;
- 2) Thence along a curve to the right having a radius of 7592.44 feet, a delta angle of 00°12'15" and an arc length of 27.06 feet to a point;

Thence leaving the northern boundary of the right of way line of Walmsley Boulevard and proceeding in a northwesterly direction the following twenty-four (24) courses and distances:

- 1) Thence N 02°25'51" W 241.06 feet to a point;
- 2) Thence S 86°49'46" W 30.18 feet to a point;
- 3) Thence N 02°25'51" W 150.41 feet to a point;
- 4) Thence N 00°37'19" W 155.60 feet to a point;
- 5) Thence N 70°31'38" W 232.55 feet to a point;
- 6) Thence N 06°19'34" W 359.62 feet to a point;
- 7) Thence N 51°03'10" E 453.69 feet to a point;
- 8) Thence S 13°09'16" W 151.16 feet to a point;
- 9) Thence S 03°37'09" W 228.95 feet to a point;
- 10) Thence S 05°01'45" W 45.14 feet to a point;
- 11) Thence S 04°13'52" E 147.58 feet to a point;
- 12) Thence S 80°24'25" E 101.74 feet to a point;
- 13) Thence S 09°35'35" W 65.00 feet to a point;
- 14) Thence S 80°24'25" E 267.80 feet to a point;
- 15) Thence S 09°35'35" W 49.91 feet to a point;
- 16) Thence along a curve to the left having a radius of 287.11 feet, a delta angle of 03°58'48" and an arc length of 19.94 feet to a point;
- 17) Thence S 06°37'00" W 80.71 feet to a point;
- 18) Thence along a curve to the left having a radius of 100.00 feet, a delta angle of 19°44'18" and an arc length of 34.45 feet to a point;
- 19) Thence S 03°19'59" E 69.37 feet to a point;
- 20) Thence S 01°07'02" E 193.47 feet to a point;
- 21) Thence N 90°00'00" W 144.00 feet to a point;
- 22) Thence S 40°27'01" W 85.87 feet to a point;
- 23) Thence S 12°57'41" W 66.76 feet to a point;
- 24) Thence along a curve to the right having a radius of 34.50 feet, a delta angle of 38°57'10" and an arc length of 23.46 feet to a point on the northern boundary of the right of way line of Walmsley Boulevard, said Point being the Point and Place of Beginning, containing 8.363 acres, more or less.

Tab P:

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

This deal does not require
information behind this tab.

Tab Q:

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

GRANT AGREEMENT

This **GRANT AGREEMENT** (this “Agreement”) is made and entered this 12th day of July, 2024 (the “Effective Date”), by and among the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the “City”), **WALMSLEY GARDENS, LLC**, a Virginia limited liability company, or its assigns or successors (the “Recipient”), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia (the “Authority”).

RECITALS

- A. The Recipient plans to develop and operate on the Site, as defined below, the Project, as defined below.
- B. In connection with its development of the Project, Recipient intends to divide the Assemblage and create the Site, whereupon the Site will be designated as a parcel in the tax records of the City and assigned a tax parcel identification number.
- C. The City and the Authority have determined that the Project will result in significant investment and economic development on the Site, will promote safe and affordable housing in the City of Richmond, will result in substantial benefits to the welfare of the City and its inhabitants, is in the public interest, and serves governmental interests.
- D. The City plans to fund an economic development monetary grant (the “Grant”) by the Authority to the Recipient for the purpose of inducing the Recipient to construct and operate the Project in the City of Richmond.
- E. Payment of the Grant will be conditioned upon the Recipient’s completion of Project construction or rehabilitation and continued maintenance of the Project, as defined herein, and the funds comprising payments of the Grant will be solely limited to a portion of the incremental real estate tax revenues for the Site generated by the Project (i.e., including both the fee interest (and leasehold interest, if applicable) in the land and all improvements), all as set forth herein.
- F. The City is authorized by Section 15.2-953 of the Code of Virginia and other laws, and the Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia and other laws to perform the activities contemplated in this Agreement. The Authority is authorized by the Code of Virginia to make grants to non-public organizations such as Recipient in furtherance of the purpose of promoting economic development and affordable housing.
- G. This Agreement sets forth the understanding of the parties concerning the Recipient’s obligations, the Authority’s obligations, and the incentives offered by the City, subject to the approval of the Authority’s Board and the Richmond City Council and subject to appropriations.

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and

undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

Section 1. Preliminary Provisions

1.1 Incorporation of Recitals. The foregoing recitals are incorporated herein by reference.

1.2 Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

“AMI” means area median gross income for the Richmond-Petersburg Metropolitan Statistical Area for the applicable year of the Grant Period.

“Assemblage” means, collectively, that certain real property comprised of (i) those certain parcels of 0.299 and 0.381 acres currently owned by Kim China Ha, located respectively at 4818 and 4830 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745024 and C0080745028; and (ii) those certain parcels of 0.303; 0.362; 2.98; 2.01; and 4.184 acres currently owned by KCH Total Management, LLC, located respectively at 4824, 4838, 4850, 4870 and 4890 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745026; C0080745030; C0080745031; C0080745032; and C0080745033.

“Base Real Estate Tax Revenue” means \$5,349.60 per year, being the amount equal to the real estate taxes levied on the Site for the current tax year as of the Grant Commencement Date. For the avoidance of doubt, the Base Real Estate Tax Revenue is calculated based on the tax rate of \$1.20 per every \$100.00 of assessment value attributed to the portions of the Assemblage that comprise the Site, with seventy percent (70.0%) of the real estate taxes levied on Parcel No. C0080745031 included in the figure above.

“Grant” has the meaning set forth in the recitals of this Agreement.

“Grant Payment” means, for each real estate tax year during the Grant Period, an amount equal to one hundred percent (100%) of the Incremental Real Estate Tax Revenue for such corresponding tax year. The Parties acknowledge that the annual real estate tax levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Grant Payment” shall include payments of Incremental Real Estate Tax Revenue for each installment payment corresponding to the applicable Real Estate Tax Levy.

“Grant Payment Request” means a written request for a Grant Payment, which shall include (1) documentation showing its full payment of the Real Estate Tax Levy (including all applicable penalties and interest), and (2) the amount of the requested Grant Payment and explanation of the calculation thereof (i.e., Real Estate Tax Levy *minus* Base Real Estate Tax Revenue *equals* Incremental Real Estate Tax Revenue, as pro-rated for the applicable installment period).

“Grant Period” means that certain period commencing upon January 1st of the first real estate tax year following Recipient’s completion of Project construction or rehabilitation, as shall be evidenced by receipt of a temporary Certificate of Occupancy (“Grant Commencement Date”) and

ending on last day of the thirtieth (30th) real estate tax year following the Grant Commencement Date (“Grant Expiration Date”). The parties acknowledge that the “Real Estate Tax Levy” for the last year of the Grant Period may not be received by the City until after the Grant Expiration Date, and that a Grant Payment shall be paid to the Recipient corresponding to such Real Estate Tax Levy.

“Grant Management Fee” means one time non-refundable fee and an annual payment equal to 1% of the Grant Payment to cover the administrative expenses of the Authority for managing the Grant during the Grant Period.

“Incremental Real Estate Tax Revenue” means, for each applicable real estate tax year during the Grant Period, the amount by which the Real Estate Tax Levy exceeds the Base Real Estate Tax Revenue, provided the Recipient pays the Real Estate Tax Levy to the City in full (including any applicable penalties and interest for late payment in accordance with any applicable provision of the Richmond City Code), subject to the applicable cure periods. The Parties acknowledge that the Real Estate Tax Levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Incremental Real Estate Tax Revenue” shall be determined based on the applicable payment (or installment) of the Real Estate Tax Levy for each applicable real estate tax year.

“Investor” means Red Stone Equity – Fund 109 Limited Partnership, a Delaware limited partnership.

“Land Records” means the Clerk’s Office of the Circuit Court of the City of Richmond, Virginia.

“Maintain” means the Recipient’s continued maintenance and operation of the Project following completion of Project construction or rehabilitation, as set forth by Section 2.3.2 of this Agreement.

“Mortgage” means any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purpose of securing indebtedness of Recipient, and recorded among the Land Records, or any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purposes of refinancing such indebtedness and recorded among the Land Records.

“Mortgagee” means the secured party under a Mortgage.

“Project” means a development on the Site containing not less than 216 residential units, subject to income and rent restrictions as shown on **Exhibit A** and monitored by the State Housing Finance Agency.

“Real Estate Tax Levy” means the amount of real estate taxes levied by the City on the Site (including both the fee interest (and leasehold interest, if applicable) and Project (i.e., including land and all improvements) for a given real estate tax year, pursuant to Chapter 26 of the Code for the City of Richmond (“City Code”).

“Site” means, that certain parcel of 8.363 acres, shown as Parcel B on that certain “*Boundary Line Adjustment Plat Between Seven Parcels of Land Located Along the North Line of Walmsley Boulevard City of Richmond, Virginia*” dated May 8, 2024, prepared by Shadrach & Associates LLC, and attached hereto as **Exhibit B**, and as more particularly described in **Exhibit C**.

“State Housing Finance Agency” means Virginia Housing (formerly known as Virginia Housing Development Authority), a political subdivision of the Commonwealth of Virginia, or its successor.

Section 2. Recipient’s Obligations

2.1 Grant Management Fee.

The Recipient shall pay a Grant Management Fee consisting of (i) a one-time, non-refundable \$500.00 fee immediately upon execution of the agreement to the Authority, and, (ii) thereafter, the Recipient shall pay annually to the Authority 1% of the Grant Payment for the duration of the Grant Period. The Authority will invoice the Recipient on or before October 1 of each year and the Recipient shall remit payment within 30 days of issuance of the invoice.

2.2 Completion of Project Construction or Rehabilitation; Timeline.

2.2.1 Plan of Development. Recipient shall submit a Plan of Development or similar permit submission for the Project to the City’s Director of Planning and Development Review no later than nine (9) months of the Effective Date, which shall comply with the relevant provisions of the Richmond City Code and shall contain all elements of the Project as defined herein.

2.2.2 Commencement of the Project Construction or Rehabilitation. Recipient shall commence construction or rehabilitation of the Project within eighteen (18) months of the Effective Date, (the “Construction Commencement Date”), which shall be evidenced by the issuance of all permits necessary for the commencement of construction or rehabilitation of the Project.

2.2.3 Completion of Project Construction or Rehabilitation. Recipient shall complete the Project within five (5) years of the Construction Commencement Date, which shall be evidenced by the issuance of a temporary certificate of occupancy for the Project.

2.2.4 Failure to Comply. If the Recipient fails to timely comply with any of the provisions of this Section 2.2 then the City’s Chief Administrative Officer (“CAO”), in his sole discretion, may either extend the time by which Recipient must comply with the corresponding requirement or provide written notice of the City’s intent to terminate this Agreement. If Recipient fails to cure its failure to comply within sixty (60) days of such written notice then this Agreement, including all rights and obligations herein, shall, upon the City’s election and subject to the rights of a Mortgagee under Section 6.3 hereof, terminate and neither the City nor the Authority shall have any further obligation to the Recipient and Recipient shall no longer be eligible for any Grant Payments hereunder.

2.3 Continued Maintenance and Operation of Project.

2.3.1 Continued Control of the Project by Recipient. Recipient shall continue to own, lease, or otherwise control the Site until completion of Project construction or rehabilitation pursuant to Section 2.2.3 of this Agreement and thereafter shall continue to

own, lease, or otherwise control the Project until expiration of the Grant Period. Notwithstanding the foregoing, Recipient may transfer the ownership or control interest in the Project to third parties ("Transferee"), and Recipient may (1) assign this Agreement, including the rights and obligations herein to such party or parties at the time it transfers ownership or control of the Project (including any leasehold interests), and (2) if this Agreement is assigned, Recipient shall provide the City and Authority 30 days' prior written notice of its intent to transfer ownership or control of the Project, which notice shall include the contemplated date of transfer, the name of the party or parties to which it intends to transfer, and a written statement from such party that it is aware that this Agreement, including the rights and obligations herein, will be assigned to such party. Following the transfer of ownership or control in the Project to the Transferee as provided above, the term "Recipient" as used herein shall mean the Transferee. For the avoidance of doubt, this Section 2.3.1 shall not apply to any transfer by foreclosure or deed-in-lieu of foreclosure or to any transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient and any such transfer shall not require notice to nor the consent of the City or Authority.

2.3.2 Continued Maintenance and Operation of the Project. Following Recipient's completion of Project construction or rehabilitation as set forth in Section 2.2.3 of this Agreement, the Recipient shall continue to Maintain the Project until the expiration of the Grant Period.

2.4 MBE Participation.

2.4.1 Goal. The Recipient agrees to diligently work towards the following goal: Where capacity, capability and competitive pricing among minority business enterprises and emerging small businesses exists, 30% of all expenditures for those construction or rehabilitation costs of the Project that will be paid to third party subcontractors unaffiliated with the Recipient will be spent with minority business enterprises and emerging small businesses that perform commercially useful functions with regard to the prosecution and completion of the Project. The terms "minority business enterprise" and "emerging small business" have the meaning ascribed to them in Chapter 21 of the City Code. The Recipient shall include this goal in its contracts with all assignees, contractors and subcontractors who will be providing any portion of the Project.

2.4.2 Reporting. To enable the City to measure the achievements of the Recipient and its assignees, contractors and subcontractors with regard to the participation goals set forth above, during the period prior to completion of Project construction or rehabilitation, the Recipient shall submit a report upon request detailing all expenditures with minority business enterprises and emerging small businesses, showing, at a minimum, (i) the name of the business, (ii) an itemization of what the business provided, (iii) the amount paid for each item, (iv) the total amount of spending to date with minority business enterprises and emerging small businesses and (v) the percentage of total expenditures for the quarter spent with minority business enterprises and emerging small businesses. If the City chooses, the Recipient shall submit these reports on forms prescribed by the City. The City will use these reports in evaluating the good faith minority business enterprise and emerging small business participation efforts, as defined in Section 21-4 of the City Code, of the Recipient and its assignees, contractors, and subcontractors that compete for City contracts.

2.5 Affordable Housing.

The Recipient agrees to restrict occupancy and rents of the Project according to the schedule shown on **Exhibit A**, according to standards promulgated by the State Housing Finance Agency or as otherwise approved by the Authority. Ongoing compliance monitoring and approvals by the State Housing Finance Agency, as provided to the City upon the City's request, shall serve as evidence of the Recipient's compliance with this section.

2.6 Continued Investment and Capital Improvements

For purposes of continued investment and upkeep of the Project to the benefit of its tenants, payment of Grant Payments subsequent to the initial fifteen (15) years of the Grant Period shall be contingent upon receipt of proof that the Recipient has made capital improvements to the Project in an aggregate amount of Two Million Seven Hundred and Sixty Thousand and No/100 Dollars (\$2,760,000.00) since the Grant Commencement Date. On each fifth anniversary of the Grant Commencement Date, the Recipient shall upon request submit a report of capital improvements made to the Project since the Grant Commencement Date.

Section 3. Disbursement of Grant.

3.1. Grant. During the Grant Period, the City shall pay to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), through the Authority, the Grant Payments for such real estate tax year subject to the provisions of this Section 3.

3.2. Grant Payment Requests. The Recipient shall submit each Grant Payment Request to the CAO, with copies to the Department of Economic and Community Development, the Authority, and the Office of the City Attorney at the respective addresses set forth in Section 8.

3.3. Disbursement of Grant Payment. Upon receipt of a Grant Payment Request, the City shall review the accuracy of the request. The City shall not make a Grant Payment if Recipient did not make full and timely payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provisions of the Richmond City Code), of the Real Estate Tax Levy for the applicable installment and shall not make a Grant Payment if Recipient is delinquent in payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provision of the Richmond City Code) of any other taxes levied by the City for the Project. Within fifteen (15) business days of receipt of a Grant Payment Request, the City shall notify Recipient either that (1) the City denies the request and will not make a Grant Payment for the foregoing reasons, (2) the City approves the request and intends to make a Grant Payment in the amount requested, or (3) the City approves making a payment to Recipient but in a different amount than the amount requested because the amount requested is inconsistent with this Agreement, in which case the City shall indicate the correct Grant Payment amount it intends to make. Notwithstanding the foregoing, the City's failure to respond within fifteen (15) business days shall not constitute approval of a requested Grant Payment and the Recipient shall not be entitled to any such payment due solely to the City's failure to

timely respond. Subject to any necessary City Council action, including any necessary budget amendment or appropriation of funds, the City agrees to, within fifteen (15) business days of the City's approval of any Grant Payment, transfer the funds for the Grant Payment to the Authority. The Authority agrees, subject to any necessary approvals by its Board of Directors, to pay the Grant Payment to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), within fifteen (15) business days of receipt of the funds from the City.

3.4 Recipient's Relief. Should Recipient believe the City failed to comply with Section 3.3 of this Agreement, Recipient may seek relief in accordance with Section 9.2 of this Agreement. Provided, however, Recipient's sole remedy shall be to receive payment for a Grant Payment to which it was entitled (subject to the restrictions set forth in this Agreement, including, but not limited to, Sections 3.3 and 9.5) and for which it did not receive payment.

Section 4. General Administration of Grant

4.1 The City agrees to transfer to the Authority, as and when appropriated by the City Council, the funds necessary for the Authority to meet its obligations under this Agreement relating to the Grant. No administrative fees or expenses shall be paid by the City.

4.2 The Authority's obligation to undertake the activities herein is specially conditioned upon the City providing funding to the Authority on a timely basis; provided, however, the City's obligation to provide funding to the Authority is subject to appropriation by the City Council and availability of funds.

4.3 The Authority agrees to provide the CAO, or the designee thereof, with copies of all documents related to this Agreement and will keep the CAO fully and timely informed of all matters related to this Agreement.

4.4 The Authority agrees that all funds transferred by the City to the Authority for the Grant shall be deposited by the Authority within a within a fund dedicated to the Project, to be used only to satisfy the obligations contained in this Agreement related to the Grant.

4.5 It is the intent of the parties not to impose upon the Authority any responsibility, duty, or obligation other than what may be required to implement the Grant as set forth in this Agreement. Accordingly, the Authority does not assume any responsibility or liability whatsoever except as specifically stated in this Agreement. If litigation involving the Grant is initiated or expected to be filed against the Authority, the Authority shall immediately notify the City Attorney and CAO.

4.6 The Authority shall keep records of its financial transactions, if any, related to this Agreement in accordance with generally accepted accounting principles. The City Auditor or his designee may at any time audit the financial transactions undertaken under this Agreement. The Authority shall cooperate to ensure that the City Auditor is granted reasonable access on a timely basis to all books and records of the Authority necessary to complete such audits.

4.7 The Authority shall not be required to furnish the City a blanket corporate fidelity bond with surety.

Section 5. Representations of the Recipient

5.1 The Recipient is empowered to enter into this Agreement, to be bound hereby, and to perform according to the terms hereof.

5.2 Any and all actions necessary to enable the Recipient to enter into this Agreement, and to be bound hereby, have been duly taken.

5.3 The person or persons executing or attesting the execution of this Agreement on behalf of the Recipient has or have been duly authorized and empowered to so execute or attest.

5.4 The execution of this Agreement on behalf of the Recipient will bind and obligate the Recipient to the extent provided by the terms hereof.

5.5 There exists no litigation pending against the Recipient or to the Recipient's knowledge threatened, which if determined adversely, would materially and adversely affect the ability of the Recipient to carry out its obligations under this Agreement or the transactions contemplated hereunder.

Section 6. Default.

6.1 Events of Default. Each of the following events (hereinafter called an "Event of Default") shall be a default hereunder by the Recipient as described:

6.1.1 Failure by the Recipient to maintain its corporate existence or the declaration of bankruptcy by the Recipient;

6.1.2 The failure of Recipient to comply with Section 2 of this Agreement; and

6.1.3 The failure of Recipient to pay the annual Real Estate Tax Levy.

6.2 Effect of Event of Default. Subject to Section 6.3 below, in the case of an occurrence of an Event of Default, the Grant provisions of Section 3 of this Agreement shall, at the City's option, terminate thirty (30) days after the City's notice to Recipient, each Mortgagee and Investor, unless Recipient cures the Event of Default to the City's satisfaction within such thirty (30) days, and neither the City nor the Authority shall have any further obligation relating thereto and the Recipient shall no longer be eligible for any Grant Payments hereunder.

6.3 Notice and Right to Cure. Written notice of any default by Recipient under this Agreement shall be provided simultaneously to any Mortgagee and Investor. Each Mortgagee and the Investor shall be permitted to cure any default by Recipient under this Agreement. Such Mortgagees and Investor shall have the same period, after the giving of such notice upon it, for remedying any default or causing the same to be remedied, as is given Recipient after the giving of such notice to Recipient, plus an additional thirty (30) days, to remedy, commence remedying or cause to be remedied the defaults specified in any such notice. If the default cannot be reasonably

cured within thirty (30) days, then the Mortgagee or Investor, as applicable, shall have such additional time as it shall reasonably require so long as the Mortgagee or Investor, as applicable, is proceeding with reasonable diligence to cure the default. The City and the Authority each agree to accept payment or performance by any Mortgagee or Investor as though the same had been done by Recipient.

Section 7. Recipient Reporting.

The Recipient shall provide, at Recipient's expense, detailed updates and verification reasonably satisfactory to the City of Recipient's progress regarding completion of Project construction or rehabilitation and, following Project construction or rehabilitation, of Recipient's continued compliance with Section 2.3 of this Agreement.

Section 8. Notices.

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

if to the Recipient, to:

Walmsley Gardens, LLC
2601 Broad Street, Suite 201
Richmond, VA 23220
Attention: Zachery Frederick

with a copy to:

Williams Mullen
200 South 10th Street, Suite 1600
Richmond, VA 23219
Attention: T. Preston Lloyd, Jr., Esq.

if to Mortgagee, to:

Bank of America, N.A.
Mail Code: DC1-842-06-04
1800 K Street, NW, 6th Floor
Washington, DC 20006
Attention: Loan Administration Manager

with a copy to:

Tiber Hudson LLC
1340 Smith Avenue, Suite 200
Baltimore, MD 21209
Attention: Krista North, Esq.

if to Investor, to:

Red Stone Equity – Fund 109 Limited Partnership
c/o Red Stone Equity Partners, LLC
90 Park Avenue, 28th Floor
New York, NY 10016
Attention: General Counsel and President

with a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, IL 60605
Attention: Bennett P. Applegate, Esq.

if to the City, to:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street Suite 201
Richmond, VA 23219

with a copy to:

Department of Economic Development
City of Richmond, Virginia
1500 East Main Street
Richmond, VA 23219

if to the Authority, to:

Economic Development Authority
of Richmond VA – Attn: Chairman
501 East Franklin Street
Richmond, VA 23219

with a copy to:

City Attorney
City of Richmond, Virginia
900 East Broad Street Suite 300
Richmond, VA 23219

Section 9. General Terms and Conditions.

9.1 Entire Agreement; Amendments; Assignments. This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto, and subject to the prior written consent of each Mortgage and Investor. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including, without limitation, a Mortgagee or its designee upon a foreclosure or deed-in-lieu of foreclosure of the Site or the Project; provided, however, that in no event may this Agreement or any of the rights, benefits, duties, or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent neither party shall be obligated to give, except that Recipient may assign its right to receive payment to another entity authorized to transact business in Virginia by furnishing the City and the Authority with notice identifying the entity and providing both contact and payment information in a form acceptable to the City and the Authority. Notwithstanding anything to the contrary herein, (a) Recipient shall have the right to assign its interest in the Site and Project to any future owner provided the Recipient first shall have complied with the requirements set forth in Section 2.3.1 of this Agreement and shall have submitted to the City the form of all instruments by which it purports to make such assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld, in which event the assignor shall be released from all obligations and liabilities under this Agreement; and (b) Recipient shall have the right to grant to a Mortgagee a security interest in, and assignment of, Recipient's rights hereunder as collateral for the loan to be provided by such Mortgagee for the development of the Project, and any action taken by such Mortgagee to realize on such security interest or assignment and performance thereafter shall be deemed permitted under this Agreement, provided the Recipient first shall have submitted to the City the form of all instruments by which it purports to grant such security interest and assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld. Neither the City's nor Authority's consent shall be required to the exercise by Mortgagee or any assignee of Mortgagee of its right to perform Recipient's obligations hereunder after a default by Recipient under the applicable loan documents. The City agrees that Mortgagee shall not have any liability for any act or omission of Recipient hereunder and shall only be liable hereunder for obligations arising during such time as it is the owner of Recipient's interests in the Site and Project pursuant to foreclosure, deed in lieu of foreclosure or otherwise. For the avoidance of doubt, no transfer by foreclosure or deed-in-lieu of foreclosure pursuant to a Mortgage and no transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient shall require notice to or the approval of the City or Authority.

9.2 Governing Law; Venue. All issues and questions concerning the construction, enforcement, interpretation, and validity of this Agreement, or the rights and obligations of the parties shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or

provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. All disputes, claims, and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event of any litigation or other proceedings arising from this Agreement.

9.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

9.4 Severability. If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

9.5 Subject-to-Appropriations. All payments and other performances by the City and the Authority under this Agreement are subject to City Council approval, Authority Board approval and annual appropriations by the City Council. It is understood and agreed among the parties that the City and the Authority shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Agreement. Under no circumstances shall the City's or the Authority's total liability under this Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Agreement.

9.6 Public Disclosure.

9.6.1 Applicable Law. The parties to this Agreement acknowledge that records maintained by or in the custody of the City and the Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-37 14 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

9.6.2 Challenges to Nondisclosure. If a party submitting records to the City or the Authority requests that those records not be disclosed under applicable law and the City or the Authority consequently denies a request for disclosure of such records based on the submitting party's request, and the City's or the Authority's denial of a request for disclosure of records is challenged in court, the submitting party shall indemnify, hold harmless and defend the City or the Authority, their respective officers and employees from any and all costs, damages, fees and penalties (including attorney's fees and other costs related to litigation) relating thereto.

9.7 No Waiver. Neither failure on the part of the City or the Authority to enforce any covenant or provision contained in this Agreement nor any waiver of any right under this Agreement shall discharge or invalidate such covenant or provision or affect the right of the City or the Authority to enforce the same right in the event of any subsequent default.

9.8 Effective Date of the Agreement. The effective date of this Agreement shall be the date upon which it has been fully executed by the parties following approval by the City Council and by the Authority's Board of Directors.

9.9 No Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstance whatsoever as creating and establishing the relationship of copartners or creating or establishing a joint venture between or among any of the parties or as designating any party to this Agreement as the agent or representative of any other party to this Agreement for any purpose.

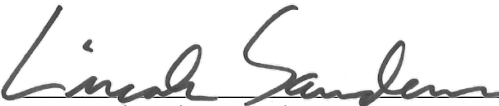
9.10 No Third-Party Beneficiaries. Except as otherwise provided in Section 9.1 of this Agreement, the parties agree that except for any Mortgagee and Investor (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City, the Authority, or the Recipient; (iii) no other individual or entity shall obtain any right to make any claim against the City, the Authority, or the Recipient under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. Each Mortgagee and Investor shall be a third-party beneficiary of this Agreement.

9.11 Signature Authority. Except as specifically otherwise set forth in this Agreement, the CAO or the designee thereof may provide any authorization, approvals, and notices contemplated herein on behalf of the City.

SIGNATURE PAGE TO FOLLOW

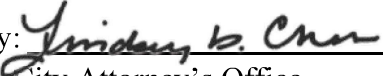
IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement as of the date first written above.

**CITY OF RICHMOND,
VIRGINIA**, a municipal corporation
of the Commonwealth of Virginia

By:  7/12/24
J.E. Lincoln Saunders Date
Chief Administrative Officer

Authorized by Ordinance No. 2024-164

Approved as to Form:

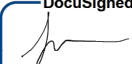
By: 
City Attorney's Office

WALMSLEY GARDENS, LLC, a Virginia limited
liability company

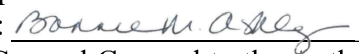
By: _____
Date

Name: _____
Title: _____

**ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
RICHMOND, VIRGINIA**,
a political subdivision of the
Commonwealth of Virginia

By:  7/3/2024
DocuSigned by: BFB4E2045140447... Date
Chairman

Approved as to Form:

By: 
General Counsel to the Authority

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement as of the date first written above.

**CITY OF RICHMOND,
VIRGINIA**, a municipal corporation
of the Commonwealth of Virginia

By: _____
J.E. Lincoln Saunders Date
Chief Administrative Officer

Authorized by Ordinance No. _____

Approved as to Form:

By: _____
City Attorney's Office

WALMSLEY GARDENS, LLC, a Virginia limited
liability company

By: J.R. FLL 7-11-24
Date

Name: Zachery R. Frederick
Title: Manager

**ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
RICHMOND, VIRGINIA**,
a political subdivision of the
Commonwealth of Virginia

By: _____
Chairman Date

Approved as to Form:

By: _____
General Counsel to the Authority

EXHIBIT A

Affordable Housing Schedule

The Project shall restrict occupancy and rents to an average income designation of 60% of AMI, according to standards promulgated by the State Housing Finance Agency, for a minimum of thirty (30) years.

EXHIBIT B

Boundary Line Plat

[please see attached]

EXHIBIT C

Legal Description of Site

BEGINNING at a point on the northern boundary of the right of way line of Walmsley Boulevard (VA State Route #647), said point being 764.00 feet west of the point of intersection of the western boundary of the right of way line of Broad Rock Boulevard (VA State Route #10) and the northern boundary of the right of way line of Walmsley Boulevard;

Thence proceeding along the northern boundary of the right of way line of Walmsley Boulevard in a northeasterly direction the following two (2) courses and distances:

- 1) Along a curve to the left having a radius of 5428.20 feet, a delta angle of 01°00'12" and an arc length of 95.07 feet to a point;
- 2) Thence along a curve to the right having a radius of 7592.44 feet, a delta angle of 00°12'15" and an arc length of 27.06 feet to a point;

Thence leaving the northern boundary of the right of way line of Walmsley Boulevard and proceeding in a northwesterly direction the following twenty-four (24) courses and distances:

- 1) Thence N 02°25'51" W 241.06 feet to a point;
- 2) Thence S 86°49'46" W 30.18 feet to a point;
- 3) Thence N 02°25'51" W 150.41 feet to a point;
- 4) Thence N 00°37'19" W 155.60 feet to a point;
- 5) Thence N 70°31'38" W 232.55 feet to a point;
- 6) Thence N 06°19'34" W 359.62 feet to a point;
- 7) Thence N 51°03'10" E 453.69 feet to a point;
- 8) Thence S 13°09'16" W 151.16 feet to a point;
- 9) Thence S 03°37'09" W 228.95 feet to a point;
- 10) Thence S 05°01'45" W 45.14 feet to a point;
- 11) Thence S 04°13'52" E 147.58 feet to a point;
- 12) Thence S 80°24'25" E 101.74 feet to a point;
- 13) Thence S 09°35'35" W 65.00 feet to a point;
- 14) Thence S 80°24'25" E 267.80 feet to a point;
- 15) Thence S 09°35'35" W 49.91 feet to a point;
- 16) Thence along a curve to the left having a radius of 287.11 feet, a delta angle of 03°58'48" and an arc length of 19.94 feet to a point;
- 17) Thence S 06°37'00" W 80.71 feet to a point;
- 18) Thence along a curve to the left having a radius of 100.00 feet, a delta angle of 19°44'18" and an arc length of 34.45 feet to a point;
- 19) Thence S 03°19'59" E 69.37 feet to a point;
- 20) Thence S 01°07'02" E 193.47 feet to a point;
- 21) Thence N 90°00'00" W 144.00 feet to a point;
- 22) Thence S 40°27'01" W 85.87 feet to a point;
- 23) Thence S 12°57'41" W 66.76 feet to a point;
- 24) Thence along a curve to the right having a radius of 34.50 feet, a delta angle of 38°57'10" and an arc length of 23.46 feet to a point on the northern boundary of the right of way line of Walmsley Boulevard, said Point being the Point and Place of Beginning, containing 8.363 acres, more or less.

Tab R:

Documentation of Utility Allowance calculation



May 27, 2024

Zachery Frederick
Crescent Development
2601 W Broad St Ste 201
Richmond, VA 23220
zac@crescent-development.com

RE: Preliminary Utility Allowance for Walmsley Gardens Family

Dear Zachery Frederick,

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

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

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

UTILITY ALLOWANCE			ALLOWANCES BY BEDROOM SIZE				
Utilities	Utility Type	Paid by	Studio	1-bdr	2-bdr	3-bdr	4-bdr
Heating	Electric	Tenant	N/A	\$ 15.63	\$ 18.92	\$ 22.22	N/A
Air Conditioning	Electric	Tenant	N/A	\$ 7.29	\$ 8.83	\$ 10.37	N/A
Cooking	Electric	Tenant	N/A	\$ 6.25	\$ 7.57	\$ 8.89	N/A
Lighting	Electric	Tenant	N/A	\$ 25.00	\$ 30.27	\$ 35.56	N/A
Hot Water	Electric	Tenant	N/A	\$ 14.58	\$ 17.66	\$ 20.74	N/A
Water	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Sewer	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Trash	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Total UA costs (Unrounded)			\$ -	\$ 68.75	\$ 83.25	\$ 97.78	\$ -

**Allowances only for Walmsley Gardens Family as an ENERGY STAR and EarthCraft Gold project. The water and sewer projections were produced using water fixtures with flow rates of 1.28 gpf toilets, 2.0 gpm showerheads, 2.2 gpm kitchen faucets, and 1.5 gpm lavatory faucets. Due to rounding, the amounts for the UA components may not add up to the Total UA amount.*

Sincerely,

Lauren Thomson
Project Manager

Tab S:

Supportive House Certification and/or
Resident Well Being MOU

This deal does not require
information behind this tab.

Tab T:

Funding Documentation

GRANT AGREEMENT

This **GRANT AGREEMENT** (this “Agreement”) is made and entered this 12th day of July, 2024 (the “Effective Date”), by and among the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the “City”), **WALMSLEY GARDENS, LLC**, a Virginia limited liability company, or its assigns or successors (the “Recipient”), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia (the “Authority”).

RECITALS

- A. The Recipient plans to develop and operate on the Site, as defined below, the Project, as defined below.
- B. In connection with its development of the Project, Recipient intends to divide the Assemblage and create the Site, whereupon the Site will be designated as a parcel in the tax records of the City and assigned a tax parcel identification number.
- C. The City and the Authority have determined that the Project will result in significant investment and economic development on the Site, will promote safe and affordable housing in the City of Richmond, will result in substantial benefits to the welfare of the City and its inhabitants, is in the public interest, and serves governmental interests.
- D. The City plans to fund an economic development monetary grant (the “Grant”) by the Authority to the Recipient for the purpose of inducing the Recipient to construct and operate the Project in the City of Richmond.
- E. Payment of the Grant will be conditioned upon the Recipient’s completion of Project construction or rehabilitation and continued maintenance of the Project, as defined herein, and the funds comprising payments of the Grant will be solely limited to a portion of the incremental real estate tax revenues for the Site generated by the Project (i.e., including both the fee interest (and leasehold interest, if applicable) in the land and all improvements), all as set forth herein.
- F. The City is authorized by Section 15.2-953 of the Code of Virginia and other laws, and the Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia and other laws to perform the activities contemplated in this Agreement. The Authority is authorized by the Code of Virginia to make grants to non-public organizations such as Recipient in furtherance of the purpose of promoting economic development and affordable housing.
- G. This Agreement sets forth the understanding of the parties concerning the Recipient’s obligations, the Authority’s obligations, and the incentives offered by the City, subject to the approval of the Authority’s Board and the Richmond City Council and subject to appropriations.

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and

undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

Section 1. Preliminary Provisions

1.1 Incorporation of Recitals. The foregoing recitals are incorporated herein by reference.

1.2 Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

“AMI” means area median gross income for the Richmond-Petersburg Metropolitan Statistical Area for the applicable year of the Grant Period.

“Assemblage” means, collectively, that certain real property comprised of (i) those certain parcels of 0.299 and 0.381 acres currently owned by Kim China Ha, located respectively at 4818 and 4830 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745024 and C0080745028; and (ii) those certain parcels of 0.303; 0.362; 2.98; 2.01; and 4.184 acres currently owned by KCH Total Management, LLC, located respectively at 4824, 4838, 4850, 4870 and 4890 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745026; C0080745030; C0080745031; C0080745032; and C0080745033.

“Base Real Estate Tax Revenue” means \$5,349.60 per year, being the amount equal to the real estate taxes levied on the Site for the current tax year as of the Grant Commencement Date. For the avoidance of doubt, the Base Real Estate Tax Revenue is calculated based on the tax rate of \$1.20 per every \$100.00 of assessment value attributed to the portions of the Assemblage that comprise the Site, with seventy percent (70.0%) of the real estate taxes levied on Parcel No. C0080745031 included in the figure above.

“Grant” has the meaning set forth in the recitals of this Agreement.

“Grant Payment” means, for each real estate tax year during the Grant Period, an amount equal to one hundred percent (100%) of the Incremental Real Estate Tax Revenue for such corresponding tax year. The Parties acknowledge that the annual real estate tax levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Grant Payment” shall include payments of Incremental Real Estate Tax Revenue for each installment payment corresponding to the applicable Real Estate Tax Levy.

“Grant Payment Request” means a written request for a Grant Payment, which shall include (1) documentation showing its full payment of the Real Estate Tax Levy (including all applicable penalties and interest), and (2) the amount of the requested Grant Payment and explanation of the calculation thereof (i.e., Real Estate Tax Levy *minus* Base Real Estate Tax Revenue *equals* Incremental Real Estate Tax Revenue, as pro-rated for the applicable installment period).

“Grant Period” means that certain period commencing upon January 1st of the first real estate tax year following Recipient’s completion of Project construction or rehabilitation, as shall be evidenced by receipt of a temporary Certificate of Occupancy (“Grant Commencement Date”) and

ending on last day of the thirtieth (30th) real estate tax year following the Grant Commencement Date (“Grant Expiration Date”). The parties acknowledge that the “Real Estate Tax Levy” for the last year of the Grant Period may not be received by the City until after the Grant Expiration Date, and that a Grant Payment shall be paid to the Recipient corresponding to such Real Estate Tax Levy.

“Grant Management Fee” means one time non-refundable fee and an annual payment equal to 1% of the Grant Payment to cover the administrative expenses of the Authority for managing the Grant during the Grant Period.

“Incremental Real Estate Tax Revenue” means, for each applicable real estate tax year during the Grant Period, the amount by which the Real Estate Tax Levy exceeds the Base Real Estate Tax Revenue, provided the Recipient pays the Real Estate Tax Levy to the City in full (including any applicable penalties and interest for late payment in accordance with any applicable provision of the Richmond City Code), subject to the applicable cure periods. The Parties acknowledge that the Real Estate Tax Levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Incremental Real Estate Tax Revenue” shall be determined based on the applicable payment (or installment) of the Real Estate Tax Levy for each applicable real estate tax year.

“Investor” means Red Stone Equity – Fund 109 Limited Partnership, a Delaware limited partnership.

“Land Records” means the Clerk’s Office of the Circuit Court of the City of Richmond, Virginia.

“Maintain” means the Recipient’s continued maintenance and operation of the Project following completion of Project construction or rehabilitation, as set forth by Section 2.3.2 of this Agreement.

“Mortgage” means any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purpose of securing indebtedness of Recipient, and recorded among the Land Records, or any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purposes of refinancing such indebtedness and recorded among the Land Records.

“Mortgagee” means the secured party under a Mortgage.

“Project” means a development on the Site containing not less than 216 residential units, subject to income and rent restrictions as shown on **Exhibit A** and monitored by the State Housing Finance Agency.

“Real Estate Tax Levy” means the amount of real estate taxes levied by the City on the Site (including both the fee interest (and leasehold interest, if applicable) and Project (i.e., including land and all improvements) for a given real estate tax year, pursuant to Chapter 26 of the Code for the City of Richmond (“City Code”).

“Site” means, that certain parcel of 8.363 acres, shown as Parcel B on that certain “*Boundary Line Adjustment Plat Between Seven Parcels of Land Located Along the North Line of Walmsley Boulevard City of Richmond, Virginia*” dated May 8, 2024, prepared by Shadrach & Associates LLC, and attached hereto as **Exhibit B**, and as more particularly described in **Exhibit C**.

“State Housing Finance Agency” means Virginia Housing (formerly known as Virginia Housing Development Authority), a political subdivision of the Commonwealth of Virginia, or its successor.

Section 2. Recipient’s Obligations

2.1 Grant Management Fee.

The Recipient shall pay a Grant Management Fee consisting of (i) a one-time, non-refundable \$500.00 fee immediately upon execution of the agreement to the Authority, and, (ii) thereafter, the Recipient shall pay annually to the Authority 1% of the Grant Payment for the duration of the Grant Period. The Authority will invoice the Recipient on or before October 1 of each year and the Recipient shall remit payment within 30 days of issuance of the invoice.

2.2 Completion of Project Construction or Rehabilitation; Timeline.

2.2.1 Plan of Development. Recipient shall submit a Plan of Development or similar permit submission for the Project to the City’s Director of Planning and Development Review no later than nine (9) months of the Effective Date, which shall comply with the relevant provisions of the Richmond City Code and shall contain all elements of the Project as defined herein.

2.2.2 Commencement of the Project Construction or Rehabilitation. Recipient shall commence construction or rehabilitation of the Project within eighteen (18) months of the Effective Date, (the “Construction Commencement Date”), which shall be evidenced by the issuance of all permits necessary for the commencement of construction or rehabilitation of the Project.

2.2.3 Completion of Project Construction or Rehabilitation. Recipient shall complete the Project within five (5) years of the Construction Commencement Date, which shall be evidenced by the issuance of a temporary certificate of occupancy for the Project.

2.2.4 Failure to Comply. If the Recipient fails to timely comply with any of the provisions of this Section 2.2 then the City’s Chief Administrative Officer (“CAO”), in his sole discretion, may either extend the time by which Recipient must comply with the corresponding requirement or provide written notice of the City’s intent to terminate this Agreement. If Recipient fails to cure its failure to comply within sixty (60) days of such written notice then this Agreement, including all rights and obligations herein, shall, upon the City’s election and subject to the rights of a Mortgagee under Section 6.3 hereof, terminate and neither the City nor the Authority shall have any further obligation to the Recipient and Recipient shall no longer be eligible for any Grant Payments hereunder.

2.3 Continued Maintenance and Operation of Project.

2.3.1 Continued Control of the Project by Recipient. Recipient shall continue to own, lease, or otherwise control the Site until completion of Project construction or rehabilitation pursuant to Section 2.2.3 of this Agreement and thereafter shall continue to

own, lease, or otherwise control the Project until expiration of the Grant Period. Notwithstanding the foregoing, Recipient may transfer the ownership or control interest in the Project to third parties ("Transferee"), and Recipient may (1) assign this Agreement, including the rights and obligations herein to such party or parties at the time it transfers ownership or control of the Project (including any leasehold interests), and (2) if this Agreement is assigned, Recipient shall provide the City and Authority 30 days' prior written notice of its intent to transfer ownership or control of the Project, which notice shall include the contemplated date of transfer, the name of the party or parties to which it intends to transfer, and a written statement from such party that it is aware that this Agreement, including the rights and obligations herein, will be assigned to such party. Following the transfer of ownership or control in the Project to the Transferee as provided above, the term "Recipient" as used herein shall mean the Transferee. For the avoidance of doubt, this Section 2.3.1 shall not apply to any transfer by foreclosure or deed-in-lieu of foreclosure or to any transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient and any such transfer shall not require notice to nor the consent of the City or Authority.

2.3.2 Continued Maintenance and Operation of the Project. Following Recipient's completion of Project construction or rehabilitation as set forth in Section 2.2.3 of this Agreement, the Recipient shall continue to Maintain the Project until the expiration of the Grant Period.

2.4 MBE Participation.

2.4.1 Goal. The Recipient agrees to diligently work towards the following goal: Where capacity, capability and competitive pricing among minority business enterprises and emerging small businesses exists, 30% of all expenditures for those construction or rehabilitation costs of the Project that will be paid to third party subcontractors unaffiliated with the Recipient will be spent with minority business enterprises and emerging small businesses that perform commercially useful functions with regard to the prosecution and completion of the Project. The terms "minority business enterprise" and "emerging small business" have the meaning ascribed to them in Chapter 21 of the City Code. The Recipient shall include this goal in its contracts with all assignees, contractors and subcontractors who will be providing any portion of the Project.

2.4.2 Reporting. To enable the City to measure the achievements of the Recipient and its assignees, contractors and subcontractors with regard to the participation goals set forth above, during the period prior to completion of Project construction or rehabilitation, the Recipient shall submit a report upon request detailing all expenditures with minority business enterprises and emerging small businesses, showing, at a minimum, (i) the name of the business, (ii) an itemization of what the business provided, (iii) the amount paid for each item, (iv) the total amount of spending to date with minority business enterprises and emerging small businesses and (v) the percentage of total expenditures for the quarter spent with minority business enterprises and emerging small businesses. If the City chooses, the Recipient shall submit these reports on forms prescribed by the City. The City will use these reports in evaluating the good faith minority business enterprise and emerging small business participation efforts, as defined in Section 21-4 of the City Code, of the Recipient and its assignees, contractors, and subcontractors that compete for City contracts.

2.5 Affordable Housing.

The Recipient agrees to restrict occupancy and rents of the Project according to the schedule shown on **Exhibit A**, according to standards promulgated by the State Housing Finance Agency or as otherwise approved by the Authority. Ongoing compliance monitoring and approvals by the State Housing Finance Agency, as provided to the City upon the City's request, shall serve as evidence of the Recipient's compliance with this section.

2.6 Continued Investment and Capital Improvements

For purposes of continued investment and upkeep of the Project to the benefit of its tenants, payment of Grant Payments subsequent to the initial fifteen (15) years of the Grant Period shall be contingent upon receipt of proof that the Recipient has made capital improvements to the Project in an aggregate amount of Two Million Seven Hundred and Sixty Thousand and No/100 Dollars (\$2,760,000.00) since the Grant Commencement Date. On each fifth anniversary of the Grant Commencement Date, the Recipient shall upon request submit a report of capital improvements made to the Project since the Grant Commencement Date.

Section 3. Disbursement of Grant.

3.1. Grant. During the Grant Period, the City shall pay to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), through the Authority, the Grant Payments for such real estate tax year subject to the provisions of this Section 3.

3.2. Grant Payment Requests. The Recipient shall submit each Grant Payment Request to the CAO, with copies to the Department of Economic and Community Development, the Authority, and the Office of the City Attorney at the respective addresses set forth in Section 8.

3.3. Disbursement of Grant Payment. Upon receipt of a Grant Payment Request, the City shall review the accuracy of the request. The City shall not make a Grant Payment if Recipient did not make full and timely payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provisions of the Richmond City Code), of the Real Estate Tax Levy for the applicable installment and shall not make a Grant Payment if Recipient is delinquent in payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provision of the Richmond City Code) of any other taxes levied by the City for the Project. Within fifteen (15) business days of receipt of a Grant Payment Request, the City shall notify Recipient either that (1) the City denies the request and will not make a Grant Payment for the foregoing reasons, (2) the City approves the request and intends to make a Grant Payment in the amount requested, or (3) the City approves making a payment to Recipient but in a different amount than the amount requested because the amount requested is inconsistent with this Agreement, in which case the City shall indicate the correct Grant Payment amount it intends to make. Notwithstanding the foregoing, the City's failure to respond within fifteen (15) business days shall not constitute approval of a requested Grant Payment and the Recipient shall not be entitled to any such payment due solely to the City's failure to

timely respond. Subject to any necessary City Council action, including any necessary budget amendment or appropriation of funds, the City agrees to, within fifteen (15) business days of the City's approval of any Grant Payment, transfer the funds for the Grant Payment to the Authority. The Authority agrees, subject to any necessary approvals by its Board of Directors, to pay the Grant Payment to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), within fifteen (15) business days of receipt of the funds from the City.

3.4 Recipient's Relief. Should Recipient believe the City failed to comply with Section 3.3 of this Agreement, Recipient may seek relief in accordance with Section 9.2 of this Agreement. Provided, however, Recipient's sole remedy shall be to receive payment for a Grant Payment to which it was entitled (subject to the restrictions set forth in this Agreement, including, but not limited to, Sections 3.3 and 9.5) and for which it did not receive payment.

Section 4. General Administration of Grant

4.1 The City agrees to transfer to the Authority, as and when appropriated by the City Council, the funds necessary for the Authority to meet its obligations under this Agreement relating to the Grant. No administrative fees or expenses shall be paid by the City.

4.2 The Authority's obligation to undertake the activities herein is specially conditioned upon the City providing funding to the Authority on a timely basis; provided, however, the City's obligation to provide funding to the Authority is subject to appropriation by the City Council and availability of funds.

4.3 The Authority agrees to provide the CAO, or the designee thereof, with copies of all documents related to this Agreement and will keep the CAO fully and timely informed of all matters related to this Agreement.

4.4 The Authority agrees that all funds transferred by the City to the Authority for the Grant shall be deposited by the Authority within a fund dedicated to the Project, to be used only to satisfy the obligations contained in this Agreement related to the Grant.

4.5 It is the intent of the parties not to impose upon the Authority any responsibility, duty, or obligation other than what may be required to implement the Grant as set forth in this Agreement. Accordingly, the Authority does not assume any responsibility or liability whatsoever except as specifically stated in this Agreement. If litigation involving the Grant is initiated or expected to be filed against the Authority, the Authority shall immediately notify the City Attorney and CAO.

4.6 The Authority shall keep records of its financial transactions, if any, related to this Agreement in accordance with generally accepted accounting principles. The City Auditor or his designee may at any time audit the financial transactions undertaken under this Agreement. The Authority shall cooperate to ensure that the City Auditor is granted reasonable access on a timely basis to all books and records of the Authority necessary to complete such audits.

4.7 The Authority shall not be required to furnish the City a blanket corporate fidelity bond with surety.

Section 5. Representations of the Recipient

5.1 The Recipient is empowered to enter into this Agreement, to be bound hereby, and to perform according to the terms hereof.

5.2 Any and all actions necessary to enable the Recipient to enter into this Agreement, and to be bound hereby, have been duly taken.

5.3 The person or persons executing or attesting the execution of this Agreement on behalf of the Recipient has or have been duly authorized and empowered to so execute or attest.

5.4 The execution of this Agreement on behalf of the Recipient will bind and obligate the Recipient to the extent provided by the terms hereof.

5.5 There exists no litigation pending against the Recipient or to the Recipient's knowledge threatened, which if determined adversely, would materially and adversely affect the ability of the Recipient to carry out its obligations under this Agreement or the transactions contemplated hereunder.

Section 6. Default.

6.1 Events of Default. Each of the following events (hereinafter called an "Event of Default") shall be a default hereunder by the Recipient as described:

6.1.1 Failure by the Recipient to maintain its corporate existence or the declaration of bankruptcy by the Recipient;

6.1.2 The failure of Recipient to comply with Section 2 of this Agreement; and

6.1.3 The failure of Recipient to pay the annual Real Estate Tax Levy.

6.2 Effect of Event of Default. Subject to Section 6.3 below, in the case of an occurrence of an Event of Default, the Grant provisions of Section 3 of this Agreement shall, at the City's option, terminate thirty (30) days after the City's notice to Recipient, each Mortgagee and Investor, unless Recipient cures the Event of Default to the City's satisfaction within such thirty (30) days, and neither the City nor the Authority shall have any further obligation relating thereto and the Recipient shall no longer be eligible for any Grant Payments hereunder.

6.3 Notice and Right to Cure. Written notice of any default by Recipient under this Agreement shall be provided simultaneously to any Mortgagee and Investor. Each Mortgagee and the Investor shall be permitted to cure any default by Recipient under this Agreement. Such Mortgagees and Investor shall have the same period, after the giving of such notice upon it, for remedying any default or causing the same to be remedied, as is given Recipient after the giving of such notice to Recipient, plus an additional thirty (30) days, to remedy, commence remedying or cause to be remedied the defaults specified in any such notice. If the default cannot be reasonably

cured within thirty (30) days, then the Mortgagee or Investor, as applicable, shall have such additional time as it shall reasonably require so long as the Mortgagee or Investor, as applicable, is proceeding with reasonable diligence to cure the default. The City and the Authority each agree to accept payment or performance by any Mortgagee or Investor as though the same had been done by Recipient.

Section 7. Recipient Reporting.

The Recipient shall provide, at Recipient's expense, detailed updates and verification reasonably satisfactory to the City of Recipient's progress regarding completion of Project construction or rehabilitation and, following Project construction or rehabilitation, of Recipient's continued compliance with Section 2.3 of this Agreement.

Section 8. Notices.

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

if to the Recipient, to:

Walmsley Gardens, LLC
2601 Broad Street, Suite 201
Richmond, VA 23220
Attention: Zachery Frederick

with a copy to:

Williams Mullen
200 South 10th Street, Suite 1600
Richmond, VA 23219
Attention: T. Preston Lloyd, Jr., Esq.

if to Mortgagee, to:

Bank of America, N.A.
Mail Code: DC1-842-06-04
1800 K Street, NW, 6th Floor
Washington, DC 20006
Attention: Loan Administration Manager

with a copy to:

Tiber Hudson LLC
1340 Smith Avenue, Suite 200
Baltimore, MD 21209
Attention: Krista North, Esq.

if to Investor, to:

Red Stone Equity – Fund 109 Limited Partnership
c/o Red Stone Equity Partners, LLC
90 Park Avenue, 28th Floor
New York, NY 10016
Attention: General Counsel and President

with a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, IL 60605
Attention: Bennett P. Applegate, Esq.

if to the City, to:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street Suite 201
Richmond, VA 23219

with a copy to:

Department of Economic Development
City of Richmond, Virginia
1500 East Main Street
Richmond, VA 23219

if to the Authority, to:

Economic Development Authority
of Richmond VA – Attn: Chairman
501 East Franklin Street
Richmond, VA 23219

with a copy to:

City Attorney
City of Richmond, Virginia
900 East Broad Street Suite 300
Richmond, VA 23219

Section 9. General Terms and Conditions.

9.1 Entire Agreement; Amendments; Assignments. This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto, and subject to the prior written consent of each Mortgage and Investor. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including, without limitation, a Mortgagee or its designee upon a foreclosure or deed-in-lieu of foreclosure of the Site or the Project; provided, however, that in no event may this Agreement or any of the rights, benefits, duties, or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent neither party shall be obligated to give, except that Recipient may assign its right to receive payment to another entity authorized to transact business in Virginia by furnishing the City and the Authority with notice identifying the entity and providing both contact and payment information in a form acceptable to the City and the Authority. Notwithstanding anything to the contrary herein, (a) Recipient shall have the right to assign its interest in the Site and Project to any future owner provided the Recipient first shall have complied with the requirements set forth in Section 2.3.1 of this Agreement and shall have submitted to the City the form of all instruments by which it purports to make such assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld, in which event the assignor shall be released from all obligations and liabilities under this Agreement; and (b) Recipient shall have the right to grant to a Mortgagee a security interest in, and assignment of, Recipient's rights hereunder as collateral for the loan to be provided by such Mortgagee for the development of the Project, and any action taken by such Mortgagee to realize on such security interest or assignment and performance thereafter shall be deemed permitted under this Agreement, provided the Recipient first shall have submitted to the City the form of all instruments by which it purports to grant such security interest and assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld. Neither the City's nor Authority's consent shall be required to the exercise by Mortgagee or any assignee of Mortgagee of its right to perform Recipient's obligations hereunder after a default by Recipient under the applicable loan documents. The City agrees that Mortgagee shall not have any liability for any act or omission of Recipient hereunder and shall only be liable hereunder for obligations arising during such time as it is the owner of Recipient's interests in the Site and Project pursuant to foreclosure, deed in lieu of foreclosure or otherwise. For the avoidance of doubt, no transfer by foreclosure or deed-in-lieu of foreclosure pursuant to a Mortgage and no transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient shall require notice to or the approval of the City or Authority.

9.2 Governing Law; Venue. All issues and questions concerning the construction, enforcement, interpretation, and validity of this Agreement, or the rights and obligations of the parties shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or

provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. All disputes, claims, and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event of any litigation or other proceedings arising from this Agreement.

9.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

9.4 Severability. If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

9.5 Subject-to-Appropriations. All payments and other performances by the City and the Authority under this Agreement are subject to City Council approval, Authority Board approval and annual appropriations by the City Council. It is understood and agreed among the parties that the City and the Authority shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Agreement. Under no circumstances shall the City's or the Authority's total liability under this Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Agreement.

9.6 Public Disclosure.

9.6.1 Applicable Law. The parties to this Agreement acknowledge that records maintained by or in the custody of the City and the Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-37 14 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

9.6.2 Challenges to Nondisclosure. If a party submitting records to the City or the Authority requests that those records not be disclosed under applicable law and the City or the Authority consequently denies a request for disclosure of such records based on the submitting party's request, and the City's or the Authority's denial of a request for disclosure of records is challenged in court, the submitting party shall indemnify, hold harmless and defend the City or the Authority, their respective officers and employees from any and all costs, damages, fees and penalties (including attorney's fees and other costs related to litigation) relating thereto.

9.7 No Waiver. Neither failure on the part of the City or the Authority to enforce any covenant or provision contained in this Agreement nor any waiver of any right under this Agreement shall discharge or invalidate such covenant or provision or affect the right of the City or the Authority to enforce the same right in the event of any subsequent default.

9.8 Effective Date of the Agreement. The effective date of this Agreement shall be the date upon which it has been fully executed by the parties following approval by the City Council and by the Authority's Board of Directors.

9.9 No Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstance whatsoever as creating and establishing the relationship of copartners or creating or establishing a joint venture between or among any of the parties or as designating any party to this Agreement as the agent or representative of any other party to this Agreement for any purpose.

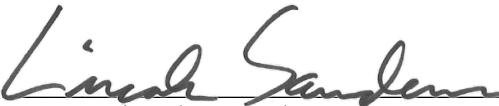
9.10 No Third-Party Beneficiaries. Except as otherwise provided in Section 9.1 of this Agreement, the parties agree that except for any Mortgagee and Investor (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City, the Authority, or the Recipient; (iii) no other individual or entity shall obtain any right to make any claim against the City, the Authority, or the Recipient under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. Each Mortgagee and Investor shall be a third-party beneficiary of this Agreement.

9.11 Signature Authority. Except as specifically otherwise set forth in this Agreement, the CAO or the designee thereof may provide any authorization, approvals, and notices contemplated herein on behalf of the City.

SIGNATURE PAGE TO FOLLOW

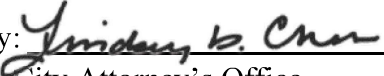
IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement as of the date first written above.

**CITY OF RICHMOND,
VIRGINIA**, a municipal corporation
of the Commonwealth of Virginia

By:  7/12/24
J.E. Lincoln Saunders Date
Chief Administrative Officer

Authorized by Ordinance No. 2024-164

Approved as to Form:

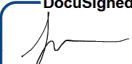
By: 
City Attorney's Office

WALMSLEY GARDENS, LLC, a Virginia limited
liability company

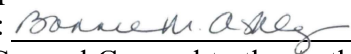
By: _____
Date

Name: _____
Title: _____

**ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
RICHMOND, VIRGINIA**,
a political subdivision of the
Commonwealth of Virginia

By:  7/3/2024
DocuSigned by: BFB4E2045140447... Date
Chairman

Approved as to Form:

By: 
General Counsel to the Authority

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement as of the date first written above.

**CITY OF RICHMOND,
VIRGINIA**, a municipal corporation
of the Commonwealth of Virginia

By: _____
J.E. Lincoln Saunders Date
Chief Administrative Officer

Authorized by Ordinance No. _____

Approved as to Form:

By: _____
City Attorney's Office

WALMSLEY GARDENS, LLC, a Virginia limited
liability company

By: J.R. FKH 7-11-24
Date

Name: Zachery R. Frederick
Title: Manager

**ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
RICHMOND, VIRGINIA**,
a political subdivision of the
Commonwealth of Virginia

By: _____
Chairman Date

Approved as to Form:

By: _____
General Counsel to the Authority

EXHIBIT A

Affordable Housing Schedule

The Project shall restrict occupancy and rents to an average income designation of 60% of AMI, according to standards promulgated by the State Housing Finance Agency, for a minimum of thirty (30) years.

EXHIBIT B

Boundary Line Plat

[please see attached]

NEW PARCEL AREAS

(A) 2.179 Acres
94,936.78 Sq. Ft.

(B) 8.363 Acres
364,296.46 Sq. Ft.

Legal References:

1 CHIN HA KIM
Instrument No. 2007-8199
Tax Parcel ID: C008-0745/024
#4818 Walmsley Blvd.

2 KCH Total Management LLC
Instrument No. 2011-21943
Tax Parcel ID: C008-0745/026
#4824 Walmsley Blvd.

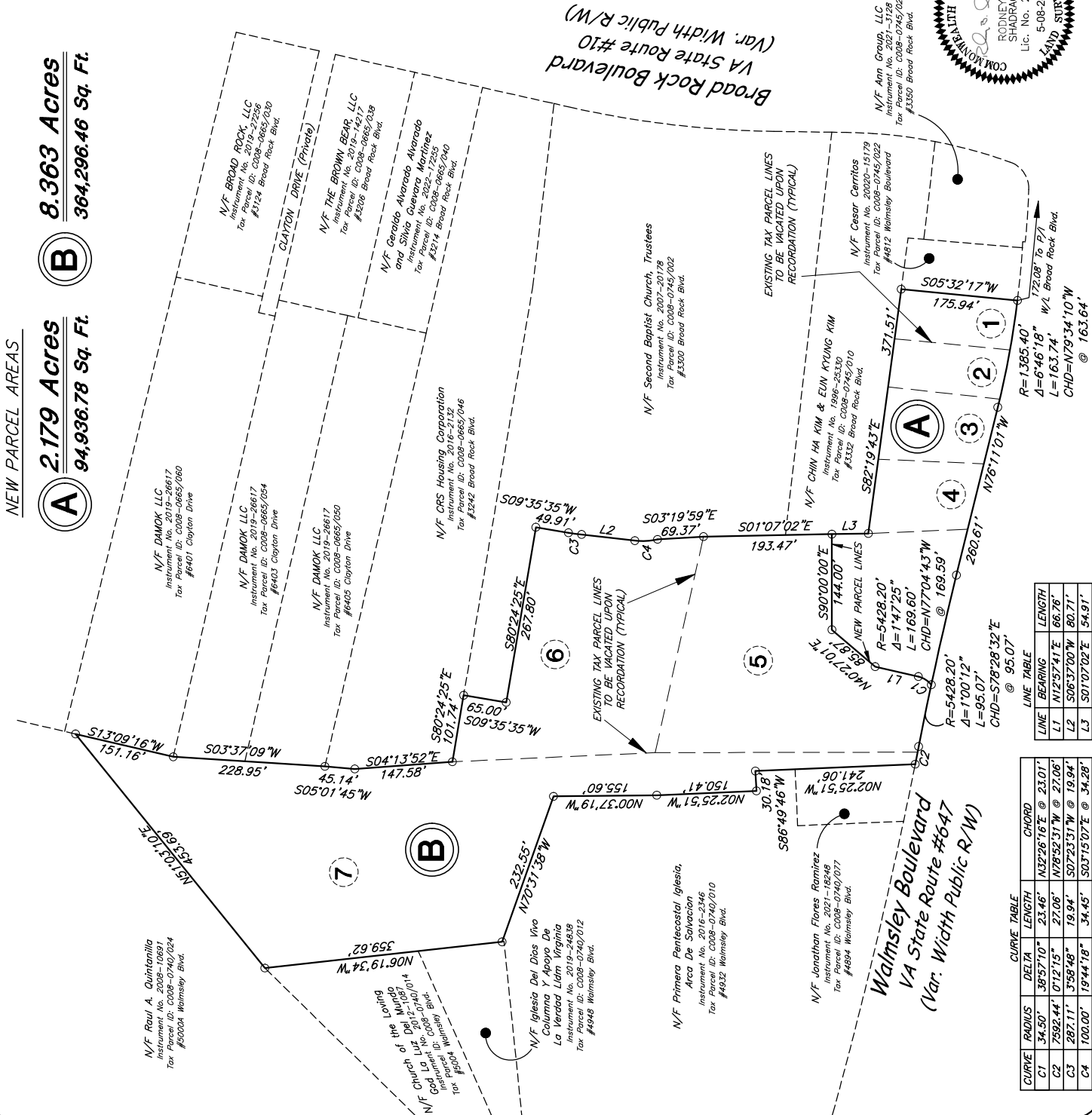
3 CHIN HA KIM
Instrument No. 2002-12512
Tax Parcel ID: C008-0745/028
#4830 Walmsley Blvd.

4 KCH Total Management LLC
Instrument No. 2011-1892
Tax Parcel ID: C008-0745/030
#4838 Walmsley Blvd.

5 KCH Total Management LLC
Instrument No. 2012-6203
Tax Parcel ID: C008-0745/031
#4850 Walmsley Blvd.
Lot 2, "Strickland"
Plat Book 99, Pages 45-48

6 KCH Total Management LLC
Instrument No. 2012-6203
Tax Parcel ID: C008-0745/032
#4870 Walmsley Blvd.
Lot 3, "Strickland"
Plat Book 99, Pages 45-48

7 KCH Total Management LLC
Instrument No. 2012-6203
Tax Parcel ID: C008-0745/033
#4890 Walmsley Blvd.
Lot 4, "Strickland"
Plat Book 99, Pages 45-48



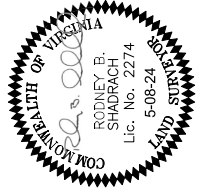
CURVE TABLE			LINE TABLE		
CURVE	RADIUS	DELTA	LINE	BEARING	LENGTH
C1	34.50'	38°57'10"	L1	N32°26'16"E @ 23.01'	27.06'
C2	7592.44'	0°12'15"	L2	N12°57'41"E @ 66.76'	80.71'
C3	287.11'	3°59'48"	L3	S06°37'00"W @ 80.71'	54.91'
C4	100.00'	19°44'18"		S03°15'07"E @ 34.28'	

CURVE TABLE			LINE TABLE		
CURVE	RADIUS	DELTA	LINE	BEARING	LENGTH
C1	34.50'	38°57'10"	L1	N12°57'41"E @ 66.76'	80.71'
C2	7592.44'	0°12'15"	L2	S06°37'00"W @ 80.71'	54.91'
C3	287.11'	3°59'48"		S03°15'07"E @ 34.28'	
C4	100.00'	19°44'18"		S03°15'07"E @ 34.28'	

Boundary Line Adjustment Plat
Between Seven Parcels of Land
Located Along the North Line
of Walmsley Boulevard
City of Richmond, Virginia

Date: May 8, 2024
Scale: 1" = 100'

Shadrach & Associates LLC
LAND SURVEYING
430 Southlake Blvd., Suite 10-8 • Richmond, Virginia 23236
Phone: (804) 371-3300 • info@shadrachsurvey.com



N/F Ann Group, LLC
Instrument No. 2021-3128
Tax Parcel ID: C008-0745/021
#3350 Broad Rock Blvd.

N/F Cesar Carreras
Instrument No. 2020-15179
Tax Parcel ID: C008-0745/022
#4812 Walmsley Boulevard

N/F Chin Ha Kim & Eun Kyung Kim
Instrument No. 1986-25330
Tax Parcel ID: C008-0745/010
#3332 Broad Rock Blvd.

N/F Second Baptist Church, Trustees
Instrument No. 2007-20178
Tax Parcel ID: C008-0745/002
#3300 Broad Rock Blvd.

N/F Gerald Alvarado Alvarado and Silvia Guevara Martinez
Instrument No. 2022-17235
Tax Parcel ID: C008-0665/040
#3214 Broad Rock Blvd.

N/F The Brown Bear LLC
Instrument No. 2019-14217
Tax Parcel ID: C008-0665/038
#3206 Broad Rock Blvd.

N/F Damok LLC
Instrument No. 2019-26617
Tax Parcel ID: C008-0665/060
#4605 Clayton Drive

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Instrument No. 2019-26617
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#4605 Clayton Drive

EXHIBIT C

Legal Description of Site

BEGINNING at a point on the northern boundary of the right of way line of Walmsley Boulevard (VA State Route #647), said point being 764.00 feet west of the point of intersection of the western boundary of the right of way line of Broad Rock Boulevard (VA State Route #10) and the northern boundary of the right of way line of Walmsley Boulevard;

Thence proceeding along the northern boundary of the right of way line of Walmsley Boulevard in a northeasterly direction the following two (2) courses and distances:

- 1) Along a curve to the left having a radius of 5428.20 feet, a delta angle of 01°00'12" and an arc length of 95.07 feet to a point;
- 2) Thence along a curve to the right having a radius of 7592.44 feet, a delta angle of 00°12'15" and an arc length of 27.06 feet to a point;

Thence leaving the northern boundary of the right of way line of Walmsley Boulevard and proceeding in a northwesterly direction the following twenty-four (24) courses and distances:

- 1) Thence N 02°25'51" W 241.06 feet to a point;
- 2) Thence S 86°49'46" W 30.18 feet to a point;
- 3) Thence N 02°25'51" W 150.41 feet to a point;
- 4) Thence N 00°37'19" W 155.60 feet to a point;
- 5) Thence N 70°31'38" W 232.55 feet to a point;
- 6) Thence N 06°19'34" W 359.62 feet to a point;
- 7) Thence N 51°03'10" E 453.69 feet to a point;
- 8) Thence S 13°09'16" W 151.16 feet to a point;
- 9) Thence S 03°37'09" W 228.95 feet to a point;
- 10) Thence S 05°01'45" W 45.14 feet to a point;
- 11) Thence S 04°13'52" E 147.58 feet to a point;
- 12) Thence S 80°24'25" E 101.74 feet to a point;
- 13) Thence S 09°35'35" W 65.00 feet to a point;
- 14) Thence S 80°24'25" E 267.80 feet to a point;
- 15) Thence S 09°35'35" W 49.91 feet to a point;
- 16) Thence along a curve to the left having a radius of 287.11 feet, a delta angle of 03°58'48" and an arc length of 19.94 feet to a point;
- 17) Thence S 06°37'00" W 80.71 feet to a point;
- 18) Thence along a curve to the left having a radius of 100.00 feet, a delta angle of 19°44'18" and an arc length of 34.45 feet to a point;
- 19) Thence S 03°19'59" E 69.37 feet to a point;
- 20) Thence S 01°07'02" E 193.47 feet to a point;
- 21) Thence N 90°00'00" W 144.00 feet to a point;
- 22) Thence S 40°27'01" W 85.87 feet to a point;
- 23) Thence S 12°57'41" W 66.76 feet to a point;
- 24) Thence along a curve to the right having a radius of 34.50 feet, a delta angle of 38°57'10" and an arc length of 23.46 feet to a point on the northern boundary of the right of way line of Walmsley Boulevard, said Point being the Point and Place of Beginning, containing 8.363 acres, more or less.



CITY OF RICHMOND

**DEPARTMENT OF
HOUSING AND COMMUNITY
DEVELOPMENT**

October 3, 2023

Mr. Zackery Frederick
Founder & CEO
Crescent Development
Walmsley Gardens, LLC
2601 West Broad Street, suite 201
Richmond, Virginia 23220

Re: ARPA Funding Award - Walmsley Gardens Project (Award 23-09N)

Dear Mr. Frederick,

Congratulations, the Department of Housing and Community Development is delighted to formally confirm that Crescent Development has been approved to receive 2nd Tranche ARPA funding in the amount of **\$1,000,000** for the 276-unit multifamily complex located at 4824, 4830, 4838, 4850, 4870 and 4890 Walmsley Boulevard in the City of Richmond. This project will provide housing for persons whose total household incomes are 51-60 percent of the Area Median Income.

Initially, HCD provided notice of our recommendation for funding in a correspondence dated June 6, 2023, indicating that the award was contingent upon approval by the City Council. On June 26, 2023, Richmond City Council approved the funding award to your organization.

Merrick Malone, Senior Manager of Housing Finance & Development, and Rachel Hightman, Project Development Manager, will continue to work with your organization regarding the implementation process, including finalizing the funding agreement. It is imperative that all 2nd Tranche ARPA awardees provide accurate and timely submissions of requested information to help facilitate the implementation process. This includes the submittal of the following items:

- Certificate of Insurance
- Vendor Registration
- Monthly Report for September (due 10/06)

2nd Tranche ARPA Award Letter – Walmsley Gardens

Attached is a sample Certificate of Insurance (COI) with the appropriate limits and declarations for your specific project, as required by the City's Chief Risk Officer. If your organization has already submitted these items for the Walmsley Gardens project, please disregard our request. However, if these items have not been submitted, please forward them by October 10, 2023, via email to Rachel Hightman at Rachel.Hightman2@rva.gov. There is no need to mail a copy of these documents to our office. While the City is not requiring your agency to have an Umbrella Policy, we do recommend that type of coverage for nonprofits and suggest you consult with your insurance agent about that type of coverage.

To register your organization with the City of Richmond, please visit the Supplier Portal, found at <https://www.rva.gov/procurement-services/supplier-portal>, and complete the steps as listed to register as a vendor with the City.

Again, congratulations and HCD looks forward to working with you and the Crescent Development team to provide affordable housing for the City of Richmond's residents.

Sincerely,

A handwritten signature in black ink, appearing to read "Sherrill Hampton". The signature is fluid and cursive, with a large loop at the end.

Sherrill Hampton
Director

CC:

Justin Olderman, Development Manager
Merrick Malone, Senior Manager of Housing Finance & Development
Rachel Hightman, Program Development Manager

INTRODUCED: June 12, 2023

AN ORDINANCE No. 2023-180

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept the second tranche of American Rescue Plan Act funds in the amount of \$10,000,000.00 from the United States Department of the Treasury; to amend the Fiscal Year 2022-2023 General Fund Budget by increasing estimated revenues and the amount appropriated to the General Fund Budget for certain agencies by \$8,000,000.00 of the \$10,000,000.00 of ARPA funding from the Department of Housing and Community Development for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUN 26 2023 AT 6 P.M.

WHEREAS, pursuant to Ordinance No. 2021-220, adopted September 27, 2021, the Director of Finance has credited all funds received by the City, whether from the United States government, the Commonwealth of Virginia, or otherwise, provided pursuant to the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022) in the general ledger, to be managed in the Projects and Grants Module in the City's enterprise resource planning system

AYES: 7 NOES: 0 ABSTAIN:

ADOPTED: JUN 26 2023 REJECTED: STRICKEN:

for purposes authorized by the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022) for future appropriation by the Council of the City of Richmond only for expenditures authorized by the said Act;

NOW, THEREFORE,

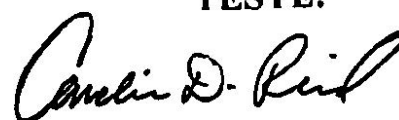
THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer is authorized to accept the second tranche of American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022), funds in the amount of \$10,000,000.00 from the United States Department of the Treasury for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 2. That a portion of the funds received pursuant to section 1 of this ordinance are hereby appropriated to the General Fund Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, by increasing estimated revenues by \$8,000,000.00, increasing the amount appropriated for expenditures by \$8,000,000.00 and allotting to certain agencies the sum of \$8,000,000.00 as set forth in the document entitled "2nd Tranche – Recommendation for ARPA Funding Awards – ATTACHMENT A," a copy of which is incorporated into and made a part of this ordinance, for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 3. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Camilin D. Rind".

City Clerk



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Master

File Number: Admin-2023-0373

File ID: Admin-2023-0373

Type: Request for Ordinance or Resolution

Status: Regular Agenda

Version: 1

Reference:

In Control: City Clerk Waiting Room

Department:

Cost:

File Created: 05/19/2023

Subject: Recommendation for Funding Awards for the City of Richmond's 2nd Tranche ARPA Allocation

Final Action:

Title:

Internal Notes:

- The O&R is requesting approval for the recommended funding awards for the 2nd Tranche ARPA allocation.
- A NOFA process was utilized and 26 applications were received.
- Of the \$10,000,000 allocation, \$8,000,000 is recommended for award to 13 projects. The projects involve multifamily development and preservation activities.
- The remaining \$2,000,000 in 2nd Tranche ARPA funding will be used to implement a new Homeownership Initiative.
- \$1,300,000 in AHTF funding was leveraged against the \$8,000,000 thereby increasing the total amount of funds available for award to \$9,300,000.
- The total number of affordable units created and/or preserved with the ARPA/AHTF funding is 1227.

Code Sections:

Agenda Date: 06/12/2023

Indexes:

Agenda Number:

Patron(s):

Enactment Date:

Attachments: Admin-2023-0373 Attachment A Copy of Final 2nd Tranche ARPA - Recommendation for Funding Awards 5182023, Admin-2023-0373 Attachment B 2nd Tranche ARPA-AHTF NOFA and Application Packet version 3 2-7-2023, Admin-2023-0373 Attachment C Ord. No - 2021-291 American Rescue Plan Act funding

Enactment Number:

Contact:

Introduction Date:

Drafter: Michelle.Peters@rva.gov

Effective Date:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	5/19/2023	Sherrill Hampton	Approve	5/22/2023
1	2	5/19/2023	Alecia Blackwell - FYI	Notified - FYI	
1	3	5/19/2023	Sharon Ebert	Approve	5/23/2023
1	4	5/19/2023	Jason May	Approve	5/23/2023
1	5	5/19/2023	Sheila White	Approve	5/23/2023
1	6	5/19/2023	Cynthia Osborne - FYI	Notified - FYI	
1	7	5/19/2023	Sabrina Joy-Hogg	Approve	5/23/2023
1	8	5/19/2023	Caitlin Sedano - FYI	Notified - FYI	
1	9	5/22/2023	Lincoln Saunders	Approve	5/30/2023
1	10	5/24/2023	Mayor Stoney (By Request)	Approve	5/31/2023
Notes: bypassed to correct account Levar Stoney - Kit Hagen					
1	11	6/7/2023	Mayor Stoney	Approve	5/26/2023

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File Admin-2023-0373

O&R REQUEST

DATE: May 18, 2023 **EDITION:** 1

TO: The Honorable Members of the City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Sabrina B. Joy-Hogg, Deputy Chief Administrative Officer, Finance and Administration

THROUGH: Sheila D. White, Director, Department of Finance

THROUGH: Jason P. May, Director, Department of Budget and Strategic Planning

THROUGH: Sharon L. Ebert, Deputy Chief Administrative Officer, Economic Development and Planning

FROM: Sherrill Hampton, Director, Department of Housing and Community Development

RE: **The State and Local Fiscal Recovery Funds Under the American Rescue Plan Act (ARPA) - Recommendation for Funding Awards for the City of Richmond's 2nd Tranche ARPA Allocation to Further Affordable Housing Activities**

ORD. OR RES. No.

PURPOSE: To approve the recommendations for various funding awards under the City of Richmond's 2nd Tranche of ARPA dollars and to authorize the Chief Administrative Officer to execute, for and on behalf of the City of Richmond, a total of \$8,000,000 in grants, loans, or a combination thereof by and between the City of Richmond and the designated project sponsors and/or special purpose entities outlined in **Attachment A**.

REASON: For the furtherance of the production and preservation of affordable multifamily housing units in the City of Richmond.

RECOMMENDATION: City Administration recommends approval of the funding awards.

BACKGROUND: On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF")

program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses. The City of Richmond's ARPA Spending Plan was approved by City Council on October 25, 2021 (see **Attachment C**). The funds are to be used in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency.

Mayor Stoney and the City Council allocated under the City's 1st Tranche of ARPA funds \$10,000,000 to further affordable housing opportunities. This use is intended for projects that will align with and meet the requirements of the ARPA category of "Building Stronger Communities Through Investments in Housing and Neighborhoods" as well as align with the City's 5-Year Consolidated Plan, the Mayor's Equity Agenda, the Comprehensive Plan (Richmond 300), the 2020-2030 Strategic Plan to End Homelessness, and the Equitable Affordable Housing Plan. On April 11, April 25, and November 7, 2022, the City Council approved the awarding of funding to a total of seventeen (17) projects to further affordable housing activities, including multi and single-family development and preservation, housing-related services and the FY23 Inclement Weather Shelter operated by Commonwealth Catholic Charities.

The City of Richmond's approved 2021 ARPA Spending Plan also called for a subsequent \$10,000,000 allocation in the 2nd Tranche of ARPA funding to continue efforts to expand affordable housing activities. To that end, the Housing and Community Development Department (HCD) released a Notice of Funding Availability (NOFA) for \$8,000,000 in ARPA Funding in combination with \$1,300,000 in AHTF Funding totaling \$9,300,000. \$2,000,000 of the 2nd Tranche allocation is being held to implement a new Homeownership Initiative. The availability of funding was advertised in the *Richmond Times-Dispatch* and the *Nuevas Raices* newspapers. The application packet was released on January 17, 2023. HCD held a (mandatory) workshop on January 26, 2023, for entities interested in applying. The deadline for the submission of applications for the City's 2nd Tranche ARPA and AHTF funding was February 14, 2023. From January 26 through February 13, 2023, HCD staff was available to answer questions and provide clarification to interested entities. HCD also communicated with potential applicants by sending periodic FAQs and related responses using email, so all potential applicants received the same information. See **Attachment B** for a copy of the NOFA/Application Packet.

HCD received twenty-six (26) applications for the production and preservation of affordable multifamily units totaling \$29,162,539. HCD is recommending the funding of twelve (12) projects totaling \$8,000,000 of ARPA funds. The AHTF Supervisory Board on May 4, 2023, approved \$1,300,000 in leveraged funds for two projects, \$1,000,000 to the Michaels Development Company I, LP on behalf of the Richmond Family Housing 1, LLC, and \$300,000 to The Community Builders, Inc. for Creighton Court Phase B. Based on the funding available, evaluation criteria, and priorities articulated in the NOFA/Application Packet, projects recommended for funding were ranked as the most competitive in the activity areas cited above. See **Attachment A** for HCD's recommendation for the 2nd Tranche ARPA funding awards.

The remaining \$2,000,000 of the 2nd Tranche ARPA allocation will be used to implement a new

Homeownership Initiative.

FISCAL IMPACT/COST: The City received \$10,000,000 in 2nd Tranche ARPA Funding and with the approval of the recommendation of funding awards will allocate \$8,000,000 of the ARPA funding combined with \$1,300,000 in AHTF Funding. The categories of awards for ARPA funds include \$2,050,000 for multifamily preservation projects, which preserves 167 units of existing affordable units, and \$5,950,000 for multifamily new construction projects, which create 938 new affordable housing units. These funds will serve households earning between zero and eighty percent (0%-80%) of the Area Median Income (AMI). Approximately thirty-two percent (32%) or \$2,560,000 of the \$8,000,000 will serve households earning at or below 50% of AMI. In addition, of the combined total of the ARPA and AHTF awards (\$9,300,000), thirty-nine percent (39%) or \$3,627,000 of the \$9,300,000 will serve households earning at or below 50% of AMI.

FISCAL IMPLICATIONS: No adverse fiscal implications are anticipated. The appropriation of the City's 2nd Tranche of ARPA dollars combined with the AHTF dollars enables the City to address the harmful consequences of or the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency as well as implement several of the goals of the City's 5-Year Consolidated Plan, the Mayor's Equity Agenda, the Comprehensive Plan (Richmond300), the 2020-2030 Strategy to End Homelessness, and the Equitable Affordable Housing Plan.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: There will be new revenue to the City as it relates to property taxes for any newly created housing units.

DESIRED EFFECTIVE DATE: June 26, 2023

REQUESTED INTRODUCTION DATE: June 12, 2023

CITY COUNCIL PUBLIC HEARING DATE: June 26, 2023

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing, and Transportation

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Housing and Community Development (HCD), Budget and Strategic Planning, and the Department of Finance

RELATIONSHIP TO EXISTING ORD. OR RES.: 2021-291

REQUIRED CHANGES TO WORK PROGRAM(S): If approved, the new activities will be added to the HCD staff work plans for the implementation and monitoring of the proposed projects.

ATTACHMENTS: Attachment A - Recommendation for Awards, Attachment B - NOFA/Application Packet, and Attachment C - Ordinance 2021-291

STAFF: Sherrill Hampton, Director - (804) 646-6822 and Merrick Malone, Senior Manager - Multi and Single-Family Development - (804) 646-7426

2nd Tranche – Recommendation For ARPA Funding Awards - ATTACHMENT A													
Award Recipient	Project Sponsor	Project Name	Project Address	Project Description	No. of Units	Requested Amount	Cost Per Unit	Total Project Cost	Leveraged Amount	Income Ranges			Recommended Award Amount
										0-50% AMI	51-60% AMI	61-80% AMI	
Better Housing Coalition	Better Housing Coalition	Lafayette Gardens	2219 Ruffin Road, Richmond, VA	Multifamily Preservation	91	\$1,000,000	\$10,989	\$14,500,000	\$13,500,000	91			\$1,000,000
VST Swansboro LLC	Genesis Properties, Inc.	Swansboro Apartments	3600 & 3601 E. Broad Rock Blvd Rd, Richmond, VA 23224	Multifamily Preservation	62	\$600,000	\$9,677	\$10,400,000	\$9,800,000	62			\$600,000
Urban Hope, Inc.	Urban Hope	Urban Hope Renewal Project	Scattered Site Rental Project	Multifamily Preservation	14	\$450,000	\$32,142	\$769,411	\$319,411	11	3		\$450,000
	Subtotal – Multifamily Preservation				167	\$2,050,000				164	3	0	\$2,050,000
BR2 Owner, LLC	Dakota Partners	Brady Square III	2200 Brady St. and 2232 Colby Lane, Richmond, VA	New Multifamily Housing Development	66	\$500,000	\$7,575	\$14,800,000	\$14,300,000	33	33		\$500,000
ElderHomes Corporation t/a project:HOMES Oak Grove Managing Member, LLC	ElderHomes Corporation t/a Project: Homes	Bainbridge Affordable Rental	2100 Bainbridge St, Richmond, VA 23224	New Multifamily Housing Development	86	\$624,000	\$7,255	\$17,100,000	\$16,476,000	50	36		\$624,000
	Lynx Ventures, Inc.	Oak Grove Apartments	Scattered Site Rental Project	New Multifamily Housing Development	242	\$1,425,000	\$5,888	\$56,600,000	\$55,600,000	25	192	25	\$1,000,000
Planet Zero Residences, LLC	PZ1, LLC.	Planet Zero Apartments		New Multifamily Housing Development	48/237	\$1,000,000	\$20,833	\$60,300,000	\$59,800,000			48	\$500,000

2nd Tranche – Recommendation For ARPA Funding Awards - ATTACHMENT A													
Award Recipient	Project Sponsor	Project Name	Project Address	Project Description	No. of Units	Requested Amount	Cost Per Unit	Total Project Cost	Leveraged Amount	Income Ranges			Recommended Award Amount
										0-50% AMI	51-60% AMI	61-80% AMI	
Commonwealth Catholic Charities Housing Corporation, or such special purpose entity as may be created by Commonwealth Catholic Charities Housing Corporation to undertake the project.	Commonwealth Catholic Charities (CCC)	Saint Elizabeth Apartments	1111 Fourquarean Lane, Richmond, VA	New Multifamily Housing Development	56	\$900,000	\$16,071	\$18,600,000	\$18,074,000	28	28		\$526,000
Walmsley Gardens, LLC	Crescent Development	Walmsley Gardens	4824, 4830, 4838&4850,4870 &4890 Walmsley Blvd, Richmond, VA 23224	New Multifamily Housing Development	276	\$1,600,000	\$5,797	\$62,100,000	\$61,100,000		276		\$1,000,000
Enterprise Community Development, Inc.	Enterprise	1203 E. Brookland Park	1203 E. Brookland Park Blvd, Richmond, VA 23222	New Multifamily Housing Development	43	\$815,000	\$18,953	\$17,000,000	\$16,385,000	22	14	7	\$615,000
The Community Builders, Inc.	The Community Builders, Inc.	Creighton Court Phase B	2101 Creighton Rd.	New Multifamily Housing Development	72	\$1,000,000	\$13,888	\$22,200,000	\$21,800,000	32	40		\$400,000
The 95 Apts., LLC	Dodson Development	The 95 Apartments	500 Maury St, Richmond, VA	New Multifamily Housing Development	49/163	\$985,000	\$6,042	\$36,800,000	\$36,015,000			49	\$785,000
	Subtotal – New Multifamily Housing Development				938	\$12,474,000				190	619	129	\$5,950,000
	Grand Total From Project Categories				*1,105	\$14,524,000		\$331,169,411	\$323,169,411	354	622	129	\$8,000,000

* Total does not include the units from the AHTF Awards

2nd Tranche – Recommendation For ARPA Funding Awards - ATTACHMENT A													
Award Recipient	Project Sponsor	Project Name	Project Address	Project Description	No. of Units	Requested Amount	Cost Per Unit	Total Project Cost	Leveraged Amount	Income Ranges			Recommended Award Amount
										0-50% AMI	51-60% AMI	61-80% AMI	

Number of Units Recommended for Funding by Income Ranges				
0-50% AMI	51-60% AMI	61-80% AMI		Total Number of Units
354	622	129		1,105
Number of Units from the AHTF Awards				122
Total Number of Units for the Combined ARPA/AHTF Awards				1,227

**The Coronavirus State and Local Fiscal
Recovery Funds (SLFRF)
Under The American Rescue Plan Act
(ARPA) and
Affordable Housing Trust Funds**



Notice of Funding Availability (NOFA)
(Affordable Housing Development and Preservation Only)

Release of Application Packet: January 17, 2023

Applications Due: February 14, 2023

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NOTICE OF FUNDING AVAILABILITY

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Under The American Rescue Plan Act (ARPA) and Affordable Housing Trust Funds

The City of Richmond is issuing this Notice of Funding Availability (NOFA) for the allocation of funding provided by the American Rescue Plan Act (ARPA), as well as Affordable Housing Trust Funds for multifamily development and preservation projects only.

On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses. The City of Richmond’s ARPA Spending Plan was approved by City Council on October 25, 2021. The funds are to be used in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency and cannot be grossly disproportionate to the harm experienced. This funding is intended for projects that will align with “Building Stronger Communities Through Investments in Housing and Neighborhoods”. The ARPA and AHTF grant applications must be for projects that will have a direct impact on or to improve access to stable, affordable housing among unhoused individuals and families; affordable housing development to increase the supply of affordable and high-quality housing units in neighborhoods with high levels of economic opportunity and mobility for low-income residents and to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity, as well as preserve existing affordable multifamily housing units.

The goal of the Affordable Housing Trust Fund (AHTF) is to develop and preserve affordable housing units for Richmond’s low-income households. The AHTF achieves this goal by providing gap funding for development and preservation projects.

This funding round is to award \$8,000,000 in ARPA Funding through a competitive application process. This round will also include \$1,300,000 in AHTF Funding.

Priority will be given to those projects that help to advance the City’s housing goals as listed below:

- 2,000 very low (50% AMI) to low income (80% AMI) new homeowners by January 1, 2033 (with 200 new low and moderate income homeowners by January 1, 2025)
- 10,000 new affordable rental units for households earning up to 60% AMI by January 1, 2033 (with 2000 new rental units built by January 1, 2025).
- 350 new Permanent Supportive Units by January 1, 2026 (with 200 new PSH units developed by January 1, 2025); and

- The transformation of the BIG SIX RRHA development sites into Communities of Choice and the deconcentration of poverty in Council Districts 3, 6, and 7 by January 1, 2037

Application packages will be available beginning January 17, 2023, on the City of Richmond's website: <https://www.rva.gov/>. To request an application by email or for a paper copy, please contact Mr. Merrick Malone via email at Merrick.Malone@rva.gov or via phone at (804) 646-7426. Applicants must submit their applications electronically to Ms. Sherrill Hampton via email at Sherrill.Hampton@rva.gov. **Please submit all applications and attachments in a single compressed electronic file.**

All proposals and applications must be received no later than 4 p.m. on Tuesday, February 14, 2023. Faxed applications and late submissions will **not** be accepted.

The City will host a **mandatory virtual workshop** for applicants on Thursday, January 26, 2023 from 10:00 a.m. - 12:30 p.m. All entities that will submit an application must attend the virtual workshop. Please contact Kristen Stell (Kristen.Stell@rva.gov) or via telephone at (804) 646-7824 by **4:00 p.m. on January 25, 2023** to register for the workshop. The workshop link and materials will be sent to persons registered on the evening before the workshop.

Please direct all questions to the Department of Housing and Community Development at (804) 646-1766. The City of Richmond does not discriminate on the basis of disability status in the admission or access to its programs. Virginia Relay Center - TDD users dial 711.

Disclaimer/Disclosure: The City of Richmond reserves the right to award funding other than what has been requested by an applicant, at its discretion, for projects that meet an immediate need, priority, or goal of the City, and is an eligible activity as permitted by the City's general provisions for ARPA and/or AHTF funding.



GENERAL GUIDELINES FOR ENTITIES APPLYING IN THE CITY OF RICHMOND'S SECOND TRANCHE ARPA AND AHTF FUNDING CYCLE (MULTIFAMILY AFFORDABLE HOUSING DEVELOPMENT AND PRESERVATION ONLY)

Eligible uses must be in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency and cannot be grossly disproportionate to the harm experienced. **(Excerpt from the US Department of Treasury's Interim Final Guidance.)**

The City of Richmond's Housing and Community Development Department (HCD) will utilize the following broad categories to describe eligible uses for funding under its second tranche of ARPA funds. The language below is also taken directly from the *Treasury Department's Interim Final Guidance*:

- **Building stronger communities through investments in housing and neighborhoods** are eligible services. These include but are not exclusive to:
 - a) **Services to address homelessness** such as supportive housing, and to improve access to stable, affordable housing among unhoused individuals.
 - b) **Affordable housing development** to increase supply of affordable and high-quality living units; but cannot be used for demolition; and
 - c) **Housing vouchers, residential counseling, or housing navigation assistance** to facilitate household moves to neighborhoods with high levels of economic opportunity and mobility for low-income residents, to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity
- **Specifically, the eligible uses for this second tranche of the City of Richmond's ARPA funding must benefit low and moderate income persons as defined by HUD and include the following:** (Note that not all eligible uses under ARPA are permitted uses under the City's program. In addition, the City reserves the right to make revisions, without prior notice, if the Final Rule is revised or updated by the US Treasury Department and/or given changes in community impacts based on the COVID-19 pandemic, or health concerns caused by COVID variants, as well as local

needs. However, the City of Richmond will provide notice of revisions made within fifteen (15) days of their implementation.)

- New construction and/or preservation of multifamily and other rental units. However, demolition is **not** an allowable expense per Treasury's Interim Final Guidance.
- **Ineligible Uses:** (While some of these activities may be eligible under ARPA, they are not permitted uses under this round of the City's ARPA Program. The City is using its ARPA funding to address needs previously identified and that meet goals articulated in our various housing plans, which have been seriously impacted by COVID-19, as well as seek to enhance alignment of its available resources as it relates to furthering affordable housing opportunities given the pandemic and post pandemic impacts). Under the Affordable Housing Trust, projects involving housing-related services are no longer allowed.)

- Expenses incurred prior to March 3, 2021
- Demolition activities
- Owner-occupied rehabilitation activities
- Eviction diversion activities
- Payment of property taxes
- Assistance to unemployed workers, state unemployment insurance trust funds
- Educational disparity assistance
- Premium Pay
- Revenue Loss
- ARPA funds cannot be used as a non-federal match for other federal programs, especially where it is explicitly prohibited
- Community violence prevention programs
- Rainy day funds, financial reserves or similar funds
- Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding, except to the extent the judgment or settlement requires the provision of services that would respond to the COVID-19 public health emergency
- Single-family New Construction Projects
- Projects for Housing-Related Services

Additional items to note for entities submitting an application: Priority will be given to those projects that assist in advancing the City's new housing goals as listed below:

- 2,000 very low (50% AMI) to low income (80% AMI) new homeowners by January 1, 2033 (with 200 new low and moderate income homeowners by January 1, 2025)

- 10,000 new affordable rental units for households earning up to 60% AMI by January 1, 2033 (with 2000 new rental units built by January 1, 2025).
- 350 new Permanent Supportive Housing Units by January 1, 2026 (with 200 new PSH units developed by January 1, 2025); and
- The transformation of the BIG SIX RRHA development sites into Communities of Choice and the de-concentration of poverty in Council Districts 3, 6, and 7 by January 1, 2037.
- Priority will be given to projects that provide affordable housing for persons at or below 50% of the Area Median Income (AMI). This priority may also be accomplished by utilizing income averaging as it relates to affordable housing development.
- Eligible applicants include nonprofits w/federal tax-exempt designation as well as for-profit developers undertaking affordable housing development activities.
- All applications must clearly address how the proposed project meets or is in direct response to the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency.
- Leveraging is a must and should be succinctly shown in the required Project Leveraging Table.
- The deadline for obligating funds is **September 30, 2024**, and the deadline for project completion and expending all funds is **November 30, 2026**.
- Environmental reviews will be required but based on the following protocols:
 - For multifamily rental projects, a full environmental assessment following the Part 58 guidelines for NEPA will be required. However, the environmental reviews are an allowable expense for projects involving rental development or preservation activities and should be included in the application's line-item budget.
 - Market studies are required for all development or preservation projects and are an allowable expense and should be included in the application's line-item budget. Note that all market studies are due within 60 days of funding award and all funding awards are conditional on receipt of a market study that clearly depicts the market need for the proposed project.
 - All multifamily rental projects must include a marketing plan with the application.
 - For rental housing preservation projects, if there are existing tenants, a relocation plan should be included with the application for funding. Also, relocation costs are an allowable expense and should be included in the line-item budget for the project.
 - Funding assistance may be in the form of a grant, low-interest loan, or other form and will be determined by the City of Richmond on a project-by-project basis.

➤ **Associated Documents:**

- City of Richmond's Ordinance for ARPA Spending Plan <https://richmondva.legistar.com/View.ashx?M=F&ID=9913787&GUID=F43E3F79-1319-46F6-AB44-566A30429638>

- Treasury Final Guidance <https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10283.pdf>
- Richmond300 https://www.rva.gov/sites/default/files/2021-03/R300_Adopted_210331_0.pdf

APPLICATION GUIDELINES
The Coronavirus State and Local Fiscal Recovery Funds (SLFRF)
Under The American Rescue Plan Act (ARPA) and
Affordable Housing Trust Funds

Purpose

The City of Richmond is utilizing a competitive application process to allow organizations and developers to apply for funding that meets critical needs through housing, economic and community development activities. Funding is made available through the City's 2nd Tranche ARPA and AHTF Funding Programs.

Eligible uses must be in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency and cannot be grossly disproportionate to the harm experienced. These funds are to be allocated to projects that can be completed within three years. The funding will be available on a competitive basis to the following types of organizations: non-profits, Community Housing Development Organizations (CHDOs), for-profit developers, economic development, housing or human service agencies, and/or organizations with federal tax-exempt status undertaking multifamily development or preservation projects. The use of the funds is to support activities that are intended for projects that will align with "Building Stronger Communities Through Investments in Housing and Neighborhoods". The ARPA and AHTF grant applications must be for projects that will have a direct impact on or to improve access to stable, affordable housing among unhoused individuals and families; affordable housing development to increase the supply of affordable and high-quality housing units in neighborhoods with high levels of economic opportunity and mobility for low-income residents and to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity, as well as preserve existing affordable multifamily housing units.

This funding round is to award \$8,000,000 in ARPA Funding through a competitive application process. This round will also include \$1,300,000 in AHTF Funding.

I. Planning and Submission

A. Distribution - Application packages will be available on the City of Richmond's website: <https://www.rva.gov/>. To request an application by email or for a paper copy, please contact Mr. Merrick Malone via email at Merrick.Malone@rva.gov or via phone at (804) 646-7426.

B. Staff Consultation - Staff members are available to discuss proposed projects, the application process, and other issues over the phone or in person. Appointments are required or via a TEAMS meeting. Please call Merrick Malone at (804) 646-7426 to schedule an appointment for a telephone or TEAMS meeting.

Language Assistance Information - Office of Multicultural Affairs (804) 646-0145.

C. Deadline for Submission – Applications for ARPA/AHTF Funds must be submitted no later than 4:00 p.m. on Tuesday, February 14, 2023. Applicants must submit their application electronically to Ms. Sherrill Hampton, by email at Sherrill.Hampton@rva.gov. Submit applications and attachments in a single compressed file.

II. NOFA Application Instructions - In an effort to simplify the preparation and review of applications, there is one application format for all proposals. Please check the appropriate funding type and complete the appropriate sections of the application. An application packet for each project that an applicant proposes to receive funding for must be submitted. Applications are to be submitted electronically in a compressed file to Ms. Sherrill Hampton at Sherrill.Hampton@rva.gov. Please read all of the information carefully before submitting.

- a. **Application Checklist**- The Application Checklist should be used to ensure that a completed application is being submitted.
- b. **Attachments** - All attachments must be provided, and the attachments should be kept to a minimum. All necessary information should be placed on the application forms. Other documents cannot replace the application. All attachments should be submitted with the application in a compressed electronic file sent to Sherrill.Hampton@rva.gov.

III. Summary of Evaluation Criteria (See Attachment A)

- a. A joint review process will be conducted by HCD staff along with a third party to review applications and provide funding recommendations to the Affordable Housing Trust Fund (AHTF) Board.
- b. The evaluation consists of a four-part, 100-point evaluation criteria. Applications are evaluated based on the following criteria: Project Feasibility (50 points), Income Targeting/Special Populations Served (20 points), Leveraging and Affordability (25 points), and Objectives and Linkages (5 points).



Cover Sheet

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Under The American Rescue Plan Act (ARPA) and Affordable Housing Trust Funds

1. **Program Funds Requested:** **(Remember an application is required for each proposed project).**

ARPA and AHTF PROJECT FUNDING REQUEST:

- ☐ Multi-Family Housing Units (New Construction Rental)
- ☐ Preservation (Rental Only; No Owner-Occupied Rehab Permitted)

2. **Amount Requested:** Click or tap here to enter text.

3. **Contact Information:**

Organization: Click or tap here to enter text.

Project Name: Click or tap here to enter text.

Contact Person: Click or tap here to enter text.

Phone: Click or tap here to enter text.

Email: Click or tap here to enter text.



APPLICATION CHECKLIST

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Under The American Rescue Plan Act (ARPA) and Affordable Housing Trust Funds

Project Name: Click or tap here to enter text.

Applicant (Organization) Name: Click or tap here to enter text.

Funding Package: (Submit electronically to Sherrill Hampton)

Application Checklist
Activity Budget Summary Sheet
Overall Budget Sheet

☐
☐
☐

Attachments: (Provide as applicable, please check the appropriate boxes)

- Federal Tax-Exempt Certification ☐
- Latest IRS 990 or Tax Returns ☐
- Previous Fiscal Year Audit/Financial Statements ☐
- Current Year Operating Budget ☐
- By-Laws ☐
- Articles of Incorporation ☐
- Organizational Chart ☐
- Business and or Development Strategic Plan ☐
- List of Board of Directors, Members, and Executive Officers ☐
- Project organizational Chart of Full- and Part- time Employees assigned to project ☐
- Project Assigned Employee Resumes ☐
- Partnership Agreements with other agencies ☐
- Documentation Evidencing Site Control, Zoning and Entitlements
and project permit status, ☐
- Development Budget, Pro Forma Operating Budget, Financial Commitments ☐
- Marketing Plan ☐
- Corporation Commission Certification ☐
- SAMS Registration ☐
- Council Adopted Plan ☐
- Other (Specify)Click or tap here to enter text. ☐
- Realistic Comprehensive Development Schedule from Project inception to completion ☐
- List of Professional Service Providers and Partners i.e. Architects, General Contractors,
Engineers ☐



APPLICATION

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Under The American Rescue Plan Act (ARPA) and Affordable Housing Trust Funds

Instructions: This form must be completed by all organizations and agencies applying for funds.
PLEASE NOTE: You must complete a separate application for each project.

1. Funds Requested:

☐ Multifamily Units (New Construction Rental)

☐ Preservation of Units (Rental)

2. Organization Information:

Organization Name: Click or tap here to enter text.

Federal Tax ID: Click or tap here to enter text.

UEI* Number: Click or tap here to enter text.

DUNS Number: Click or tap here to enter text.

Project Name: Click or tap here to enter text.

Project Contact Person: Click or tap here to enter text.

Mailing Address: Click or tap here to enter text.

Phone: Click to enter text. Facsimile: Click to enter text. Email: Click to enter text.

Chief Executive Officer/Executive Director: Click to enter text. Signature: Click or tap here to enter text.

Is your organization incorporated? (Include applicable attachments) ☐ Yes ☐ No

Is your organization: (include applicable attachments)

A non-profit with approved Federal tax-exempt certification?

☐ Yes ☐ No

A for-profit business

☐ Yes ☐ No

*Unique Entity Identifier Number – Replaces DUNS Number

Total operating budget for the organization, including income/revenues from all sources.

Click to enter text.

(Attach a copy of your current year's operating budget)

3. Location of Project:

A. Is the project City-wide or does it serve a specific project area?

☐ **City-wide** ☐ **Specific Project area** ☐ **Opportunity Area**

B. Name and Geographic Boundaries of Project Area (Include Street names): Click to enter text.

C. Census Tract(s): Click to enter text. Council District(s): Click to enter text.

Priority Areas: (see Attachment B for boundaries)

- ☐ **Hull Street – Swansboro Corridor**
- ☐ **Hull Street – Lower Corridor**
- ☐ **Richmond Highway – North**
- ☐ **Richmond Highway – South**
- ☐ **Highland Park**
- ☐ **RRHA's "Communities of Choice"**
- ☐ **Other: _____**

4. Description of Project:

A. Provide a concise but inclusive description of the proposed project and the clients served. Include how additional on-site services and or additional affordable housing units will be produced or preserved as a result of this funding. For a construction project, include all resident amenities that will be offered by the project. If relocation is a part of your preservation project, please include your relocation plan. In addition, please provide a detailed project schedule including realistic and achievable milestones from commencement to completion including sale and or lease up. If this is an ongoing project in pre-development or under construction, please be specific as to why the additional funding is required for completion.

Click or tap here to enter text.

Proposed Objectives and Outcomes for this Project:

Fiscal Year Objectives	Fiscal Year Outcomes	# of Units	# of Clients	# of Other

Click or tap here to enter text.

5. Community Impact:

- A. Briefly describe the neighborhood to be served, highlighting such items as: population to be served, housing conditions, median household income, neighborhood strengths/weaknesses and describe how the project will positively impact the community.

Click or tap here to enter text.

- B. Briefly describe how the project is in proximity to medical facilities, retail and employment centers, grocery store and public transportation.

Click or tap here to enter text.

6. Description of Applicant and Overall Capacity:

- A. Briefly describe background and mission for your organization. Be concise.

Click or tap here to enter text.

- B. Briefly highlight the organization's demonstrated capacity and experience to plan, entitle, finance, construct and complete similar projects and development activities as being proposed within budget and on-time. List in detail 3 similar or more complex projects that the organization has completed in the last 5 years.

Click or tap here to enter text.

Please list projects that have not been completed for which your organization has received federal funding (CDBG, HOME, AHTF , first tranche ARPA) and provide the type of funding and the year the project was awarded the Federal Funds.

Click or tap here to enter text.

- C. Development entities please provide project organization chart listing all personnel, titles descriptions, resumes and responsibilities of each development team member.

Click or tap here to enter text.

- D.** Attach a list of current board members and officers including addresses, occupations and roles on board.

Click or tap here to enter text.

- E.** Describe your organizational structure, recordkeeping, financial/audit systems, policies and procedures. (Attach the most recent audit report and/or financial statements, and an organizational chart)

Click or tap here to enter text.

- F.** Provide a brief description of any financial default or involvement in legal actions during the last 3 years. This would include lawsuits, tax delinquency, bankruptcy, client complaints, and citations for violating building, zoning, and environmental codes.

Click or tap here to enter text.

7. Project Beneficiaries

Targeted Income Levels:

- #Click to enter text. 0-50% of the Area Median Income
#Click to enter text. 51%-60% of the Area Median Income
#Click to enter text. 61%-80% of the Area Median Income

If you will be utilizing income averaging for this project, please explain. Click or tap here to enter text.

Number of Units (Rental): Click or tap here to enter text.

Click or tap here to enter text.

Length of time in which housing units will remain affordable at each income level:

Click or tap here to enter text.

If this project will target specific populations, please check all that apply below:

- ☐ Elderly (62+)
☐ Disabled
☐ Families and Children
☐ Youth
☐ Homeless
☐ Other (please indicate): Click or tap here to enter text.

8. Evidence of Neighborhood/Partnership Support: Describe the neighborhood/partnership support for the proposal, including Partners, Civic Association, Continuum of Care (CoC), City Department support and groups that will assist in the implementation or be directly affected by the project. If a development project, please describe the collaboration between any partners including neighborhood support of the project (Attach written partnership agreements and letters of support.)

Click or tap here to enter text.

9. Sustainability Initiatives/Green Practices: Describe any sustainable or “green” aspects or design elements that will be incorporated as part of the implementation of the proposed project. Please share how these design elements will improve resilience to the effects of climate change and or demonstrate a reduction in the carbon footprint.

Click or tap here to enter text.

10. Evidence of Site Control: If the project involves the development or conversion of a property to be used for housing the applicant must currently have site control (Attach plans and documentation as evidence of site control).

If your site control is in the form of an option, please provide a copy of the option document and the timeline for exercising it.

Click or tap here to enter text.

11. Marketing Strategy: Briefly describe your strategies and methods for marketing your program or housing units.

Click or tap here to enter text.

12. Section 3 Residents or Section 3 Businesses: Detail how your organization or business will employ Section 3 residents or specify if your business is a Section 3 business concern.

Click or tap here to enter text.

13. Funds Received Previously for this Project by Year of Allocation, as applicable (If you received funding or applied for funding through the City’s non-departmental grant process, please show that funding in the other funds category in the table below:

	Previous 2022	Current 2023	
AFFORDABLE HOUSING TRUST FUND (AHTF)	\$	\$	\$
	Previous 2022	Current 2023	Future 2024
CDBG:	\$	\$	\$
HOME:	\$	\$	\$

ESG:	\$	\$	\$
HOPWA:	\$	\$	\$
FIRST TRANCHE ARPA	\$	\$	\$

14. Accomplishments in the Current Fiscal Year

Describe project progress in the current fiscal year. Emphasize measurable outcomes and project benefit to the community. (This is only for applicants with existing projects currently funded with federal, AHTF, and first tranche ARPA funds).

Fiscal Year Objectives	Fiscal Year Accomplishments to Date	# of Units	# of Clients	# of Other

15. Project Leveraging

List and provide supporting documentation of all sources of funds that you currently have received for this project and provide the date and status of funds you will receive and commit for this project in the future. Please only list funds that will be utilized to complete this project.

Source of Funds	Status	Term of Award	Dollar Amount
1.			\$
2.			\$
3.			\$
4.			\$
5.			\$
6.			\$
7.			\$
8.			\$

9.			\$
10.			\$
11.			\$
12.			\$
13.			\$
14.			\$
15.			\$
16.			\$
Leveraged Total:			\$
Leveraged Funds Ratio:			\$

16. Table of Sources and Uses of Funds

List all project sources and uses for the proposed project.

List of Expenses (Uses)	Cost of Expenses	Source of Funds	Funding Amount	Amount actually Committed Y/N
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.
	\$		\$	Choose an item.

	\$		\$	Choose an item.
	\$		\$	Choose an item.
Total Expenses:	\$	Total Funding:	\$	Choose an item.

17. Partnership Agreements (formal agreements with other agencies, including City departments, to implement the proposed project).

Contact Person	Telephone	Organization/Developer	FAX	Address	Date

PROJECT BUDGET SHEET

Instructions: Please provide a detailed line-item Development Project Budget with an accompanying clear and concise comprehensive budget narrative/summary. Specifically include the total development cost and the per unit cost of the project.

If applicant is seeking gap funding as a result of increased cost and or increase in interest rates, please provide a copy of the projects original proforma and a copy of the revised proforma illustrating the necessity for additional funding.

[Click or tap here to enter text.](#)

ADDITIONAL INFORMATION: Please use this space to provide any additional information not previously articulated in the preceding sections.

Click or tap here to enter text.

Application Evaluation/Rating and Ranking Criteria



THE CITY OF RICHMOND'S SECOND TRANCHE ARPA FUNDING CYCLE *AFFORDABLE HOUSING*

A total of 100 points are available. An application must score a minimum of 70 points to be recommended for funding.

I. Project Feasibility (Total of 50 Points)

a. Soundness of approach and cost-effectiveness (Maximum of 20 Points)

- Is the budget and financial model based on reasonable assumptions and is sustainable?
- What is the total development cost and the per unit Cost
- Is the debt ratio coverage adequate?
- Is the net operating income sufficient?
- Does the budget include adequate operating and capital reserves?
- If gap funding is requested, is the amount sufficient to complete the project? How will the applicant handle any additional increases?
- Is all other needed funding in place?

b. Site Control or Site Features (Maximum of 10 Points)

- Own and no need for special approvals (fully entitled) – 10 points
- Under contract or executed option to purchase – 5 points
- Zoning Compliance/By-Right (no need for special approvals) – 5 points

c. Experience/Capacity (Maximum of 20 Points)

- Did the application provide evidence of experience and organizational capacity to undertake the proposed activities?

II. Income Targeting/Special Populations Served (Total of 20 Points)

- a. What are the targeted income levels for the proposed project? **(Maximum of 15 Points)**
- | | |
|----------------|-----------|
| 0-50% of AMI: | 15 points |
| 51-60% of AMI: | 10 points |
| 61-80% of AMI: | 5 points |
- b. Will the project serve a special needs population? **(Maximum of 5 Points)**
Seniors, veterans, homeless, youth and persons with mobility challenges, etc.
(No matter if it is one or more populations, the maximum points to be awarded is 5.)

III. Leveraging and Affordability (Total of 25 Points)

- a. What is the project's affordability period? **(Maximum of 15 Points)**
- | | |
|-------------------|-----------|
| 30 years | 15 points |
| 20-29 years | 10 points |
| 10-19 years | 5 points |
| 5-9 years | 2 points |
| Less than 5 years | 0 points |
- b. What is the leverage ratio for the project? **(Maximum of 10 Points)**
- | | |
|----------------|-----------|
| 1:5 or greater | 10 points |
| 1:3 | 5 points |
| 1:1 | 2 points |

IV. Objectives and Linkages (Total of 5 Points)

- a. Does the proposed project have realistic goals, objectives, and timelines for the completion of all activities, including construction or rehabilitation and community linkages? **(Maximum of 5 Points)**

Consolidated Plan – Boundaries for the Priority Areas

1. Area Name: Hull Street-Swansboro Corridor

This mainly residential corridor extends along Hull Street from Cowardin Avenue/Richmond Highway to Broad Rock Road and includes the adjoining and nearby residential blocks.

2. Area Name: Hull Street - Lower Corridor

This mixed-use corridor stretches along Hull Street from the train tracks just south of Southside Plaza to the corporate limit/Chippenham Parkway intersection and includes the adjoining and nearby residential blocks.

3. Area Name: Richmond Highway-North

This mainly retail/commercial corridor extends along Richmond Highway from its intersection with Hull Street south to its intersection with Hopkins Road/Harwood Street and includes the adjoining and nearby residential blocks.

4. Area Name: Richmond Highway-South

This mainly retail/commercial corridor extends along Richmond Highway from its intersection with Hopkins Road/Harwood Street south to its intersection with Bellemeade Road and includes the adjoining and nearby residential blocks to the east of the corridor and the Hillside Court public housing complex on the far eastern edge of the corridor.

5. Area Name: Highland Park

The boundaries for this area are 2nd Avenue on the north, E. Brooklyn Park Boulevard on the west, Detroit Avenue on the south, and the CSX railroad on the east. This target area is in part of North Highland Park neighborhood.

City Council District Boundaries can be found at:

<https://www.rva.gov/sites/default/files/2019-04/RichmondVoterDistrictMaps.pdf>

Exhibits

FY 2022 Income Limits Summary

Selecting any of the buttons labeled "Click for More Detail" will display detailed calculation steps for each of the various parameters.

FY 2022 Income Limit Area	Median Family Income Click for More Detail	FY 2022 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Richmond, VA MSA	\$101,000	Very Low (50%) Income Limits (\$) Click for More Detail	35,250	40,300	45,350	50,350	54,400	58,450	62,450	66,500
		Extremely Low Income Limits (\$)* Click for More Detail	21,150	24,200	27,200	30,200	32,650	37,190	41,910	46,630
		Low (80%) Income Limits (\$) Click for More Detail	56,400	64,450	72,500	80,550	87,000	93,450	99,900	106,350

The **Richmond, VA MSA** contains the following areas: Amelia County, VA; Charles City County, VA; Chesterfield County, VA; Dinwiddie County, VA; Goochland County, VA; Hanover County, VA; Henrico County, VA; King William County, VA; New Kent County, VA; Powhatan County, VA; Prince George County, VA; Sussex County, VA; Colonial Heights city, VA; Hopewell city, VA; Petersburg city, VA; and Richmond city, VA.



FY 2022 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2022 Richmond, VA MSA FMRs for All Bedroom Sizes

Final FY 2022 & Final FY 2021 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2022 FMR	\$1,022	\$1,044	\$1,189	\$1,556	\$1,864
FY 2021 FMR	\$993	\$1,020	\$1,163	\$1,538	\$1,840

Richmond city, VA is part of the Richmond, VA MSA, which consists of the following counties: Amelia County, VA; Charles City County, VA; Chesterfield County, VA; Dinwiddie County, VA; Goochland County, VA; Hanover County, VA; Henrico County, VA; King William County, VA; New Kent County, VA; Powhatan County, VA; Prince George County, VA; Sussex County, VA; Colonial Heights city, VA; Hopewell city, VA; Petersburg city, VA; and Richmond city, VA. All information here applies to the entirety of the Richmond, VA MSA.

INTRODUCED: October 11, 2021

AN ORDINANCE No. 2021-291

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept the first tranche of American Rescue Plan Act funds in the amount of \$77,439,914.00 from the United States Department of the Treasury; to amend the Fiscal Year 2021-2022 General Fund Budget by increasing estimated revenues and the amount appropriated to the General Fund Budget for certain agencies and reserves for contingencies by \$35,639,914.00; to amend the Fiscal Year 2021-2022 Capital Budget by increasing estimated revenues and the amount appropriated to the Department of Parks, Recreation, and Community Facilities for certain new capital improvement projects in the Culture and Recreation category by \$28,300,000.00; to amend the Fiscal Year 2021-2022 Stormwater Utility Budget by increasing estimated revenues and the amount appropriated to the Stormwater Utility Budget by \$12,500,000.00; and to amend the Fiscal Year 2021-2022 Water Utility Budget by increasing estimated revenues and the amount appropriated to the Water Utility Budget by \$1,000,000.00 all for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: OCT 25 2021 AT 6 P.M.

WHEREAS, pursuant to Ordinance No. 2021-220, adopted September 27, 2021, the Director of Finance has credited all funds received by the City, whether from the United States government, the Commonwealth of Virginia, or otherwise, provided pursuant to the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022) in the general ledger, to

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: OCT 25 2021 REJECTED: _____ STRICKEN: _____

be managed in the Projects and Grants Module in the City's enterprise resource planning system for purposes authorized by the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022) for future appropriation by the Council of the City of Richmond only for expenditures authorized by the said Act;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer is authorized to accept the first tranche of American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022), funds in the amount of \$77,439,914.00 from the United States Department of the Treasury for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 2. That a portion of the funds received pursuant to section 1 of this ordinance are hereby appropriated to the General Fund Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, by increasing estimated revenues by \$35,639,914.00, increasing the amount appropriated for expenditures by \$35,639,914.00 and allotting to certain agencies and certain reserves for contingencies the sum of \$35,639,914.00 as set forth in the document entitled "FY2022 Budget Amendment, General Fund Budget," a copy of which is incorporated into and made a part of this ordinance, for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 3. That a portion of the funds received pursuant to section 1 of this ordinance are hereby appropriated to the Capital Budget for the fiscal year commencing July 1, 2021, and

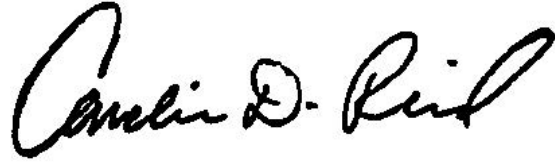
ending June 30, 2022, by increasing estimated revenues by \$28,300,000.00, increasing the amount appropriated for expenditures by \$28,300,000.00 and allotting to the Department of Parks, Recreation, and Community Facilities the sum of \$28,300,000.00 for certain new capital improvement projects in the Culture and Recreation Category as set forth in the document entitled “FY2022 Budget Amendment, Capital Budget,” a copy of which is incorporated into and made a part of this ordinance, for the purpose of funding the City’s efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 4. That a portion of the funds received pursuant to section 1 of this ordinance are hereby appropriated to the Stormwater Utility Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, by increasing estimated revenues by \$12,500,000.00, increasing the amount appropriated for expenditures by \$12,500,000.00 and allotting to the Department of Public Utilities’ Stormwater Utility the sum of \$12,500,000.00 for the purpose of funding the City’s efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 5. That a portion of the funds received pursuant to section 1 of this ordinance are hereby appropriated to the Water Utility Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, by increasing estimated revenues by \$1,000,000.00, increasing the amount appropriated for expenditures by \$1,000,000.00 and allotting to the Department of Public Utilities’ Water Utility the sum of \$1,000,000.00 for the purpose of funding the City’s efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 6. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, reading "Carolin D. Reed". The signature is written in a cursive style with a large, looping initial 'C'.

City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: October 11, 2021 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor *[Signature]*

THROUGH: J.E. Lincoln Saunders, Acting Chief Administrative Officer *[Signature]*

THROUGH: ~~Sheila~~ D. White, Director of Finance *[Signature]*

FROM: Jason P. May Director of Budget & Strategic Planning *[Signature]*

RE: Appropriation of American Rescue Plan Act (ARPA) Funds to FY2022 Budget

ORD. OR RES. No. _____

PURPOSE: To accept \$77,439,914 from the United States Department of Treasury allocations of monies from the American Recovery Plan Act (ARPA), and to amend the four budgets for the purpose of implementing the ARPA spend plan. A summary of the four budgets being amended are as follows:

Budget	Adopted Budget	Amendment Increase	Modified Budget
General Fund	772,831,959	35,639,914	808,471,873
Capital Budget (All Funds)	185,644,161	28,300,000	213,944,161
Stormwater Utility Budget	12,638,350	12,500,000	25,138,350
Water Utility Budget	76,961,761	1,000,000	77,961,761
Total Amendment		77,439,914	

Below provides the details of each of the four budget amendments:

- **General Fund**
 - Amend Ordinance 2021-040, adopted May 24, 2021, which adopted the FY2022 general fund budget by amending several general fund departments budgets, requesting in accordance with Charter § 6.16(a) to create a reserve for contingencies

line items in Non-Departmental and appropriating \$35,639,914 for implementing the following purposes/objectives, etc. in accordance to the ARPA Spending Plan:

Department	Total Amendment Increase	ARPA Spending Plan Implementation Objective:
Housing & Community Development	\$ 10,000,000	Affordable Housing Trust Fund
Human Services	2,000,000	Child Care and Parental Support
Economic Development	1,000,000	Small Business Grant Application Support and Outreach
Office of Community Wealth Building	1,500,000	OCWB Workforce Development and Community Ambassadors
Finance	1,139,914	Covid-19 Administrative Response Reserve
Public Works	1,500,000	Façade and city beautification improvements (trees, signs, etc.)
Public Works	300,000	Climate Risk Assessment and Implementation
Public Works	1,000,000	Enhanced Lighting (street and business) and cameras
Non-Departmental	2,500,000	Reserve for Contingencies - Health Equity Trust Fund
Non-Departmental	1,000,000	Reserve for Contingencies - Family Crisis Funding
Non-Departmental	3,000,000	Reserve for Contingencies - CDFI Revolving Loan Fund
Non-Departmental	4,200,000	Reserve for Contingencies - Healthy Homes
Non-Departmental	1,500,000	Reserve for Contingencies - Gun Violence Prevention
Non-Departmental	5,000,000	Reserve for Contingencies - First Responder Hazard Pay
Total	\$35,639,914	

- **Capital Improvement Plan**

- Amend Ordinance 2021-042, adopted May 24, 2021, which adopted the FY2022 capital budget by appropriating \$28,300,000 for the creation and implementation of 8 new capital projects in accordance to the ARPA Spending Plan:

New of Existing Project	Category	Project Name	Appropriation
NEW	Culture & Recreation	Creighton Court Redevelopment Phase I (ARPA)	\$ 6,800,000
NEW	Culture & Recreation	Highland Grove Redevelopment Phase I (ARPA)	5,500,000
NEW	Culture & Recreation	Parks Master Plan (ARPA)	500,000
NEW	Culture & Recreation	TB Smith (ARPA)	1,000,000
NEW	Culture & Recreation	Lucks Field (ARPA)	1,000,000
NEW	Culture & Recreation	Calhoun Center (ARPA)	1,000,000
NEW	Culture & Recreation	Southside Community Center (ARPA)	8,000,000
NEW	Culture & Recreation	James River Branch Trail Purchase and Development (ARPA)	4,500,000
		Total	\$ 28,300,000

- **Public Utilities Budgets**

- Amend Ordinance 2021-051 and Ordinance 2021-053, both adopted May 24, 2021, which adopted the FY2022 Stormwater and Water Utility budgets, respectively, by appropriating \$13,500,000 for implementing the following purposes/objectives, etc. in accordance to the ARPA Spending Plan:

Budget	Total Amendment Increase	ARPA Spending Plan Implementation Objective:
Stormwater Utility Budget (Ord. 2021-051)	\$ 12,500,000	Stormwater Improvements
Water Utility Budget (Ord. 2021-053)	1,000,000	Lead Line Replacement
Total	\$ 13,500,000	

REASON: On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. The ARPA is a \$1.9 trillion coronavirus rescue package designed to facilitate the United States' recovery from the economic and health effects of the COVID-19 pandemic. Of the \$1.9 trillion, \$350 billion has been allocated to aid states, cities, tribal governments, and U.S. territories in their recovery efforts. The \$350 million in State & Local Recovery Funds, an amount of approximately \$155 million has been allocated to the City. This ordinance is to amend the FY22 budget to accept and appropriate the first tranche of those funds in the amount of \$77.4 million.

RECOMMENDATION: The City Administration recommends adoption.

BACKGROUND: On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. The ARPA is a \$1.9 trillion coronavirus rescue package designed to facilitate the United States' recovery from the economic and health effects of the COVID-19 pandemic. Of the \$1.9 trillion, \$350 billion has been allocated to aid states, cities, tribal governments, and U.S. territories in their recovery efforts.

In May 2021, the Treasury Department released its Interim Final Guidance on the State and Local Government funding from the ARPA to provide guidance on the eligible uses. This funding is to aid localities in their recovery efforts over a four year period. The funding can be used within four area: (i) public health and economic impacts; (ii) premium pay; (iii) revenue loss; and (iv) investments in infrastructure.

The total allocation for the City is approximately \$155 million from just the State & Local Recovery funds portion. Funding will be distributed to the City in two tranches. The City has receive the first tranche of \$77.4 million with the second tranche not to be expected until later next year.

On July 27, 2021 the City released a survey for the purpose of determining resident and community priorities for spending the \$77 million in ARPA funding. Almost 2,000 surveys were completed. The survey asked residents to rank four core priorities, spending options within those priorities, and provide any other feedback via open response questions. Overall, residents ranked *Supporting Children and Families* the most important spending category, followed by *Transforming Infrastructure, Neighborhoods and Public Spaces*. City leadership used this feedback to assist them in crafting the ARPA Spending Plan to aid in the recovery efforts.

The ARPA Spending Plan consists of six priority area categories, which are: (i) Building Back Affordable and Healthy Homes; (ii) Building Back Healthier; (iii) Investing in our Future – Children and Families; (iv) Building Back Stronger; (v) Building Back Greener and more Resilient; (vi) Building Back Safer.

This ordinance is to amend certain FY22 budgets to appropriate the first year of funding in order to begin implementing the ARPA Spending Plan. The City will have until December 2026 to expend all funding it receives.

Lastly, part of the requirements of the City for receiving the ARPA funding is that the City is obligated to submit quarterly reports to the Department of Treasury. The quarterly reports require the City to report out on the expenditure details. As such, in addition to submitting these quarterly reports to Treasury, the Administration is committed to also providing City Council with quarterly reporting in an effort to remain transparent on the use of this monumental funding.

FISCAL IMPACT / COST:

- **If Adopted:** The City will be able to spend up to \$77,439,914 in ARPA funds.
- **If Not Adopted:** The spending authority for these funds wouldn't be established.

FISCAL IMPLICATIONS: \$77,439,914 in non-local funds will be available for these efforts.

BUDGET AMENDMENT NECESSARY: Yes

REVENUE TO CITY: \$77,439,914

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: September 13, 2021

CITY COUNCIL PUBLIC HEARING DATE: September 27, 2021

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: N/A

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: N/A

AFFECTED AGENCIES: Housing & Community Development, Human Services, Economic Development, Office of Community Wealth Building, Finance, Public Works, Non-Departmental, Public Utilities, Parks & Recreation, Budget, etc.

RELATIONSHIP TO EXISTING ORD. OR RES.: 2021-040; 2021-042; 2021-051; 2021-053

REQUIRED CHANGES TO WORK PROGRAM(S): Eligible expenditures incurred by City agencies will be centrally tracked.

ATTACHMENTS: Yes

STAFF: Jason May

ARPA Spending Plan By Priority Area

CATEGORY	Appropriation to:	TOTAL ALLOCATION	YEAR 1 FUNDING	YEAR 2 FUNDING
Building Back Affordable and Healthy Homes		\$32,300,000	\$22,300,000	\$10,000,000
Affordable Housing Trust Fund	Housing & Community Development	\$20,000,000	\$10,000,000	\$10,000,000
Creighton Court Redevelopment Phase I	Capital Budget	\$6,800,000	\$6,800,000	-
Highland Grove Redevelopment Phase I	Capital Budget	\$5,500,000	\$5,500,000	-
Building Back Healthier		\$5,000,000	\$2,500,000	\$2,500,000
Health Equity Trust Fund	Non-Departmental	\$5,000,000	\$2,500,000	\$2,500,000
<p><i>Systemic racism in Richmond has taken an enormous toll on the health of Black residents for generations and persists in countless ways today. The Center on Society and Health at VCU found that residents of low-income Black communities in the East End of Richmond have a life expectancy that is 20 years shorter on average than White residents in wealthy West End neighborhoods. Recent data also shows that Black residents of Richmond accounted for 62% of the city's COVID-19 cases, though they make up only 47% of the city's population.</i></p> <p><i>These health disparities are primarily caused by the social determinants of health: the underlying conditions that determine a person's ability to be healthy and well, such as safe housing and neighborhoods, education and job opportunities, healthcare access and quality, and systemic and overt racism. The Health Equity Trust Fund will invest in efforts to dismantle the systems that help racism, trauma, and health disparities to persist.</i></p>				
Investing in our Future - Children and Families		\$ 81,000,000	\$ 19,000,000	\$ 62,000,000
<i>Transforming community centers into opportunity centers for residents (multigenerational approach)</i>				
Child care and parental support	Human Services	\$2,000,000	\$2,000,000	-
Family Crisis Funding	Non-Departmental	\$1,000,000	\$1,000,000	-
Parks Master Plan	Capital Budget	\$500,000	\$500,000	-
TB Smith	Capital Budget	\$20,000,000	\$1,000,000	\$19,000,000
Lucks Field	Capital Budget	\$20,000,000	\$1,000,000	\$19,000,000
Calhoun	Capital Budget	\$8,000,000	\$1,000,000	\$7,000,000
Southside Community Center	Capital Budget	\$16,000,000	\$8,000,000	\$8,000,000
James River Branch Trail Purchase and Development (Connects Southside offroad to JRPS)	Capital Budget	\$9,000,000	\$4,500,000	\$4,500,000
Crooked Branch Ravine Bridge - Connects Wythe to Fall Line Trail and Forest Hill Park	Capital Budget	\$1,000,000	-	\$1,000,000
Texas Beach/North Bank Tower Repair (Connects Maymont Neighborhood to JRPS)	Capital Budget	\$2,000,000	-	\$2,000,000
Property Acquisition for new Southside Parks (10 min walk gap)	Capital Budget	\$1,500,000	-	\$1,500,000

ARPA Spending Plan By Priority Area

CATEGORY	Appropriation to:	TOTAL ALLOCATION	YEAR 1 FUNDING	YEAR 2 FUNDING
<i>Building Back Stronger</i>		\$8,900,000	\$8,139,914	\$760,086
Small business grant application support and outreach	Economic Development	\$1,000,000	\$1,000,000	-
Façade and city beautification improvements (trees, signs, etc.)	Public Works	\$2,000,000	\$1,500,000	\$500,000
OCWB Workforce Development and Community Ambassadors	Office of Community Wealth Building	\$1,500,000	\$1,500,000	-
CDFI Revolving Loan Fund	Non-Departmental	\$3,000,000	\$3,000,000	-
Covid-19 Administrative Response Reserve	Finance	\$1,400,000	\$1,139,914	\$260,086
<i>Building Back Greener and more Resilient</i>		\$ 19,240,000	\$ 18,000,000	\$ 1,240,000
Climate Risk Assessment and Implementation	Public Works - Sustainability	\$1,540,000	\$300,000	\$1,240,000
Lead Line Replacement	Public Utilities - Water	\$1,000,000	\$1,000,000	-
Stormwater	Public Utilities - Stormwater	\$12,500,000	\$12,500,000	-
Healthy Homes (Weatherization, Home Rehabilitation)	Non-Departmental	\$4,200,000	\$4,200,000	-
<i>Building Back Safer</i>		\$ 8,500,000	\$ 7,500,000	\$ 1,000,000
Gun violence prevention	Non-Departmental	\$1,500,000	\$1,500,000	-
First responders hazard pay	Non-Departmental	\$5,000,000	\$5,000,000	-
Enhanced Lighting (street and business) and cameras	Public Works	\$2,000,000	\$1,000,000	\$1,000,000
	TOTAL:	\$154,940,000	\$77,439,914	\$77,500,086

FY2022 Budget Amendment

GENERAL FUND BUDGET

Agency	FY2022 Adopted Budget	Total Amendment Increase	Modified FY22 Budget
General Government			
Budget and Strategic Planning	\$1,358,789	-	\$1,358,789
Chief Administrative Office	\$904,437	-	\$904,437
Citizen Service & Response	\$2,479,071	-	\$2,479,071
City Assessor	\$4,126,549	-	\$4,126,549
City Attorney	\$4,298,801	-	\$4,298,801
City Auditor	\$2,248,018	-	\$2,248,018
City Clerk	\$947,892	-	\$947,892
City Council	\$1,347,845	-	\$1,347,845
City Treasurer	\$229,039	-	\$229,039
Council Chief of Staff	\$1,131,416	-	\$1,131,416
Finance	\$10,273,687	1,139,914	\$11,413,601
General Registrar	\$3,872,008	-	\$3,872,008
Human Resources	\$4,784,088	-	\$4,784,088
Inspector General	\$582,755	-	\$582,755
Mayor's Office	\$1,143,469	-	\$1,143,469
Minority Business Development	\$836,001	-	\$836,001
Procurement Services	\$1,557,585	-	\$1,557,585
Subtotal:General Government	\$42,121,450	1,139,914	\$43,261,364
Judicial			
13th District Court Services Unit	\$242,134	-	\$242,134
Adult Drug Court	\$674,899	-	\$674,899
Circuit Court	\$4,045,029	-	\$4,045,029
Judiciary - Commonwealth Attorney	\$7,325,514	-	\$7,325,514
Juvenile & Domestic Relations Court	\$231,775	-	\$231,775
Subtotal:Judicial	\$12,519,351	-	\$12,519,351
Public Safety			
Animal Care & Control	\$1,932,887	-	\$1,932,887
Dept. of Emergency Communications	\$6,587,923	-	\$6,587,923
Fire & Emergency Management	\$54,761,361	-	\$54,761,361
Richmond Police Department	\$95,816,200	-	\$95,816,200
Richmond Sheriffs Office	\$41,429,890	-	\$41,429,890
Subtotal:Public Safety	\$200,528,261	-	\$200,528,261
Public Works			
Public Works	\$43,408,521	2,800,000	\$46,208,521
Subtotal:Public Works	\$43,408,521	2,800,000	\$46,208,521
Health & Welfare			
Human Services	\$1,882,381	2,000,000	\$3,882,381
Justice Services	\$9,613,244	-	\$9,613,244
Office of Community Wealth Building	\$2,191,589	1,500,000	\$3,691,589
Richmond City Health District	\$4,633,490	-	\$4,633,490
Social Services	\$53,226,215	-	\$53,226,215
Subtotal:Health & Welfare	\$71,546,919	3,500,000	\$75,046,919

FY2022 Budget Amendment

GENERAL FUND BUDGET

Agency	FY2022 Adopted Budget	Total Amendment Increase	Modified FY22 Budget
Education			
Education	\$187,142,096	-	\$187,142,096
Subtotal:Education	\$187,142,096	-	\$187,142,096
Recreation & Cultural			
Parks, Rec.,& Community Facilities	\$18,805,233	-	\$18,805,233
Richmond Public Libraries	\$5,656,459	-	\$5,656,459
Subtotal:Recreation & Cultural	\$24,461,692	-	\$24,461,692
Community Development			
Economic Development	\$3,095,149	1,000,000	\$4,095,149
Housing and Community Development	\$1,619,229	10,000,000	\$11,619,229
Planning & Development Review	\$11,659,414	-	\$11,659,414
Subtotal:Community Development	\$16,373,792	11,000,000	\$27,373,792
Other Public Services			
Non-Departmental Adopted	\$90,307,456	-	\$90,307,456
New Line Item - Reserve for Contingencies - Health Equity Trust Fund (ARPA)	-	2,500,000	\$2,500,000
New Line Item - Reserve for Contingencies - Family Crisis Funding (ARPA)	-	1,000,000	\$1,000,000
New Line Item - Reserve for Contingencies - CDFI Revolving Loan Fund (ARPA)	-	3,000,000	\$3,000,000
New Line Item - Reserve for Contingencies - Healthy Homes (ARPA)	-	4,200,000	\$4,200,000
New Line Item - Reserve for Contingencies - Gun Violence Prevention (ARPA)	-	1,500,000	\$1,500,000
New Line Item - Reserve for Contingencies - First Responder Hazard Pay (ARPA)	-	5,000,000	\$5,000,000
Non-Department Amended	\$90,307,456	17,200,000	\$107,507,456
General Fund Transfer to Debt Service	\$84,422,421	-	\$84,422,421
Subtotal:Other Public Services	\$174,729,877	17,200,000	\$191,929,877
Total General Fund Expenditures	\$772,831,959	35,639,914	\$808,471,873

FY2022 Budget Amendment			
STORMWATER UTILITY BUDGET			
Budget	FY2022 Adopted Budget	Total Amendment Increase	Modified FY22 Budget
Stormwater Utility Budget	\$12,638,350	12,500,000	\$25,138,350
Total General Fund Expenditures	\$12,638,350	12,500,000	\$25,138,350

FY2022 Budget Amendment

WATER UTILITY BUDGET

Budget	FY2022 Adopted Budget	Total Amendment Increase	Modified FY22 Budget
Water Utility Budget	\$76,961,761	1,000,000	\$77,961,761
Total General Fund Expenditures	\$76,961,761	1,000,000	\$77,961,761

FY2022 Budget Amendment CAPITAL BUDGET

Project	Category	FY2022 Adopted Budget	Total Amendment Increase	Modified FY22 Budget
Capital Budget (All Funds)		\$185,644,161	-	\$185,644,161
New Project - Creighton Court Redevelopment Phase I (ARPA)	Culture & Recreation	-	6,800,000	\$6,800,000
New Project - Highland Grove Redevelopment Phase I (ARPA)	Culture & Recreation	-	5,500,000	\$5,500,000
New Project - Parks Master Plan (ARPA)	Culture & Recreation	-	500,000	\$500,000
New Project - TB Smith (ARPA)	Culture & Recreation		1,000,000	
New Project - Lucks Field (ARPA)	Culture & Recreation		1,000,000	
New Project - Calhoun Center (ARPA)	Culture & Recreation	-	1,000,000	\$1,000,000
New Project - Southside Community Center (ARPA)	Culture & Recreation	-	8,000,000	\$8,000,000
New Project - James River Branch Trail Purchase and Development (ARPA)	Culture & Recreation	-	4,500,000	\$4,500,000
Capital Budget (All Funds)		\$185,644,161	28,300,000	\$213,944,161

ARPA LOAN AGREEMENT

This Loan Agreement (this “**Agreement**”), effective the ____ of _____, 2024, by and among the **City of Richmond, Virginia**, a municipal corporation and political subdivision of the Commonwealth of Virginia (“**Lender**”), and **Walmsley Gardens, LLC**, a Virginia limited liability company (“**Borrower**”), sets out the terms and conditions of a loan from Lender in the principal amount of One Million and 00/100 Dollars (\$1,000,000.00) (the “**Loan Funds**” or the “**Loan**”).

RECITALS

- A. Lender, as authorized pursuant to City of Richmond Ord. No. 2023-180 (the “**Ordinance**”), desires to provide a loan to Borrower to acquire, develop, construct, own, maintain and operate on certain real property commonly known as Tax Parcel No(s). _____, with an address of _____, in the City of Richmond, Virginia (the “**Property**”), a 216-unit multi-family residential project to serve low-to-moderate income families known as Walmsley Gardens (the “**Project**”).
- B. The Loan (as defined below) was applied for by Borrower pursuant to a 2023 ARPA Application submitted to the City of Richmond on _____, 2023 (the “**Application**”). The source of the Loan Funds is the City’s 2nd Tranche of American Rescue Plan Act (“**ARPA**”) of 2021 funds, and the award of the Loan Funds was authorized by the City Council for the City of Richmond pursuant to the Ordinance.
- C. The Loan will be evidenced by a Promissory Note (together with any and all modifications of, amendments to, extensions of, or replacements of the same, the “**Note**”) executed by the Borrower and a Deed of Trust encumbering the Property executed by Borrower as fee simple owner of the Property (together with any and all modifications of, amendments to, extensions of, or replacements of the same, the “**Deed of Trust**”, and together with the Note and this Agreement, the “**Loan Documents**”).
- D. Borrower intends to admit RSEP Holding, LLC, a Delaware limited liability company and Red Stone Equity Manager, LLC, a Delaware limited liability company (collectively, the “**Tax Credit Investors**”) as members of Borrower in exchange for capital contributions.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, the parties agree as follows:

1. Recitals. The foregoing recitals are hereby incorporated herein by reference.
2. Disbursement of the Loan Funds. Lender agrees to lend to Borrower, and Borrower agrees to borrow from Lender, the Loan Funds, under the terms and conditions set forth herein. The Loan shall be issued under the terms and conditions set forth in the Note made by Borrower payable to the order of Lender, each in the same amount, dated this same date, and secured by

a Deed of Trust executed by Borrower for benefit of the Lender. The terms and conditions of the Note are incorporated into this Loan Agreement by reference.

Notwithstanding anything to the contrary contained in any of the Loan Documents, Borrower may request disbursement of the Loan Funds by submitting a written request to Lender indicating the amount and date of disbursement requested, along with any documentation requested by Lender or otherwise necessary for Lender to ensure the expenditure of the funds in accordance with this Agreement, provided that the funds shall only be eligible for disbursement in accordance with the following schedule:

- i. Twenty-Five percent (25%) may be disbursed upon issuance of all permits necessary to commence construction of the Project;
- ii. Twenty-Five percent (25%) may be disbursed upon fifty percent (50%) completion of construction of the Project;
- iii. Forty percent (40%) may be disbursed upon issuance of all necessary Certificates of Occupancy for the Project; and
- iv. Ten percent (10%) may be disbursed upon submission of a final report to Lender, as required pursuant to Section 8(B)(ii) of this Agreement.

~~All Loan Funds must be obligated by September 30, 2024.~~ ***[N.B: Since this Loan Agreement will be executed at the same time as the closing of the BofA loan, please clarify this provision to reflect loan funds have been committed and set-aside for this project as of the effective date of this Agreement.]*** Borrower shall request disbursement of and ensure the expenditure of all Loan Funds on or before September 30, 2026, and failure of the Borrower to do so shall be considered an Event of Default as defined herein.

3. Payments; No Interest. Principal payments will be due on the Loan in accordance with the terms of the Note; no interest will be charged.
4. Compliance with Loan Agreement. Borrower agrees to observe, comply with, and fulfill all obligations set forth in the Loan Documents, subject to applicable cure periods (the failure of any of which will be an “**Event of Default**” hereunder).
5. Affordability Period. Borrower agrees that the Loan Funds will be used exclusively to fund (or reimburse, as applicable) the acquisition, development, construction, leasing, maintenance and repair of the Project. In accordance with the Application submitted to the Lender for the Loan Funds, Borrower shall construct two hundred sixteen (216) housing units on Property (the “**Units**”). For a period of thirty (30) years from the initial date of occupancy following completion of construction of the Project (“**Compliance Period**”), the Units shall be subject to the following affordability requirements: Borrower shall not lease [____] of the Units to any individual or family whose income at initial occupancy exceeds a gross household income adjusted for family size at or below 60% of the Area Median Income as determined annually for the Richmond-Petersburg Metropolitan Statistical Area by the United States Department of Housing and Urban Development.
6. Security/Loan Documents. In addition to the Note and this Loan Agreement, payments of all sums due under the Notes and this Loan Agreement, are secured by the Deed of Trust.

7. No Third-Party Beneficiaries. The parties hereto do not intend the benefits of this Loan Agreement to inure to any third party. Notwithstanding anything contained herein or any other Loan Document, or any conduct or course of conduct by any of the parties hereto, this Agreement shall not be construed as creating any rights, claims, or causes of action against Lender, or any of its officers, agents, or employees, in favor of any contractor, subcontractor, supplier of labor, materials or services, or any of their respective creditors, or any other person or entity other than Borrower.

8. Reporting and Inspections.

- A. From and after the date hereof through full repayment of the Loan Funds, Borrower shall:
- i. Maintain detailed records regarding all expenditures of the Loan Funds. Lender, based upon the financial reporting guidelines from US Treasury, has provided a financial reporting template (“***Financial Reporting Template***”) to Borrower, attached hereto and incorporated by reference herein as “Exhibit A.” Borrower shall submit the financial reports required pursuant this Section in the form of the Financial Reporting Template, and provide all information required thereunder. The Lender may provide a revised version of the Financial Reporting Template from time-to-time based upon updated federal guidance or requirements, or otherwise at the Lender’s discretion.
 - ii. Provide general written progress reports in a format provided by the Lender, to Lender on a monthly basis and due no later than the 15th of each month.
 - iii. Provide an annual report no later than December 1, 2024 and each December 1 thereafter until final completion of the Project, providing a narrative description of the Project and expenditure of the Loan Funds. The Borrower shall include in each narrative description:
 - a. The demographics served through each activity to include age, race, ethnicity, gender, household income, and Richmond City Council district, either at a relevant aggregate level for the class of communities targeted to be served by the activity or at an individual level.
 - b. Photographs pertaining to the Project (if available).
 - c. Anecdotal evidence, stories, or testimony pertaining to the Project.
 - iv. Complete any additional forms or reports and provide any additional information that may be reasonably required by the Lender.
 - v. Maintain all books, records, and other documents relating to this Agreement for five (5) years following expiration of this Agreement.
 - vi. Contractually obligate any subrecipients to abide by the same reporting requirements.
- B. Financial Statements.
- i. During the construction phase of the Project, Borrower shall provide quarterly progress reports and annual financial statements to Lender.
 - ii. At the conclusion of all construction activities associated with the Project, Borrower shall provide to Lender a written final report regarding the Loan, signed by an appropriate officer of Borrower and containing each of the following:
 - a. a financial statement reflecting all expenditures of Loan Funds by the Borrower; and
 - b. a narrative report of the status of the Project and a description and explanation of how the use of the Loan funds contributed to the goals of the Project.

- C. Annual Certification. For the duration of the affordability period, Borrower shall provide annual certifications of compliance with all applicable affordability requirements.
 - D. Inspection. The Borrower shall allow Lender to monitor and conduct an evaluation of Borrower's operations as they relate to the use of the Loan Funds. Such evaluation may include site visits from Lender's personnel to observe Borrower's Project and associated programs, discussion of the Project and associated programs with Borrower's personnel, and/or review of financial and other records and materials relating to the activities financed or facilitated by the Loan.
 - E. Notice of Legal Action. The Borrower shall give Lender prompt written notice of any pending action, suit or proceeding against the Borrower in any court, governmental commission or regulatory body.
 - F. Other Covenants, Conditions or Requirements. The Borrower shall provide Lender with copies of annual renewals of business and occupational licenses related to the Project.
 - G. Completion of Project Construction. Borrower shall furnish to Lender a permanent certificate of occupancy or its equivalent and such other permits and/or certificates (including a certificate of substantial completion from the Project's architect) as shall be required to establish to Lender's satisfaction that the Project has been properly completed and is not subject to any violations or uncorrected conditions noted or filed in any Department of the City of Richmond, Virginia.
9. Compliance with Laws and Restrictions. Borrower's use of the funds provided pursuant to this Agreement, and its development, marketing, and operation of the Project, including but not limited to all associated construction/renovation, shall be performed strictly in accordance with all applicable federal, state, and local, statutes, ordinances, codes, regulations and restrictions (including but not limited to anti-discrimination laws, executive orders, rules and regulations). The Project shall be constructed entirely on the Property and will not encroach upon or overhang any easement, right of way, or any other land, and shall be constructed wholly within applicable building setback restrictions. All contractors, subcontractors, mechanics or laborers and other persons providing labor or material in construction of the Property shall have or be covered by worker's compensation insurance, if required by applicable law.
10. Compliance with ARPA Guidelines and Requirements. Borrower acknowledges that the source of Loan Funds are ARPA funds, and that certain eligible activities are allowable uses of the Coronavirus State and Local Fiscal Recovery Fund established under ARPA. Borrower agrees that it will conduct its activities in accordance with ARPA, and that the Loan Funds shall only be used for eligible uses for ARPA funding. Borrower will abide by all relevant federal laws, rules, regulations, and guidance applicable thereto. Should Borrower's use of the Loan Funds be determined ineligible for ARPA funding, Borrower shall repay the relevant ineligible portion of the Loan to Lender.

Further, Borrower acknowledges and agrees that, with respect to Loan Funds, it shall comply with all applicable federal requirements for ARPA funds, including but not limited to the following:

- i. The Borrower shall comply with all reporting requirements as required pursuant to Section 8 of this Agreement, as well as any additional reporting requirements required pursuant to any applicable ARPA regulations or guidance;
- ii. The Borrower shall send one or more representatives to attend all meetings and workshops held by Lender pertaining to ARPA funds for the duration of this Agreement;
- iii. The initial Loan Funds must be obligated by September 30, 2024 *[N.B: See comment above regarding the commitment of loan funds]*, and all funds must be spent, and the Project closed out by September 30, 2026; no extension will be granted on the deadline to obligate the Loan Funds; and the Borrower shall repay to Lender any portion of the Loan Funds not obligated or expended within the above-referenced deadlines;
- iv. No portion of the Loan Funds shall be used for any Project expenses incurred before March 3, 2021;
- v. The Borrower shall comply with all applicable provisions of 2 CFR Part 200 and all applicable federal guidance issued pertaining to ARPA funds;
- vi. The Borrower shall complete and submit a full environmental assessment following the Part 58 guidelines for the National Environmental Policy Act, as applicable; and
- vii. The Borrower shall submit to Lender a market study meeting all applicable federal requirements within 60-days of the execution of this Agreement.

11. Borrower's Representations and Warranties. Borrower represents and warrants to Lender that the following are true as of this date, and shall remain true so long as any amount is still outstanding under the Loan Documents:

- A. Legal Standing. Borrower is a duly organized and validly existing limited liability company in the Commonwealth of Virginia.
- B. Authority. Borrower has the power to enter into and perform its obligations under the Loan Documents and has duly authorized the person signing the Loan Documents to do so.
- C. Binding Agreement. The Loan Documents constitute valid and legally binding obligations of the Borrower, enforceable in accordance with their terms.
- D. No Default. Borrower's execution and performance of the Loan Documents will not violate any agreement or instrument by which Borrower is bound, and will not result in a default under any such agreement or in the imposition of any lien or encumbrance upon any of Borrower's assets except as created by the Loan Documents. The Borrower is not currently in default under any judgment, order, writ, injunction, decree, lease, contract, agreement, commitment, instrument, or obligation under which it is bound.
- E. Licensing. Borrower has obtained and shall maintain all registrations, licenses, consents, and filings, with any other party or any public authority, required in connection with the Borrower's operation or with the execution and performance of the Loan Documents.

- F. Legal Compliance. Borrower is not in violation of any law, any provision of its Articles of Incorporation, if applicable, or any agreement or other instrument to which it is subject.
 - G. Adverse Changes. There has occurred no material adverse change in the condition of Borrower and its business since the date the Borrower applied to Lender for the Loan, or from the date of the latest financial information that the Borrower has provided to Lender.
 - H. Accuracy. All information previously or hereafter furnished to Lender in connection with this Agreement is accurate and complete and does not omit any fact necessary to make the statements not misleading.
 - I. Advice of Change or Default. Borrower shall promptly advise Lender of any material adverse change in its financial condition related to the Project, or of any Event of Default.
 - J. Lien Free. Except as otherwise as approved by Lender, including the encumbrances listed in the title policy dated as of the date hereof and senior loans listed on Exhibit B attached hereto, Borrower shall keep the Property and all other collateral for the Loan (the “*Collateral*”) free and clear of all other mortgages, pledges, liens, charges, security interests and all other encumbrances whatsoever (other than encumbrances entered into in the ordinary course of business and the development of the Project) and Borrower shall defend the right and interest of Lender in and to the Collateral.
12. Events of Default. If any of the following events occurs without Lender’s prior written consent, it shall constitute an “Event of Default”:
- A. Performance. If Borrower fails to make any required payment when due, or to punctually comply with any of Borrower’s obligations, under the Loan Documents.
 - B. Cross-Default. If the Borrower defaults beyond all applicable notice and cure periods under that certain Grant Agreement dated as of [_____, 2024] among Borrower, Lender and the Economic Development Authority of the City of Richmond, Virginia.
 - C. Representations and Warranties. If any representation or warranty made by or on behalf of Borrower in connection with the Loan or this Loan Agreement was materially incorrect when made.
 - D. Insolvency. If, voluntarily or involuntarily: (i) the Borrower assigns or establishes a trust for the benefit of creditors, (ii) the Borrower or any other person petitions or applies for appointment of a liquidator, receiver or the like, for the Borrower’s assets, (iii) the Borrower commences or acquiesces to the commencement of any proceeding under bankruptcy, insolvency or similar law, or (iv) the Borrower admits in writing its inability to pay its debts as they mature.

- E. Change in Business. If Borrower changes its name; dissolves, reorganizes, liquidates, terminates its existence or business, or sells substantially all of its assets; merges with or acquires any other business entity, or organizes any subsidiary or affiliate; engages in any line of business other than the business in which it is currently engaged or a similar business; or enters in any contract to do any of the above and the same has a material adverse effect on the Project.
 - F. Licenses. If Borrower loses or has terminated any material license, permit, or consent necessary for Borrower's business related to the Project.
 - G. Financial Condition. If any statement of Borrower's financial condition contains information or qualifications that reflect a material adverse change in the Borrower's financial condition and the same has a material adverse effect on the Project.
 - H. Property Securing Loan. If any material portion of the Property is lost, damaged, destroyed, or otherwise rendered unavailable as security for the Loan, the Deed of Trust is released by Borrower or if the Property is levied upon, seized, or attached by another person or entity.
13. Notice and Cure. Lender shall give Borrower and the Tax Credit Investors written notice of any Event of Default, and grant Borrower and/or Tax Credit Investors ten (10) days to cure any monetary Event of Default and thirty (30) days to cure any non-monetary Event of Default after such notice. Provided that if such Event of Default reasonably requires more than thirty (30) days to complete, Borrower's and/or the Tax Credit Investors' cure shall be sufficient if it is started during the initial thirty (30) day cure period and carried out diligently until its completion, but in no event later than ninety (90) days from the date of the original notice. Any notice provided under this paragraph shall be sent to the address provided for "Notices" in Section 17 below.
14. Lender's Remedies in Event of Default. If any Event of Default occurs, Lender may (i) declare the outstanding principal balance of the Note, plus any other accrued fees and costs, if any, to be immediately due and payable, and (ii) exercise any or all of the rights and remedies available to it under the Loan Documents. Lender's remedies after the occurrence of an Event of Default include, but are not limited to, protecting and enforcing its rights by any available judicial proceedings, including actions for specific performance or other equitable remedy.
15. No Waiver. Lender's failure to take any of the actions available to it after the occurrence of an Event of Default shall not affect Lender's right to later pursue any or all of its remedies against the Borrower with regard to that Event of Default. Lender's waiver of its rights in regard to one Event of Default shall not affect Lender's rights or remedies upon the occurrence of any later or other Event of Default.
16. Indemnification. Borrower agrees to indemnify and hold Lender harmless from and against any and all claims, demands, losses, judgments and liabilities (including penalties) of every kind or nature ("**Claims**") arising from or related to the Loan. Borrower will reimburse Lender for all costs and attorney fees incurred in relation to such Claims.

17. Notices. Any notices required by the Loan Documents shall be in writing, and shall be hand delivered or sent by United States mail to the addresses shown below, or as the parties subsequently designate in writing:

If to Borrower:	Walmsley Gardens, LLC 2601 W. Broad Street, Suite 201 Richmond, Virginia 23220 Attn: Zachery Frederick
With a copy to:	Williams Mullen 200 South 10 th Street, Suite 1600 Richmond, Virginia 23219 Attn: Allison Domson
And to:	c/o Red Stone Equity Partners, LLC 90 Park Avenue, 28th Floor New York, New York 10016 Attention: General Counsel and President
If to Lender:	Housing & Community Development 1500 E. Main Street, Suite 300 Richmond, Virginia 23219 Attn: _____
With a copy to:	City of Richmond, City Attorney's Office 900 E. Broad Street, 4 th Floor Richmond, Virginia 23219 Attn: Lindsey D. Chase

All such notices shall be deemed received on the day the notice is hand-delivered to the other party, or three days after mailing.

18. Other Documents. The Borrower shall execute any other documents, and take such further action, as Lender shall reasonably request, from time to time, to give effect to this Loan Agreement or the Loan.
19. Entire Agreement. This Loan Agreement and the Loan Documents contain the Borrower's and Lender's entire agreement with respect to the Loan.
20. Other Parties. Nothing in this Loan Agreement shall be construed as giving any person, firm, corporation or other entity other than the Borrower or Lender any right, remedy or claim under or in relation to the Loan or this Loan Agreement.
21. Survival. All representations, warranties, and agreements contained in this Loan Agreement shall survive until all amounts due under the Loan are paid in full.

22. Validity. If a court of competent jurisdiction determines that any portion of this Loan Agreement is invalid or unenforceable, that determination shall not affect the validity or enforceability of the remaining provisions of this Loan Agreement.
23. Applicable Law, Jurisdiction; Venue. This Loan Agreement shall be governed by, construed, and enforced under the laws of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Borrower submits to the jurisdiction and venue of any court located Richmond, Virginia.
24. Attorney Fees and Costs. The Borrower agrees to pay all costs of collection, including reasonable attorneys' fees, if after the occurrence of an Event of Default, the Note or this Loan Agreement are placed in the hands of an attorney or a collection agency, or if after the occurrence of an Event of Default, the Lender finds it necessary or desirable to secure the services or advice of an attorney with regard to the collection of the Note or this Loan Agreement. All such costs and attorney fees shall bear interest from the date incurred until paid at the rate of the Note, if any, and are secured by the Collateral Assignment, as set forth in this Loan Agreement.
25. Successors. This Loan Agreement is binding upon and shall inure to the benefit of the Borrower and Lender, and their respective successors and assigns.
26. Assignments. Borrower shall not assign its interest or obligations under this Agreement, any part thereof, without the prior written consent of Lender, in Lender's sole and absolute discretion, which shall be given only after submission of all documents related to such assignment by Borrower to Lender for Lender's review and consent.
27. Modification. This Loan Agreement may not be modified except in writing signed by all of the parties hereto. No oral agreement to waive or modify any term of the Note or this Loan Agreement will be effective.
28. Audit. As a condition of the receipt of the Loan Funds, Borrower shall be subject to periodic audit of its finances and expenditures of such Loan Funds by the Lender on demand and without notice. The Borrower further agrees to any audits as may be required in connection with ARPA funding and agrees to fully cooperate with the Lender in connection with any such audits.
26. Counterparts; Signatures. This Agreement may be executed by the parties hereto in separate counterparts, which taken together shall constitute but one and the same Agreement. Signatures to this Agreement transmitted by .pdf or other electronic means shall be treated as originals in all respects.
27. Authorization to Act. The Chief Administrative Officer of the Lender, or a designee, is authorized to act on behalf of the Lender under the Loan Documents.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW ON
NEXT PAGE(S).]*

IN WITNESS WHEREOF, the undersigned have executed this Loan Agreement effective as of the date above.

BORROWER:

WALMSLEY GARDENS, LLC,
a Virginia limited liability company

By: Walmsley Gardens MM, LLC,
a Virginia limited liability company,
its Managing Member

By: _____
Name: Zachery Frederick
Title: Manager

By: _____
Name: Andrew Basham
Title: Manager

By: _____
Name: S. Taylor Williams
Title: Manager

LENDER:

CITY OF RICHMOND, VIRGINIA,
a municipal corporation and political subdivision
of the Commonwealth of Virginia

By: _____
Name:
Title:

Prepared and Approved as To Form:

Senior Assistant City Attorney

EXHIBIT “A”

See attached.

EXHIBIT “B”

1. First priority construction loan in the amount of \$[] (the “Construction Loan”) to Borrower from Bank of America, N.A. the proceeds of which will be used to collateralize the hereinafter defined Bond Loan.
2. Loan in the amount of \$[] (the “Bond Loan”) to Borrower from Richmond Redevelopment & Housing Authority which Bond Loan will be collateralized by the proceeds of the Construction Loan.



SPECIALTY FINANCE GROUP

A Division of Cedar Rapids Bank and Trust Company

April 15, 2024

Zachery R. Frederick
Founder & CEO
Crescent Development
2601 West Broad Street, Suite 201
Richmond, VA 23220

Dear Mr. Frederick:

Thank you for giving us this opportunity to provide you with this 4% LIHTC tax exempt term bond/loan term sheet for 216-unit Walmsley Gardens (Family) project located in Richmond, VA. The following outlines the general loan terms and conditions for your review and consideration:

4% LIHTC Tax Exempt Bond/Term Loan

Borrower:	"Specific Borrowing Entity Still To Be Determined"
Loan Amount:	Lesser of (a) \$32,000,000; or (b) the amount necessary to provide a 1.15 to 1.00 debt service coverage ratio with respect to the Project measured at the funding of the Loan; or (c) the amount such that the loan amount will not exceed 90% of the As Stabilized Rent Restricted Appraised Value.
Purpose:	Provide permanent term loan takeout financing to pay off the construction loan.
Tax Exempt Interest Rate:	<p>The estimated tax-exempt fixed interest rate as of April 15th, 2024 is 6.34%. The interest rate shall be fixed by a SWAP Agreement that is calculated to include a 36-month forward rate lock.</p> <p>Rate estimates above will continue to fluctuate based on the market until such time that the swap documentation is executed. Upon commencing the swap and locking your fixed interest rate, if the loan is cancelled for any reason, you will be 100% responsible for paying any and all of the make whole fees charged to CRBT resulting from unwinding the SWAP per the terms of the executed SWAP Documents along with all of CRBT's credit underwriting, legal, or other out of pocket expenses. Lender will require collateral for the forward rate lock in the form of Guarantees and a 2nd mortgage on the property. Collateral must be approved by CRBT prior to locking the rate and executing the SWAP documentation.</p>
Loan Fee:	\$10,000
Maturity Date:	18 years

Repayment Terms:	Amortize the loan over 40 years, with all unpaid principal and interest due at maturity of the 18 year term. The first 3 years (36 months) will be IO Payments followed by 15 years (180 months) of P&I Payments
Collateral:	First Real Estate Mortgage on the real property for the project referred to as Walmsley Gardens (Family) located in Richmond, VA, assignment of the development agreement, and an assignment of rents and leases of the real property.
Guarantors:	SWAP and Perm Loan Non-Recourse Carve out Guarantees from the Developer/Owners and the General Partner.
Prepayment:	Standard SWAP "Make Whole or In the Money" prepayment provisions will apply as specified in the SWAP Documents.
Loan Agreements:	Borrower's loans shall be governed by loan documents which will contain terms and conditions that will be satisfactory to both the Borrower and Bank. All loan documents will be prepared by CRBT's legal counsel, Winthrop & Weinstine in Minneapolis, MN.
Due Diligence:	<p>The Lender will need as part of necessary due diligence, and as a condition to making the Credit Facility available, the following, but not limited to:</p> <ul style="list-style-type: none"> (i) Appraisal including a Market and Feasibility Study (ii) Borrower, General Partner, Sponsor and Guarantors Financial Statements and Tax Returns; (iii) Phase I environmental report; (iv) 42(m) letter issued by the allocating agency with respect to the Project; (v) Financial statements of Investor, if requested by Lender; (vi) Organizational documents and operating agreements of Borrower, General Partner, Corporate Guarantor, in form and substance acceptable to Lender; (vii) Documents evidencing Investor's obligation to contribute the Tax Credit Equity to Borrower in form and substance acceptable to Lender; (viii) Lender's Title Insurance commitment and pro-forma policy in a form and substance acceptable to Lender; (ix) An ALTA survey of the Project; (x) The Borrower and all related entities obtaining all necessary approvals and making all necessary filings to obtain the Tax Credits; (xi) The receipt of insurance coverage for the Project acceptable to Lender; (xii) Any general information concerning the Borrower, the sponsor, the Project, and financing that has not already been provided to Lender, such as the following: <ul style="list-style-type: none"> 1. Developer resume/biography; 2. Previous Tax Credit Development Experience; 3. Project Overview; 4. Discussion and details of ownership structure for Project; 5. Project timeline; 6. Overall sources and uses for entire Project; 7. Detailed breakdown of Tax Credits; 8. Identification and background/resume of architect; 9. Any agreements with the city where the Project is located (e.g., development agreements, etc.); and (xiii) Other items as requested during further review.

GENERAL CONDITIONS PRECEDENT TO CLOSING:

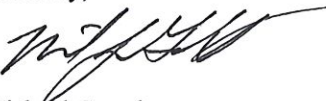
If the Borrower accepts the terms of this proposal letter and CRBT formally credit underwrites and approves this loan, the closing and funding of the loans would be subject to, but not limited to the following conditions and requirements:

1. The execution of all loan and security documents prepared by CRBT in such form and containing such terms, conditions and provisions that CRBT or its legal counsel deems reasonably necessary.
2. Evidence of the Borrower's organization, good standing, capacity, and authority to borrow and to execute the loan documents, and to operate its business in the jurisdictions where it does so. These documents to include but are not limited to, the Borrower's articles of organization, operating agreement and borrowing resolution.
3. The Borrower, Bank, and Tax Credit Investor will establish a mutually agreed upon DSCR covenant which has yet to be determined, but at a minimum will include a 1.15 DSCR used to size the loan, but will not represent an immediate material event of default if the covenant is not met. The Bank reserves the right to request monthly financial statements in the event the Borrowers DSCR falls below 1.05.
4. Draw monitoring and inspections will be required with each draw request and this expense will be paid for by the borrower.
5. For the conversion of the project to occur, a minimum occupancy of 90% and a DSCR of 1.00 for 90 consecutive days must be achieved prior to CRBT agreeing to close/fund the term loan and payoff the construction loan/lender. This would also require the approval of the Tax Credit Investor. Notwithstanding the foregoing, obligations under the Swap Agreement will commence 36 months from the date the rate is locked whether or not the Project is in a position to convert to the permanent note.
6. Clean Financial/credit and background checks on the Developer Sponsors/Owners.
7. Reserve Accounts required for this project/loan will be required to be opened and maintained at CRBT.
8. The Borrower shall reimburse Lender and its participants for all reasonable out-of-pocket legal and documentation expenses incurred in connection with the transaction.
9. A \$10,000 good faith deposit/commitment fee is required with this signed term sheet. In the event the bank does not credit approve the loan, the \$10,000 will be fully refunded to the Borrower. In the event the Borrower does not close the loan for any reason after it is formally credit approved, the \$10,000 will be fully retained by CRBT to offset our credit underwriting expenses. If the loan is approved and funded, the \$10,000 can either be applied to closing costs or returned to the Borrower if requested.

This proposal letter outlines the basic structure and terms of the credit facilities requested by Borrower. It may not reflect the final loan terms and conditions as required in our final loan documentation. If the borrower finds the general terms contained herein acceptable, please return a signed and accepted to copy to CRBT. This Term Sheet of Principal Terms will expire if not signed by May 1st, 2024, and will also expire if the Loan Facility is not closed by December 31st, 2024.

If you have any questions or need additional information regarding the contents of this letter, please let me know.

Sincerely,



Michael Goerd
Vice President
Specialty Finance Group

Accepted by: 

Date: May 10, 2024

Title: Managing Member

Term Sheet

4% Financing - Loan or Bond (construction-only)

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Spy-Rock Real Estate, LLC

April 25, 2024

Taylor Williams
Spy Rock Real Estate Group
1810 Mactavish Ave, Richmond, VA 23230

Zachery Frederick
Crescent Development
2601 W Broad St. Suite 201, Richmond, VA 23220

Re: Walmsley Gardens Phase I (Family) located in Richmond, VA (the "Project")

Dear Taylor and Zac:

This Summary of Terms and Conditions (this "Term Sheet") will serve as a preliminary outline of the terms under which Bank of America, N.A. ("Bank") would consider offering construction 4% tax-exempt or taxable financing. This Term Sheet is not a commitment by or an obligation of Bank or BofA Securities, Inc. (together with Bank and their respective subsidiaries and affiliates, "Bank of America"), nor does it define all the terms and conditions of a commitment, but is a framework upon which a request may be submitted.

Issuance of a commitment by Bank is subject to, among other things, the completion of the following items, and approval of the request under Bank's internal approval process. Bank may decline to approve the request. Upon your response to this Term Sheet and after being provided with any additional information which may be necessary, Bank will proceed with the necessary due diligence to submit the request.

The proposed terms and conditions are as follows:

Borrower: Walmsley Gardens, LLC– form and substance of Borrower must be acceptable to Bank.

Guarantors: 100% guarantee of completion, performance, and repayment to be provided by Roseneath Ventures, LLC and Zachery Frederick, personally (collectively, the "Guarantor"). Standard Bank guarantees required prior to the Conversion Date. The proposed guarantors are contingent upon satisfactory review of financial position during a formal underwriting.

For borrowers that are single-asset entities, principal(s) with general liability or guarantor(s) acceptable to the Bank must be jointly and severally liable for completion of the Project and repayment of the financing, including interest and costs. Guarantors to have financial covenants including but not limited to a minimum aggregate Net Worth and Unencumbered Liquid Assets – \$10 million and \$3.0 million, respectively. During a formal underwriting, team to discuss and consider providing flexibility related to the required liquidity covenant using a

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'graduated approach'. This scenario is intended to allow the Guarantor's liquid position to gradually increase as certain benchmarks or dates are met, until the combined liquidity exceeds the proposed \$3.0MM requirement, which would then be maintained through Conversion as outlined above. As things stand, the Bank plans to require \$2.5MM in Net Worth by closing, stepping up to the ultimate \$3.0MM requirement by 12/31/2024.

For purposes hereof, "Net Worth" shall mean the gross fair market value of total assets less total liabilities, including, but not limited to, estimated taxes on asset appreciation and any reserves or offsets against assets, and "Unencumbered Liquid Assets" shall mean the following assets, excluding assets of any retirement plan, which (i) are not the subject of any lien, pledge, security interest or other arrangement with any creditor to have his/its claim satisfied out of the asset, or proceeds thereof prior to the general creditors of the Guarantor's of the asset, and (ii) may be converted to cash within five (5) days of Lender's demand:

- (A) cash or cash equivalents held in the United States;
- (B) United States Treasury or governmental agency obligations which constitute full faith and credit of the United States of America;
- (C) commercial paper rated P-1 or A1 by Moody's or S&P (the "Rating Agencies"), respectively;
- (D) medium- and long-term securities rated investment grade by the Rating Agencies;
- (E) Eligible Stocks (as hereinafter defined); and
- (F) mutual funds quoted in The Wall Street Journal which invest primarily in the assets described in (A) - (E) above. "Eligible Stocks" shall include any common or preferred stock which (1) is not subject to statutory or contractual restrictions on sales, (2) is traded on a U.S. national stock exchange or included in the National Market tier of NASDAQ and (3) has, as of the close of trading on the applicable exchange (excluding after hours trading), a per share price of at least Fifteen Dollars (\$15).

Purpose: To enable Borrower to acquire, construct, equip a 216-unit apartment complex known as Walmsley Gardens Phase I (Family) in Richmond, VA (the "Property").

Project Construction

Scope: The construction of the Project must be acceptable to Bank.

Program: Construction financing through Bank's 4% Tax Exempt Facility program ("4TEF") or Taxable Loan program, a proprietary, direct-funded, tax-exempt or taxable loan/bond product. Bank will purchase or fund tax-exempt debt (the "Facility") issued through the Issuing Agency ("Issuer") or another acceptable governmental entity ("Governmental Entity").

Taxability: Depending on the structure of the financing (including certain tax aspects of the transaction), the Facility may be taxable to Bank which will be factored into the applicable Interest Rate set forth below.

CONFIDENTIAL**Spy-Rock Real Estate, LLC****Facility****Amount:**

Information obtained by Bank is currently insufficient to establish a Facility amount. Based on our general underwriting parameters for what we believe to be similar transactions, Bank will fund or purchase a Facility that would be the lesser of:

- 1) \$36,250,000;
- 2) 85% LTC, as determined by Bank in its sole and absolute discretion);
or
- 3) 80% LTV (based on the sum of the "as completed and stabilized" appraised value, including rent restrictions, plus the value of the Low Income Housing Tax Credits (the "LIHTC") at the lesser of the value determined within Bank analysis of market pricing for the proposed market, or the gross amount being paid for the LIHTCs by the syndicator/investor).

Term:

The Facility will be interest-only and bear interest equal to the Interest Rate (as defined below) for a term equal to 39 months after the closing date (the "Maturity Date"), in order to allow for construction and lease-up. The Maturity Date may be extended for 6 additional months upon satisfaction of the following conditions: (a) No less than 60 but no more than 120 day written notice of intention to exercise the extension option; (b) No event of default having occurred or potential default occurring; (c) Performance hurdles have been met, including but not limited to, lien-free construction completion and lease up hurdles; (d) The Facility is in balance, including sufficient interest reserve; (e) Project must demonstrate the ability to be able to payoff the Facility within the 6-month extension period; (f) All co-construction loans mature or are extended concurrent with or past Bank's extension date; (g) All takeout commitments expire or are extended concurrent or past Bank's extension date; (h) All investor commitments include terms or are modified to be consistent with the extension of Bank's Facility; (i) No material adverse change in the financial condition of the Project, Borrower, and Guarantor; (j) payment of an extension fee of 0.50% of the maximum Facility amount and all legal fees associated with said extension; and (k) Interest Rate adjustment or fee payment, as appropriate, to cover the cost of the extension, if any.

Funding:

The Facility can be structured as fully-funded at closing or draw-down over the construction period as approved by Bank.

Interest Rate:

The Facility will bear an annual rate of interest equal to the Daily SOFR Rate. The Daily SOFR Rate will be calculated as Daily Simple SOFR plus the SOFR Adjustment, plus the SOFR Margin. Daily SOFR Rate, Daily Simple SOFR, SOFR Adjustment and SOFR Margin are more particularly described in Schedule 1 attached hereto. If determined today, the Daily SOFR Rate would be 7.90%. THIS RATE IS INDICATIVE ONLY AND THE ACTUAL INTEREST RATE MAY DIFFER.

Provisions will be included for the replacement of SOFR in form and substance customary for transactions with Bank.

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- Other Fees:** Borrower will pay all costs of origination or issuance of the Facility, including, without limitation, any upfront and/or ongoing fees of the Issuer and bond counsel, and all other fees related to the transaction including but not limited to those of the Fiscal Agent or Trustee and the Issuer's financial advisor, if any. These fees are not included in the above stated rates.
- Financing Fees:** 1.00% origination fee on the maximum Facility amount shall be due and payable to Bank on closing date.
- Hard Cost Contingency:** Facility budget shall have a minimum of 5% hard cost contingency.
- Section 8 Contract** Section 8 contract, if any, must be acceptable to Bank, including, but not limited to, a term of at least 15 years.
- LIHTC Equity:** The LIHTC limited partnership agreement must obligate the tax credit investor to make equity payments into the Project on the following schedule:
- No less than 10% of total LIHTC equity committed to the Project must be funded at closing.
 - All remaining LIHTC equity committed to the Project except for \$2,399,342 must be funded over the construction and lease-up period except as otherwise approved by Bank.
- Permanent Loan:** Third-party permanent loan/take-out sources must be acceptable to Bank, provided that Bank will underwrite to the lesser of (i) the third party permanent loan amount, (ii) a loan supportable by a 40-year amortization and 1.15x debt service coverage ratio, or (iii) a lesser amount acceptable to Bank and Investor.
- General Contractor:** KBS. Entity subject to Bank's full due diligence and approval. Guaranteed maximum price contract required. Contract must require 10% retainage until 50% completion and 5% thereafter. Payment and performance bond or acceptable Letter of Credit required in an amount and issuer acceptable to the Bank. Contract must not include any cost escalation clauses, including but not limited to such provisions incorporated within the assumptions, allowances, exclusions, clarifications, or tariffs sections of the contract which would entitle General Contractor to a change order or result in an increase in the guaranteed maximum price, which amount shall be set forth in the contract. An exception will be considered if the escalation clause specifies a dollar limit on costs and there is a committed source of funding acceptable to Bank as reflected in the Bank-approved Project budget. The Bank may also require an updated Plan and Cost Review prior to closing, and as part of its final underwriting, which shall be based upon the final construction contract.
- Security:** A first priority (i) mortgage and security interest in the Project; (ii) security interest in all personal property used in conjunction with the construction, operation and maintenance of the Project; (iii) assignment of all leases and

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Spy-Rock Real Estate, LLC

rents; (iv) assignment of all construction, architect, and engineering contracts; (v) assignment of all permits, licenses and agreements; (vi) assignment of interests in Borrower; (vii) pledge of reserve accounts; (viii) collateral assignment of the existing HAP contract, if any;

Environmental: Environmental indemnity to be obtained in form and substance approved by Bank.

Escrows: Following the completion of construction and rehabilitation, Borrower will be required to make monthly deposits to Bank for taxes and insurance. These deposits will be reviewed annually to determine their adequacy and are subject to adjustment.

Indemnification and Expenses: Borrower will pay all costs incurred in connection with the proposed Facility, including but not limited to reasonable legal fees of Bank's counsel, title/insurance fees, mortgage recording fees, and Bank's reasonable appraisal, engineering, insurance review fees, environmental, front end costs and document review/inspections, and physical needs assessment (for existing projects only). In the event that the proposed Facility does not close, the undersigned will pay all such costs. Borrower and the undersigned acknowledge that Bank may receive a benefit, including, without limitation, a discount, credit or other accommodation, from such counsel based on the fees such counsel may receive on account of their relationship with Bank including, without limitation, fees paid in connection with the Facility. Payment of these expenses by Borrower and/or the undersigned will not be contingent upon closing of the Facility.

Borrower, or, in the event that the proposed Facility does not close, the undersigned, will indemnify and hold harmless Bank and its affiliates and their respective partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the Facility, any other aspect of the contemplated transactions, Borrower's use of Facility proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement costs and any claim for loan brokerage fees or similar payments.

Assignment & Participations: Bank of America reserves the right to syndicate, assign or grant participations or other interests in all or part of the Facility, subject to customary, market-standard approval rights. No lender will be permitted to make assignments in respect of the Facility, except to certain specified categories of entities pursuant to customary, market-standard provisions. Specific provisions regarding assignment and participation will be included in the Facility documentation.

Other Requirements: Conditions to closing will include (all of the items to be delivered to be in form and substance satisfactory to Bank), but shall not be limited to:

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- receipt of all due diligence materials necessary and relevant to identifying Borrower's identity and background information, as deemed necessary by Bank;
- completion of all due diligence, including reputational due diligence, with respect to Borrower, Guarantors and their respective subsidiaries and the Property in scope and determination satisfactory to Bank, including but not limited to, documentation and other information requested in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including the PATRIOT Act and the Beneficial Owner Regulation;
- any Borrower that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall deliver a Beneficial Ownership Certification in relation to such Borrower to Bank;
- receipt of an appraisal for the Property;
- receipt of a Phase I Environmental Site Assessment for the Property;
- receipt of standard flood hazard determination forms for the Property;
- review and acceptance by Bank (and any third party consultant, if any, selected by Bank) of all insurance policies for Borrower and the Property, including, but not limited to, such evidence of flood insurance coverage (including contents coverage, as applicable) as Bank shall require;
- receipt of a plan and cost review report for the Property; (includes adequate contingency, interest carry/operating deficit reserve, condition of markets/submarkets, revenue/expenses pro-formas, etc.);
- receipt of proposed standard form of lease;
- receipt of evidence that the anticipated use of the Property and that all proposed improvements thereto comply with applicable zoning ordinances, regulations and restrictive covenants;
- review and acceptance of plans and specifications for construction of the Property;
- receipt of a Project budget;
- receipt of the Permanent Loan Commitment and Tri-Party Agreement with the Permanent Lender (as such terms are to be defined in the Facility documentation);
- receipt of a title insurance policy insuring Bank's first mortgage position on each Property, together with such co-insurance and/or reinsurance as Bank may require, together with UCC, litigation and other searches against Borrower, Guarantor and such other parties as Bank shall require, and such lien waivers from existing contractors as Bank or the title company shall require;
- receipt of acceptable surveys for the Property;
- financial review of Borrower, Guarantor, and general contractor;
- receipt of management agreement and subordination;
- receipt of proof of tax credit award, equity investor and pay-in schedule, information regarding real estate taxes (including proof of any tax-exempt status if applicable);
- receipt of satisfactory legal opinions, financial statements, certificates, documents and other instruments as are customary or otherwise appropriate for transactions of this type; and
- receipt of such other documents, instruments, agreements or information as reasonably requested by Bank.
- receipt of reciprocal use agreement or similar documentation detailing shared amenity space to Bank's satisfaction, if applicable;
- receipt of legal opinion related to contemplated real estate tax abatement;
- receipt of signed real estate tax abatement or grant agreement between Borrower and City that is satisfactory to the Bank

CashPro Credit: If the Facility is eligible, Borrower agrees to utilize CashPro Credit, a complimentary service provided by Bank. CashPro Credit provides quick and flexible access to credit balances and invoices. Services include:

- View real-time credit line/loan information;
- Ability to search for an invoice and review details;
- Download up to 180 days of transaction history for obligations;
- Initiate payment, advance and non-financial transactions for eligible loans; and
- Upload financial statements and covenant compliance reporting.

Confidentiality: This Term Sheet is strictly confidential and may not be shared with anyone else other than the owners of Borrower. Third party professionals are hereby approved.

Credit Verification: Each legal entity and individual signing this Term Sheet hereby authorizes Bank to order credit reports, court searches, verification of deposits, and verification of mortgages on Borrower and Borrower's owners or principals, including any to-be-formed entity or entities. Each individual signing below further authorizes Bank to check any credit references, verify his/her employment and obtain credit reports from credit reporting agencies of Bank's choice in connection with the Facility.

Material

Adverse Change: Bank of America's obligations hereunder shall terminate if, prior to closing, Bank of America determines, in its sole judgment, that there shall exist any conditions regarding the Property, or the operations, business, assets, liabilities or condition (financial or otherwise, including credit rating) of Borrower or Guarantor, or there shall have occurred a material adverse change in, or there shall exist any material adverse conditions in, the market for syndicated bank credit facilities or the financial, banking, credit or debt capital markets generally, that could be expected to cause the Facility to become delinquent or prevent any Guarantor from performing its obligations under any guaranty or to materially and adversely affect the value or marketability of the Facility or the Property or Bank of America's ability to syndicate the Facility or the viability of obtaining permanent financing for the Project.

Assumptions made: The terms discussed herein are presented, based on the credit conditions in the potential transaction as known by Bank of America. Should additional facts come to light that positively or negatively impact the situation, prices or other requirements quoted here may be adjusted.

All interest rates and other pricing terms are quoted based on the assumption that the Facility will not be classified as HVCRE (High Volatility Commercial Real Estate Exposure) pursuant to Basel III Regulations. The quoted interest rates and other pricing terms are potentially subject to change if the Facility is anticipated to be classified as HVCRE pursuant to Basel III Regulations.

Any Facility, as contemplated by this Term Sheet, will be subject to applicable flood insurance regulations at all times during the life of such Facility. Compliance with flood insurance regulations will be tested prior to making, increasing, renewing or extending any such Facility.

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Bank of America hereby notifies you that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "PATRIOT Act") and recent regulations implemented by the US Treasury's Financial Crimes Enforcement Network ("FinCEN") under 31 C.F.R. § 1010.230 (the "Beneficial Ownership Regulation"), Bank of America is required to obtain, verify and record information that identifies you, which information includes, but is not limited to, your name and address, a Beneficial Ownership Certification, and other information that will allow Bank of America to identify you in accordance with the PATRIOT Act and the Beneficial Ownership Regulation prior to closing the Facility. You shall, promptly following a request by Bank of America, provide all documentation and other information that Bank of America requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act and the Beneficial Ownership Regulation. "Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

The undersigned acknowledges and agrees that: (i) the transaction contemplated by this Term Sheet is an arm's length, commercial transaction between you and Bank of America in which Bank of America is acting solely as a principal and for its own interest; (ii) Bank of America is not acting as a municipal advisor or financial advisor to you; (iii) Bank of America has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Bank of America has provided other services or is currently providing other services to you on other matters); (iv) the only obligations Bank of America has to you with respect to the transaction contemplated hereby expressly are set forth in this Term Sheet; and (v) Bank of America is not recommending that you take an action with respect to the transaction contemplated by this Term Sheet, and before taking any action with respect to the contemplated transaction, you should discuss the information contained herein with your own legal, accounting, tax, financial and other advisors, as you deem appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity. This Term Sheet is provided to you pursuant to and in reliance upon the "bank exemption" provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq.

This Term Sheet may be in the form of an Electronic Record and may be executed using Electronic Signatures (including, without limitation, facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. This Term Sheet may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same agreement. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by Bank of a manually signed paper communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed communication converted into another format, for transmission, delivery and/or retention. For purposes hereof, "Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

If these items are consistent with your financing requirements, please acknowledge below and within ten (10) business days return this Term Sheet to the signer below and submit a wire as instructed separately in the amount of \$25,000 to be used toward Bank of America's legal fees and other related out-of-pocket costs incurred in connection with our formal underwriting and approval process. Borrower understands that possible additional funds will be necessary to pay for costs. Conversely, any excess funds will be refunded to Borrower. Bank of America will then be able to

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Spy-Rock Real Estate, LLC

proceed with a full review and analysis of your financing request and attempt to obtain internal approval on the basis of the foregoing terms and conditions as quickly as possible. Of course, the foregoing should not be construed in any way as a commitment for financing, as any such commitment or undertaking can only be in writing after internal loan approval has been obtained.

Any loan commitment must be written and state that it is a commitment and any other oral or written communications will not constitute a loan commitment. Any loan commitment will not be binding upon Bank of America or Borrower unless executed by both parties.

This Term Sheet will expire at 5:00 p.m. (EST time) on May 2, 2024 unless prior to that time Borrower executes this Term Sheet and returns same to Bank of America. Following acceptance, this Term Sheet will expire without notice at 5:00 p.m. (EST time) on October 17, 2024. In no event will any expiration or termination of this Term Sheet relieve Borrower or any other person from any obligation to pay fees, costs and expenses as described herein, all such obligations expressly surviving any such expiration or termination.

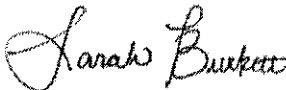
If you have any questions or comments, please do not hesitate to give me a call at (202) 590-7009.

Sincerely,

BANK OF AMERICA, N.A.,
a national banking association



By: _____
Name: Sam Buzzelli
Title: Vice President, Relationship Manager



By: _____
Name: Sarah Burkett
Title: Senior Vice President, Credit Officer

(Borrower signature pages to follow)

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Spy-Rock Real Estate, LLC

Acknowledged and Agreed:

Wentley Gardens, LLC

By: 

Name: S. Taylor Williams

Title: Manager

Date: 4/30/24

By: 

Name: Zachary R. Friederick

Title: Managing Member

Date: 4.30.24

Bank of America is committed to the protection of personal information we collect and process. We conduct regular assessment reviews and abide by rigorous privacy standards to protect personal information we collect, use and share. For more information about how we protect your privacy, including specific rights that may apply, please visit bankofamerica.com/privacynotice. Please ensure that you share this information with those in your organization whose information you are sharing with us such as your third-party representatives, employees, officers, directors, shareholders, and other related individuals.

Schedule 1Interest Rate Definitions

Daily SOFR Rate:

"Base Rate" means, on any day, a fluctuating rate per annum equal to the Base Rate Margin plus the highest of: (a) the Federal Funds Rate for that day plus ½ of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank as its "Prime Rate," or (c) one percent (1.00%).

"Base Rate Margin" means one hundred fifty basis points (1.50%) per annum.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where Bank's office is located.

"Daily Simple SOFR" with respect to any applicable determination date means the SOFR published on the second (2nd) U.S. Government Securities Business Day preceding such date on the Federal Reserve Bank of New York's website (or any successor source); provided, however, that if such determination date is not a U.S. Government Securities Business Day, then Daily Simple SOFR means such rate that applied on the first (1st) U.S. Government Securities Business Day immediately prior thereto.

"Daily SOFR" means the rate per annum equal to Daily Simple SOFR determined for any day pursuant to the definition thereof plus the SOFR Adjustment. Any change in Daily SOFR shall be effective from and after the date of such change without further notice. If Daily SOFR as so determined would be less than one percent (1.00%), such rate shall be deemed to be one percent (1.00%) for purposes of the Facility. If Daily SOFR becomes temporarily unavailable or indeterminable, illegal, or fails to reflect Bank's costs, the interest rate per annum will be the Base Rate.

"Daily SOFR Rate" means, for any day any Daily SOFR advance is outstanding, the Daily SOFR plus the SOFR Margin with respect to such day.

"Federal Funds Rate" means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of the Facility.

"SOFR" means the Secured Overnight Financing Rate as administered by the SOFR Administrator.

"SOFR Adjustment" means 0.10 percent (0.10%) per annum.

"SOFR Administrator" means the Federal Reserve Bank of New York, as the administrator of SOFR, or any successor administrator of SOFR designated by the Federal Reserve Bank of New York or other person acting as the SOFR Administrator at such time.

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Spy-Rock Real Estate, LLC

"SOFR Margin" two hundred fifty basis points (2.50%) per annum.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Tab U:

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

Walmsley Gardens - Family

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.

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

This deal does not require
information behind this tab.

Tab W:

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

Walmsley Gardens - Family Internet Guidelines Acknowledgement

I _____, have read, understand, acknowledge and agree to be bound by the recommendations, guidelines, terms, and conditions outlined in Walmsley Gardens – Family’s Internet Guidelines Manual (provided to Resident). The Internet Guideline Manual outlines and summarizes the proper use and safety guidelines when using the Internet Services provided at Walmsley Gardens - Family’s common areas.

I understand that the Internet Guideline Manual and handbook contains information that will assist me and my guests in the proper use of the internet made available by Walmsley Gardens-Family. I also understand that I will be held accountable for my behavior, as well as for my guests’ behavior, and me be subject to legal and/or financial consequences related to any misuses as outlined in the Internet Guideline Manual.

By signing below, I acknowledge that I have read, agree to, and understand the terms of all items contained in Walmsley Gardens – Family’s Internet Guideline Manual.

Resident Name: _____

Resident Signature: _____

Date: _____

Walmsley Gardens - Family

INTERNET SECURITY PLAN

The internet service at Walmsley Gardens - Family will have a rotating password that is only accessible to residents. The network router will be in a secure area to which tenants will not have access. The router will have a secure firewall to prevent data breaches.

At move-in, we will provide Tenants with the attached security and safety information and guidelines and will ask Tenants to sign an Acknowledgement of Responsibilities statement to ensure that they are educated in the internet safety and security guidelines.



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

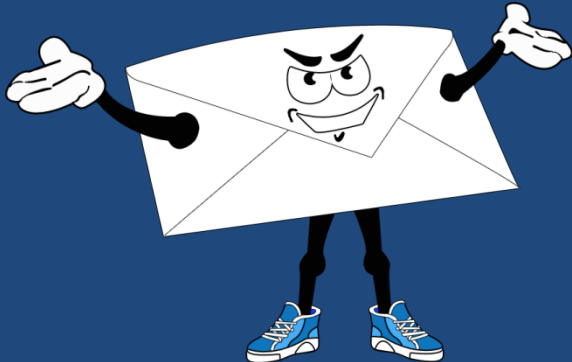
Spam



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/>



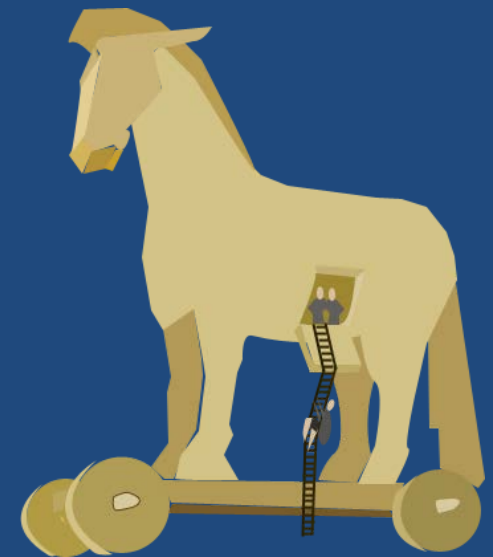
Trojan Horse

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-what-is.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. 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
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.

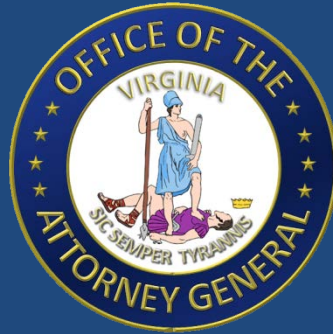
If you are sent something inappropriate, do not share it and don't delete it. Tell an adult immediately. You may feel like you are getting your friend into trouble, but you are protecting yourself and you are protecting them. They may not be thinking about the consequences or the effect this behavior 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

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Walmsley Gardens - Family 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 Walmsley Gardens - Family 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 Walmsley Gardens - Family. SteelHead Management, 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, SteelHead Management will be responsible for the development and management of community and resident services program.

I. Affirmative Marketing

SteelHead Management 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. SteelHead Management, 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 SteelHead Management.

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

SteelHead Management 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:

- Resources for Independent Living, Inc. (804-353-6503)
- Virginia Board for People with Disabilities (804-786-0016)
- Virginia Department for Aging and Rehabilitative Services (804-662-7000)

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

Walmsley Gardens - Family will also be listed on the following websites:

www.virginiahousingsearch.com
www.hud.gov
www.craigslist.org
accessva.org
dbhds.virginia.gov

3. Print Media

Print media sources will also be identified in the Richmond area that cater to people with disabilities as well as the public at large. These sources may include, but are not limited to, rental magazines such as the *Apartment Shoppers Guide*, *Apartments For Rent*, local newspapers, etc. All advertising materials related to the project will contain the Equal Housing Opportunity logo, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available.

4. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as it attracts friends who will want to reside together, thus binding the community. ***Residents will be offered incentives, to be determined, for referring qualified applicants who rent at the property.*** Flyers will be distributed to residents along with the resident newsletter announcing the tenant referral program.

5. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

- **Brochures or news media coverage**—A simple, two color brochure may be produced at low cost which will effectively sell the apartments and community. A brochure will include a listing of features and amenities. News media may include the local newspaper and/or the local television station coverage.
- **Flyers** - As mentioned earlier, a flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic.

- **Resident Referral** - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. (\$50 - \$100 per referral, paid upon move in). In addition to being distributed to all residents, the referral flyer should be left in the Management office and should be included in the move in packet. (People are most inclined to refer their friends in the first few weeks of their tenancy.) The flyers will be changed to reflect the season or any type of special referral program.

III. Public and Community Relations

Equal Housing Opportunity promotions - all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office. SteelHead Management 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 Walmsley Gardens – Family is located. The annual income is compared to the area's Income Limits to determine eligibility.
- ☐ Family composition must be compatible for units available on the property.
- ☐ Applicants must receive satisfactory referrals from all previous Landlords.
- ☐ Applicants must provide verification of full-time student status for all individuals listed on the application as full-time student for tax credit units.
- ☐ Applicants must not receive a poor credit rating from the Credit Bureau and other credit reporting agencies and must demonstrate an ability to pay rent on time.

- ☐ Applicants must provide a doctor's statement and/or other proof of any handicap or disability.
- ☐ Applicants must provide a birth certificate or other acceptable HUD approved form of documentation for all household members.
- ☐ Applicants must complete the Application for Lease and all verification forms truthfully.
- ☐ Applicants must provide all information required by current Federal regulations and policies.
- ☐ Applicants must have the demonstrated ability to maintain acceptable housekeeping standards.
- ☐ Applicants must meet current Federal program eligibility requirements for tax credits and any other programs.
- ☐ Preference will be given to those households whose family members are handicapped or disabled for housing in the units specifically designated for the handicapped or disabled.
- ☐ Applicants who meet the above criteria will be placed on a waiting list based on the date and time of their application. If an applicant turns down a unit for any reason, the applicant will be moved to the bottom of the waiting list. If the applicant turns down a unit for any reason a second time, the applicant will be removed from the waiting list.

60 Day-Hold Unit

Units must be held vacant for 60 days during which active marketing efforts must be documented. However, if marketing to the 50-point special needs unit is deemed to be conducted satisfactorily on an ongoing basis throughout the year and management can provide sufficient documentation to Virginia Housing's Compliance Officer, management may request the ability to lease 50-point units to a household not in the special needs 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 special needs population.

Properties that fail to document ongoing active marketing to the marketing plan network contacts to lease vacant leasing preference units, may be cited with non-compliance, and may be required to hold unit(s) vacant for up to 60 days to actively market unfilled leasing preference units. Non-compliance with the marketing requirement is subject to a penalty point deduction in future funding requests with the Authority.

NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.

Tab Y:

Inducement Resolution for Tax Exempt Bonds

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTIONS

Meeting Date: June 21, 2024

Agenda Item No. _____

TITLE: RESOLUTIONS REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE (I) APPROXIMATELY 128-UNIT WALMSLEY SENIOR MULTIFAMILY HOUSING FACILITY AND (II) APPROXIMATELY 216-UNIT WALMSLEY GARDENS MULTIFAMILY HOUSING FACILITY, EACH LOCATED IN THE CITY OF RICHMOND, VIRGINIA

RESOLUTIONS:

WHEREAS, the Richmond Redevelopment and Housing Authority (the "Authority") is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the "Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"), to issue its bonds for the purpose, among others, of financing the Plans of Finance (as hereinafter defined), located within the territorial boundaries of the City of Richmond, Virginia (the "City"); and

WHEREAS, (i) Walmsley Senior, LLC (the "Walmsley Senior Borrower") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an expected maximum principal amount of \$15,000,000 (the "Walmsley Senior Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the costs of acquiring, constructing and equipping a multifamily residential rental housing project for seniors consisting of one building containing approximately 128 units (the "Walmsley Senior Project") expected to be owned and used by the Walmsley Senior Borrower or a party related to the Walmsley Senior Borrower, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Walmsley Senior Bonds (collectively, the "Walmsley Senior Plan of Finance"), as permitted under the Act, and (ii) Walmsley Gardens, LLC (the "Walmsley Family Borrower," and, together with the Walmsley Senior Borrower, the "Borrowers") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an expected maximum principal amount of \$31,000,000 (the "Walmsley Family Bonds," and, together with the Walmsley Senior Bonds, the "Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the costs of acquiring, constructing and equipping a multifamily residential rental housing project for families consisting of nine buildings containing approximately 216 units (the "Walmsley Family Project," and, together with the Walmsley Senior Project, the "Projects") expected to be owned and used by the Walmsley Family Borrower or a party related to the Walmsley Family Borrower, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Walmsley Family Bonds (collectively, the "Walmsley Family Plan of Finance," and, together with the Walmsley Senior Plan of Finance, the "Plans of Finance"), as permitted under the Act; and

WHEREAS, the Projects shall be located at 4824, 4830, 4838, 4850, 4870 and 4890 Walmsley Boulevard in the City of Richmond and established and maintained as a "qualified

residential rental projects" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Borrowers have indicated that they will work in good faith with the Authority to endeavor to provide certain employment and/or contracting opportunities to the residents and businesses of the neighborhoods surrounding the Projects (the "Borrowers' Special Commitments"); and

WHEREAS, preliminary plans for the Plans of Finance have been described to the Authority and public hearings (the "Public Hearings") have been held with respect to the Plans of Finance and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906, as applicable to housing authorities, of the Virginia Code; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance the Plans of Finance.

NOW, THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY THAT:

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.

2. It is hereby found and determined that the Plans of Finance will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.

3. It is hereby found and determined that the Projects will constitute "residential buildings" as that term is defined in the Act.

4. To induce the Borrowers to undertake the Plans of Finance and maintain the Projects as "qualified residential rental projects" within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrowers in financing the Plans of Finance by undertaking the issuance of (and hereby declares its official intent to issue) its multifamily housing revenue bonds therefor in an expected maximum principal stated amount of \$15,000,000 for the Walmsley Senior Project and \$31,000,000 for the Walmsley Family Project, each upon the terms and conditions to be mutually agreed upon between the Authority and the respective Borrower. The Bonds shall be issued in forms and pursuant to terms to be set by the Authority. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.

5. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Plans of Finance are hereby ratified, approved and confirmed.

6. The Authority hereby designates McGuireWoods LLP, Richmond, Virginia, to serve as bond counsel ("Bond Counsel") and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

7. The Borrowers agree to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.

8. All costs and expenses in connection with the financing and the Plans of Finance, including the fees and expenses of the Authority (including, without limitation, any application fee and/or origination fee), Bond Counsel, counsel for the Authority and any placement agent or underwriter for the sales of the Bonds shall be paid from the proceeds of the Bonds (but only to the extent permitted by applicable law) or by the Borrowers. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Borrowers and that the Authority shall have no responsibility therefor.

9. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

10. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrowers and all other persons or entities for any damages, direct or consequential, resulting from the issuances of the Bonds or failure of the Authority to issue the Bonds for any reason. Any obligation of the Authority to exercise its powers in the City to issue the Bonds as requested by the Borrowers is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrowers for any damages, direct or consequential, resulting from the Authority's failure to issue Bonds for the Plans of Finance for any reason, including but not limited to, the failure of the City Council of the City (the "City Council") to approve the issuance of the Bonds.

11. The Authority recommends that the City Council approve the issuance of the Bonds, in one or more series at one time or from time to time, in an expected maximum stated principal amount of \$15,000,000 for the Walmsley Senior Project and \$31,000,000 for the Walmsley Family Project for the purposes of undertaking the Plans of Finance as required by Section 147(f) of the Code.

12. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary and any Assistant Secretary of the Authority is authorized and directed to deliver to the City Council (1) reasonably detailed summaries of the comments, if any, expressed at the Public Hearings, (2) fiscal impact statements concerning the Plans of Finance provided by the Borrowers and (3) a copy of these resolutions.

13. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary or any Assistant Secretary of the Authority, or the designee of any of them, is hereby authorized to request allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code) in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceedings shall be paid for by the Borrowers.

14. No Bonds may be issued pursuant to this resolution until such time as (a) the issuances of the Bonds have been approved by the City Council, and (b) the Bonds have received allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder.

15. The approvals of the issuances of the Bonds do not constitute endorsements to any prospective purchaser of the Bonds of the creditworthiness of the Plans of Finance or of the Borrowers.

16. These resolutions are Declarations of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Code. Based upon the representations of the Borrowers, the Authority reasonably expects that certain costs of the Projects may be reimbursed with the proceeds of the Bonds.

17. The issuances of the Bonds in the principal amounts of up to \$15,000,000 for the Walmsley Senior Project and \$31,000,000 for the Walmsley Family Project pursuant to definitive bond documents to be prepared or reviewed by Bond Counsel (the "Bond Documents") are hereby authorized and approved. The Chair, Vice Chair, Secretary, Chief Executive Officer and any other officer of the Authority, any of whom may act alone (the "Authorized Officials"), are each hereby authorized and directed to execute the Bonds, which shall bear interest at the rates (which may be variable or fixed), shall mature on such dates and shall be subject to redemption at such times as are set forth in the Bond Documents. The Authorized Officials are hereby authorized to approve the final terms of the Bonds; provided, however, that the interest rates borne by the Bonds shall not exceed 15% per annum, the final maturities of the Bonds shall not be later than forty (40) years after the dates of the initial issuances of the Bonds, the principal amount of the Walmsley Senior Bonds shall not exceed \$15,000,000 and the principal amount of the Walmsley Family Bonds shall not exceed \$31,000,000. Such approvals shall be evidenced conclusively by the execution and delivery of the Bonds.

18. The Bond Documents shall be in substantially the same forms as prepared or reviewed by Bond Counsel and submitted to the Authority, which are hereby approved, with such completions, omissions, insertions and changes (including, without limitation, changes of the dates thereof and the captions of the Bonds) as may be approved by the Authorized Officials executing

them, his or her executions to constitute conclusive evidence of the approvals of any such completions, omissions, insertions and changes. The Bond Documents shall contain upon their execution and delivery provisions obligating the Borrowers to comply with the Borrowers' Special Commitments with respect to the Projects. The execution, delivery and performance by the Authority of the Bond Documents are hereby authorized and directed.

19. The Authorized Officials are hereby authorized and directed to execute on behalf of the Authority and to deliver the Bonds, the Bond Documents, the related documents to which the Authority is a party and such other agreements, certificates, documents and instruments (collectively, the "Documents"), and to do and perform such things and acts, as are authorized hereby or contemplated by the Documents, and, if required, the Secretary or any other officer of the Authority is authorized and directed to affix the seal of the Authority to the Bonds and the other Documents and to attest such seal. The signatures of the Authorized Officials and the seal of the Authority on the Bonds may be by facsimile.

20. These resolutions shall take effect immediately upon their adoption.

EXPLANATION: These are resolutions giving the Richmond Redevelopment and Housing Authority's ("RRHA") approval to the proposed revenue bond financings of the Walmsley Senior and Walmsley Family affordable apartments developments. They allow the Borrowers to go forward with the proposed revenue bond financing Projects; however, no bonds can be issued before the City Council approvals and the obtaining of volume cap allocations from the state ceiling administered by the Virginia Department of Housing and Community Development. The resolutions authorize RRHA's officers to execute all necessary documents on behalf of RRHA in connection with the revenue bond financings. They provide that the revenue bonds shall be limited obligations of RRHA payable solely from revenues of the Borrowers' Projects. No commissioners, officers, agents or employees of RRHA, past, present or future, or any person executing the revenue bonds, shall be personally liable for the revenue bonds. The Borrowers are obligated to pay all associated fees, costs and expenses, to indemnify RRHA and its commissioners, officers, agents and employees and to comply with the Borrowers' Special Commitments described in the resolutions.

READ AND ADOPTED: June 21, 2024

CERTIFICATE OF VOTES

Record of the roll-call votes by the Richmond Redevelopment and Housing Authority, upon reading of resolutions titled "**RESOLUTIONS REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF THE (I) APPROXIMATELY 128-UNIT WALMSLEY SENIOR MULTIFAMILY HOUSING FACILITY AND (II) APPROXIMATELY 216-UNIT WALMSLEY GARDENS MULTIFAMILY HOUSING FACILITY, EACH LOCATED IN THE CITY OF RICHMOND, VIRGINIA** " taken at a meeting of the Authority held on June 21, 2024:

	AYE	NAY	ABSTAIN	ABSENT
William R. Johnson, Jr., Chair	<input checked="" type="checkbox"/>			
Charlene Pitchford, Vice Chair	<input checked="" type="checkbox"/>			
Veronica G. Blount	<input checked="" type="checkbox"/>			
Dyanne Broidy	<input checked="" type="checkbox"/>			
Kyle R. Elliott				<input checked="" type="checkbox"/>
Barrett Hardiman	<input checked="" type="checkbox"/>			
Eddie Jackson, Jr.	<input checked="" type="checkbox"/>			
Gregory E. Lewis	<input checked="" type="checkbox"/>			
Harold Parker, Jr.	<input checked="" type="checkbox"/>			

The undersigned Secretary of the Richmond Redevelopment and Housing Authority hereby certifies that the foregoing is a true, correct, and complete copy of Resolutions adopted by the Authority's commissioners present and voting at a meeting duly called and held on June 18, 2024, in accordance with law, and that such Resolutions have not been repealed, revoked, rescinded, or amended, but are in full force and effect as of the date hereof.

WITNESS my hand on behalf of the Authority this 21st day of June, 2024.

**RICHMOND REDEVELOPMENT
AND HOUSING AUTHORITY**

By: _____

Secretary

Tab Z:

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

This deal does not require
information behind this tab.

Tab AA:

Priority Letter from Rural Development

This deal does not require
information behind this tab.

TAB AB:

Social Disadvantage Certification

This deal does not require
information behind this tab.