
2022 Federal Low Income Housing Tax Credit Program

Application For Reservation

Deadline for Submission

9% Competitive Credits

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

Tax Exempt Bonds

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



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

INSTRUCTIONS FOR THE VIRGINIA 2022 LIHTC APPLICATION FOR RESERVATION

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

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

Applications For 9% Competitive Credits

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

Please Note:

Applicants should submit all application materials in electronic format only.

There should be distinct files which should include the following:

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

IMPORTANT:

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

Disclaimer:

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

Entering Data:

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

Please Note:

- ▶ **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another.
- ▶ Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.
- ▶ The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the 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
JD Bondurant	johndavid.bondurant@virginiahousing.com	(804) 343-5725
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
Pamela Freeth	pamela.freeth@virginiahousing.com	(804) 343-5563
Aniyah Moaney	aniyah.moaney@virginiahousing.com	(804) 343-5518

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27. Development Summary	Summary of Key Application Points
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2022 Low-Income Housing Tax Credit Application For Reservation

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

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

VHDA TRACKING NUMBER

2022-TEB-15

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/29/2022

1. Development Name: Myrtle Landing Apartments
2. Address (line 1): 815 Randolph Ave
 Address (line 2): _____
 City: Cape Charles State: VA Zip: 23310
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 Northampton County
5. The site overlaps one or more jurisdictional boundaries..... TRUE
 If true, what other City/County is the site located in besides response to #4?..... Cape Charles
6. Development is located in the census tract of: 9303.01
7. Development is located in a **Qualified Census Tract**..... FALSE
8. Development is located in a **Difficult Development Area**..... TRUE
9. Development is located in a **Revitalization Area based on QCT** FALSE
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 poverty rate of.....	3%	10%	12%
	FALSE	FALSE	TRUE

Enter only Numeric Values below:

13. Congressional District: 2
- Planning District: 22
- State Senate District: 6
- State House District: 100

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

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

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

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

Built in 1984, Myrtle Landing Apartments is comprised of 11 one story garden apartment buildings with one accessory building. Situated on 8.4 acres of land, Myrtle Landing is designated for elderly residents age 62 years and older and is 100% project based Section 8.

VHDA TRACKING NUMBER

2022-TEB-15

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

3/29/2022

16. Local Needs and Support

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

Chief Executive Officer's Name: John Hozey
 Chief Executive Officer's Title: Town Manager Phone: 757-331-3259
 Street Address: 2 Plum Street
 City: Cape Charles State: VA Zip: 23310

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

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

Chief Executive Officer's Name: Charles Kolakowski
 Chief Executive Officer's Title: County Administrator Phone: 757-678-0440
 Street Address: PO Box 66
 City: Eastville State: VA Zip: 23347

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

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

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

or

b. If requesting Tax Exempt Bonds, select development type:

For Tax Exempt Bonds, where are bonds being issued?

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

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, 2022.

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

3. Select Building Allocation type:

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

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

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

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

Name of companion development:

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

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

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

% of units in 4% Tax Exempt Allocation Request:

6. Extended Use Restriction

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

Must Select One:

Definition of selection:

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

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

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

C. OWNERSHIP INFORMATION

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

1. Owner Information:

Must be an individual or legally formed entity.

Owner Name: Myrtle Landing Renewal LLC

Developer Name: Huntington Housing, Inc.

Contact: M/M ▶ Mr. First: Todd MI: Last: Travis

Address: 11810 Grand Park Ave, Suite 600

City: North Bethesda St. ▶ MD Zip: 20852

Phone: (301) 998-0400 Ext. Fax:

Email address: todd@foundationhousing.com

Federal I.D. No. 873787281 (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.

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

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

Names **	Phone	Type Ownership	% Ownership	
Myrtle Landing Manager LLC, Managing Member	301-998-0400	Managing Member	0.010%	
Huntington Housing, Inc., Sole Member of Managing	301-998-0400	Sole Member/Mana	99.990%	
Jason Goldblatt, Director, Huntington Housing, Inc.	301-998-0400	Nonprofit Officer	0.000%	needs
Gregory O'Dell, Director, Huntington Housing, Inc.	301-998-0400	Nonprofit Officer	0.000%	needs
Benjamin M Soto, Director, Huntington Housing, Inc.	301-998-0400	Nonprofit Officer	0.000%	needs
Todd Travis, President, Huntington Housing, Inc.	301-998-0400	Nonprofit Officer	0.000%	needs
Cassandra Palanza, Vice President, Huntington Housi	301-998-0400	Nonprofit Officer	0.000%	needs
Christine Schmiedel, Secretary, Huntington Housing,	301-998-0400	Nonprofit Officer	0.000%	needs
			0.000%	
			0.000%	
			0.000%	
			0.000%	
			0.000%	

C. OWNERSHIP INFORMATION

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

C. OWNERSHIP INFORMATION

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

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

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

FALSE

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

3. Developer Experience:

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

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

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

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

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

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

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

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

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

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

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

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

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

D. SITE CONTROL

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

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

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

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

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type: Purchase Contract

Expiration Date: 1/4/2024

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..... 1/4/2024 .

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: Myrtle Landing Affordable LLC
 Address: 11801 Grand Park Ave, Suite 600
 City: North Bethesda St.: MD Zip: 20852
 Contact Person: Todd Travis Phone: (301) 998-0400

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

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Echelon Housing, Inc. (EHI)		Sole Member	100.00%
Jason Goldblatt, Director, EHI		Nonprofit Officer	0.00%
Gilead Morse, Director, EHI		Nonprofit Officer	0.00%
Marc Weller, Director, EHI		Nonprofit Officer	0.00%
Todd Travis, President, EHI		Nonprofit Officer	0.00%
Cassandra Palanza, Vice President, EH		Nonprofit Officer	0.00%
Christina Schmiedel, Secretary, EHI		Nonprofit Officer	0.00%

needs ownership %
needs ownership %

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:	Craig Emden	This is a Related Entity.	FALSE
Firm Name:	Bocarsly Emden Cowan Esmail & Arndt LLP	DEI Designation?	FALSE
Address:	7700 Old Georgetown Rd, Suite 600, Bethesda, MD 20814		
Email:	cemden@bocarsly.com	Phone:	301-634-0555
2. Tax Accountant:	Dan Fox	This is a Related Entity.	FALSE
Firm Name:	CohnReznick	DEI Designation?	FALSE
Address:	7501 Wisconsin Ave, Suite 400E		
Email:	dan.fox@cohnreznick.com	Phone:	301-652-9100
3. Consultant:	Bill Curran	This is a Related Entity.	FALSE
Firm Name:	Chesapeake Community Advisors, Inc.	DEI Designation?	FALSE
Address:	33 S Gay St, Baltimore, MD 21202	Role:	Development Consultant
Email:	bcurran@ccadev.com	Phone:	410-685-6005
4. Management Entity:	Diane Rampersaud	This is a Related Entity.	FALSE
Firm Name:	Arco Multifamily Management LLC	DEI Designation?	FALSE
Address:	8855 Annapolis Rd, Suite 306, Lanham, MD 20706		
Email:	drampersaud@mmsgroup.com	Phone:	240-367-3911
5. Contractor:	Brian Revere	This is a Related Entity.	FALSE
Firm Name:	Breeden Construction	DEI Designation?	FALSE
Address:	1700 Bayberry Court, Suite 200, Richmond, VA 23226		
Email:	brianr@breedenconstruction.com	Phone:	804-364-4600
6. Architect:	Mike Steinfelt	This is a Related Entity.	FALSE
Firm Name:	Studio 343	DEI Designation?	FALSE
Address:	1912 D, Lincoln Dr, Annapolis, MD 21401		
Email:	mike@studio343.com	Phone:	410-267-6589
7. Real Estate Attorney:	Emilie Ninan	This is a Related Entity.	FALSE
Firm Name:	Ballard Spahr	DEI Designation?	FALSE
Address:	1909 K Street, NW, 12th Floor, Washington, DC 20006		
Email:	ninane@ballardspahr.com	Phone:	202-661-7668
8. Mortgage Banker:	Adam Diehl	This is a Related Entity.	FALSE
Firm Name:	Orix Real Estate Capital doing business as Lun	DEI Designation?	TRUE
Address:	10 W. Broad St, 8th Floor, Columbus, OH 43215		
Email:	adam.diehl@lument.com	Phone:	202-306-9580
9. Other:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:		Role:	
Email:		Phone:	

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... **TRUE**
Action: If true, provide an electronic copy of the Existing Condition Questionnaire and Appraisal
- b. This development has received a previous allocation of credits..... **FALSE**
 If so, in what year did this development receive credits?
- c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... **FALSE**
- d. This development is an existing RD or HUD S8/236 development..... **TRUE**
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..... **TRUE**

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

- a. Credits are being requested for rehabilitation expenditures..... **TRUE**

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

There is nonprofit involvement in this development..... TRUE (If false, go on 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..... TRUE

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: ▶ Other

Name: Huntington Housing, Inc.

Contact Person: Todd Travis

Street Address: 11810 Grand Park Ave, Suite 600

City: North Bethesda State: ▶ MD Zip: 20852

Phone: (301) 998-0400 Contact Email: todd@foundationhousing.com

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

Name of qualified nonprofit: Huntington Housing, Inc.

or indicate true if Local Housing Authority FALSE
Name of Local Housing Authority

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

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

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	93	bedrooms	93
Total number of rental units in development	93	bedrooms	93
Number of low-income rental units	93	bedrooms	93
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	93	bedrooms	93
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.....			55,559.00 (Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			0.00 (Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			55,559.00 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			0.00%
i. Exact area of site in acres	8.400		
j. Locality has approved a final site plan or plan of development.....			FALSE
If True, Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
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	577.48	SF	93	93
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			93	93

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)..... 11
- b. Age of Structure:..... 38 years
- c. Number of stories:..... 1

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

e. Commercial Area Intended Use: _____

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

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

H. STRUCTURE AND UNITS INFORMATION

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

i. Row House/Townhouse	TRUE	v. Detached Single-family	FALSE
ii. Garden Apartments	FALSE	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) _____

i. Roof Type	▶	Pitched
j. Construction Type	▶	Frame
k. Primary Exterior Finish	▶	Wood

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: _____

m. Number of Proposed Parking Spaces 108

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 K3**).

H. STRUCTURE AND UNITS INFORMATION

5. Plans and Specifications

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

6. Market Study Data: (MANDATORY)

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

Project Wide Capture Rate - LIHTC Units	0.00%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	0.00%
Project Wide Absorption Period (Months)	N/A

J. ENHANCEMENTS

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

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

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

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

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

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

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

- | | |
|-------|--|
| FALSE | a. A community/meeting room with a minimum of 749 square feet is provided. |
| 0.00% | b1. Percentage of brick covering the exterior walls. |
| 0.00% | 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 2022 Cycles</i> |
| FALSE | g. Each unit is provided free individual high speed internet access. |
| | or |
| 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 |
| | or |
| TRUE | l. Cooking surfaces are equipped with fire suppression features. |
| 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. |
| | r. <i>Not applicable for 2022 Cycles</i> |

J. ENHANCEMENTS

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

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

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

2. Green Certification

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

The applicant will also obtain one of the following:

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

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

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

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

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

- FALSE a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.
- b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:
0% of Total Rental Units

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

If not, please explain:

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

I. UTILITIES

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	77	0	0	0
Air Conditioning	0	0	0	0	0
Cooking	0	0	0	0	0
Lighting	0	0	0	0	0
Hot Water	0	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$77	\$0	\$0	\$0

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

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

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

K. SPECIAL HOUSING NEEDS

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

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

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

FALSE

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

TRUE 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)

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

K. SPECIAL HOUSING NEEDS

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

(If **True**, Virginia Housing policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties.)

Action: Provide Relocation Plan 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..... **FALSE**

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

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

% of total Low Income Units **0%**

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

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

3. Target Population Leasing Preference

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

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

First Name: _____

K. SPECIAL HOUSING NEEDS

Last Name: _____

Phone Number: _____

Email: _____

4. Rental Assistance

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

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

- FALSE** Rental Assistance Demonstration (RAD) or other PHA conversion to based rental assistance.
- FALSE** Section 8 New Construction Substantial Rehabilitation
- FALSE** Section 8 Moderate Rehabilitation
- FALSE** Section 8 Certificates
- TRUE** Section 8 Project Based Assistance
- FALSE** RD 515 Rental Assistance
- FALSE** Section 8 Vouchers
*Administering Organization: _____
- FALSE** State Assistance
*Administering Organization: _____
- FALSE** Other: _____

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

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

d. Number of units receiving assistance: **93**
 How many years in rental assistance contract? **20.00**
 Expiration date of contract: **8/31/2039**
 There is an Option to Renew..... **TRUE**

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

L. UNIT DETAILS

1. Set-Aside Election:

UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY

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

a. Units Provided Per Household Type:

Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
0	0.00%	40% Area Median	0%
0	0.00%	50% Area Median	0%
93	100.00%	60% Area Median	5580%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	
93	100.00%	Total	60.00%

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
0	0.00%	40% Area Median	0%
0	0.00%	50% Area Median	0%
93	100.00%	60% Area Median	5580%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	
93	100.00%	Total	60.00%

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

2. Unit Detail

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID

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

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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	60% AMI	73	0	512.00	\$885.00	\$64,605
Mix 2	1 BR - 1 Bath	60% AMI	3	0	789.00	\$885.00	\$2,655
Mix 3	1 BR - 1 Bath	60% AMI	9	0	578.00	\$885.00	\$7,965
Mix 4	1 BR - 1 Bath	60% AMI	3	0	575.00	\$885.00	\$2,655
Mix 5	1 BR - 1 Bath	60% AMI	2	2	789.00	\$942.00	\$1,884
Mix 6	1 BR - 1 Bath	60% AMI	1	1	578.00	\$942.00	\$942
Mix 7	1 BR - 1 Bath	60% AMI	2	2	575.00	\$942.00	\$1,884
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0

L. UNIT DETAILS

Mix 16								\$0
Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
Mix 30								\$0
Mix 31								\$0
Mix 32								\$0
Mix 33								\$0
Mix 34								\$0
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Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0
Mix 68								\$0
Mix 69								\$0
Mix 70								\$0

L. UNIT DETAILS

Mix 71								\$0
Mix 72								\$0
Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
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Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			93	5				\$82,590

Total Units	93	Net Rentable SF:	TC Units	49,976.00
			MKT Units	0.00
			Total NR SF:	49,976.00

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

M. OPERATING EXPENSES**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$1,030
2. Office Salaries			\$0
3. Office Supplies			\$4,116
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$47,262
<u>5.01%</u> of EGI	<u>\$508.19</u>	Per Unit	
6. Manager Salaries			\$36,380
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$6,587
9. Auditing			\$0
10. Bookkeeping/Accounting Fees			\$10,815
11. Telephone & Answering Service			\$3,090
12. Tax Credit Monitoring Fee			\$3,255
13. Miscellaneous Administrative			\$4,390
Total Administrative			\$116,925

Utilities

14. Fuel Oil			\$0
15. Electricity			\$10,345
16. Water			\$42,825
17. Gas			\$0
18. Sewer			\$79,988
Total Utility			\$133,158

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$6,180
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$3,551
23. Trash Removal			\$9,381
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$11,742
27. Grounds Contract			\$7,416
28. Maintenance/Repairs Payroll			\$56,992
29. Repairs/Material			\$18,540
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$2,472
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$0
Totals Operating & Maintenance			\$116,274

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$19,466
39. Payroll Taxes	\$7,293
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$37,914
42. Fidelity Bond	\$150
43. Workman's Compensation	\$1,295
44. Health Insurance & Employee Benefits	\$23,311
45. Other Insurance	\$0
Total Taxes & Insurance	\$89,429

Total Operating Expense	\$455,786
--------------------------------	------------------

Total Operating Expenses Per Unit	\$4,901	C. Total Operating Expenses as % of EGI	48.33%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$27,900
---	-----------------

Total Expenses	\$483,686
-----------------------	------------------

ACTION: Provide Documentation of Operating Budget at **Tab R** if applicable.

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	1/24/2022	Todd Travis
b. Site Acquisition	5/31/2022	Todd Travis
c. Zoning Approval	11/30/2021	Todd Travis
d. Site Plan Approval		
2. Financing		
a. Construction Loan		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
b. Permanent Loan - First Lien		
i. Loan Application	1/31/2022	Adam Diehl
ii. Conditional Commitment	4/1/2022	Adam Diehl
iii. Firm Commitment	5/1/2022	Adam Diehl
c. Permanent Loan-Second Lien		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
d. Other Loans & Grants		
i. Type & Source, List	Seller Note & Equity Bridge Loan	Todd Travis
ii. Application	3/1/2022	Todd Travis
iii. Award/Commitment	4/1/2022	Todd Travis
2. Formation of Owner	11/19/2021	Todd Travis
3. IRS Approval of Nonprofit Status	1/17/1995	
4. Closing and Transfer of Property to Owner	5/31/2022	Todd Travis
5. Plans and Specifications, Working Drawings	1/14/2022	Mike Steinfelt
6. Building Permit Issued by Local Government	5/1/2022	Brian Revere
7. Start Construction	7/1/2022	Brian Revere
8. Begin Lease-up	7/1/2022	Diane Rampersaud
9. Complete Construction	6/30/2023	Brian Revere
10. Complete Lease-Up	7/31/2023	Diane Rampersaud
11. Credit Placed in Service Date	7/31/2023	Todd Travis

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

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

Complete cost column and basis column(s) as appropriate

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

		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"
Item	(A) Cost			
Must Use Whole Numbers Only!				
1. Contractor Cost				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	4,602,431	0	0	4,602,431
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	4,602,431	0	0	4,602,431
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	4,602,431	0	0	4,602,431
r. General Requirements	276,146	0	0	276,146
s. Builder's Overhead	92,048	0	0	92,048
(2.0% Contract)				
t. Builder's Profit	276,146	0	0	276,146
(6.0% Contract)				
u. Bonds	0	0	0	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: _____	0	0	0	0
z. Other 2: _____	0	0	0	0
aa. Other 3: _____	0	0	0	0
Contractor Costs	\$5,246,771	\$0	\$0	\$5,246,771

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	20,000	0	0	20,000
b. Architecture/Engineering Design Fee \$1,796 /Unit)	167,000	0	0	167,000
c. Architecture Supervision Fee \$946 /Unit)	88,000	0	0	88,000
d. Tap Fees	0	0	0	0
e. Environmental	47,000	0	0	47,000
f. Soil Borings	10,000	0	0	10,000
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	15,000	0	0	15,000
i. Market Study	7,500	0	0	7,500
j. Site Engineering / Survey	45,000	0	0	45,000
k. Construction/Development Mgt	18,000	0	0	18,000
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	54,000	0	0	0
n. Construction Interest (0.0% for 0 months)		0	0	0
o. Taxes During Construction	0	0	0	0
p. Insurance During Construction	60,000	0	0	60,000
q. Permanent Loan Fee (1.0%)	75,316	0	0	0
r. Other Permanent Loan Fees	81,466	0	0	40,733
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	30,000	0	0	30,000
u. Accounting	55,199	0	0	27,600
v. Title and Recording	90,000	0	0	58,500
w. Legal Fees for Closing	295,000	0	0	142,500
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	56,714			
z. Tenant Relocation	200,000	0	0	0
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	35,000	0	0	0
ac. Operating Reserve	441,931	0	0	0
ad. Contingency	524,677	0	0	524,677
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

ag. Servicing Reserve	0			
(1) Other* specify: Marketing	3,854	0	0	0
(2) Other* specify: PCNA	7,500	0	0	7,500
(3) Other* specify: Bond Underwriting Fees	102,500	0	0	51,250
(4) Other* specify:		0	0	
(5) Other * specify: Bond Issuance/Trustee Fees	34,500	0	0	17,250
(6) Other* specify: Negative Arbitrage	20,357	0	0	0
(7) Other* specify: Tax/Insurance Escrow	18,957	0	0	0
(8) Other* specify: Replacement Reserves	93,000	0	0	0
(9) Other* specify: Equity Bridge Interest	133,571	0	0	66,785
Owner Costs Subtotal (Sum 2A..2(10))	\$2,831,042	\$0	\$0	\$1,444,295
Subtotal 1 + 2 (Owner + Contractor Costs)	\$8,077,813	\$0	\$0	\$6,691,066
3. Developer's Fees Action: Provide Developer Fee Agreement (Tab A)	1,672,766	167,276	0	1,505,490
4. Owner's Acquisition Costs				
Land	1,055,000			
Existing Improvements	9,075,000	9,075,000		
Subtotal 4:	\$10,130,000	\$9,075,000		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$19,880,579	\$9,242,276	\$0	\$8,196,556

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$1,672,767

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

\$175 **Meets Limits**
\$184

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

\$104,845 **Meets Limits**
\$213,970

2022 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	19,880,579	9,242,276	0	8,196,556

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)

9,242,276	0	8,196,556
-----------	---	-----------

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	0	2,458,967
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0
Total Adjusted Eligible basis	0	10,655,523

5. Applicable Fraction

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

6. Total Qualified Basis

(Eligible Basis x Applicable Fraction)

9,242,276	0	10,655,523
-----------	---	------------

7. Applicable Percentage

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

4.00%	4.00%	4.00%
-------	-------	-------

8. Maximum Allowable Credit under IRC §42

(Qualified Basis x Applicable Percentage)

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

\$369,691	\$0	\$426,221
\$795,912 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. Perm Loan Fannie Immediate		03/07/22	\$7,531,600	Adam Diehl
2. Seller Note			\$5,130,000	Todd Travis
3. LIHTC Equity Available During Construct		03/10/22	\$2,628,813	Rich McCauley
Total Construction Funding:			\$15,290,413	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. Perm Loan Fannie Immediate		3/7/2022	\$7,531,600	\$400,176	4.00%	35	17
2. Seller Note - Cash Flow Contingent			\$5,130,000				35
3. Reimbursement of COI			\$56,487				
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$12,718,087	\$400,176			

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.			
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$0

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	\$10,250,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$0
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

a.	Taxable Bonds	\$0
b.	Section 220	\$0
c.	Section 221(d)(3)	\$0
d.	Section 221(d)(4)	\$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: **99.54%**

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

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

[Empty text box for describing credit enhancements]

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

a. **FALSE** 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 [Empty text box]

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

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit				
Amount of Federal historic credits	\$0	x Equity \$	\$0.000	= \$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	= \$0

b. Equity that Sponsor will Fund:				
i. Cash Investment	\$0			
ii. Contributed Land/Building	\$0			
iii. Deferred Developer Fee	\$0			(Note: Deferred Developer Fee cannot be negative.)
iv. Other: 	\$0			

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

Equity Total \$0

2. Equity Gap Calculation

a. Total Development Cost	\$19,880,579	
b. Total of Permanent Funding, Grants and Equity	-	\$12,718,087
c. Equity Gap		\$7,162,492
d. Developer Equity	-	\$712
e. Equity gap to be funded with low-income tax credit proceeds		\$7,161,780

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	The Richman Group		
Contact Person:	Rich McCauley	Phone:	203-869-0900
Street Address:	777 West Putnam Ave		
City:	Greenwich	State:	▶
		Zip:	

b. Syndication Equity	
i. Anticipated Annual Credits	\$795,912.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.900
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	\$795,832
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$7,161,780

c. Syndication:	Private
d. Investors:	Corporate

4. Net Syndication Amount \$7,161,780

Which will be used to pay for Total Development Costs

5. Net Equity Factor 89.9910574237%

Must be equal to or greater than 85%

S. DETERMINATION OF RESERVATION AMOUNT NEEDED

The following calculation of the amount of credits needed is substantially the same as the calculation which will be made by Virginia Housing to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, Virginia Housing at all times retains the right to substitute such information and assumptions as are determined by Virginia Housing to be reasonable for the information and assumptions provided herein as to costs (including development fees, profits, etc.), sources for funding, expected equity, etc. Accordingly, if the development is selected by Virginia Housing for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$19,880,579</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u><u>\$12,718,087</u></u>
3. Equals Equity Gap		<u>\$7,162,492</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u><u>89.9910574237%</u></u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$7,959,115</u>
Divided by ten years		<u><u>10</u></u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$795,912</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$795,912</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$369,691</u>
	For 70% PV Credit:	<u>\$426,221</u>
Credit per LI Units	<u>\$8,558.1935</u>	
Credit per LI Bedroom	<u>\$8,558.1935</u>	
	Combined 30% & 70% PV Credit Requested	<u>\$795,912</u>

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

T. CASH FLOW

1. Revenue

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

Total Monthly Rental Income for LIHTC Units	\$82,590
Plus Other Income Source (list): <input type="text"/>	\$129
Equals Total Monthly Income:	\$82,719
Twelve Months	x12
Equals Annual Gross Potential Income	\$992,628
Less Vacancy Allowance <input type="text" value="5.0%"/>	\$49,631
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$942,997

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): <input type="text"/>	\$0
Equals Total Monthly Income:	\$0
Twelve Months	x12
Equals Annual Gross Potential Income	\$0
Less Vacancy Allowance <input type="text" value="0.0%"/>	\$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	\$942,997
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$942,997
d. Total Expenses	\$483,686
e. Net Operating Income	\$459,311
f. Total Annual Debt Service	\$400,176
g. Cash Flow Available for Distribution	\$59,135

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	942,997	961,857	981,094	1,000,716	1,020,730
Less Oper. Expenses	483,686	498,197	513,142	528,537	544,393
Net Income	459,311	463,660	467,951	472,179	476,337
Less Debt Service	400,176	400,176	400,176	400,176	400,176
Cash Flow	59,135	63,484	67,775	72,003	76,161
Debt Coverage Ratio	1.15	1.16	1.17	1.18	1.19

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,041,144	1,061,967	1,083,207	1,104,871	1,126,968
Less Oper. Expenses	560,725	577,546	594,873	612,719	631,101
Net Income	480,420	484,421	488,334	492,152	495,868
Less Debt Service	400,176	400,176	400,176	400,176	400,176
Cash Flow	80,244	84,245	88,158	91,976	95,692
Debt Coverage Ratio	1.20	1.21	1.22	1.23	1.24

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,149,508	1,172,498	1,195,948	1,219,867	1,244,264
Less Oper. Expenses	650,034	669,535	689,621	710,309	731,618
Net Income	499,474	502,963	506,327	509,557	512,646
Less Debt Service	400,176	400,176	400,176	400,176	400,176
Cash Flow	99,298	102,787	106,151	109,381	112,470
Debt Coverage Ratio	1.25	1.26	1.27	1.27	1.28

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: 11

Total Qualified Basis should equal total on Elig Basis Tab

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
		Street Address 1	Street Address 2	City	State	Zip														
1.		8		811 Randolph Ave		Cape Charles	VA	23310	\$795,031	05/31/22	4.00%	\$31,801	\$916,602	05/31/22	4.00%	\$36,664			\$0	
2.		5		813 Randolph Ave		Cape Charles	VA	23310	\$496,897	05/31/22	4.00%	\$19,876	\$572,878	05/31/22	4.00%	\$22,915			\$0	
3.		5		817 Randolph Ave		Cape Charles	VA	23310	\$496,897	05/31/22	4.00%	\$19,876	\$572,878	05/31/22	4.00%	\$22,915			\$0	
4.		12		819 Randolph Ave		Cape Charles	VA	23310	\$1,192,552	05/31/22	4.00%	\$47,702	\$1,374,906	05/31/22	4.00%	\$54,996			\$0	
5.		5		821 Randolph Ave		Cape Charles	VA	23310	\$496,897	05/31/22	4.00%	\$19,876	\$572,878	05/31/22	4.00%	\$22,915			\$0	
6.		5		823 Randolph Ave		Cape Charles	VA	23310	\$496,897	05/31/22	4.00%	\$19,876	\$572,878	05/31/22	4.00%	\$22,915			\$0	
7.		12		825 Randolph Ave		Cape Charles	VA	23310	\$1,192,552	05/31/22	4.00%	\$47,702	\$1,374,906	05/31/22	4.00%	\$54,996			\$0	
8.		12		827 Randolph Ave		Cape Charles	VA	23310	\$1,192,552	05/31/22	4.00%	\$47,702	\$1,374,906	05/31/22	4.00%	\$54,996			\$0	
9.		5		829 Randolph Ave		Cape Charles	VA	23310	\$496,897	05/31/22	4.00%	\$19,876	\$572,878	05/31/22	4.00%	\$22,915			\$0	
10.		12		831 Randolph Ave		Cape Charles	VA	23310	\$1,192,552	05/31/22	4.00%	\$47,702	\$1,374,906	05/31/22	4.00%	\$54,996			\$0	
11.		12		833 Randolph Ave		Cape Charles	VA	23310	\$1,192,552	05/31/22	4.00%	\$47,702	\$1,374,906	05/31/22	4.00%	\$54,996			\$0	
12.												\$0				\$0			\$0	
13.												\$0				\$0			\$0	
14.												\$0				\$0			\$0	
15.												\$0				\$0			\$0	
16.												\$0				\$0			\$0	
17.												\$0				\$0			\$0	
18.												\$0				\$0			\$0	
19.												\$0				\$0			\$0	
20.												\$0				\$0			\$0	
21.												\$0				\$0			\$0	
22.												\$0				\$0			\$0	
23.												\$0				\$0			\$0	
24.												\$0				\$0			\$0	
25.												\$0				\$0			\$0	
26.												\$0				\$0			\$0	
27.												\$0				\$0			\$0	
28.												\$0				\$0			\$0	
29.												\$0				\$0			\$0	
30.												\$0				\$0			\$0	
31.												\$0				\$0			\$0	
32.												\$0				\$0			\$0	
33.												\$0				\$0			\$0	
34.												\$0				\$0			\$0	
35.												\$0				\$0			\$0	

93 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$9,242,276

\$10,655,522

\$0

\$369,691

\$426,221

\$0

Qualified basis should not exceed values on Elig Basis.

Number of BINS: 11

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

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

V. STATEMENT OF OWNER

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

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

Legal Name of Owner:

By:

Its:

(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: _____
Virginia License#: _____
Architecture Firm or Company: _____

By: _____

Its: _____

(Title)

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

W. LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

MANDATORY ITEMS:

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

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

1. READINESS:

- a. Virginia Housing notification letter to CEO (via Locality Notification Information App)
- b. Local CEO Opposition Letter
- c. Plan of development < no points offered in Cycle 2022 >
- 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
N/A	0 pts for 2022	0.00
N	0 or 10	0.00
N	0 or 15	0.00
N	0 or 15	0.00
Total:		0.00

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
Y	0 or 20	20.00
0.00%	Up to 40	0.00
N	0 or 5	0.00
N	0 or 10	0.00
12%	0, 20, 25 or30	20.00
N	0 or 15	0.00
N	Up to 20	0.00
Total:		40.00

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			8.00
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. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
e. Development will be Green Certified	N	0 or 10	0.00
f. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
g. Developments with less than 100 low income units	Y	up to 20	2.80
h. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
Total:			<u>20.80</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$60,100	\$59,700

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

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	67.28
b. Cost per unit		Up to 100	100.00
Total:			<u>167.28</u>

7. BONUS POINTS:

a. Extended compliance	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	Y	0 or 60	60.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 30	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Diversity, Equity and Inclusion Designation	Y	0 or 5	5.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
Total:			<u>70.00</u>

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

TOTAL SCORE: **323.08**

Enhancements:

	Max Pts	Score
All units have:		
a. Community Room	5	0.00
b. Exterior walls constructed with brick and other low maintenance materials	40	0.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	0.00
f. N/A for 2022	0	0.00
g. Each unit provided free individual high speed internet access	10	0.00
h. Each unit provided free individual WiFi	12	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. N/A for 2022	0	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>7.00</u>
All elderly units have:		
t. Front-control ranges	1	1.00
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>1.00</u>
Total amenities:		<u>8.00</u>

X. Development Summary

Summary Information 2022 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Myrtle Landing Apartments

Cycle Type: 4% Tax Exempt Bonds Credits **Requested Credit Amount:** \$795,912
Allocation Type: N/A **Jurisdiction:** Northampton County
Total Units: 93 **Population Target:** Elderly
Total LI Units: 93
Project Gross Sq Ft: 55,559.00 **Owner Contact:** Todd Travis
Green Certified? FALSE

Total Score 323.08

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$12,718,087	\$136,754	\$229	\$400,176
Grants	\$0	\$0		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$4,602,431	\$49,489	\$83	23.15%
General Req/Overhead/Profit	\$644,340	\$6,928	\$12	3.24%
Other Contract Costs	\$0	\$0	\$0	0.00%
Owner Costs	\$2,831,042	\$30,441	\$51	14.24%
Acquisition	\$10,130,000	\$108,925	\$182	50.95%
Developer Fee	\$1,672,766	\$17,987	\$30	8.41%
Total Uses	\$19,880,579	\$213,770		

Total Development Costs	
Total Improvements	\$8,077,813
Land Acquisition	\$10,130,000
Developer Fee	\$1,672,766
Total Development Costs	\$19,880,579

Proposed Cost Limit/Sq Ft: \$175
Applicable Cost Limit/Sq Ft: \$184
Proposed Cost Limit/Unit: \$104,845
Applicable Cost Limit/Unit: \$213,970

Income		
Gross Potential Income - LI Units		\$992,628
Gross Potential Income - Mkt Units		\$0
Subtotal		\$992,628
Less Vacancy %	5.00%	\$49,631
Effective Gross Income		\$942,997

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$116,925	\$1,257
Utilities	\$133,158	\$1,432
Operating & Maintenance	\$116,274	\$1,250
Taxes & Insurance	\$89,429	\$962
Total Operating Expenses	\$455,786	\$4,901
Replacement Reserves	\$27,900	\$300
Total Expenses	\$483,686	\$5,201

Cash Flow	
EGI	\$942,997
Total Expenses	\$483,686
Net Income	\$459,311
Debt Service	\$400,176
Debt Coverage Ratio (YR1):	1.15

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	93
# of 2BR	0
# of 3BR	0
# of 4+ BR	0
Total Units	93

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	93	93
>60% AMI	0	0
Market	0	0

Income Averaging? FALSE

Extended Use Restriction? 30

i. Efficient Use of Resources

Credit Points for 9% Credits:

* 4% Credit applications will be calculated using the E-U-R TE Bond Tab

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

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

Combined Max	\$795,912
Credit Requested	\$795,912
% of Savings	0.00%
Sliding Scale Points	0

4% Deals EUR Points 67.28

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	\$9,750,579
Total Square Feet	55,559.00
Proposed Cost per SqFt	\$175.50
Applicable Cost Limit per Sq Ft	\$184.00
% of Savings	4.62%
Total Units	93
Proposed Cost per Unit	\$104,845
Applicable Cost Limit per Unit	\$213,970
% of Savings	51.00%
Max % of Savings	51.00%
Sliding Scale Points	100.00

\$/SF = **\$330.89** Credits/SF = **14.819896** Const \$/unit = **\$56,416.89**

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

12000
600
3

600
3

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

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	577.48	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	93	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	12,897	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	12,897	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	12,897	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	8,558	0	0	0	0
CREDIT PER UNIT POINTS	0.00	0.00	67.28	0.00	0.00	0.00	0.00

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0	0
CREDIT PER UNIT POINTS	0.00							

TOTAL CREDIT PER UNIT POINTS **67.28**

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	12,897	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	12,897	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0							

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

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	12,897	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	12,897	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0							

A

Partnership or Operating Agreement

Including **chart of ownership structure with percentage of interests** and **draft developer fee agreement**
(MANDATORY)

**OPERATING AGREEMENT
FOR
MYRTLE LANDING RENEWAL LLC**

THIS OPERATING AGREEMENT (as amended from time to time in accordance with the provisions hereof, the “**Agreement**”) is made and entered into as of the day of December 20th, 2021, by **MYRTLE LANDING MANAGER LLC**, a Virginia limited liability company.

ARTICLE I

Introduction

Section 1.1. Formation of Limited Liability Company. The Member, desiring to form a Virginia limited liability company under the Virginia Limited Liability Company Act (as amended from time to time, the “**Act**”) have made this Agreement and has caused Articles of Organization to be executed and filed with the Commonwealth of Virginia State Corporation Commission (the “**Articles**”). The Articles are attached hereto as Exhibit B. The Company's business shall be conducted under the name “Myrtle Landing Renewal LLC.”

This Agreement is subject to, and governed by, the Act and the Articles. In the event of a direct conflict between the provisions of this Agreement and either the Articles or the mandatory provisions of the Act, such provisions of the Articles or the Act, as the case may be, will be controlling.

Section 1.2. Defined Terms. The terms defined in the Preamble hereto and in Section 1.1 shall have the meanings specified therein, and all other capitalized terms used in this Agreement shall have the meanings set forth below.

1.2.1. “Accountants” means such accounting firm as may be retained from time to time by the Member.

1.2.2. “Additional Member” means any individual or Entity admitted as a Member pursuant to Section 2.6 hereof.

1.2.3. “Affiliate” or “Affiliated Person” means any Person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, a Member. The term “control” as used in the immediately preceding sentence, means, with respect to a corporation, the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the controlled corporation, and, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled Person.

1.2.4. “Authorized Person” means each of those persons who shall be authorized by the Member acting pursuant to Article III to execute or file documents on behalf of the Company and to otherwise act as its agent.

1.2.5. “Available Cash” of the Company means all cash funds of the Company on hand from time to time (other than cash funds obtained as contributions to the capital of the Company by the Members and cash funds obtained from loans to the Company) after (i) payment of all operating expenses of the Company as of such time, (ii) provision for payment of all outstanding and unpaid current obligations of the Company as of such time, and (iii) provision for a working capital reserve in accordance with Section 5.2 below.

1.2.6. “Capital Account” of the Member means the account established and maintained for the Member pursuant to Section 2.4. hereof.

1.2.7. “Capital Contribution” means the total value of cash and agreed fair market value of tangible and intangible property contributed and agreed to be contributed to the Company by the Member, as shown in Exhibit A, as the same may be amended from time to time. Any reference in this Agreement to the Capital Contribution of a then Member shall include a Capital Contribution previously made by any prior Member in respect of the interest of the then Member, reduced by any distribution to such Member in return of “Capital Contribution” as contemplated herein.

1.2.8. “Code” means the Internal Revenue Code of 1986, as amended. All references herein to sections of the Code shall include any corresponding provision or provisions of succeeding law.

1.2.9. “Company” means Myrtle Landing Renewal LLC, the limited liability company to be formed under the Act upon the filing of the Articles and the subject of this Agreement.

1.2.10. “Entity” means any association, corporation, general partnership, limited partnership, limited liability company, limited liability partnership, joint stock association, joint venture, firm, trust, syndicate, business trust or cooperative, and any foreign associations of like structure.

1.2.11. “Interest” in the Company means the entire ownership interest of the Member in the Company at any particular time, including the right of the Member to any and all benefits to which the Member may be entitled as provided in this Agreement and under the Act, together with the obligations of the Member to comply with all of the terms and provisions of this Agreement.

1.2.12. “Manager” means Myrtle Landing Manager LLC.

1.2.13. “Member” means Myrtle Landing Manager LLC and any Additional Member.

1.2.14. “Person” means any individual or Entity.

1.2.15. “Principal Office” means the principal business office of the Company as established from time to time by the Member, initially being 11810 Grand Park Avenue, Suite 600, Rockville, Maryland 20852.

1.2.16. "Regulations" means the federal income tax regulations promulgated under the Code, as amended from time to time and including corresponding provisions of succeeding regulations.

1.2.17. "Resident Agent" means the resident agent as provided in the Articles attached hereto as Exhibit B, and any successor resident agent as provided in the Act.

1.2.18. "Term" shall refer to the term of this Company, beginning on the date the Articles are filed and being perpetual in duration, unless terminated pursuant to the Act or the terms of this Agreement.

Section 1.3. Company Purpose. The Company's business shall be to (a) to conduct any legal business, including, without limitation, the development, acquisition and ownership of real estate, participation with other entities involved in the same, and ownership and rehabilitation of the apartment project located in Cape Charles, Virginia known as Myrtle Landing Apartments; (b) to have and exercise powers now or hereafter conferred by laws of the Commonwealth of Virginia on limited liability companies pursuant to the Act; and (c) to do any and all things necessary, convenient or incidental to achievement of the foregoing.

ARTICLE II

Member and Membership Interests

Section 2.1. Name and Address of Member; Principal Office. The Member, the Member's address, and their initial Capital Contributions to the Company are set forth on Exhibit A attached hereto and made a part hereof.

Section 2.2. Form of Contributions. The initial Capital Contributions were in the form and in the amounts or values provided in Exhibit A. Subsequent contributions shall be in such amounts and may be in any type of property as may be determined by the Member. The Member shall not be required to make any Capital Contribution to the Company other than the initial Capital Contribution except as may be provided under Section 2.4 hereof.

Section 2.3. Member Loans or Services. Loans by the Member to the Company shall not be considered contributions to the capital of the Company. Services may be considered contributions to capital if so determined by the Member.

Section 2.4. Capital and Capital Accounts.

2.4.1. An individual Capital Account shall be established and maintained on behalf of each Member, including any additional or Substitute Member who shall hereafter receive an Interest in the Company. The Capital Account of each Member shall consist of (i) the amount of cash such Member has contributed to the Company plus (ii) the agreed fair market value of any tangible or intangible property such Member has contributed to the Company, net of any liabilities assumed by the Company or to which such property is subject, plus (iii) the amount of profits or income (including tax-exempt income and any other item required to be credited for proper maintenance of

capital accounts by the Regulations under Section 704(b) of the Code) allocated to such Member, less (iv) the amount of losses and deductions allocated to such Member, less (v) the amount of all cash distributed to such Member, less (vi) the fair market value of any property distributed to such Member, net of any liability assumed by such Member or to which such property is subject, and less (vii) such Member's share of any other expenditures which are not deductible by the Company for federal income tax purposes and which are not allowable as additions to the basis of Company property; all, however, subject to such other adjustments as may be required for proper maintenance of capital accounts by the Regulations under Section 704(b) of the Code. The Capital Account of a Member shall not be affected by any adjustments to basis made pursuant to Section 743 of the Code but shall be adjusted with respect to adjustments to basis made pursuant to Section 734 of the Code.

2.4.2. The opening entry for the Member shall be the Member' Capital Contribution as set forth on Exhibit A. No interest shall be paid on any Capital Contribution.

Section 2.5. Contribution of Additional Capital. Additional capital may be contributed to the Company.

Section 2.6. Admission of Additional Member. The Member may admit to the Company additional Member(s) who will participate in the profits, losses, available cash flow, and ownership of the assets of the Company on such terms as are determined by the Member. Such Additional Member shall be allocated gain, loss, income, or expense by such method as may be provided in this Agreement, or any amendment thereto.

Section 2.7. Limitation of Liability. The Member shall not be liable under a judgment, decree, or order of the court, or in any other manner, for a debt, obligation, or liability of the Company, except as otherwise required by law, it being the intent of the Member to have the fullest limitation of liability allowed by law. The Member shall not be required to loan any funds to the Company. Except as may be expressly provided otherwise herein, the Member shall not be required to make any contribution to the Company by reason of any negative balance in the Member' Capital Account, nor shall any negative balance in the Member' Capital Account create any liability on the part of the Member to any third party.

ARTICLE III

Management and Control of Business

Section 3.1. Overall Management Vested in Manager. Management for the purpose of the business of the Company shall be vested in the Manager of the Company and all powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Manager. The Member may appoint any natural person as Manager and may appoint such officers and hire such employees, and may invest such officers and employees with such duties, as the Member deems appropriate. The Member hereby appoints Myrtle Landing Manager LLC as the initial Manager of the Company, to serve until its successor is duly appointed by the Member in accordance herewith.

Section 3.2. Authorized Persons. Any Authorized Person duly authorized by the Member may execute any document or instrument authorized to be executed on behalf of the Company without the necessity of joinder by the Member, Manager or any other person. Any duly Authorized Person and any officer or employee designated by the Manager shall have authority to sign checks.

Section 3.3. Conduct of Business. In the conduct of its business activities, the Company shall:

- (i) maintain books and records separate from those of any other person or entity, including the Member;
- (ii) refrain from commingling its assets with those of any other entity, including the Member;
- (iii) conduct its own business in its own name;
- (iv) maintain financial statements separate and apart from any other entity, including the Member;
- (v) pay its own liabilities out of its own funds;
- (vi) observe all limited liability company formalities including without limitation holding all meetings and obtaining all consents required by this Agreement;
- (vii) maintain an arm's-length relationship with its affiliates;
- (viii) pay the salaries of its own employees;
- (ix) not guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of others, including the Member;
- (x) allocate fairly and reasonably any overhead for shared office space or other similar expenses;
- (xi) use separate invoices, checks and stationary; and
- (xii) hold itself out as and operate as a separate entity.

ARTICLE IV

Accounting and Records

Section 4.1. Records and Accounting.

4.1.1. The books and records of the Company shall be kept, and the financial position and the results of its operations recorded using the accrual method and otherwise in accordance with

the accounting methods elected to be followed by the Company for federal income tax purposes. The books and records of the Company shall reflect all Company transactions and shall be appropriate and adequate for the Company's business.

4.1.2. The Member may engage an employee of the Company to be responsible for: authenticating the records of the Company, including keeping correct and complete books of account which show accurately at all times the financial condition of the Company, safeguarding all funds, notes, securities, and other valuables which may from time to time come into possession of the Company, depositing all funds of the Company with such depositories as the Member shall designate. Such employee shall have such other duties as the Member may from time to time prescribe, but under no circumstances shall such employee have any of the rights, powers, responsibilities, or duties of the Member of the Company as prescribed herein or by law.

Section 4.2. Accounting Decisions. All decisions as to accounting matters, except as otherwise specifically set forth herein, shall be made by the Manager. The Manager may rely upon the advice of the Accountants as to whether such decisions are in accordance with applicable accounting methods for federal income tax or general accounting purposes.

Section 4.3. Federal Income Tax Elections. The Company may make all elections for federal income tax purposes, including but not limited to, the following:

(a) to the extent permitted by applicable law and regulations, the election to use an accelerated depreciation method on any depreciable unit of the assets of the Company;

(b) in case of a transfer of all or part of a Member's Interest or the distribution to the Member of Company property, the election pursuant to Sections 734, 743 and 754 of the Code to adjust the basis of the assets of the Company; and

(c) the election to “check the box” to be treated as a partnership for federal income tax purposes.

ARTICLE V

Allocations; Distributions; Interests

Section 5.1. Allocation of Net Income, Net Loss or Capital Gains. In accordance with the Code and Resolutions, all net income or net loss and/or capital gains of the Company for each fiscal year of the Company shall be allocated to the Member.

Section 5.2. Distribution of Available Cash. Upon the decision of the Member, the Available Cash of the Company, if any, shall be distributed to the Member, or in such other manner as the Member may decide. Available Cash of the Company shall not be distributed if such cash is required to maintain a reasonable working capital reserve for the Company.

Section 5.3. Allocation of Income and Loss and Distributions in respect of Interests Transferred.

5.3.1. If any Interest in the Company is transferred, or is increased or decreased by reason of the admission of a new Member or otherwise, during any fiscal year of the Company, each item of income, gain, loss, deduction, or credit of the Company for such fiscal year shall be assigned pro rata to each day in the particular period of such fiscal year to which such item is attributable (i.e., the day on or during which it is accrued or otherwise incurred) and the amount of each such item so assigned to any such day shall be allocated to the Member based upon his or her respective Interest in the Company at the close of such day. For the purpose of accounting convenience and simplicity, the Company may treat a transfer of, or an increase or decrease in, an Interest in the Company which occurs at any time during a monthly period (commencing with the monthly period including the date hereof) as having been consummated on the first day of the calendar month following such monthly period, regardless of when during such monthly period such transfer, increase or decrease actually occurs (i.e., sales and dispositions made during any month will be deemed to have been made on the first (1st) day of the next calendar month).

5.3.2. Distributions of Company assets in respect of an Interest in the Company shall be made only to the Member who, according to the books and records of the Company, are the holders of record of the Interests in respect of which such distributions are made on the actual date of distribution. Neither the Company nor the Member shall incur any liability for making distributions in accordance with the provisions of the preceding sentence, whether or not the Company or the Member has knowledge or notice of any transfer or purported transfer of ownership of Interest in the Company. Notwithstanding any provision above to the contrary, gain or loss of the Company realized in connection with a sale or other disposition of any of the assets of the Company shall be allocated solely to the parties owning Interests in the Company as of the date such sale or other disposition occurs.

ARTICLE VI

Changes in Member

Section 6.1. Dissolution.

6.1.1. There shall be no events of dissolution except as required by applicable law, or by Section 7.1.1.

6.1.2. Upon the occurrence of a mandatory event of dissolution under applicable law, the Company shall dissolve and its affairs shall be wound up and its properties liquidated, in accordance with Section 7.1.2.

Section 6.2. Transfer and Assignment of Member's Interest; Admission of Additional Member. The Member shall be entitled to assign, convey, sell, pledge, hypothecate, encumber or in any way alienate (hereinafter, collectively a "**Transfer**") all or any part of its Interest in the Company. No transferee or Additional Member shall become a Member, however, unless or until such transferee agrees in writing to be bound by this Agreement as the same may be amended to accommodate such admission.

Section 6.3. Effect of Transfer. Any permitted transfer of all or any portion of the Member's Interest in the Company will take effect on the first day of the month following such transfer.

ARTICLE VII

Termination

Section 7.1. Termination of the Company.

7.1.1. The Company shall be dissolved, its assets shall be disposed of, and its affairs wound up on the first to occur of the following:

- (i) a determination by the Member that the Company should be so dissolved;
- (ii) the occurrence of a mandatory event of dissolution under applicable law;
- (iii) the termination of both Member' existence; or
- (iv) at such earlier time as may be required by applicable law.

7.1.2. In settling accounts of the Company after dissolution, the liabilities of the Company shall be entitled to payment in the following order, all as required by the Act:

- (i) liabilities to creditors, in the order of priority as provided by law, except liabilities to the Member of the Company on account of their contributions;
- (ii) liabilities to the Member of the Company in respect of their share of the profits and other compensation by way of income on its contributions; and
- (iii) liabilities to the Member of the Company in respect of their contributions to capital.

ARTICLE VIII

Indemnification

Section 8.1. Liability and Indemnification of the Member and Authorized Persons.

8.1.1. No Authorized Person shall be liable, responsible or accountable, in damages or otherwise, to the Member for any act performed by it within the scope of the authority conferred on it by this Agreement, except for acts of fraud, willful misconduct or gross negligence.

8.1.2. The Member and each Authorized Person shall be entitled to indemnity from the Company for any act performed by it in good faith and within the scope of the authority conferred on it by or pursuant to this Agreement, except for acts of fraud, willful misconduct or gross negligence

and for damages arising from any material misrepresentation herein or material breach of warranty herein.

8.1.3. Any indemnity under this Section 8.1. shall be provided out of and to the extent of Company assets only, and the Member shall not have any personal liability on account thereof beyond their Capital Contribution.

8.1.4. The Company may purchase and maintain insurance for its benefit, the benefit of the Member or any Authorized Person who is entitled to indemnification under this Section or both, against any liability asserted against or incurred by the Member or Authorized Person in any capacity or arising out of the Member' or such Authorized Person's service with the Company, whether or not the Company would have the power to indemnify such individual against such liability.

ARTICLE IX

Miscellaneous

Section 9.1. Effect of Agreement. This Agreement is intended to be the Operating Agreement of the Company within the meaning of the Act.

Section 9.2. Governing Law. This Agreement and the rights of the parties hereunder will be governed by, interpreted and enforced in accordance with, the laws of the Commonwealth of Virginia.

Section 9.3. Binding Effect. Subject to the provisions of this Agreement relating to transferability, this Agreement will be binding upon and inure to the benefit of the Member and its respective distributees, heirs, successors and assigns.

Section 9.4. Terms. Common nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the Person may in the context require.

Section 9.5. Headings. All headings herein are inserted only for convenience and ease of reference and in no way define, limit or describe the scope of this Agreement or the intent of the provisions thereof and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 9.6. Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under the present or future laws effective during the term of this Agreement, such provision will be fully severable; this Agreement will be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, but with due regard to the intent of the Member, and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

Section 9.7. No Third Party Beneficiary. This Agreement is made solely and specifically by and for the benefit of the party hereto, and its respective successors and assigns subject to the

express provisions hereof relating to successors and assigns, and no other Person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

Section 9.8. Amendments. This Agreement may not be amended except by written amendment signed by the Member.

Section 9.9. Title to Company Property. Legal title to all property of the Company will be held and conveyed in the name of the Company.

Section 9.10. Virginia Housing-Required Language. Notwithstanding any other provision of this Agreement, this limited liability company and the members shall be subject to regulation and supervision by the Authority in accordance with the Virginia Housing Act, the Rules and Regulations of the Authority, and the Regulatory Agreement assumed or to be assumed by this limited liability company and shall be further subject to the exercise by the Authority of the rights and powers conferred on the Authority thereby. Notwithstanding any other provision of this Agreement, the Authority may rely upon the continuing effect of this provision which shall not be amended, altered, waived, supplemented or otherwise changed without the prior written consent of the Authority.

Section 9.11. Purchase Option and Right of First Refusal. After the close of the mandatory fifteen (15) year compliance period for the low-income housing tax credit for the Project (the “**Compliance Period**”) as determined under Section 42(i)(1) of the Internal Revenue Code of 1986, as amended (the “**Code**”), Huntington Housing, Inc. shall have the right of first refusal to acquire the Project for a price not to exceed the outstanding debt and exit taxes, as further set forth in that certain Purchase Option attached hereto as Exhibit C to be recorded in the appropriate recorder’s office of Northampton County, Virginia.

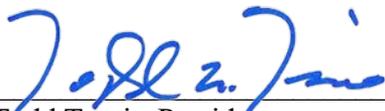
Remainder of page intentionally left blank. Signature page follows.

IN WITNESS WHEREOF, the Member have executed this Agreement on the date set forth opposite its signature, effective as of the date first written above.

MEMBER:

MYRTLE LANDING MANAGER LLC,
a Virginia limited liability company

By: Huntington Housing, Inc.,
a Maryland nonstock corporation

By: 

Todd Travis, President

OPERATING AGREEMENT

FOR

MYRTLE LANDING RENEWAL LLC

EXHIBIT A

<u>Member</u>	<u>Address</u>	<u>Percentage Interest</u>	
Myrtle Landing Manager LLC	11810 Grand Park Avenue, Suite 600, North Bethesda, MD 20852	100%	

EXHIBIT B

Articles of Organization

EXHIBIT C

Purchase Option and Right of First Refusal Agreement

MYRTLE LANDING ORGANIZATIONAL CHART – CURRENT

Myrtle Landing Renewal LLC
a Virginia limited liability company
EIN: 87-3787281
Formed: 11/19/2021
OWNER

Myrtle Landing Manager LLC
a Virginia limited liability company
EIN: 87-3823758
Formed: 11/19/2021
100% Managing Member

Huntington Housing, Inc.
a Maryland nonprofit corporation and
501(C)3 organization
EIN: 52-1879282
Sole Member/Manager (100.00%)
Directors:
Jason Goldblatt, Gregory O’Dell, Benjamin M
Soto
Officers:
Todd Travis – President
Cassandra Palanza – Vice President
Christina Schmiedel - Secretary

MYRTLE LANDING ORGANIZATIONAL CHART - PROPOSED

Myrtle Landing Renewal LLC
a Virginia limited liability company
EIN: 87-3787281
Formed: 11/19/2021
OWNER

Myrtle Landing Manager LLC
a Virginia limited liability company
EIN: 87-3823758
Formed: 11/19/2021
.01% Managing Member

Renewal Holdings LLC
A Delaware limited liability company
EIN: 45-4701141
99.99% Investor Member
(Placeholder for LIHTC Equity Investor)

Huntington Housing, Inc.
a Maryland nonprofit corporation and
501(C)3 organization
EIN: 52-1879282
Sole Member/Manager (100.00%)
Directors:
Jason Goldblatt, Gregory O'Dell, Benjamin M Soto
Officers:
Todd Travis – President
Cassandra Palanza – Vice President
Christina Schmiedel- Secretary

Renewal Housing, Inc.
a Maryland nonprofit corporation and
501(C)3 organization
EIN: 52-1965128
Sole Member/Manager (100.00%)
Directors:
Jason Goldblatt, Jon Shiffman, Benjamin M Soto
Officers:
Todd Travis – President
Randall Kelly – VP
Robert Custer - Secretary

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “Agreement”) is made and entered into effective as of the ___ day of March 2022 by and between Huntington Housing, Inc. a Maryland nonprofit corporation and 501(C)3 organization (the “Developer”), and Myrtle Landing Renewal LLC, a Virginia limited liability company (the “Company”).

WITNESSETH:

WHEREAS, the Company has been formed for the purposes, *inter alia*, of acquiring, financing, owning, constructing, developing, maintaining, improving, operating, leasing and selling or otherwise disposing of certain real property together with all improvements, furnishings, equipment and personal property to be located thereon (together, the land and improvements are known as Myrtle Landing Apartments and will be collectively referred to as the “Project”), which Project is intended to be rented and managed in order that it will qualify for the low-income housing tax credit provided in Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”);

WHEREAS, in order to effectuate the purposes for which it has been formed, the Company has engaged the services of the Developer with respect to overseeing the development of the Project for the Company; and

WHEREAS, the parties desire to enter into this Agreement that amends and restates in total any and all prior agreements and sets forth the obligations of, and the services to be performed by, the Developer and the compensation for such services.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Obligations of the Developer. The Developer shall have the following duties, to the extent they have not already been performed:

(a) to assist, advise and consult on the selection of and provide coordination and supervision of the architect and engineer in connection with the preparation of and any changes to the site plan for the Project and the renderings, drawings and specifications for construction of Improvements (the “Plans and Specifications”);

(b) to be cognizant of and advise the Company with respect to any and all rules or regulations, city ordinances, including health and fire safety regulations, or any other requirements of law or governmental authorities applicable to the development and construction of the Improvements and to coordinate the services of professionals in connection therewith;

(c) to assist, coordinate and supervise the obtaining of all necessary building permits and approvals for and in connection with the development and construction of the Project;

(d) to consult, advise and assist in preparing a development and construction budget and pro forma cash flow projections and coordinating professionals in connection therewith;

(e) to cooperate and coordinate with the construction contractors appointed by the Company;

(f) to otherwise use commercially reasonable best efforts to coordinate, supervise and cause the development and construction of the Project on a timely basis and within the contemplated budget;

(g) to record the progress on all of the foregoing, and, as requested, submit written progress reports to the Company; and

(h) to maintain or cause to be maintained at its sole cost and expense all off-site office and accounting facilities and equipment necessary to adequately perform all functions of Developer specified herein.

The Developer may retain the services of independent consultants, provided the Company shall have no responsibility to such independent parties.

Section 2. Development Fee. In consideration of the performance by the Developer of the development services described herein, the Company shall pay to the Developer a development fee (the "Development Fee") in the amount set forth on Exhibit A attached hereto. The Company and the Developer acknowledge that specific portions of the Development Fee shall be earned by Developer as certain benchmarks are satisfied as more particularly described on Exhibit A, but in any event, all of the Development Fee shall be earned upon Stabilization and Receipt of 8609's. All amounts due and payable hereunder shall be paid in accordance with Section _____ of the Amended and Restated Operating Agreement of the Company dated as of _____, 2021. Developer shall not be compensated for, and no portion of the Development Fee shall apply to, services in connection with the development of nonresidential improvements, the organization or syndication of the Company, obtaining an allocation of Credits or securing Project financing other than construction financing, it being the understanding between the parties hereto that all such listed activities and services are the exclusive responsibility of the Company, the Managing Member and/or consultants or others engaged by the Company.

Section 3. Termination of Duties and Responsibilities of Developer. The Developer shall have no further duties or obligations hereunder after Stabilization and Receipt of 8609's including completion of all punch list items. The Developer's duties, responsibilities and rights hereunder shall not be terminated by the Company except for "cause" as finally determined by a court of competent jurisdiction. For purposes hereof, "cause" shall mean fraud, dishonesty,

reckless disregard for customary practices and intentional misconduct after at least 30 days' prior notice and opportunity to cure.

Section 4. Miscellaneous.

(a) This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any of the parties hereto without the written consent of the other party, except that the Developer may assign its rights but not its duties under this Agreement.

(b) The descriptive paragraph headings of this Agreement are inserted for convenience only and are not intended to and shall not be construed to limit, enlarge, or affect the scope or intent of this Agreement nor the meaning of any provision hereof.

(c) This Agreement and the rights and obligations of the parties hereto shall be governed and construed and enforced in accordance with the laws of the Commonwealth of Virginia.

(d) This Agreement embodies the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings related to such subject matter, and it is agreed that there are no terms, understandings, representations or warranties, express or implied, other than those set forth herein.

(e) This Agreement shall not be amended or modified in any respect without the prior written consent of each party hereto.

(f) No party hereto shall file or attempt to file this Agreement of record.

(g) This Agreement and the obligations of the Developer hereunder are solely for the benefit of the Company and its Members and no benefits to third parties are intended.

(h) In the event any provision hereof is deemed to be unenforceable or against public policy, then such provision shall be deemed omitted from this Agreement and to the extent possible such provision shall be replaced with an enforceable provision which corresponds with the spirit of the omitted provision, and no other provision of this Agreement shall be affected by such omission or unenforceability.

(i) The parties agree that the prevailing party in any action or dispute involving litigation concerning the subject matter hereof, shall be entitled to attorneys' fees and court costs.

(j) The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

(k) All capitalized terms herein shall have the same meanings as set forth in the Company Agreement, except as otherwise expressly set forth herein.

Section 5. Notice. Any notice required to be given hereunder shall be in writing and mailed by certified mail, postage prepaid, or hand delivered with receipt of service simultaneously to all parties at the addresses set forth in the Operating Agreement. Each party shall have the right to change its address for the receipt of notices, upon the giving of proper notice to all other parties hereto. Whenever a period of time is to be computed from the date of receipt of an item of certified mail, such period shall be computed from the fifth day following the date of mailing if delivery of the certified mail item is refused by the party to whom it was directed.

Section 6. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

Section 7. Responsibilities of the Company. In order for the Developer to perform duties described herein, the Company shall:

- (a) provide full information regarding its requirements for the Project;
- (b) designate a representative who shall be fully acquainted with the scope of the work and has authority to render decisions promptly and furnish information expeditiously; and
- (c) if the Company becomes aware of any fault or defect in the Project or nonconformance with any contract or other documents, it shall give prompt written notice thereof to the Developer.

Section 8. Independent Contractor. The parties hereto do not intend to create a Company or any similar association for any purpose. The Developer shall be an independent contractor for all purposes.

IN WITNESS WHEREOF, the parties have executed this Development Agreement on the date and year first above written.

DEVELOPER:

By: Huntington Housing, Inc., a Maryland nonprofit corporation and 501(C)3 organization

By: _____
Todd Travis
President

COMPANY:

MYRTLE LANDING RENEWAL LLC, a Virginia limited liability company

By: Myrtle Landing Manager LLC, a Virginia limited liability company

By: Huntington Housing, Inc. its sole member

By: _____
Todd Travis
President

EXHIBIT A
FEE SCHEDULE

Total Development Fee \$1,672,766

Earned in accordance with the following schedule:

Closing	33.33%
Achieving 100% Completion	33.33%
Stabilization and 8609's	<u>33.33%</u>
	100%

- (i) \$557,588 upon receipt by the Company of the First Installment;
- (ii) \$557,588 upon receipt by the Company of the Second Installment;
- (iii) \$557,588 upon receipt by the Company of the Third Installment;
- (iv) any amounts not paid from an Installment, projected to be \$0 shall (1) accrue interest at the rate of 3.50% per annum, compounded annually, and (2) be payable from Net Cash Flow as provided in Section _____ of the Operating Agreement and/or from proceeds available for such purpose upon the occurrence of any of the events described in Section ____ of the Operating Agreement.

B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, November 19, 2021

This is to certify that the certificate of organization of

Myrtle Landing Renewal 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: November 19, 2021



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

AT RICHMOND, NOVEMBER 19, 2021

The State Corporation Commission has found the accompanying articles of organization submitted on behalf of

Myrtle Landing Renewal LLC

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF ORGANIZATION

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective November 19, 2021.

The limited liability company is granted the authority conferred on it by law in accordance with the articles of organization, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By

A handwritten signature in black ink that reads "Angela Navarro". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Angela L. Navarro
Commissioner



**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

Office of the Clerk

November 19, 2021

Colleen Humes
11 Sherwood Court
Dover, DE, 19904

RECEIPT

RE: Myrtle Landing Renewal LLC
ID: 11308902
FILING NO: 2111193887617
WORK ORDER NO: 202111192182470

Dear Customer:

This is your receipt for \$100.00 to cover the fee for filing articles of organization for a limited liability company with this office.

The effective date of the certificate of organization is November 19, 2021.

If you have any questions, please call (804) 371-9733 or toll-free 1-866-722-2551.

Sincerely,

Bernard J. Logan
Clerk of the Commission

Delivery Method: Email

C

Principal's Previous
Participation Certification
(MANDATORY)

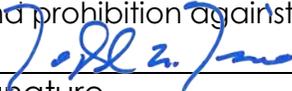
Previous Participation Certification, cont'd

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

Please see attached
Word Document

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

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



Signature

Todd Travis

Printed Name

3/9/2022

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

Explanation of Noncompliance

In October 2021, Minnesota Housing Finance Agency (“MHFA”) issued a noncompliance 8823 to Eastport Renewal LLC, a Minnesota limited liability company, (the “Owner”) the Owner of Eastport Apartments in Mankato, Minnesota for being out of compliance with IRC 42. The Owner is disaffiliated with Myrtle Landing Renewal LLC but an officer of the Owner is an officer of Myrtle Landing Renewal LLC.

The Management agent, not the contemplated management agent for Myrtle Landing Apartments moved in an ineligible household by miscalculating the income of the tenants. MHFA pointed it out in a file audit and issued the 8823. The unit will remain in a credit loss status until a qualified tenant moves in, expected to occur in the next few months as the existing household is under eviction for noncompliance of their lease.

D

List of LIHTC Developments

(Schedule A)
(MANDATORY)

List of LIHTC Developments (Schedule A)



Development Name: Myrtle Landing Apartments
 Name of Applicant: Myrtle Landing Renewal LLC

INSTRUCTIONS:

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

Myrtle Landing Manager LLC
 Principal's Name:

Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y - HHI Sole Member
 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	[Newly Formed]	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2								
3								
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Myrtle Landing Apartments
 Name of Applicant: Myrtle Landing Renewal LLC

INSTRUCTIONS:

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

- 4 Use separate pages as needed, for each principal.

 Huntington Housing, Inc.

Controlling GP (CGP) or 'Named' Managing _____ Y _____

Member of Proposed property?* _____ Y or N

Principal's Name:

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Springdale Village / Bristol, VA	Springdale Affordable LLC	N	136	136	12/1/2012	6/20/2013	N
2								
3	Settlers Point / Damascus, VA	Settlers Point Affordable LLC	N	62	62	12/13/2012	4/12/2013	N
4								
5	Northwinds Apartments / Wytheville, VA	Northwinds Renewal LLC	N	144	142	12/31/2015	7/18/2016	N
6								
7	Burton Creek Apartments / Lynchburg, VA	Burton Creek Renewal LLC	N	85	85	12/31/2019	Not issued yet	N
8								
9	Westside Village Apartments / South Boston, VA	Westside Village Renewal LLC	N	70	70	Not PIS	Not issued yet	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 4

1st PAGE
TOTAL:

497 495 100%

LIHTC as % of
Total Units

ADD ADDITIONAL PROPERTIES USING NEXT TAB

ations.
as a status statement.

List of LIHTC Developments (Schedule A)



Development Name: Yonah Housing

Name of Applicant: Yonah Housing

- INSTRUCTIONS**
- 1 A Schedule A is required for every individual that makes up the CP or Managing Member - does not apply to principals of publicly traded corporations.
 - 2 For each property for which an interim BE23 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
 - 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
 - 4 Use separate pages as needed, for each principal.

Receipt# Name	CP or Managing Member	CP or Managing Member Name	CP or Managing Member Phone Number	Total Dev. Units	Total Low Income Units	Project in Service Date	BE23 Issue Date	BE23 (Y/N)	BE23 (Y/N) Reason
1	High Meadows Townhomes / Wytheville, VA	High Meadows Associates LP 301-998-0402	N	60	60	4/30/2008	2/3/2009	N	
2	Camrose Gardens Apartments / Cary, NC	Camrose Housing LP 301-998-0402	N	204	204	12/31/2010	11/2/2011	N	
3	Urban Gardens Multifamily / NJ	Urban Affordable LP 301-998-0402	N	87	76	12/31/2011	9/27/2012	N	
4	King Towers / Washington DC	King Housing LLC 301-998-0402	N	129	114	12/31/2011	5/31/2012	N	
5	Camden Woods / Camden, MD	Camden Affordable LLC 301-998-0402	N	151	153	8/31/2012	12/13/2013	N	
6	Camrose Apartments / Lanham, MD	Camrose Affordable LLC 301-998-0402	N	104	104	3/31/2012	12/6/2013	N	
7	Old Pine Estates / Princess Anne, MD	Old Pine Family LP 301-998-0402	N	36	36	9/28/2012	1/13/2014	N	
8	Springdale Village / Brink, VA	Springdale Affordable LLC 301-998-0402	N	136	136	12/1/2012	6/20/2013	N	
9	Edison Park / Damascus, VA	Edison Park Affordable LLC 301-998-0402	N	62	62	12/31/2012	4/13/2013	N	
10	Hooper Park Gardens / Ashby Park, VA	Hooper Park LP 301-998-0402	N	170	159	10/1/2013	11/14/2014	N	
11	Edison Lafayette / Jersey City, NJ	Edison Lafayette Urban Renewal LP 301-998-0402	N	411	411	5/1/2014	9/3/2015	N	
12	Leah Park Apartments / St. Paul, MN	Leah Park Renewal LLC 301-998-0402	N	103	103	12/31/2014	6/28/2015	N	
13	Empire Townhomes / Mankato, MN	Empire Renewal LLC 301-998-0402	N	78	78	12/31/2014	10/7/2015	N	Y - See attached explanation
14	Seward Square Apartments / Minneapolis, MN	Seward Renewal LLC 301-998-0402	N	81	81	12/31/2014	5/23/2015	N	
15	McConnell Hill / Lucasville, AL	McConnell Hill Renewal LLC 301-998-0402	N	100	100	12/31/2014	11/19/2015	N	
16	Maple Knoll Townhomes / Maplewood, MN	Maple Knoll Renewal LLC 301-998-0402	N	57	57	1/5/2015	8/2/2016	N	
17	Quincy Park Apartments / Quincy, IA	1000 Joachim Agency Renewal LLC 301-998-0402	N	640	640	8/1/2015	12/22/2017	N	
18	Gov Johnson Apartments / Mankato, MN	Gov Johnson Renewal LLC 301-998-0402	N	107	107	12/31/2015	6/13/2016	N	
19	Westfield Apartments / Wytheville, VA	Westfield Renewal LLC 301-998-0402	N	144	142	12/31/2015	7/18/2016	N	
20	Freddie Apartments / Barbours, IL	Freddie Renewal LLC 301-998-0402	N	118	118	12/31/2015	8/11/2016	N	
21	Mount Carmel Apartments / Mount Carmel, PA	Mount Carmel Renewal LLC 301-998-0402	N	100	100	12/31/2015	3/1/2018	N	
22	Eden Apartments / Lewisburg, PA	Eden Renewal LLC 301-998-0402	N	140	140	12/31/2015	3/1/2018	N	
23	Charming Apartments / Atlanta, GA	Charming View Renewal 301-998-0402	N	100	100	12/31/2015	3/1/2018	N	
24	West Arms Apartments / Los Angeles, CA	West Arms Renewal LP 301-998-0402	N	104	103	12/31/2017	11/18/2019	N	
25	Maple House Apartments / Oakridge, VA	Maple Housing Renewal LLC 301-998-0402	N	108	105	11/30/2018	8/21/2019	N	
26	West Lake House / Washington DC	West Lake House Renewal LLC 301-998-0402	N	152	152	12/31/2018	6/18/2019	N	
27	Morningside Apartments / Chicago, IL	Morningside Renewal LLC 301-998-0402	N	256	256	3/15/2019	TBD	N	
28	Ontario Townhomes / Ontario, CA	Ontario TR Renewal LP 301-998-0402	N	87	87	3/20/2019	TBD	N	
29	Oakwood Apartments / Billerigton, MA	Oakwood Renewal LLC 301-998-0402	N	91	91	10/31/2019	9/15/2020	N	
30	Malden Apartments / Minneapolis, MN	Malden Renewal LLC 301-998-0402	N	51	51	12/20/2019	TBD	N	
31	Old Freedoms / Miami Beach, FL	Old Freedoms Renewal LP 301-998-0402	N	216	216	12/20/2019	TBD	N	
32	Burton Creek Apartments / Lynchburg, VA	Burton Creek Renewal LLC 301-998-0402	N	85	85	12/31/2019	TBD	N	
33	Cedar River Tower / Waterloo, IA	Cedar River Renewal LLC 301-998-0402	N	82	85	3/13/2020	TBD	N	
34	Skyline Apartments / Washington DC	Skyline Apartments LP 301-998-0402	N	398	395	12/31/2021	TBD	N	
35	Arrowhead Apartments / Asheville, NC	Arrowhead Renewal LP 301-998-0402	N	116	116	12/31/2021	TBD	N	
36	Washington Court Apartments / Fort Angeles, CA	Washington Court Renewal LP 301-998-0402	N	102	102	12/31/2021	TBD	N	
37	Post Road Gardens / Bayonne, NJ	Post Road Affordable Urban Renewal LP 301-998-0402	N	250	250	12/31/2021	TBD	N	
38	The Residences at Kamearth / Washington DC	The Residences at Kamearth LLC 301-998-0402	N	157	157	12/31/2022	TBD	N	
39	Westlake Village Apartments / South Boston, VA	Westlake Village Renewal LLC 301-998-0402	N	70	70	Not yet	TBD	N	

Explanation of Noncompliance

In October 2021, Minnesota Housing Finance Agency (“MHFA”) issued a noncompliance 8823 to Eastport Renewal LLC, a Minnesota limited liability company, (the “Owner”) the Owner of Eastport Apartments in Mankato, Minnesota for being out of compliance with IRC 42. The Owner is disaffiliated with Myrtle Landing Renewal LLC but an officer of the Owner is an officer of Myrtle Landing Renewal LLC.

The Management agent, not the contemplated management agent for Myrtle Landing Apartments moved in an ineligible household by miscalculating the income of the tenants. MHFA pointed it out in a file audit and issued the 8823. The unit will remain in a credit loss status until a qualified tenant moves in, expected to occur in the next few months as the existing household is under eviction for noncompliance of their lease.

List of LIHTC Developments (Schedule A)



Development Name: Yonah Housing

Name of Applicant: Yonah Housing

- INSTRUCTIONS**
- 1 A Schedule A is required for every individual that makes up the CP or Managing Member. does not apply to principals of publicly traded corporations.
 - 2 For each property for which an interim BE23 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
 - 3 List only tax credit development experience since 2005 (i.e. for the past 15 years)
 - 4 Use separate pages as needed, for each principal.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Recipient Name	Property Address	Counting CP (CP) or Non-CP (Managing Member)	Y or N	CP or Non-CP	Name of Ownership Entity and Phone Number	CP or Non-CP	Number of Units	Total Dev. Units	Total Low Income Units	Period in Service (Yr)	BE23 Issue Date	BE23 Expiration (Yr)	BE23 Status (Y/N)	BE23 Reason	BE23 Status				
1	High Meadows Townhomes / Wytheville, VA	N		N	High Meadows Associates LP 301-998-0402	N	60	60	4/30/2008		2/3/2009	N							
2	Cornwall Gardens Apartments / Cape Blaine, VA	N		N	204 Cornwall LP 301-998-0402	N	204	204	12/31/2010		11/2/2011	N							
3	Urban Gardens Multifamily / Norfolk, VA	N		N	Urban Gardens LP 301-998-0402	N	87	76	12/31/2011		9/27/2012	N							
4	King Towers / Washington DC	N		N	King Towers LLC 301-998-0402	N	129	114	12/31/2011		5/31/2012	N							
5	Camden Woods / Camden, MD	N		N	Camden Woods LLC 301-998-0402	N	151	153	8/31/2012		12/13/2013	N							
6	Camden Apartments / Lanham, MD	N		N	Camden Apartments LLC 301-998-0402	N	104	104	8/31/2012		12/8/2013	N							
7	Old Pine Estates / Princes Anne, MD	N		N	Old Pine Family LP 301-998-0402	N	36	36	9/28/2012		1/13/2014	N							
8	Springdale Village / Brink, VA	N		N	Springdale Village LLC 301-998-0402	N	136	136	12/31/2012		6/20/2013	N							
9	Belmont Park / Damascus, VA	N		N	Belmont Park Associates LLC 301-998-0402	N	62	62	12/31/2012		4/13/2013	N							
10	Hooper Park Gardens / Ashby Park, VA	N		N	Hooper Park LP 301-998-0402	N	170	159	10/1/2013		11/14/2014	N							
11	Green Lakeside / Jersey City, NJ	N		N	Green Lakeside Urban Renewal LP 301-998-0402	N	411	411	5/1/2014		9/3/2015	N							
12	Leah Park Apartments / St. Paul, MN	N		N	Leah Park Renewal LLC 301-998-0402	N	103	103	12/31/2014		6/28/2015	N							
13	Empire Townhomes / Minneapolis, MN	N		N	Empire Renewal LLC 301-998-0402	N	78	78	12/31/2014		10/7/2015	N							
14	Seward Square Apartments / Minneapolis, MN	N		N	Seward Square LLC 301-998-0402	N	81	81	12/31/2014		5/23/2015	N							
15	McConnell Hill / Lucasville, AL	N		N	McConnell Hill Renewal LLC 301-998-0402	N	100	100	12/31/2014		11/19/2015	N							
16	Maple Knoll Townhomes / Maplewood, MN	N		N	Maple Knoll Renewal LLC 301-998-0402	N	57	57	1/5/2015		8/2/2014	N							
17	Quincy Park Apartments / Quincy, IA	N		N	1000 Quincey Alley Renewal LLC 301-998-0402	N	640	640	8/1/2015		12/22/2017	N							
18	Gov Johnson Apartments / Mankato, MN	N		N	Gov Johnson Renewal LLC 301-998-0402	N	107	107	12/31/2015		6/13/2016	N							
19	Westfield Apartments / Wytheville, VA	N		N	Westfield Renewal LLC 301-998-0402	N	144	142	12/31/2015		7/18/2016	N							
20	Freddie Apartments / Barbours, IL	N		N	Freddie Renewal LLC 301-998-0402	N	118	118	12/31/2015		8/11/2016	N							
21	Mount Carmel Apartments / Mount Carmel, PA	N		N	Mount Carmel Renewal LLC 301-998-0402	N	100	100	12/31/2015		3/7/2018	N							
22	8th Apartments / Lewisburg, PA	N		N	8th Renewal LLC 301-998-0402	N	140	140	12/31/2015		3/7/2018	N							
23	Charming Apartments / Atlanta, GA	N		N	Charming View Renewal LP 301-998-0402	N	100	100	12/31/2015		3/7/2018	N							
24	West Arms Apartments / Los Angeles, CA	N		N	West Arms Renewal LP 301-998-0402	N	104	103	12/31/2017		11/18/2019	N							
25	Maple House Apartments / Oakridge, VA	N		N	Maple House Renewal LLC 301-998-0402	N	108	105	11/30/2018		8/21/2019	N							
26	West Lake House / Washington DC	N		N	West Lake House Renewal LLC 301-998-0402	N	152	152	12/31/2018		6/18/2019	N							
27	Morningside Apartments / Chicago, IL	N		N	Morningside Renewal LLC 301-998-0402	N	254	254	3/15/2019		TBD	N							
28	Ontario Townhomes / Ontario, CA	N		N	Ontario TR Renewal LP 301-998-0402	N	87	87	3/20/2019		TBD	N							
29	Delwood Apartments / Burlington, MA	N		N	Delwood Renewal LLC 301-998-0402	N	91	91	10/31/2019		9/15/2020	N							
30	Malden Apartments / Malden, MA	N		N	Malden Renewal LLC 301-998-0402	N	51	51	12/20/2019		TBD	N							
31	Old Freedom / Miami Beach, FL	N		N	Old Freedom Renewal LP 301-998-0402	N	216	216	12/20/2019		TBD	N							
32	Burton Creek Apartments / Lynchburg, VA	N		N	Burton Creek Renewal LLC 301-998-0402	N	85	85	12/31/2019		TBD	N							
33	Cedar River Tower / Watkins, IA	N		N	Cedar River Renewal LLC 301-998-0402	N	82	85	3/13/2020		TBD	N							
34	Skyline Apartments / Washington DC	N		N	Skyline Apartments LP 301-998-0402	N	398	395	12/31/2021		TBD	N							
35	Arrowhead Apartments / Asheville, NC	N		N	Arrowhead Renewal LP 301-998-0402	N	116	116	12/31/2021		TBD	N							
36	Washington Court Apartments / Fort Angeles, CA	N		N	Washington Court Renewal LP 301-998-0402	N	102	102	12/31/2021		TBD	N							
37	Post Road Gardens / Bayonne, NJ	N		N	Post Road Associates Urban Renewal LP 301-998-0402	N	250	250	12/31/2021		TBD	N							
38	The Residences at Kenilworth / Washington DC	N		N	The Residences at Kenilworth LLC 301-998-0402	N	157	157	12/31/2022		TBD	N							
39	Westside Village Apartments / South Boston, VA	N		N	Westside Village Renewal LLC 301-998-0402	N	70	70	Not yet		TBD	N							

ADD ADDITIONAL PROPERTIES USING NEW TAB

Explanation of Noncompliance

In October 2021, Minnesota Housing Finance Agency (“MHFA”) issued a noncompliance 8823 to Eastport Renewal LLC, a Minnesota limited liability company, (the “Owner”) the Owner of Eastport Apartments in Mankato, Minnesota for being out of compliance with IRC 42. The Owner is disaffiliated with Myrtle Landing Renewal LLC but an officer of the Owner is an officer of Myrtle Landing Renewal LLC.

The Management agent, not the contemplated management agent for Myrtle Landing Apartments moved in an ineligible household by miscalculating the income of the tenants. MHFA pointed it out in a file audit and issued the 8823. The unit will remain in a credit loss status until a qualified tenant moves in, expected to occur in the next few months as the existing household is under eviction for noncompliance of their lease.

List of LIHTC Developments (Schedule A)



Development Name: Myrtle Landing Apartments
 Name of Applicant: Myrtle Landing Renewal LLC

INSTRUCTIONS:

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

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

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	No Experience	Not Involved in Day to Day Operations	N/A	N/A	N/A	N/A	N/A
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Myrtle Landing Apartments
 Name of Applicant: Myrtle Landing Renewal LLC

INSTRUCTIONS:

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

Principal's Name: Gregory O'Dell Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* N
Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	No Experience	Not Involved in Day to Day Operations	N/A	N/A	N/A	N/A	N/A
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Myrtle Landing Apartments
 Name of Applicant: Myrtle Landing Renewal LLC

INSTRUCTIONS:

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

Principal's Name: Benjamin M Soto Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* N
Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	No Experience	Not Involved in Day to Day Operations	N/A	N/A	N/A	N/A	N/A
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Myrtle Landing Apartments
 Name of Applicant: Myrtle Landing Renewal LLC

INSTRUCTIONS:

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

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

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	No Experience	Not Involved in Day to Day Operations	N/A	N/A	N/A	N/A	N/A
2							
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

E

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

REAL ESTATE PURCHASE AND SALE AGREEMENT
(MYRTLE LANDING APARTMENTS)

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of the 4th day of January, 2022 ("**Contract Date**"), between **MYRTLE LANDING RENEWAL LLC**, a Virginia limited liability company ("**Purchaser**"), and **MYRTLE LANDING AFFORDABLE LLC**, a Virginia limited liability company ("**Seller**"), on the following terms and conditions, amending and restating in its entirety any previous agreement pertaining to the subject matter hereof:

1. Agreement to Purchase and Sell. Subject to and upon the terms and conditions hereinafter set forth, Purchaser hereby agrees to purchase from Seller and Seller hereby agrees to sell to Purchaser the property legally described in **Exhibit A** attached hereto (collectively, the "**Property**"). The Property consists of land together with any and all improvements thereon, any and all rights-of-way, easements, privileges and appurtenances pertaining thereto, if any, all right, title and interest of Seller, if any, in and to the fixtures, equipment and other personal property attached or appurtenant to the building or buildings, and any right, title and interest of Seller, if any, in and to any street, highway, road or alley adjoining any portion thereof.

2. Purchase Price.

2.1. Amount. The purchase price for the Property is Ten Million, One Hundred Thirty Thousand and 00/100 (\$10,130,000.00) (the "**Purchase Price**"). The purchase and sale of the Property is intended by the parties to be a sale of all elements of the Property, and is not severable or divisible, except as set forth in subsection 2.3.2 below. The Purchase Price shall be paid as provided in this Section 2.

2.2. Deposits. No earnest money deposits ("**Deposits**") shall be required unless required under other provisions of this Agreement.

2.3. Payment at Closing. At the Closing, Purchaser shall pay to Seller the following:

2.3.1. A promissory note in the principal amount of Five Million, One Hundred Thirty Thousand and 00/100 Dollars (\$5,130,000) payable to Seller on the terms and conditions set forth therein (the "**Seller Note**"), which shall be secured by a mortgage or deed of trust on the Property, subject and subordinate to any senior financing; and

2.3.2 An amount, in cash, equal to (A) the Purchase Price minus (B) the amount of the Seller Note; such difference to be subject to any credits, prorations, and other adjustments provided in this Agreement.

3. Survey.

3.1. Survey and Certificate. Seller shall obtain, at Seller's sole cost and expense, and deliver to Purchaser and Title Company within twenty-one (21) days after the Contract Date a current plat of survey of the Property (the "**Survey**") made by a Virginia licensed surveyor acceptable to Title Company and certified as having been made in compliance with the Minimum Standard Detailed Requirement for ALTA/ACSM Land Title Surveys jointly established by the American Land Title Association and the American Congress on Surveying and Mapping. The Survey shall also comply with the additional survey requirements set forth in **Exhibit B** attached hereto.

3.2. Recertification. If Title Company requires an updated Survey to issue at Closing the Title Policy and required endorsements described below, subject only to exceptions permitted under this Agreement, then Purchaser at its expense may cause the Survey to be updated and recertified as of a more current date acceptable to Title Company.

4. Title Insurance.

4.1. Commitment. Seller shall deliver or cause to be delivered to Purchaser or Purchaser's agent, at Seller's sole cost and expense, within thirty (30) days after the Contract Date, a title insurance commitment and copies of all documents referred to therein as conditions or exceptions to title to the Property (collectively, the "**Title Commitment**") for an ALTA owners title insurance policy with extended coverage to be given at Closing (the "**Title Policy**") issued by First American Title Insurance Company or another substantial title insurance company ("**Title Company**") in the amount of the Purchase Price, insuring title to the Property on or after the date hereof, showing title ownership in Seller subject only to (1) the "Permitted Exceptions" (as hereinafter defined) and (2) title exceptions pertaining to liens to encumbrances of a definite or ascertainable amount which may be removed by the payment of money at the time of Closing and which Seller may so remove at that time by using the funds to be paid upon the delivery of the deed to the Property. The Title Commitment shall be conclusive evidence of good title as therein shown as to all matters insured by the Title Policy, subject only to the exceptions or defects in title disclosed by the Survey, if any, as to which Title Company commits to insure over in the manner specified in Section 4.1.1 below, unless they are Permitted Exceptions.

4.1.1. If the Title Commitment or the Survey discloses title matters ("**Title Conditions**") or survey matters ("**Survey Defects**") (collectively, "**Exceptions**") that render title to the Property unmarketable or materially decrease its value or usefulness, Purchaser shall notify Seller in writing of its objections within fifteen (15) days after Purchaser has received both the Title Commitment and the Survey and Seller shall have thirty (30) days from the date of such notice to have the Exceptions removed from the Title Commitment or to have the Title Company commit to insure against loss or damage that may be occasioned by such Exceptions. Any Exceptions reflected on the Title Commitment or Survey to which Purchaser does not object by written notice given to Seller during said 15-day period shall be deemed "Permitted Exceptions." Real estate taxes to the extent not yet due and payable and all matters resulting from any act or failure to act of Purchaser shall also be Permitted Exceptions.

4.1.2. If Seller fails to have the Exceptions removed or, in the alternative, to obtain a commitment from Title Company to insure against loss or damage that may be occasioned by the Exceptions within the time herein specified, Purchaser may elect, upon written notice to Seller within ten (10) days after the expiration of the thirty (30) day period described above, either (1) to take title as it then is with the right to deduct from the Purchase Price liens or encumbrances of a definite or ascertainable amount or (2) to terminate this Agreement and receive a refund of all Deposits. If Purchaser does not so elect to terminate, Purchaser shall be deemed to have elected to take title as it then is.

4.1.3. In addition, to the extent Title Company is willing to issue the following, Seller shall provide and pay the premium cost for the endorsements for the Title Policy described in **Exhibit C** attached hereto and any endorsements reasonably required by Purchaser's mortgage lender (collectively, the "**Endorsements**"). Seller and Purchaser shall provide Title Company with such evidence of payment, undertakings or title indemnities as Title Company may require to insure Purchaser against loss from mechanics' and materialmen's liens that are not Permitted Exceptions relating to the Property, subject to the limitations, terms and conditions of this Agreement. Unavailability of any such coverage shall constitute an Exception subject to Section 4.1.1 if it affects title to the Property as described therein.

4.2. Date-Down. If Purchaser delivers a written request to Seller not more than ten (10) days and not less than five (5) days before Closing, Seller at its sole cost and expense shall cause the Title Commitment to be updated prior to Closing.

5. Representations and Warranties.

5.1. By Seller. Seller, to induce Purchaser to enter into this Agreement and to purchase the Property, hereby represents and warrants to Purchaser as follows:

5.1.1. Seller has full power and authority to enter into this Agreement and to effect the transaction contemplated hereby, and the execution and delivery of this Agreement by the signatories hereto and the performance of this Agreement and the transactions contemplated hereunder by Seller has been duly authorized by all necessary action on the part of Seller.

5.1.2. Seller is, and to the best of its knowledge and belief Seller knows of no reason why it would not be treated as, a charitable organization exempt from federal income tax under Section 501(c)(3) and a "qualified nonprofit organization" under Section 42(h)(5)(c) of the Internal Revenue Code of 1986, as amended.

5.1.3. To the best of Seller's knowledge, there are not any easements or claims of easement or any right-of-way agreements not shown of record.

5.1.4. There are no oral agreements affecting the Property that will be in effect as of the Closing Date.

5.1.5. Seller has not received notice of any pending or threatened condemnation or similar proceedings affecting the Property nor, to the best of its knowledge are any such actions contemplated.

5.1.6. Neither Seller nor its agents or representatives have received any notices from any city, village or other governmental authority of environmental, zoning, building, fire, health code or other violations affecting the Property, that have not been corrected.

5.1.7. Seller covenants that without Purchaser's prior written consent, Seller will not (i) perform or permit any act which shall diminish, encumber, or affect Seller's rights in and to the Property or prevent Seller from fully performing its obligations hereunder; (ii) enter into any service contract affecting the Property or any part thereof unless the same is terminable without penalty by the owner of the Property upon not more than 30 days notice; nor (iii) withdraw, settle or otherwise compromise any protest or reduction proceeding affecting real estate taxes assessed against the Property.

5.1.8. Seller shall continue to operate the Property in the ordinary course of business as exists on the date hereof.

The representations and warranties contained in Section 5.1.1 shall survive Closing without limitation. Those contained in Sections 5.1.2 through 5.1.5 shall survive closing for a period of six (6) months after the Closing Date.

5.2. By Purchaser. Purchaser, to induce Seller to enter into this Agreement and to sell the Property, hereby represents and warrants to Seller as follows:

5.2.1. Purchaser has the full power and authority to enter into this Agreement and to effect the transaction contemplated hereby, and the execution and delivery of this Agreement by the signatories hereto and the performance of this Agreement and the transactions contemplated hereunder by Purchaser has been duly authorized by all necessary action on the part of Purchaser.

5.2.2. Purchaser intends to develop and operate the Property, with the material participation of Seller, as affordable rental housing qualifying for federal low-income housing tax credits.

The representations and warranties contained in this Section 5.2 shall survive Closing without limitation.

5.3. At Closing. If any of the representations and warranties made by Seller or Purchaser in this Agreement as of the Contract Date becomes no longer true and correct at any time hereafter until completion of the Closing (a "**Change**"), the party that made such representation and warranty ("**Declarant**") shall promptly give written notice of the Change to the other party ("**Recipient**"). If Recipient is aware of a Change earlier than Declarant, then Recipient promptly shall give written notice to Declarant of the Change. If Recipient reasonably determines that the Change is materially adverse to its interests under this Agreement, it shall notify Declarant in writing, within five (5) days after it first becomes aware of the Change, of its intent to terminate

this Agreement if the Change is not reversed or remedied. If Declarant does not reverse or remedy the Change to the reasonable satisfaction of Recipient within twenty (20) business days after written notice by Recipient to Declarant of Recipient's intent to terminate this Agreement, Recipient may at its option terminate this Agreement, and in such event all Deposits shall be returned to Purchaser; provided, however, that the Closing Date shall be extended if necessary to allow Declarant the full cure period of 20 business days. If the Change resulted from or was permitted to continue due to an intentional act or willful decision not to act on the part of Declarant, within its reasonable control or power to prevent, reverse or remedy, it shall constitute a default by Declarant under this Agreement. Notwithstanding the foregoing, in the event Purchaser is aware of a Change prior to the expiration of the Due Diligence Period but does not elect to terminate this Agreement prior to the Due Diligence Period expiring in accordance with the terms of Section 6.2.4, Purchaser will be deemed to approve all Changes it was aware of on or prior to expiration of the Due Diligence Period. Declarant's representations and warranties in this Agreement shall be deemed to have been remade at Closing, as of the Closing Date, and shall survive Closing for the same respective periods of time, if any, as the corresponding representations and warranties made as of the Contract Date, unless and to the extent Declarant properly notifies Recipient of the Change prior to Closing.

6. Due Diligence Conditions.

6.1. Due Diligence Period. Purchaser shall have the period of time commencing on Contract Date and ending at 5:00 p.m. Eastern time on the day which is 180 days from the Contract Date (the "**Due Diligence Period**") to inspect diligently and thoroughly the Property, and to hire such experts as may be required to evaluate and analyze thoroughly the "Property Conditions" (as hereinafter defined) and satisfy the "Acquisition/Financing Conditions" (as hereinafter defined), including the hiring of contractors, engineers, soil analysts, pest control specialists, accountants, consultants, attorneys and the like, all at Purchaser's expense. Due Diligence Activities.

6.2. Purchaser shall have until the expiration of the Due Diligence Period within which to complete such tests, inspections, reviews and examinations of the Property as may be required to examine or obtain: (i) the conformity of the Property to past, current or future applicable zoning, building, subdivision, land use, health, safety, environmental, nondiscrimination or other laws, statutes, ordinances, rules, regulations, orders, codes or other legal requirements or with any past, present or future documents of record; (ii) the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides; (iii) the sufficiency of any under shoring; (iv) the sufficiency of any drainage; (v) whether the Property is located wholly or partially in a flood plain or a flood hazard boundary or similar area; (vi) the existence or nonexistence of underground storage tanks; (vii) any other matter affecting the stability or integrity of the land, or any buildings or improvements situated on or as part of the Property; (viii) the availability of public utilities and services for the Property; (ix) the fitness or suitability of the Property for Purchaser's intended use, (10) the potential for further development of the Property; (x) the existence of vested land use, zoning, building or other entitlements affecting the Property; (xi) the ability of Purchaser to prepare plans and specifications and obtain and maintain licenses and permits for its intended use of the Property; (xii) the presence of toxic wastes, "Hazardous Materials" (as hereinafter defined) or friable or other asbestos in, on or about the Property (collectively, the "**Property Conditions**"), and (xiii) acquisition financing

of the Property by Purchaser from Seller in accordance with this Agreement and financing sufficient in Purchaser's judgment for the acquisition and the intended rehabilitation and operation of the Property, including without limitation a first mortgage loan provided by an acceptable lender on terms and conditions acceptable to Purchaser and an allocation of federal low-income housing tax credits from the Virginia Housing Development Authority (the "**Acquisition/Financing Conditions**"). Purchaser shall proceed with diligent efforts to obtain satisfaction of the Property Conditions and the Acquisition/Financing Conditions. If Seller reasonably determines that Purchaser is not proceeding diligently and Purchaser does not proceed with diligent efforts within ten (10) business days after written notice by Seller to Purchaser of Seller's intent to terminate this Agreement, Seller may at its option terminate this Agreement by written notice to Purchaser, and in such event all Deposits shall be returned to Purchaser.

6.2.1. Purchaser may conduct and prepare the following tests, studies, reports and preliminary plans not later than the Due Diligence Period expires, provided that Purchaser complies with Section 6.2.4 regarding Purchaser's entry onto the Property.

Market Study;
Site Plan;
Subdivision Plan;
Storm Water Detention Calculation;
Preliminary Engineering Study;
Soil Borings;
Phase I Environmental Report; and
Architectural Plans.

6.2.2. If Purchaser is unwilling to proceed with the transaction because Purchaser has determined that the Property Conditions are unsatisfactory or the Acquisition/Financing Conditions are unattainable, then Purchaser may terminate this Agreement by written notice to Seller given at any time on or before the expiration of the Due Diligence Period as to the Property Conditions or the Acquisition/Financing Conditions, whichever are applicable, and in such event any Deposits shall be returned to Purchaser. If Purchaser fails to notify Seller in writing of Purchaser's election to terminate this Agreement on or before the expiration of the Due Diligence Period, Purchaser shall be deemed to have waived its termination right for non-satisfaction of Due Diligence Conditions under this Section 6.2.3, and this Agreement shall remain in full force and effect. (The Property Conditions and the Acquisition/Financing Conditions are referred to collectively as the "**Due Diligence Conditions**").

6.2.3. On and after the Contract Date until the expiration of the Due Diligence Period or sooner termination of this Agreement, Purchaser and its agents and employees shall have the right to enter upon the Property during normal business hours for testing, surveying, engineering and other reasonable inspection purposes ("**Tests**"), and Purchaser shall defend, indemnify and hold the Seller, Original Seller, and their respective members, managers, employees and agents ("**Seller's Identified Parties**") harmless from any claims, demands, suits, liabilities, injuries, liens damages, losses, costs and expenses, including without limitation court costs and reasonable attorneys' fees and costs, for personal injury or property damage incurred by reason of, or arising out of, such entry upon

the Property or such Tests, except for any such matters caused primarily by Seller's or Original Seller's gross negligence or willful misconduct. Purchaser shall repair any damage to the Property arising from such entry and restore it to its original condition promptly after entry. Prior to entering the Property, if Seller so requires, Purchaser shall first obtain general public liability insurance in an amount of at least \$2,000,000.00 covering all individuals entering the property and naming Seller and Seller's Identified Parties as additional insureds, and shall provide a Certificate of Insurance to Seller. The terms of this Section 6.2.4 shall survive the Closing or termination of this Agreement.

7. Prorations, Adjustments, Closing Costs.

7.1. Prorations Generally. All rents, other income, real estate taxes, insurance premiums, utility bills, other expenses, and other items which are customarily prorated between sellers and purchasers in commercial real estate transactions in Virginia shall be apportioned between Purchaser and Seller as of the date of Closing (the "**Proration Date**"). All such amounts shall be specified, if known, or reasonably estimated, if not yet known, and set forth in the Closing Statement, subject to re-proration when practicable.

7.2. Rents. Rental income shall be prorated on a cash basis as and when received, without regard to the month for which any rent payment is due, provided that Seller shall not accept any rent payments more than seven (7) days in advance of the month for which they are due. Any rental income applicable to the period ending on the Proration Date that is received by Purchaser after the Proration Date shall belong to Purchaser.

7.3. Real Estate Taxes. The real estate tax bill for Fiscal Year 2021 has been paid as of December 31, 2021, thus payment of real estate taxes are current. Up until the Closing Date, the Seller shall pay any subsequent tax bills as they come due. Real estate tax liability shall be prorated depending upon the Closing Date and the status of payments of real estate tax at the time of Closing.

7.4. Title Insurance. Seller shall pay the premium for the issuance of the Title Commitment and the Title Policy in the amount of the Purchase Price to be issued pursuant thereto (including the Endorsements) and the cost to update the Title Commitment as specified in Section 4, and Purchaser shall pay the amount of any premium charged by Title Company for the issuance of any additional endorsements to the Title Commitment or the Title Policy.

7.5. Transfer Taxes. Purchaser shall pay any real estate transfer or deed stamp taxes imposed by the State of Virginia, and any other governmental agency or municipality (including any locality) upon the transaction contemplated by this Agreement or the recordation of the deeds to be given by Seller pursuant to the terms of this Agreement. The real estate transfer, deed stamp taxes or recording costs for the deeds shall be paid by Purchaser out of Closing proceeds.

7.6. Special Assessments. Installment payments for any confirmed special assessment liens which are in effect as of the Closing, but which are not due and payable prior to the Closing, shall be prorated as of the Proration Date between Purchaser and Seller. Any special assessment liens which are unconfirmed as of the Closing shall be assumed and paid by Purchaser.

7.7. Closing Statement. The parties shall jointly prepare and deliver to each other at the Closing a "Closing Statement" which shall show the net amount due either to or from Seller or Purchaser, as the case may be, subject to final reparation, and such net amount will be added to, or subtracted from the payment of the cash balance of the Purchase Price to be paid to Seller pursuant to this Agreement.

8. Closing. The closing of the transaction contemplated by this Agreement (the "**Closing**") shall occur on a date selected by Purchaser no later than twenty-four (24) months after the Contract Date or such other date as the parties may agree in writing (the "**Closing Date**"), provided that Purchaser has not terminated this Agreement before then, pursuant to a right to do so specifically provided herein, at such location as the parties may agree in writing. Purchaser may extend the Closing Date for up to three (3) additional sixty (60) day periods upon written notice to Seller delivered at least fifteen (15) days before the Closing Date (or any extended Closing Date). In the event Purchaser elects to extend and gives notice, such extended date shall become the Closing Date.

9. Operation of Property Until Closing. Seller shall operate and maintain the Property until Closing in substantially the same manner and condition as currently, and shall not cause or knowingly permit any material adverse change to the Property, ordinary wear and tear, weather and acts of God excepted. Seller hereby represents and warrants that as of the Contract Date there are not any, and Seller hereby agrees that after the Contract Date, without Purchaser's prior written consent, Seller shall not enter into any, leases or other contracts affecting the Property that will be in effect on the Closing Date. Purchaser, prior to Closing, may cause its designated representatives to enter the Property upon prior notice to Seller provided that Purchaser first complies with Section 6.2.4 regarding Purchaser's entry onto the Property. The representatives and warranties contained in this Section 10 shall survive for a period of six (6) months after the Closing Date.

10. Deliveries at Closing.

10.1. By Seller. At Closing, Seller shall deliver the following to Purchaser:

10.1.1. One (1) Special Warranty Deed for the Property, in the form attached as **Exhibit D** hereto, subject only to the Permitted Exceptions;

10.1.2. Certification of Non-Foreign Status in the form prescribed by Section 1445(b)(2) of the Internal Revenue Code;

10.1.3. ALTA Statement executed by Seller, subject only to the Permitted Exceptions;

10.1.4. Such other instruments and documents as may be required by Title Company;

10.1.5. Possession of the Property subject only to the Permitted Exceptions.

10.1.6. Any and all authority documents that may be reasonably necessary in connection with the consummation of the transactions contemplated by this Agreement.

10.2. By Purchaser. At Closing, Purchaser shall deliver the following to Seller:

10.2.1. That portion of the Purchase Price set forth in Section 2.3.2 above, by wire transfer of good immediately available federal funds, plus or minus the debits, credits (including all Deposits) and other adjustments and prorations which are made pursuant to this Agreement;

10.2.2. ALTA Statement executed by Purchaser, subject only to the Permitted Exceptions;

10.2.3. All instruments and documents to which Seller may be entitled under any of the other provisions of this Agreement; and

10.2.4. Such other instruments and documents as may be required by Title Company;

10.3. Joint Deliveries. At Closing, the parties shall jointly deliver the following:

10.3.1. Deed and Money Escrow Closing Instructions;

10.3.2. Real Estate Transfer Tax Declarations, in customary form; and

10.3.3. Closing Statement.

10.4. Simultaneous Delivery. The document deliveries specified to be delivered to the parties at Closing in Sections 10.1, 10.2, 10.3 and any other sections of this Agreement specifying deliveries at Closing shall be deemed to occur simultaneously and none of such deliveries shall be deemed to take place until all of such deliveries have taken place.

11. Purchaser's Default. If Purchaser defaults in any pre-Closing obligation hereunder, or fails to perform as provided herein, or if Closing fails to occur in a timely fashion for any reason except a default by Seller as set forth in Section 12 or because of Purchaser's timely termination for non-satisfaction of any of the Due Diligence Conditions, Seller's sole remedy shall be termination of this Agreement and recovery of all Deposits on deposit with Title Company as liquidated damages for such default.

12. Seller's Default. If Seller defaults in the performance of any of its obligations pursuant to this Agreement and Closing fails to occur by reason thereof, Purchaser may elect any of the following remedies: (1) termination of this Agreement and recovery of all Deposits on deposit with Title Company; (2) specific performance; (3) an action for damages for breach of contract; or (4) any other remedy available at law or in equity. Purchaser may elect to combine remedies (1) and (3) or any other remedies that are not inconsistent.

13. Notices. Any notices required or permitted to be given by this Agreement shall be in writing and mailed via certified mail, return receipt requested, postage prepaid, personally delivered, shipped via Federal Express or other "next day" courier delivery or sent by facsimile transmission with a copy by First Class Mail sent within one (1) business day after such transmission, as follows:

Purchaser: Myrtle Landing Renewal LLC
11810 Grand Park Avenue, Suite 600
North Bethesda, MD 20852
Attention: Todd Travis
Facsimile No.: (301) 998-0401

Seller: Myrtle Landing Affordable LLC
11810 Grand Park Avenue, Suite 600
North Bethesda, MD 20852
Attention: Randall Kelley
Facsimile No.: (301) 998-0425

Notice duly delivered in the manner described above shall be deemed received upon the earliest of the following to occur: actual receipt; transmission by facsimile with printed information of receipt; the next succeeding Business Day after shipping by Federal Express as aforesaid; or the second Business Day after mailing by certified mail as aforesaid. The parties shall promptly give written notice to each other as provided in this Section 14 of any change of address or facsimile number, and personal delivery, mailing, shipment to the addresses or facsimile transmission to the numbers set forth above shall be deemed sufficient unless written notification of a change of address or facsimile number has been received. If any notice is actually received on a day which is not a Business Day, such notice shall be deemed given on the next succeeding Business Day.

14. Survival of Obligations. All covenants, representations, warranties, agreements and indemnities contained in this Agreement are made as of the Contract Date. Such covenants, representations, warranties, agreements and indemnities shall not survive Closing except to the extent specifically stated herein.

15. Counterparts. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement, binding upon all of the parties hereto, notwithstanding that all of the parties are not signatories to the original or the same counterpart; provided, however, that this Agreement shall not be binding upon any party or signatory hereto until each person or entity which is to execute this Agreement has so executed a counterpart thereof.

16. Further Assurances. Each party shall execute such further documents, papers and instruments and take such further action as is necessary, appropriate or helpful as the other party or Title Company may reasonably request in order to carry out the purposes and intent of this Agreement.

17. Assignment. Purchaser may assign its rights under this Agreement to a limited liability company of which Purchaser serves as managing member. Purchaser shall promptly notify Seller of any such assignment. No other assignment of Purchaser's rights under this Agreement is permitted without Seller's prior written consent, which Seller may withhold in its sole discretion.

18. Exclusivity: Subject to the Provisions of Section 17 above, this is an exclusive agreement by and between Seller and Purchaser. No other offers will be considered.

*[The remainder of this page left intentionally blank.
Signature pages follow.]*

IN WITNESS WHEREOF, Purchaser and Seller have executed this Agreement as of the date first above written.

PURCHASER:

MYRTLE LANDING RENEWAL LLC,
a Virginia limited liability company

By: Myrtle Landing Manager LLC, a Virginia
limited liability company
Its managing member

By: Huntington Housing, Inc., a Maryland nonprofit
corporation, its sole member and manager

By: 

Todd Travis, President

SELLER:

MYRTLE LANDING AFFORDABLE LLC
a Virginia limited liability company

By: Dogwood Housing, Inc., a Maryland nonprofit
corporation, its sole member

By: 

Robert Custer, Secretary

EXHIBIT A

Legal Description of Property

All that certain tract or parcel of land containing 8.40 acres, more or less, situate in and near the Town of Cape Charles, Northampton County, Virginia, all as shown on a certain "Plat of Survey - This Parcel of Land was Surveyed at the Request of Heritage Acres 6, Located In Town of Cape Charles, Capeville District, Northampton County, Virginia", dated September 14, 1984, made by Granville F. Hogg, C.L.S., which said plat is hereto attached and made a part hereof and to which reference is hereby made for a more accurate and particular description of the property herein conveyed. Said property being bounded generally on the north by the lands of Brown & Root, Inc.; on the east by the lands of Brown & Root, Inc. and the lands of the Commonwealth of Virginia; on the south by the right of way of Virginia State Route 184, and on the west by other lands of Brown & Root, Inc.

Said 8.40 acres, more or less, is described by metes and bounds as follows:

Beginning at a found broken concrete marker at the southwestern corner of the herein conveyed tract, said marker is located on the northerly right of way line of State Route 184 also known as Randolph Avenue Extended, N 87° 40' 08" E.
268.04 feet from a found pipe marking the Intersection of the northerly right of way of Randolph Avenue Extended (70 ft. wide) and the easterly right of way of Fulcher Street (70 ft. wide) also known as State Route 1114; thence departing from the beginning point, N 2° 00' 00" W. 699.57 ft. to a found pipe in concrete; thence N 85° 34' 24" E. 537.41 ft. to a found concrete marker; thence S 2° 00' 00" E. 636.27 ft. to a point on the northerly right of way of State Route 184 (80 ft. wide); thence along the land of the Commonwealth of Virginia S 78° 29' 00" 10.92 feet to a point; thence S 2° 00' 00" E. 15.73 ft. to a point on the northerly right of way of State Route 184 (70 ft. wide); thence along the northerly right of way of State Route 184, S 78° 29' 00" W. 234.63 ft. to a point of curvature; thence along State Route 184 on a curve to the right an arc length of 296.46 ft., said curve has a radius of 2260.16 ft., central angle of 7° 30' 55", and chord of S. 82° 14' 28" W.
296.24 ft. to the point of beginning; said parcel of land contains 8.40 acres or 366,017 square ft. by actual survey made by Granville F. Hogg, dated September 14, 1984.



REAL PROPERTY 2021 TAX BILL
TOWN OF CAPE CHARLES

Taxpayer

MYRTLE LANDING AFFORDABLE LLC
 C/O FOUNDATION HOUSING
 11810 GRAND PARK AVE STE 6
 ROCKVILLE MD 20852

2 PLUM STREET
 CAPE CHARLES, VA 23310

If you have a mortgage, please do not pay. A copy of your bill was sent to the mortgage company.

Taxable Real Property

PRIOR BALANCE DUE

\$0.00

BILL NUMBER	BILL YEAR	PARCEL ID		PROPERTY DESCRIPTION	
278	2021	2872083A40ABLK00 0000022		815 RANDOLPH AVE	
TAXPAYER ID	REAL VALUE	BUILDING VALUE	TAXABLE VALUE	DUE DATE	CURRENT TAX
3631	\$215,000.00	\$1,854,400.00	\$2,069,400.00	12/06/2021	\$6,504.12
Real Principal 0.00314					
\$6,504.12					

Make check out to Treasurer, Town of Cape Charles.
 For assessment questions, call Northampton County at 757-678-0446.
 For other questions, call 757-331-3259 ext. 26, 27 or 23.
FOR IMPORTANT INFORMATION OR TO UPDATE YOUR ADDRESS, SEE REVERSE.

MAKE CHECKS PAYABLE TO TOWN OF CAPE CHARLES

DUE DATE BILL YEAR

TOWN OF CAPE CHARLES
 2 PLUM STREET
 CAPE CHARLES, VA 23310

BILL NUMBER	278
PARCEL ID	2872083A40ABLK00 0000
TAXPAYER ID	3631
CURRENT DUE	\$6,504.12
AMOUNT ENCLOSED	

MYRTLE LANDING AFFORDABLE LLC
 C/O FOUNDATION HOUSING
 11810 GRAND PARK AVE STE 6
 ROCKVILLE MD 20852





NORTHAMPTON COUNTY
 CYNTHIA S. BRADFORD - TREASURER
 PO BOX 598
 EASTVILLE, VA 23347

TEMP-RETURN SERVICE REQUESTED

Bill Number	7700	Due Date:	12/06/2021
Account No.	473320		

REAL ESTATE BILL 2021

*000962/1 PRSRT D-000962



MYRTLE LANDING AFFORDABLE LLC
 C/O FOUNDATION HOUSING
 11810 GRAND PARK AVE STE 6
 ROCKVILLE MD 20852-8677

Inquiries:

For questions regarding payment please contact the Treasurer's Office at (757) 678-0450

For questions regarding the assessment or license fee, please contact the Commissioner of Revenue at (757) 678-0446.

Page 1 of 2

RPC	Description	Land Value	Building value	Deferred Amount	Total Assessed	Rate	Assessed Tax	Tax Relief	Total
2872	083A4-0A-00-0000022 N. SIDE RT. 184 CAPE CHARLES	215,000	1,854,400	0	2,069,400	0.835	17,279.49	0.00	17,279.49

**PLEASE READ THE REVERSE SIDE OF THIS BILL
FOR IMPORTANT INFORMATION**

CREDIT CARD PAYMENT INSTRUCTIONS
<https://www.co.northampton.va.us/payments>
 OR
CALL 1-888-272-9829
Enter Jurisdiction Code 6228

Total Current	17,279.49
Amount Delinquent	0.00
Payments	0.00
Total Due By 12/06/2021	\$17,279.49

Please make check payable to Northampton County Treasurer and return this portion with your payment. Your cancelled check will serve as your receipt.

Account Number: Bill Number: RPC: Bill Year:

Envelopes must be postmarked on or before midnight of the due date.
 10% Penalty - 10% Interest per year if not paid by due date.
 No Paid Receipts unless requested.

Current Taxes	17,279.49
Amount Delinquent	0.00
Payments	0.00
Total Due By 12/06/2021	\$17,279.49

MYRTLE LANDING AFFORDABLE LLC
 C/O FOUNDATION HOUSING
 11810 GRAND PARK AVE STE 6
 ROCKVILLE, MD 20852

Daytime Telephone #:

F

Third-Party RESNET
Rater Certification
(MANDATORY)



Appendix F

RESNET Rater Certification of Development Plans

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

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

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

In addition provide HERS rating documentation as specified in the manual

No New Construction - EnergyStar Certification
The development's design meets the criteria for the EnergyStar certification.
Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide EnergyStar Certification to VHDA.

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

No Adaptive Reuse - Must evidence a HERS Index of 95 or better.
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

Additional Optional Certifications

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

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

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

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

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

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

Signed: [Signature]

Date: 1/19/22

Printed Name: Steven Armstrong

Resnet Provider Agency
Performance Point, LLC

RESNET Rater
Signature [Signature]

Provider Contact and Phone/Email Sam Galphin, 704-563-1030/sam@theperformancepoint.com

Home Energy Rating Certificate

Property
Foundation Housing
815 Randolph Ave
Cape Charles, VA 23310

HERS
Rating Type: ProjectedWorstCase
Rating Date: 02/08/2022
Registry ID:
Certified Energy Rater: Steve Armstrong
Rating Number:

Projected Rating: Based on Plans - Field Confirmation Required.

HERS Index: 67

General Information

Conditioned Area	534 sq. ft.	House Type	Apartment, inside unit
Conditioned Volume	4361 cubic ft.	Foundation	Slab
Bedrooms	1		

Mechanical Systems Features

Air-source heat pump:	Electric, Htg: 9.0 HSPF. Clg: 16.0 SEER.
Water Heating:	Conventional, Electric, 0.96 EF, 40.0 Gal.
Duct Leakage to Outside	10.68 CFM25
Ventilation System	None
Programmable Thermostat	Heat=Yes; Cool=Yes

Building Shell Features

Ceiling Flat	R-38.0	Slab	R-0.0 Edge, R-0.0 Under
Sealed Attic	NA	Exposed Floor	NA
Vaulted Ceiling	NA	Window Type	U-Value: 0.350, SHGC: 0.300
Above Grade Walls	R-11.0	Infiltration Rate	8.00 ACH50
Foundation Walls	NA	Method	Blower door

Lights and Appliance Features

Interior Fluor Lighting (%)	0.0	Range/Oven Fuel	Electric
Interior LED Lighting (%)	100.0	Clothes Dryer Fuel	Electric
Refrigerator (kWh/yr)	525	Clothes Dryer CEF	3.73
Dishwasher (kWh/yr)	467	Ceiling Fan (cfm/Watt)	0.00

Estimated Annual Energy Cost

Use	MMBtu	Cost	Percent
Heating	1.2	\$8	4%
Cooling	0.8	\$5	3%
Hot Water	5.3	\$33	18%
Lights/Appliances	9.1	\$56	31%
Photovoltaics	0.0	\$0	0%
Service Charges		\$79	44%
Total	16.5	\$181	100%

Criteria

This home meets or exceeds the minimum criteria for the following:

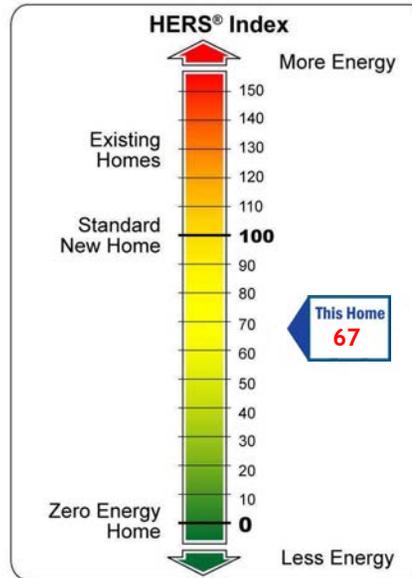
TITLE

Company	Performance Point
Address	6537 Hudspeth Rd
City, State, Zip	Harrisburg, NC 28075
Phone #	704.563.1030
Fax #	704.563.1098

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

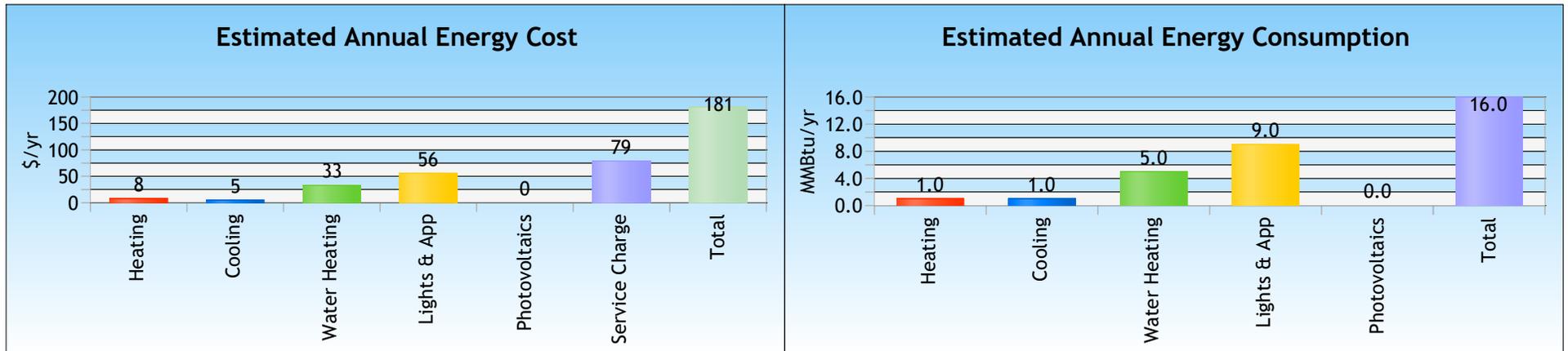
This information does not constitute any warranty of energy costs or savings. © 1985-2021 NORESCO, Boulder, Colorado.
The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

HERS PERFORMANCE



ENERGY RATING CERTIFICATE

Projected Rating: Based on Plans - Field Confirmation Required.



Address 815 Randolph Ave
Cape Charles, VA 23310

House Type Apartment, inside unit

Cond. Area 534 sq. ft.

Rating No.

Issue Date February 09, 2022

Certification Inspected and Tested

Annual Estimates*

Electric(kWh): 4823

CO2 emissions(Tons): 2

Annual Savings**: \$77

* Based on standard operating conditions

** Based on a HERS 130 Index Home

TITLE

Company Performance Point

Address 6537 Hudspeth Rd

Certified Rater Steve Armstrong

Rater ID 6602771

Registry ID

Rating Date 02/08/2022

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

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

Home Energy Rating Certificate

Property
Foundation Housing
815 Randolph Ave
Cape Charles, VA 23310

HERS
Rating Type: ProjectedWorstCase
Rating Date: 02/08/2022
Registry ID:

Certified Energy Rater: Steve Armstrong
Rating Number:

Projected Rating: Based on Plans - Field Confirmation Required.

HERS Index: 67

General Information

Conditioned Area	534 sq. ft.	House Type	Apartment, end unit
Conditioned Volume	4361 cubic ft.	Foundation	Slab
Bedrooms	1		

Mechanical Systems Features

Air-source heat pump:	Electric, Htg: 9.0 HSPF. Clg: 16.0 SEER.
Water Heating:	Conventional, Electric, 0.96 EF, 40.0 Gal.
Duct Leakage to Outside	10.68 CFM25
Ventilation System	None
Programmable Thermostat	Heat=Yes; Cool=Yes

Building Shell Features

Ceiling Flat	R-38.0	Slab	R-0.0 Edge, R-0.0 Under
Sealed Attic	NA	Exposed Floor	NA
Vaulted Ceiling	NA	Window Type	U-Value: 0.350, SHGC: 0.300
Above Grade Walls	R-11.0	Infiltration Rate	8.00 ACH50
Foundation Walls	NA	Method	Blower door

Lights and Appliance Features

Interior Fluor Lighting (%)	0.0	Range/Oven Fuel	Electric
Interior LED Lighting (%)	100.0	Clothes Dryer Fuel	Electric
Refrigerator (kWh/yr)	525	Clothes Dryer CEF	3.73
Dishwasher (kWh/yr)	467	Ceiling Fan (cfm/Watt)	0.00

Estimated Annual Energy Cost

Use	MMBtu	Cost	Percent
Heating	1.6	\$10	5%
Cooling	0.9	\$6	3%
Hot Water	5.3	\$33	18%
Lights/Appliances	9.1	\$56	31%
Photovoltaics	0.0	\$0	0%
Service Charges		\$79	43%
Total	17.0	\$184	100%

Criteria

This home meets or exceeds the minimum criteria for the following:

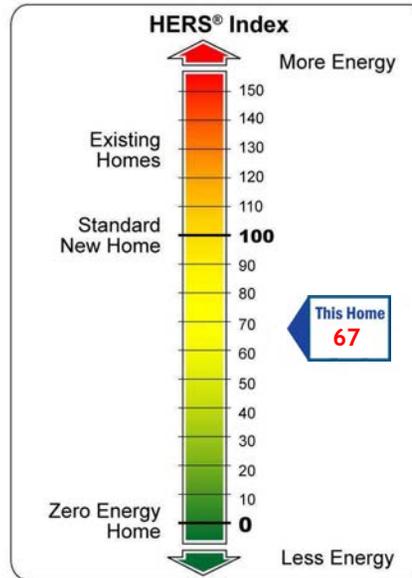
TITLE

Company	Performance Point
Address	6537 Hudspeth Rd
City, State, Zip	Harrisburg, NC 28075
Phone #	704.563.1030
Fax #	704.563.1098

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

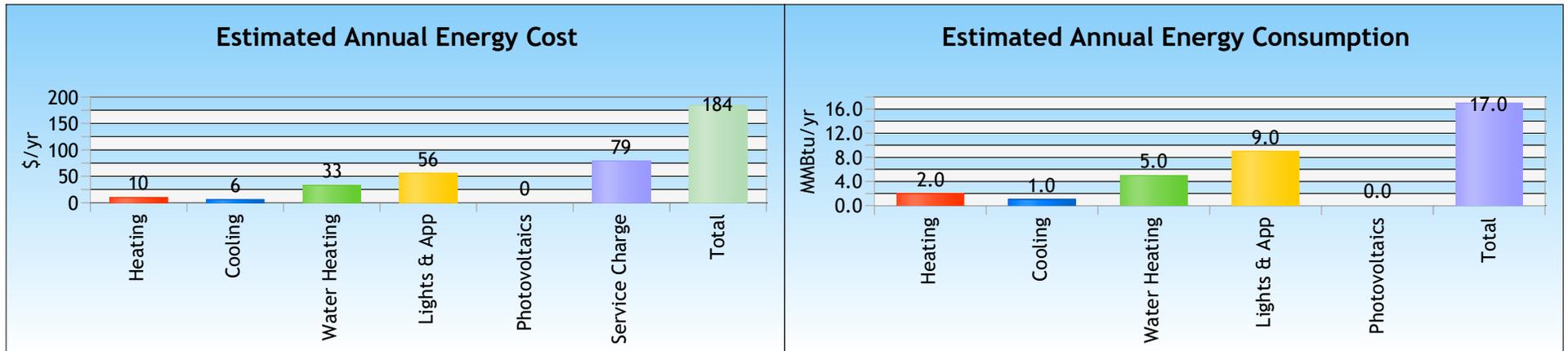
This information does not constitute any warranty of energy costs or savings. © 1985-2021 NORESCO, Boulder, Colorado.
The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

HERS PERFORMANCE



ENERGY RATING CERTIFICATE

Projected Rating: Based on Plans - Field Confirmation Required.



Address 815 Randolph Ave
Cape Charles, VA 23310

House Type Apartment, end unit

Cond. Area 534 sq. ft.

Rating No.

Issue Date February 09, 2022

Certification Inspected and Tested

Annual Estimates*

Electric(kWh): 4975

CO2 emissions(Tons): 2

Annual Savings**: \$80

* Based on standard operating conditions

** Based on a HERS 130 Index Home

TITLE

Company Performance Point

Address 6537 Hudspeth Rd

Certified Rater Steve Armstrong

Rater ID 6602771

Registry ID

Rating Date 02/08/2022

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

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

Home Energy Rating Certificate

Property
Foundation Housing
815 Randolph Ave
Cape Charles, VA 23310

HERS
Rating Type: ProjectedWorstCase
Rating Date: 02/08/2022
Registry ID:

Certified Energy Rater: Steve Armstrong
Rating Number:

Projected Rating: Based on Plans - Field Confirmation Required.

HERS Index: 68

General Information

Conditioned Area	820 sq. ft.	House Type	Apartment, inside unit
Conditioned Volume	6697 cubic ft.	Foundation	Slab
Bedrooms	1		

Mechanical Systems Features

Air-source heat pump:	Electric, Htg: 9.0 HSPF. Clg: 16.0 SEER.
Water Heating:	Conventional, Electric, 0.96 EF, 40.0 Gal.
Duct Leakage to Outside	16.40 CFM25
Ventilation System	None
Programmable Thermostat	Heat=Yes; Cool=Yes

Building Shell Features

Ceiling Flat	R-38.0	Slab	R-0.0 Edge, R-0.0 Under
Sealed Attic	NA	Exposed Floor	NA
Vaulted Ceiling	NA	Window Type	U-Value: 0.350, SHGC: 0.300
Above Grade Walls	R-11.0	Infiltration Rate	8.00 ACH50
Foundation Walls	NA	Method	Blower door

Lights and Appliance Features

Interior Fluor Lighting (%)	0.0	Range/Oven Fuel	Electric
Interior LED Lighting (%)	100.0	Clothes Dryer Fuel	Electric
Refrigerator (kWh/yr)	525	Clothes Dryer CEF	3.73
Dishwasher (kWh/yr)	467	Ceiling Fan (cfm/Watt)	0.00

Estimated Annual Energy Cost

Use	MMBtu	Cost	Percent
Heating	1.8	\$11	6%
Cooling	0.9	\$6	3%
Hot Water	5.3	\$33	17%
Lights/Appliances	10.2	\$63	33%
Photovoltaics	0.0	\$0	0%
Service Charges		\$79	41%
Total	18.3	\$192	100%

Criteria

This home meets or exceeds the minimum criteria for the following:

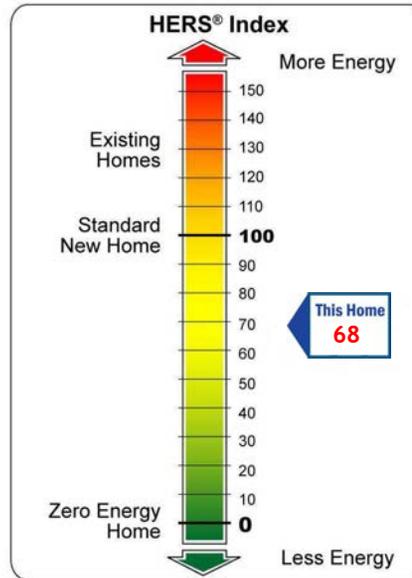
TITLE

Company	Performance Point
Address	6537 Hudspeth Rd
City, State, Zip	Harrisburg, NC 28075
Phone #	704.563.1030
Fax #	704.563.1098

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

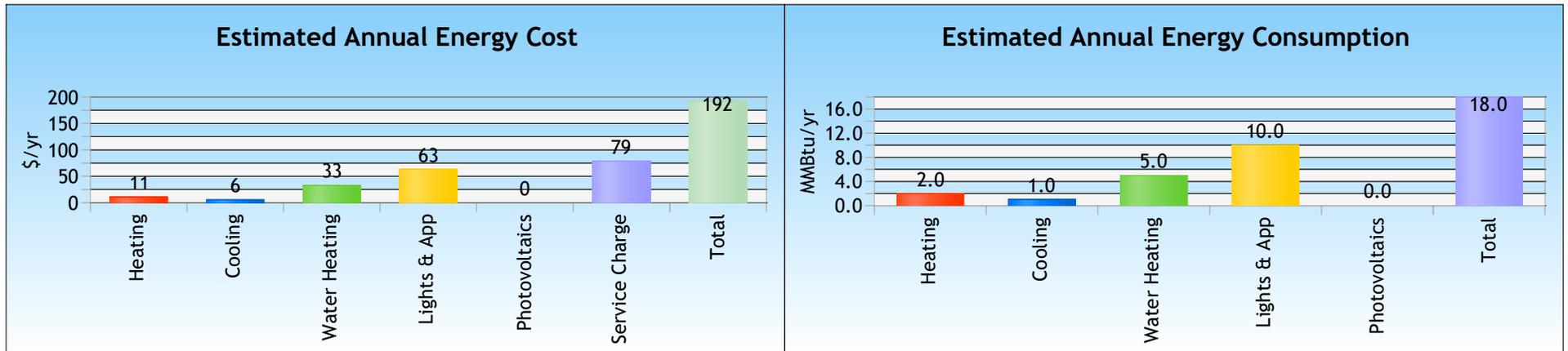
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The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

HERS PERFORMANCE



ENERGY RATING CERTIFICATE

Projected Rating: Based on Plans - Field Confirmation Required.



Address	815 Randolph Ave Cape Charles, VA 23310	Annual Estimates*	TITLE	
House Type	Apartment, inside unit	Electric(kWh): 5371	Company	Performance Point
Cond. Area	820 sq. ft.	CO2 emissions(Tons): 3	Address	6537 Hudspeth Rd
Rating No.		Annual Savings**: \$88	Certified Rater	Steve Armstrong
Issue Date	February 09, 2022	* Based on standard operating conditions	Rater ID	6602771
Certification	Inspected and Tested	** Based on a HERS 130 Index Home	Registry ID	
			Rating Date	02/08/2022

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

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

Home Energy Rating Certificate

Property
Foundation Housing
815 Randolph Ave
Cape Charles, VA 23310

HERS
Rating Type: ProjectedWorstCase
Rating Date: 02/08/2022
Registry ID:

Certified Energy Rater: Steve Armstrong
Rating Number:

Projected Rating: Based on Plans - Field Confirmation Required.

HERS Index: 67

General Information

Conditioned Area	604 sq. ft.	House Type	Apartment, end unit
Conditioned Volume	4933 cubic ft.	Foundation	Slab
Bedrooms	1		

Mechanical Systems Features

Air-source heat pump:	Electric, Htg: 9.0 HSPF. Clg: 16.0 SEER.
Water Heating:	Conventional, Electric, 0.96 EF, 40.0 Gal.
Duct Leakage to Outside	12.08 CFM25
Ventilation System	None
Programmable Thermostat	Heat=Yes; Cool=Yes

Building Shell Features

Ceiling Flat	R-38.0	Slab	R-0.0 Edge, R-0.0 Under
Sealed Attic	NA	Exposed Floor	NA
Vaulted Ceiling	NA	Window Type	U-Value: 0.350, SHGC: 0.300
Above Grade Walls	R-11.0	Infiltration Rate	8.00 ACH50
Foundation Walls	NA	Method	Blower door

Lights and Appliance Features

Interior Fluor Lighting (%)	0.0	Range/Oven Fuel	Electric
Interior LED Lighting (%)	100.0	Clothes Dryer Fuel	Electric
Refrigerator (kWh/yr)	525	Clothes Dryer CEF	3.73
Dishwasher (kWh/yr)	467	Ceiling Fan (cfm/Watt)	0.00

Estimated Annual Energy Cost

Use	MMBtu	Cost	Percent
Heating	1.8	\$11	6%
Cooling	1.0	\$6	3%
Hot Water	5.3	\$33	18%
Lights/Appliances	9.4	\$58	31%
Photovoltaics	0.0	\$0	0%
Service Charges		\$79	42%
Total	17.6	\$188	100%

Criteria

This home meets or exceeds the minimum criteria for the following:

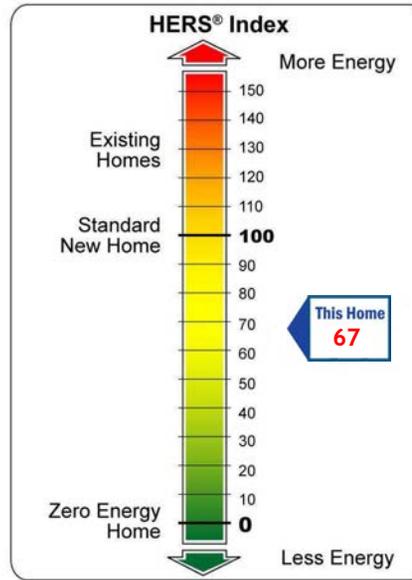
TITLE

Company	Performance Point
Address	6537 Hudspeth Rd
City, State, Zip	Harrisburg, NC 28075
Phone #	704.563.1030
Fax #	704.563.1098

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

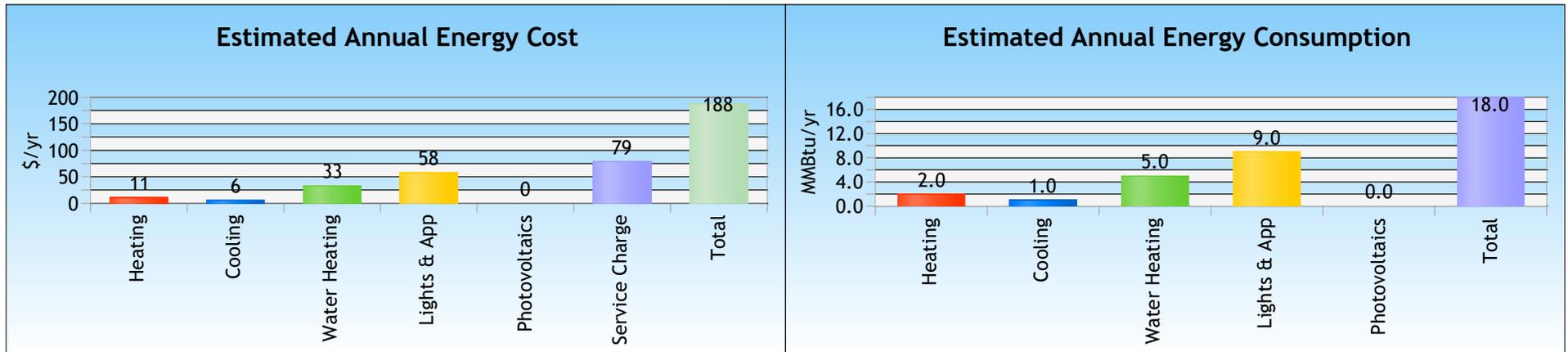
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The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

HERS PERFORMANCE



ENERGY RATING CERTIFICATE

Projected Rating: Based on Plans - Field Confirmation Required.



Address 815 Randolph Ave
Cape Charles, VA 23310

House Type Apartment, end unit

Cond. Area 604 sq. ft.

Rating No.

Issue Date February 09, 2022

Certification Inspected and Tested

Annual Estimates*

Electric(kWh): 5151

CO2 emissions(Tons): 3

Annual Savings**: \$83

* Based on standard operating conditions

** Based on a HERS 130 Index Home

TITLE

Company Performance Point

Address 6537 Hudspeth Rd

Certified Rater Steve Armstrong

Rater ID 6602771

Registry ID

Rating Date 02/08/2022

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

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

Home Energy Rating Certificate

Property
Foundation Housing
815 Randolph Ave
Cape Charles, VA 23310

HERS
Rating Type: ProjectedWorstCase
Rating Date: 02/08/2022
Registry ID:

Certified Energy Rater: Steve Armstrong
Rating Number:

Projected Rating: Based on Plans - Field Confirmation Required.

HERS Index: 67

General Information

Conditioned Area	615 sq. ft.	House Type	Apartment, end unit
Conditioned Volume	5023 cubic ft.	Foundation	Slab
Bedrooms	1		

Mechanical Systems Features

Air-source heat pump:	Electric, Htg: 9.0 HSPF. Clg: 16.0 SEER.
Water Heating:	Conventional, Electric, 0.96 EF, 40.0 Gal.
Duct Leakage to Outside	12.30 CFM25
Ventilation System	None
Programmable Thermostat	Heat=Yes; Cool=Yes

Building Shell Features

Ceiling Flat	R-38.0	Slab	R-0.0 Edge, R-0.0 Under
Sealed Attic	NA	Exposed Floor	NA
Vaulted Ceiling	NA	Window Type	U-Value: 0.350, SHGC: 0.300
Above Grade Walls	R-11.0	Infiltration Rate	8.00 ACH50
Foundation Walls	NA	Method	Blower door

Lights and Appliance Features

Interior Fluor Lighting (%)	0.0	Range/Oven Fuel	Electric
Interior LED Lighting (%)	100.0	Clothes Dryer Fuel	Electric
Refrigerator (kWh/yr)	525	Clothes Dryer CEF	3.73
Dishwasher (kWh/yr)	467	Ceiling Fan (cfm/Watt)	0.00

Estimated Annual Energy Cost

Use	MMBtu	Cost	Percent
Heating	2.0	\$12	7%
Cooling	1.1	\$7	4%
Hot Water	5.3	\$33	17%
Lights/Appliances	9.5	\$58	31%
Photovoltaics	0.0	\$0	0%
Service Charges		\$79	42%
Total	17.9	\$190	100%

Criteria

This home meets or exceeds the minimum criteria for the following:

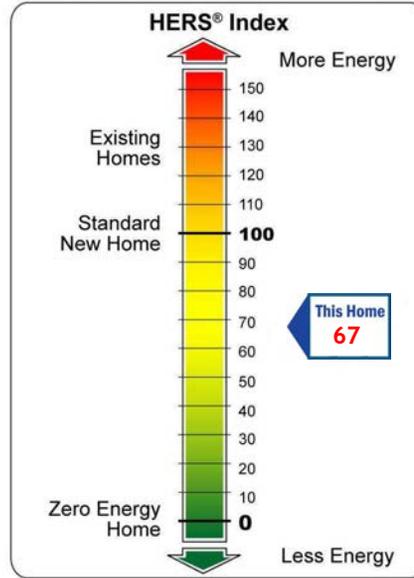
TITLE

Company	Performance Point
Address	6537 Hudspeth Rd
City, State, Zip	Harrisburg, NC 28075
Phone #	704.563.1030
Fax #	704.563.1098

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

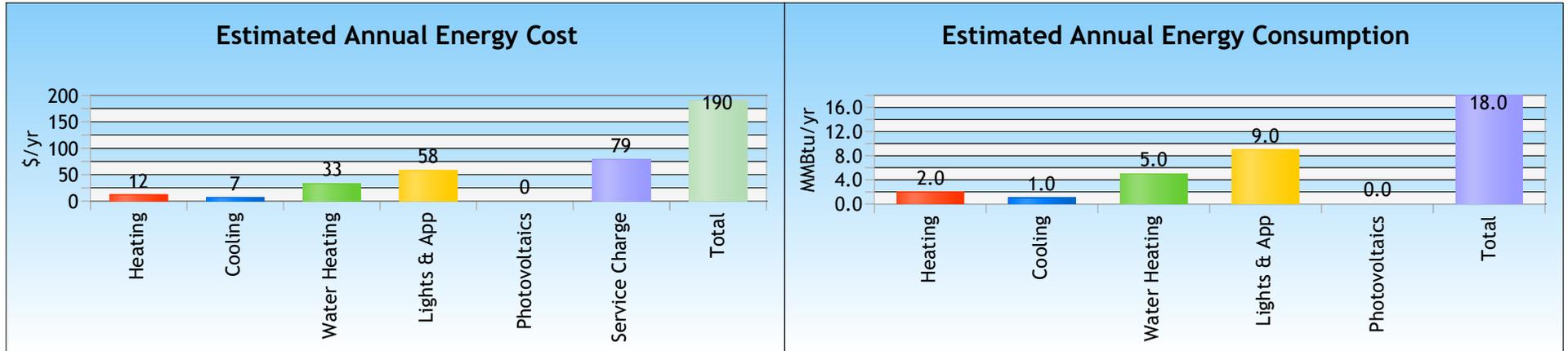
This information does not constitute any warranty of energy costs or savings. © 1985-2021 NORESCO, Boulder, Colorado.
The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

HERS PERFORMANCE



ENERGY RATING CERTIFICATE

Projected Rating: Based on Plans - Field Confirmation Required.



Address 815 Randolph Ave
Cape Charles, VA 23310

House Type Apartment, end unit

Cond. Area 615 sq. ft.

Rating No.

Issue Date February 09, 2022

Certification Inspected and Tested

Annual Estimates*

Electric(kWh): 5248

CO2 emissions(Tons): 3

Annual Savings**: \$85

* Based on standard operating conditions

** Based on a HERS 130 Index Home

TITLE

Company Performance Point

Address 6537 Hudspeth Rd

Certified Rater Steve Armstrong

Rater ID 6602771

Registry ID

Rating Date 02/08/2022

REM/Rate - Residential Energy Analysis and Rating Software v16.3.2

This information does not constitute any warranty of energy costs or savings. © 1985-2021 NORESCO, Boulder, Colorado.
The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

G

Zoning Certification Letter
(MANDATORY)



Municipal Corp. of Cape Charles

March 10, 2022

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

RE: ZONING CERTIFICATION: Tax Map Number 83A4-A-22
Name of Development: Myrtle Landing Apartments
Name of Owner/Applicant: Myrtle Landing Renewal LLC
Name of Seller/Current Owner: Myrtle Landing Affordable LLC

Dear Mr. Bondurant,

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 credits available under VHDA's Qualified Allocation Plan.

DEVELOPMENT DESCRIPTION:

Development Address:
815 Randolph Avenue
Cape Charles, VA 23310

LEGAL DESCRIPTION:

See Attached Schedule A

PROPOSED IMPROVEMENTS:

<input type="checkbox"/> New Construction:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Approx. Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Approx. Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Rehabilitation:	<u>93</u> # Units	<u>12</u> # Buildings	<u>55,559</u> Approx. Total Floor Area Sq. Ft.

Current Zoning: Residential Multi-Family District (R-3)

Zoning Certification, cont'd

Current Zoning: Residential Multi-Family District (R-3) allowing a density of _____ units per acre, and the following other applicable conditions: _____

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.

Katie H. Nung
Signature

Katie H. Nung
Printed Name

Interim Planning : Zoning Administrator
Title of Local Official or Civil Engineer

757 - 331 - 2036
Phone:

3/10/2022
Date:

Schedule A

All that certain tract or parcel of land containing 8.40 acres, more or less, situate in and near the Town of Cape Charles, Northampton County, Virginia, all as shown on a certain "Plat of Survey - This Parcel of Land was Surveyed at the Request of Heritage Acres 6, Located In Town of Cape Charles, Capeville District, Northampton County, Virginia", dated September 14, 1984, made by Granville F. Hogg, C.L.S., which said plat is hereto attached and made a part hereof and to which reference is hereby made for a more accurate and particular description of the property herein conveyed. Said property being bounded generally on the north by the lands of Brown & Root, Inc.; on the east by the lands of Brown & Root, Inc. and the lands of the Commonwealth of Virginia; on the south by the right of way of Virginia State Route 184, and on the west by other lands of Brown & Root, Inc.

Said 8.40 acres, more or less, is described by metes and bounds as follows:

Beginning at a found broken concrete marker at the southwestern corner of the herein conveyed tract, said marker is located on the northerly right of way line of State Route 184 also known as Randolph Avenue Extended, N 87° 40' 08" E. 268.04 feet from a found pipe marking the Intersection of the northerly right of way of Randolph Avenue Extended (70 ft. wide) and the easterly right of way of Fulcher Street (70 ft. wide) also known as State Route 1114; thence departing from the beginning point, N 2° 00' 00" W. 699.57 ft. to a found pipe in concrete; thence N 85° 34' 24" E. 537.41 ft. to a found concrete marker; thence S 2° 00' 00" E. 636.27 ft. to a point on the northerly right of way of State Route 184 (80 ft. wide); thence along the land of the Commonwealth of Virginia S 78° 29' 00" 10.92 feet to a point; thence S 2° 00' 00" E. 15.73 ft. to a point on the northerly right of way of State Route 184 (70 ft. wide); thence along the northerly right of way of State Route 184, S 78° 29' 00" W. 234.63 ft. to a point of curvature; thence along State Route 184 on a curve to the right an arc length of 296.46 ft., said curve has a radius of 2260.16 ft., central angle of 7° 30' 55", and chord of S. 82° 14' 28" W. 296.24 ft. to the point of beginning; said parcel of land contains 8.40 acres or 366,017 square ft. by actual survey made by Granville F. Hogg, dated September 14, 1984.

H

Attorney's Opinion
(MANDATORY)

March 29, 2022

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

RE: 2022 Tax Credit Reservation Request

Name of Development: Myrtle Landing Apartments
Name of Owner: Myrtle Landing Renewal LLC

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 29, 2022 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

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

5. 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. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

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

8. 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.

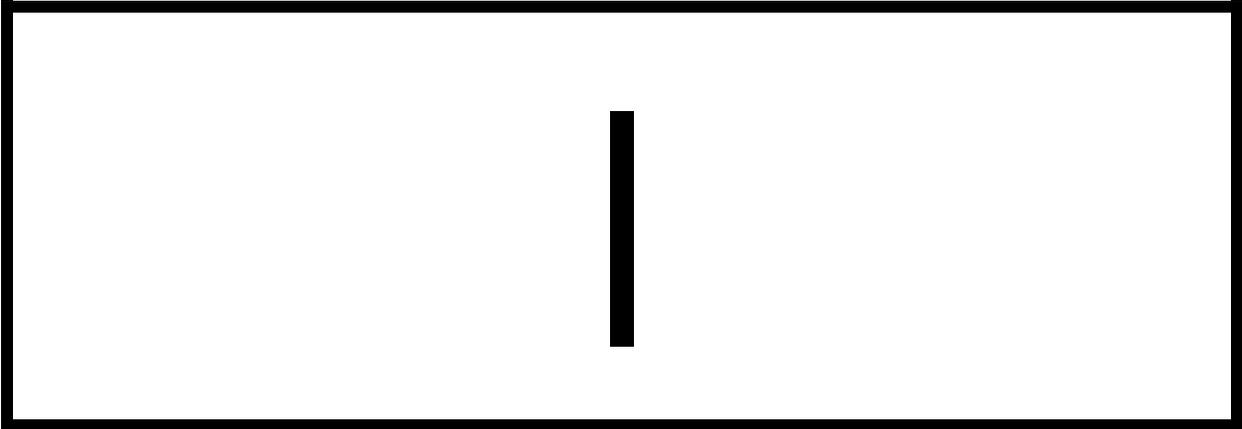
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code 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 ("VHDA") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by VHDA and may not be relied upon by any other party for any other purpose.

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

Bocarsly Emden Cowan Esmail & Arndt LLP

By: 
Craig A. Emden, Partner



Nonprofit Questionnaire

(MANDATORY for points or pool)



Non-profit Questionnaire

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

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

1. General Information

- Name of development: Myrtle Landing Apartments
- Name of owner/applicant: Myrtle Landing Renewal LLC
- Name of non-profit entity: Huntington Housing, Inc.
- Address of principal place of business of non-profit entity:
11810 Grand Park Ave, Suite 600, North Bethesda, MD 20852
- Tax exempt status: 501(c)(3) 501(c)(4) 501(a)
- Date of legal formation of non-profit (must be prior to application deadline); 6/2/1994
evidenced by the following documentation:
Articles of Incorporation dated June 2, 1994 (originally formed as Atlantic Housing, Inc; name changed to Huntington Housing, Inc. ("Huntington") on December 18, 1997.)
- Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):
January 17, 1995
- Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):
Provide for the acquisition, preservation and development of low income affordable housing for low income families and seniors.
- How many full time, paid staff members does the non-profit and, if applicable, any other non-profit organization(s) ("related non-profit(s)") of which the non-profit is a subsidiary or to which the non-profit is otherwise related have (i.e. by shared directors, staff, etc.)?
18 How many part time, paid staff members? 0
- Describe the duties of all staff members:
Please see additional sheet for staff roster.

Non-profit Questionnaire, cont'd

- Does the non-profit share staff with any other entity besides a related non-profit described above?

Yes No If yes, explain in detail: _____

- What are the sources and manner of funding of the non-profit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development

No outside funding. The Corporation's financial resources are derived from the net cash flow derived from the operation of affordable rental housing properties.

- List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:

Jason Goldblatt, Board Member since November 2010, CEO, Foundation Housing, Inc.

7012 Arandale Rd, Bethesda, MD 20617

Please see additional sheet.

2. Non-profit Formation

- If this is your first Non-profit Questionnaire in Virginia please explain in detail the genesis of the formation of the non-profit; otherwise please skip this question:

- Is the non-profit, or has it ever been, affiliated with or controlled by a for-profit entity or local housing authority?

Yes No If yes, explain in detail:

- Has any for profit organization or local housing authority (including the Owner of the Development, joint venture partner, or any individual or entity directly or indirectly related to such Owner) appointed any directors to the governing board of the non-profit?

Yes No If yes, explain:

- Does any for-profit organization or local housing authority have the right to make such appointments?

Yes No If yes, explain:

Non-profit Questionnaire, cont'd

- Does any for profit organization or local housing authority have any other affiliation with the non-profit or have any other relationship with the non-profit in which it exercises or has the right to exercise any other type of control?

Yes No, If yes, explain: _____

- Was the non-profit formed by any individual(s) or for profit entity for the principal purpose of being included in the non-profit Pool or receiving points for non-profit participation under the Plan?

Yes No

- Explain any experience you are seeking to claim as a related or subsidiary non-profit.
Please see additional sheet.

3. Non-profit Involvement

- Is the non-profit assured of owning an interest in the Development (either directly or through a wholly owned subsidiary) throughout the Compliance Period (as defined in

§42(i)(1) of the Code)?

Yes No

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

Yes No

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

Yes No

If no to either 3a.i or 3a.ii above, specifically describe the non-profit's ownership interest:

- (i) Will the non-profit be the managing member or managing general partner?

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

In Section 3.1 of the Operating Agreement.

(ii) Will the non-profit be the managing member or own more than 50% of the general partnership interest? Yes No

- Will the non-profit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity?

Yes No If yes, where in the partnership/operating agreement is this provision specifically referenced? It will be contained in a purchase option and right of first refusal agreement.

Non-profit Questionnaire, cont'd

Recordable agreement attached to the Tax Credit Application as TAB V

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

- Is the non-profit materially participating (regular, continuous, and substantial participation) in the construction or rehabilitation and operation or management of the proposed Development?

Yes No If yes,

- (i) Describe the non-profit's proposed involvement in the construction or rehabilitation of the Development:

Please see additional sheet.

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

Please see additional sheet.

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

Please see additional sheet.

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

N/A

- Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development?

Yes No If yes,

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

Chesapeake Community Advisors (CCA) will act as a contractor to Huntington. CCA will provide additional staffing to assist Huntington during the application process.

- Will the non-profit or the Owner (as identified in the application) pay a joint venture partner or consultant fee for providing development services? Yes No If yes, explain the amount and source of the funds for such payments.

Huntington will use its working capital to pay CCA \$10,000 for assistance with the LIHTC application.

Non-profit Questionnaire, cont'd

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

- Will the joint venture partner or for-profit consultant be compensated (receive income) in any other manner, such as builder's profit, architectural and engineering fees, or cash flow?
 Yes No If yes, explain:

- Will any member of the board of directors, officer, or staff member of the non-profit participate in the development and/or operation of the proposed development in any for-profit capacity?
 Yes No If yes, explain:

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

None

Non-profit Questionnaire, cont'd

4. Virginia and Community Activity

- Has the Virginia State Corporation Commission authorized the non-profit to do business in Virginia? Yes No

- Define the non-profit's geographic target area or population to be served:

Please see additional sheet.

- Does the non-profit or, if applicable, related non-profit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)?

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

Please see additional sheet for details.

- Does the non-profit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the non-profit on design, location of sites, development and management of affordable housing? Yes No If yes, explain:
-
-
-

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

Yes No

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

Yes No. If yes, explain.

Huntington Housing has received approvals from the local administrator.

Huntington has received support for its other projects in Southern Virginia (Settlers Point, Springdale Village, Burton Creek, Westside Village and Northwinds.)

- Has the non-profit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input? Yes No If yes, describe the general discussion points:

Huntington plans to schedule meetings with residents of Myrtle Landing if the project receives an allocation of LIHTCs. The non-profit in conjunction with on-site management will explain the construction timeline, temporary relocation, and answer questions/concerns of residents.

- Are at least 33% of the members of the board of directors representatives of the community being served? Yes No If yes,

(i) low-income residents of the community? Yes No

(ii) elected representatives of low-income neighborhood organizations? Yes No

Non-profit Questionnaire, cont'd

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

- Does the board of directors hold regular meetings which are well attended and accessible to the target community? Yes No If yes, explain the meeting schedule:
Huntington's board meets annually or otherwise, advises its members through its officers and makes decisions via unanimous
written consent based on advice from its investment committee.

- Has the non-profit received a Community Housing Development Organization (CHDO) designation, as defined by the U. S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? Yes No

- Has the non-profit been awarded state or local funds for the purpose of supporting overhead and operating expenses? Yes No If yes, explain in detail:

- Has the non-profit been formally designated by the local government as the principal community-based non-profit housing development organization for the selected target area? Yes No If yes, explain:

- Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? Yes No If yes, note each such application including: the development name and location, the date of application, the non-profit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).

- Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? Yes No If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).
Springdale Village Apartments, Bristol, VA, 2011 Credits Awarded, Complete
Settlers Point Apartments, Damascus, VA, 2011, Credits Awarded, Complete Westside Village Apartments, South Boston,
Northwinds Apartments, Wytheville, VA, 2013, Credits Awarded, Complete VA, 2021 Credits Awarded
Burton Creek Apartments, Lynchburg, VA, 2018, Credits Awarded, Construction Complete

- To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? Yes No

- Has the non-profit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources? Yes No If yes, explain the need identified:

Non-profit Questionnaire, cont'd

5. Attachments

Documentation of any of the above need not be submitted unless requested by VHDA
The undersigned Owner and non-profit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for non-profit participation contained in the Plan or Section 42 of the Internal Revenue Code.

2/16/2022

Date

Myrtle Landing Renewal LLC

Owner/Applicant

By: 

Its: President

Title

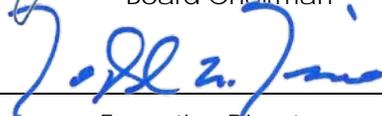
Huntington Housing, Inc.

Non-profit

2/16/2022

Date

By: 
Board Chairman

By: 
Executive Director

VHDA Non-Profit Questionnaire Additional Sheet

Duties of all Staff Members

- 1) Jason Goldblatt – Chairman and Chief Executive Officer - Acts as chief executive officer, responsible for recommendation and execution of board directives.
- 2) Todd Travis – President and Chief Operating Officer – Acts as chief operating officer, handles day to day operations including development, asset management, and compliance.
- 3) Randy Kelly – Vice President and General Counsel – Oversees all aspects of the Foundation’s legal matters
- 4) Janet Charlton – Executive Vice President - Assist with compliance on existing properties; lead policy and education initiatives
- 5) John Parreco – Director of Acquisitions – Identifies acquisition opportunities, conducts due diligence, and finalizes new property acquisitions
- 6) Rosann Redmon – Comptroller – Handles corporate accounting
- 7) Bobby Custer – Director of Asset Management – Manages property-level asset management
- 8) Lauren Scully – Senior Asset Manager - Property-level asset management
- 9) Amanda Kryz – Asset Manager
- 10) Brent Bubes – Assistant Asset and Transactions Manager
- 11) Dominick Bonomolo - Asset Manager - Property-level asset management
- 12) Jay Haynes – Asset Manager - Property-level asset management
- 13) Christina Schmiedel – Tax Analyst – Handles corporate and entity tax aspects
- 14) Cassandra Palanza – Director of Special Projects – Oversees all aspects of special projects at the Foundation
- 15) Janis Butler – Executive Assistant – Provides assistance to Mr. Travis
- 16) Tracy Phillips – Executive Assistant – Provides assistance to Mr. Goldblatt
- 17) Luciano Sangalang – Office Services Assistant – Assists office staff in various matters
- 18) Jeff Cordisco – Director of Construction – oversees construction and development

Nonprofit and Subsidiary Experience

Huntington is currently the managing member or sole member of managing member of 4 low income housing properties located in the mid-Atlantic. 3 of those properties are located in Virginia and total 340 low income housing tax credit (“LIHTC”) units. Similar organizations which support Foundation Housing (“The Foundation”) operate an additional 117 communities across the country. Of these 117, 39 have received allocations of LIHTCs bringing a total of 44 LIHTC properties, with a unit total of 6,213. The Foundation provides support in the form of human and financial capital to its supporting organizations in furtherance of their shared charitable purpose.

The Foundation was formed on January 11, 1990, and its IRS determination letter was issued on June 6, 1990. The Foundation’s charitable purpose is to engage in activities that will assist in the provision of decent affordable housing for low- and moderate-income persons and families, working towards solutions to provide for the acquisition, rehabilitation, development, ownership and operation of affordable housing. The Foundation sponsored the formation of Huntington Housing, Inc. and the Foundation lends human resources and financial capital to Huntington in support of their shared charitable mission.

Nonprofit Participation in Construction

i) As sole member of the managing member, Huntington is the Owner's representative supervising the construction and rehabilitation of the project. The Owner works collaboratively with its construction manager and contractor to accomplish the construction and rehabilitation of the proposed Development.

ii) As sole member of the managing member, Huntington is principally responsible for the operation of the property and compliance with all regulatory requirements and tax credit compliance. Huntington works directly with its property manager to oversee the management of the property and to optimize operational efficiencies at the Development.

iii) It is expected that the Huntington staff will spend at least 10 hours a week on a going forward basis on the construction, rehabilitation, operation, maintenance and management of the Development, including hours dedicated to construction oversight, property management oversight, legal oversight and regulatory compliance for the property.

Nonprofits Geographic Reach

Huntington owns projects in the Mid-Atlantic (DE-VA). Based on the successful development of four low income properties in southwestern, VA (Settlers Point, Springdale Village, Northwinds Apartments and Westside Village), Huntington has targeted this area for future development opportunities. Along with Myrtle Landing, Huntington is also endeavoring to acquire other affordable properties in southern and central Virginia.

Huntington is the managing member of Settlers Point Affordable LLC, Springdale Affordable LLC, Northwinds Renewal LLC and Westside Village Renewal LLC, four low income housing tax credit properties in southern VA. Huntington has successfully organized, developed, and managed the rehabilitation of these projects. In addition, the Huntington is also currently endeavoring to acquire additional properties in the area. Huntington has also sponsored community events including the Town of Wytheville's "After Hours" Summer Concert Series.

ARTICLES OF INCORPORATION

OF

ATLANTIC HOUSING, INC.

6-2-94

9:00 a.

The undersigned, Nancy Jeanne Trick, whose address is 112 Kendrick Place, Gaithersburg, Maryland 20878, being at least eighteen (18) years of age, does hereby form a nonstock corporation under and by virtue of the General Laws of the State of Maryland.

FIRST. The name of the corporation is Atlantic Housing, Inc. (hereinafter, the "Corporation").

SECOND. The period of its duration shall be perpetual.

THIRD. The Corporation is organized and shall be operated exclusively for charitable and educational purposes by conducting or supporting activities for the benefit of or to carry out the purposes of The National Foundation for Affordable Housing Solutions, Inc. (the "Foundation") which is a charitable and educational organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and which is not a private foundation under Section 509(a)(1).

The Corporation shall work toward solutions to provide for the acquisition, development, rehabilitation, ownership and operation of affordable housing for low- and moderate-income persons and families. It will accomplish these purposes by the acquisition, development, management, asset management, provision of services and/or financing of decent, affordable housing for low- and moderate-income persons. Through such activities, the Corporation will promote the revitalization of neighborhoods, will seek to improve the quality of economic and social participation in community life so as to eliminate poverty and will seek to provide permanent economic and social benefits for low- and moderate-income persons and families.

11538232

Notwithstanding the above, if the Foundation ceases to be an organization described in Section 501(c)(3) and Sections 509(a)(1) or (a)(2) of the Code, the Corporation shall cease to operate for the benefit of or in connection with said organization, but shall be operated for the benefit of and in connection with such other organization or organizations which are (i) described in Section 501(c)(3) and Sections 509(a)(1) or (a)(2) of the Code and (ii) organized and operated for the purposes similar to those of the Foundation as the Board of Directors of the Corporation shall determine.

No part of the income or principal of the Corporation shall inure to the benefit of any director or officer of this Corporation or any other private individual, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered to it, and to make reasonable payments and distributions in furtherance of the aforementioned purposes of the Corporation. The Corporation shall not engage in any activity which is prohibited to a corporation exempt from federal income tax under Section 501(c)(3) of the Code or any corresponding future provision of the federal tax law. In accordance with the existing federal tax law, the Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office by publishing or distributing statements, or any other way. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation.

It is intended that this Corporation shall have the status of a corporation which is exempt from federal income taxation under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code, and which is other than a private foundation under Section 509(a)(3) of the Code. These articles shall be construed accordingly, and all powers and activities of the Corporation shall be limited accordingly.

FOURTH: The Corporation shall not have members.

FIFTH: The Corporation shall not be authorized to issue capital stock.

SIXTH: The names of the two persons who shall serve as the initial directors of the Corporation are Jason Berman and Tony Coelho. The Board of Directors shall be appointed or elected by the Board of Directors of the Foundation, or by such officers of the Foundation, acting in their official capacity, as the Board of Directors of the Foundation has so designated.

SIXTH: Provisions for the distribution of assets on dissolution or the termination of the Corporation are as follows:

Although the period of duration of the Corporation is perpetual, if for any reason the Corporation is to be dissolved or otherwise terminated, no part of the property of the Corporation or any of the proceeds shall be distributed to or inure to the benefit of any of the directors of the Corporation. In such event, all property and proceeds of the Corporation, subject to the discharge of valid obligations of the Corporation, and to the applicable provisions of the General Laws of the State of Maryland, shall be distributed to the Foundation or its successor, if any, unless the Foundation shall not then be in existence or shall not be a qualified Section 501(c)(3) and Section 509(a)(1) or (a)(2) organization, in which case the assets of the Corporation shall be distributed as directed by the Board of Directors to one or more Section 501(c)(3) and Section 509(a)(1) or (a)(2) organizations, exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or any corresponding future provision of the federal tax law. Any of such assets not so disposed of shall be disposed of by the Circuit Court of Montgomery County, or such other court sitting in equity of the political subdivision in which the principal office of the Corporation is then located, exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or any corresponding future provision of the federal tax law, as said court shall determine.

SEVENTH: The present address of the principal office of the Corporation in Maryland is 11200 Rockville Pike, Rockville, Maryland 20852. The name and address, including street and number of its initial resident agent is Martin C. Schwartzberg, 11200 Rockville Pike, Rockville, Maryland 20852. The resident agent is a citizen of Maryland residing therein.

EIGHT: The directors and officers of the Corporation shall have not liability to the Corporation for money damages except (i) to the extent that it is proven that such person actually received an improper benefit or profit in money, property or services or (ii) to

the extent that a judgment or other final adjudication adverse to such person is entered in a proceeding based on a finding in the proceeding that the person's action, or failure to act, was the result of active and deliberate dishonesty and was material to the case of action adjudicated in the proceeding. This Article shall not be construed to affect the liability of a person in any capacity other than as a director or officer of the Corporation.

IN WITNESS WHEREOF, I have signed these Articles and acknowledge the same to be my act on this 1st day of June, 1994.



Nancy Jeanne Trick
Nancy Jeanne Trick
Incorporator

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
ATLANTIC HOUSING, INC.

RECEIVED FOR RECORD
12/18/97 at 9:36 AM

Pursuant to the General Laws of the State of Maryland, Atlantic Housing, Inc. ("Corporation") hereby certifies to the State Department of Assessments and Taxation of Maryland that the Articles of Incorporation ("Articles") of the Corporation are hereby amended as follows:

WHEREAS, the Corporation wishes to change its name;

NOW, THEREFORE, BE IT RESOLVED, that Article First of the Corporation's Articles is amended to read as follows:

"FIRST: The name of the Corporation (hereinafter "Corporation") is Huntington Housing, Inc."

This amendment of the Articles of the Corporation has been approved by the Board of Directors. There is no membership.

We, the undersigned President and Secretary swear under penalties of perjury that the foregoing is a corporate act.

Frank Mooney
Secretary

Anthony Coelho
President

RECEIVED
97 DEC 18 AM 9 36
ASSESS. & TAX.

I.D. NO# D3901693
ACKY. NO. - 120C3118752
HUNTINGTON HOUSING, INC.

12/18/97 AT 09:36 A.M.

STATE OF MARYLAND

I hereby certify that this is a true and complete copy of the page document on file in this office. DATED: 12/18/97
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION:

BY: [Signature], Custodian
This stamp replaces our previous certification system. Effective: 6/95

State of Maryland
**DEPARTMENT OF
 ASSESSMENTS AND TAXATION**



FARRIS N. GLENNING
 Governor
RONALD W. WENZELT
 Director
PAUL B. ANDERSON
 Administrator

Charter Division

DOCUMENT CODE 09A BUSINESS CODE _____ COUNTY 65
 # D3901683 P.A. _____ Religious _____ Close _____ Stock _____ Nonstock

Merging (Transferor) _____ Surviving (Transferee) _____

CODE	AMOUNT	FEE REMITTED
10	_____	Expedited Fee
61	_____	Rec. Fee (Arts. of Inc.)
20	_____	Organ. & Capitalization
62	<u>20</u>	Rec. Fee (Amendment)
63	_____	Rec. Fee (Merger, Consol.)
64	_____	Rec. Fee (Transfer)
66	_____	Rec. Fee (Revival)
65	_____	Rec. Fee (Dissolution)
75	_____	Special Fee
73	_____	Certificate of Conveyance
21	_____	Recordation Tax
22	_____	State Transfer Tax
23	_____	Local Transfer Tax
70	_____	Change of P.O., R.A. or R.A.A.
31	_____	Corp. Good Standing
600	_____	Returns

(New Name) HUNTINGTON
HOUSING, INC.

- Change of Name
- Change of Principal Office
- Change of Resident Agent
- Change of Resident Agent Address
- Resignation of Resident Agent
- Designation of Resident Agent and Resident Agent's Address
- Change of Business Code
- Adoption of Assumed Name
- Other Change(s) _____

52	_____	Foreign Qualification
NA	_____	Foreign Registration
51	_____	Foreign Name Registration
53	_____	Foreign Resolution
54	_____	For. Supplemental Cert.
56	_____	Penalty
50	_____	Cert. of Qual. or Reg.
83	_____	Cert. Limited Partnership
84	_____	Amendment to Limited Partnership
85	_____	Termination of Limited Partnership
80	_____	For. Limited Partnership
91	_____	Amend/Cancellation, For. Limited Part.
87	_____	Limited Part. Good Standing
67	_____	Cert. Limited Liability Partnership
68	_____	LLP Amendment - Domestic
69	_____	Foreign Limited Liability Partnership
74	_____	LLP Amendment - Foreign
99	_____	Art. of Organization (LLC)
98	_____	LLC Amend, Diss, Continuation
97	_____	LLC Cancellation
96	_____	Registration Foreign LLC
94	_____	Foreign LLC Supplemental
92	_____	LLC Good Standing (short)
13	_____	Certified Copy
	_____	Other _____

CODE _____
 ATTENTION: _____

MAIL TO ADDRESS:
National Foundation for
Affordable Housing
W. Putnam Inc. X 300 50
11200 Rockville Pk
Rockville, MD

NOTE: 2052

TOTAL FEES 20 Credit Card _____
 Check Cash _____

Documents on _____ checks _____

APPROVED BY: WMA

12-15-87 11:53AM

99 9/120223791317 37 2006/000

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Atlantic Housing, Inc.
c/o National Foundation for Affordable
Housing Solutions, Inc.
11200 Rockville Pike, 4th floor
Rockville, MD 20852

Person to Contact: L.E. Kawecki
Telephone Number: (202) 622-7728
Refer Reply to: CP:E:EO:T:5
Date: JAN 17 1995

Employer Identification Number: 52-1879282
Key District: Baltimore
Accounting Period Ending: December 31
Foundation Status Classification: 509(a)(3)
Form 990 Required: Yes

Dear Applicant:

Based on the information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in the section(s) indicated above.

If your sources of support, or your purposes, character, or method of operation change, please let your key district know so that office can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send a copy of the amended document or bylaws to your key district. Also, you should inform your key district office of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. This does not apply, however, if you make or have made a timely election under section 3121(w) of the Code to be exempt from such tax. You are not liable for the tax imposed under the Federal Unemployment Tax Act.

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

- 2 -

Atlantic Housing, Inc.

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

Donors (including private foundations) may rely on this ruling unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your 509(a) status as indicated above, donors (other than private foundations) may not rely on the classification indicated above if they were in part responsible for, or were aware of, the act that resulted in your loss of such status, or they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification. Private foundations may rely on the classification as long as you were not directly or indirectly controlled by them or by disqualified persons with respect to them. However, private foundations may not rely on the classification indicated above if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fund-raising events such as benefit dinners, shows, membership drives, etc., where something of value is received in return for payments, you can help your contributors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that they can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your key district office.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Atlantic Housing, Inc.

You are required to make a copy of your exemption application, and supporting documents, and this exemption letter available for public inspection. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is a failure to comply. See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

We express no opinion as to the marketability, reliability, or value of the bonds, whether issued or to be issued on your behalf. We have not determined whether bondholders may exclude from their gross income interest received on these bonds under sections 103 and 141 through 150 of the Code. We have not determined whether you purchased property at fair market value or leased any property at fair rental value. Bond issuing authorities should note that we have based this ruling letter only on information submitted on or before January 13, 1995.

You need an employer identification number even if you have no employees. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

We are informing your key district office of this ruling. Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any immediate questions about this ruling, please contact the person whose name and telephone number are shown in the heading of this letter. For other matters, including questions concerning reporting requirements, please contact your key district office.

Sincerely,

Garland Carter

Garland Carter
Chief, Exempt Organizations
Technical Branch 5

Enclosure:
Pub. 1771

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: APR 24 1995

HUNTINGTON HOUSING INC
C/O NANCY J TRICK
11200 ROCKVILLE PIKE 2ND FLR
ROCKVILLE, MD 20852-3103

Employer Identification Number:
52-1879282
DLN:
17053024868008
Contact Person:
D. A. DOWNING
Contact Telephone Number:
(513) 241-5199
Date of Exemption:
January 17, 1995
Internal Revenue Code
Section 501(c)(03)

Dear Applicant:

Thank you for submitting the information shown on the enclosure. We have made it a part of your file.

The changes indicated do not adversely affect your exempt status and the exemption letter issued to you continues in effect.

Please let us know about any future change in the character, purpose, method of operation, name or address of your organization. This is a requirement for retaining your exempt status.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Thank you for your cooperation.

Sincerely yours,



District Director

HUNTINGTON HOUSING INC

Item Changed	From	To
Articles of Inc.	Atlantic Housing, Inc.	Huntington Housing, Inc.
Location of Low Income Housing Property	New Jersey	Brooklyn Park, Minnesota

J

Relocation Plan
Including Unit
Delivery Schedule
(MANDATORY, if tenants are displaced)

Myrtle Landing Relocation Plan

The relocation plan will follow the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"). During the rehabilitation period, it is not anticipated that there will be any permanent displacement. All 93 units at the subject property will undergo a substantial rehabilitation effort and five units will be converted to UFAS accessible units to meet Section 504 and Virginia Housing requirements.

It is ownership's plan to have 8 vacant units (9%) at the start of construction. The general contractor will complete the work in 10 phases of which nine phases will include 9-10 units and one phase will include five UFAS units. There are 11 residential buildings: 5 buildings with 5 units, 1 building with 8 units and 5 buildings with 12 units. There will be a 13-month construction period. It is projected that each phase of construction will take approximately six weeks.

It is expected that one-two households will need to move from Phase 1 to an offsite location in order to make 10 units available for rehabilitation. The offsite location will be as follows: (i) friends or family, (ii) a hotel or (iii) a rental unit, and no resident will be without a kitchen during this time. In addition, there will be phases where tenants occupy hospitality suites during the day and return to their units at the completion of that day's construction. Once those units in Phase I are renovated, households will permanently move into those completed units and the households living offsite will return to Phase I. To minimize moves, occupied units from Phase 2 will move permanently to Phase I, so long as the unit type is available. Because the project is required to maintain 91% occupancy, there will always be one household required to move offsite for six weeks until such time a renovated unit is available. This leapfrog approach to relocation will continue until all phases are completed.

Ownership will cover all costs of relocation. There is a \$200,000 relocation budget to fund all of the costs of relocation. Moving assistance will be provided to each household which includes all costs and services needed:

- Transportation of the households and any personal property;
- Packing, crating, uncrating and unpacking of personal property;
- Storing of personal property;
- Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property as long as they have been installed with the approval of management and in compliance with the lease;
- Reinstallation of utilities and/or services, i.e. telephone, gas and cable service, as needed;
- Insurance for the replacement value of the property in connection with the move and necessary storage;
- The replacement value of property lost, stolen or damaged in the process of moving (not through the fault or negligence of the displaced person) where insurance covering such loss, theft or damage is not reasonably available;
- Providing packing boxes and materials for tenant belongings;
- Other moving-related expenses deemed reasonable

For persons who are relocating temporarily offsite or to a temporary unit on the property, Ownership will pay the cost of two moves – one to move the household to the temporary offsite unit or to another unit on the subject property and then again to return to a rehabilitated unit at Myrtle Landing.

During this time all households will continue to pay their tenant portion of rent, so long as ownership has provided them with comparable housing. Those living with friends or family will not pay rent.

While not required per the URA, Ownership is honoring the intent of the *Right to Return* as denoted in several other relocation programs. The Right to Return means that the resident will have the ability to return to Myrtle Landing in an applicable and appropriate bedroom size that meets their needs. Ownership does not guarantee the return to the same unit or same square footage unit. However, the individual will be rehoused in an available appropriate bedroom size in accordance with voucher sizing requirements per HUD.

The relocation schedule is designed to provide minimum disruptions to residents without compromising the redevelopment. Tenants will be kept informed throughout the process. Tenant informational sessions will start the process with the Notice of Non-Displacement. Individualized meetings and notices will follow and information will continue to be distributed to the residents thereafter to keep them informed. Residents will receive no-less than a 30-day notice prior to the required moving date. No involuntary permanent relocations will take place.

All COVID-19 protocols will be followed for the safety of the residents, site staff, movers and construction staff, as well as guidance from the Center for Disease Control and the State of Virginia Department of Health.

Myrtle Landing Apartments

Estimated Unit Delivery Schedule for 2022 - 2023

Month	Units Delivered	Cumulative Units Delivered
July 2022	4	4
August 2022	8	12
September 2022	8	20
October 2022	8	28
November 2022	8	36
December 2022	8	44
January 2022	8	52
February 2023	8	60
March 2023	8	68
April 2023	8	76
May 2023	8	84
June 2023	9	93

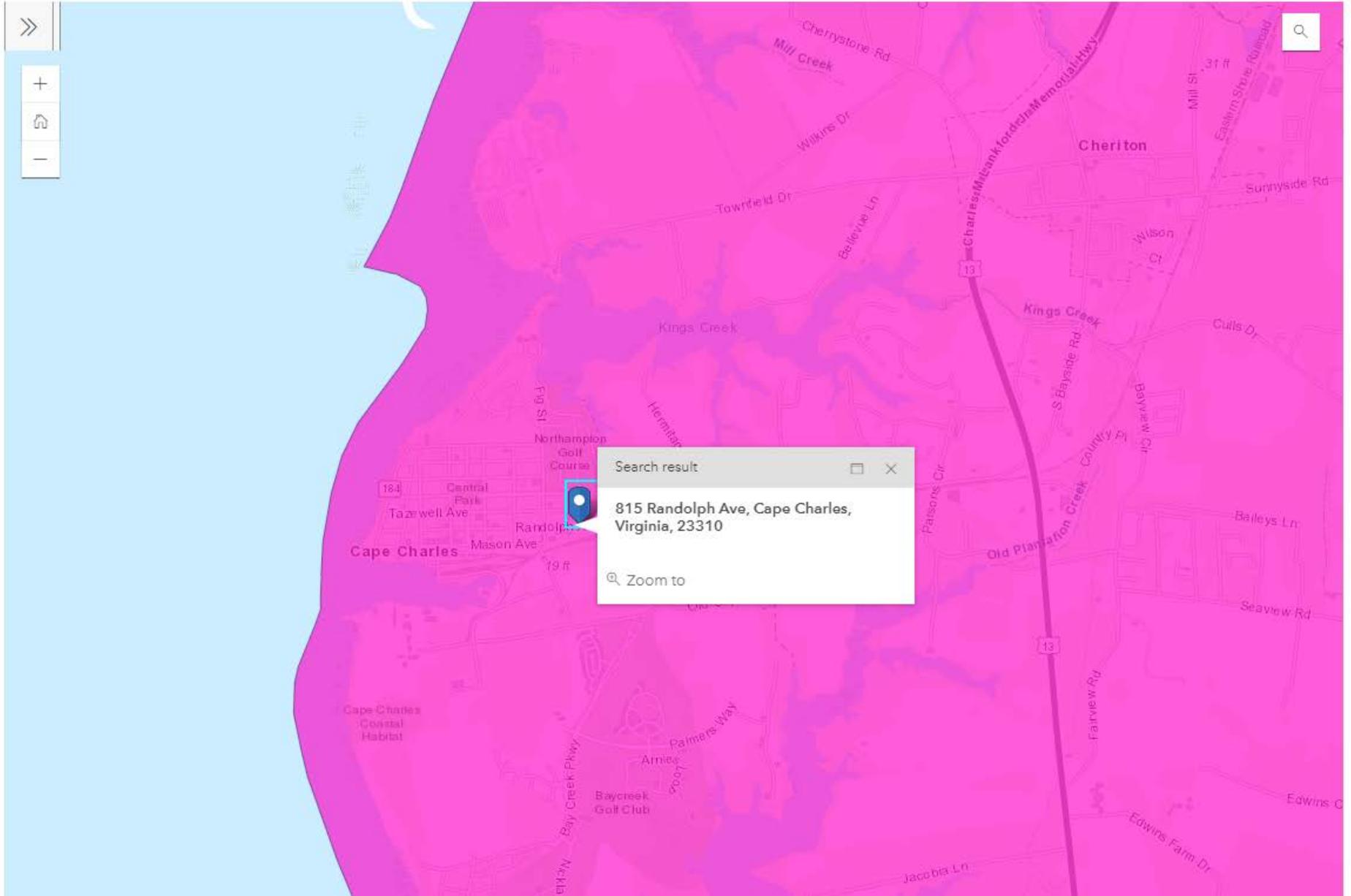
K

Documentation of
Development Location

K.1

Revitalization Area
Certification

Map of Opportunity Zones



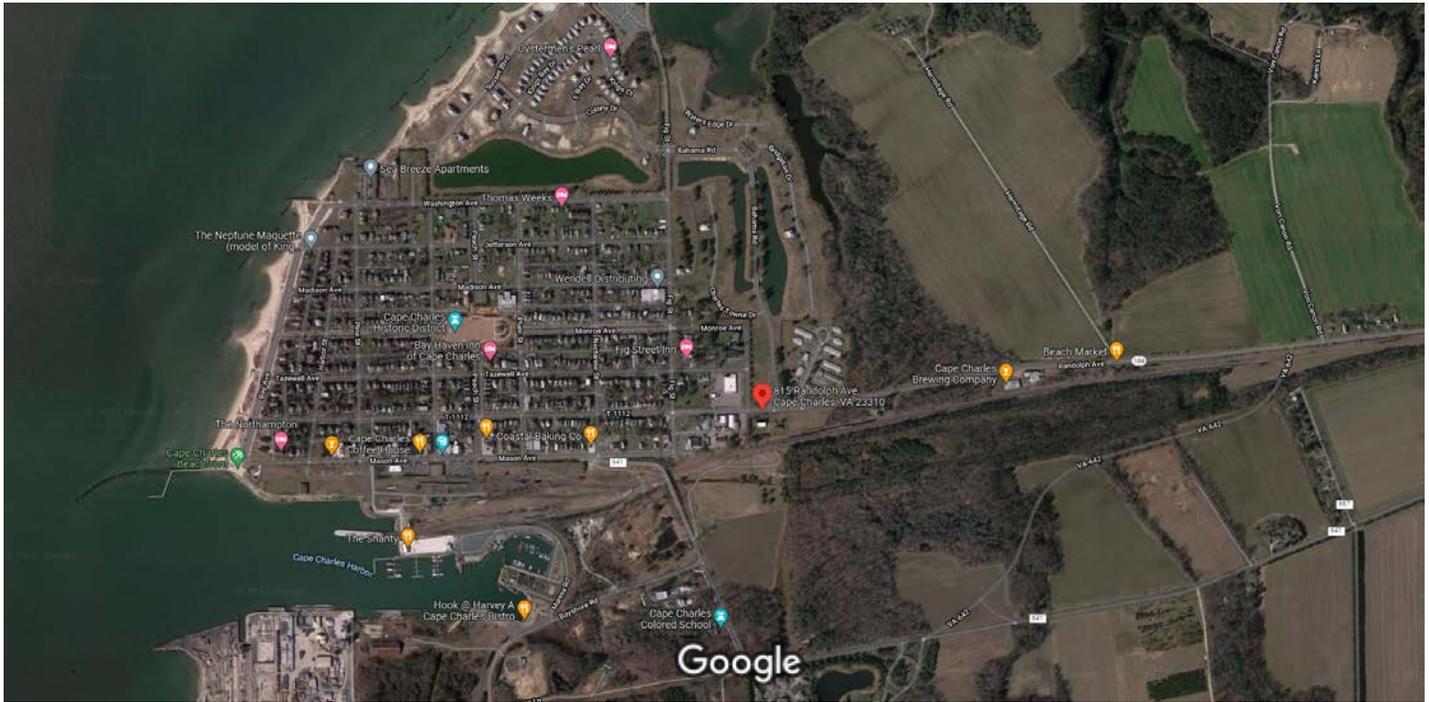
K.2

Location Map



815 Randolph Ave

Myrtle Landing Apartments



Imagery ©2021 Commonwealth of Virginia, Maxar Technologies, U.S. Geological Survey, USDA Farm Service Agency, Map data ©2021 500 ft

K.3

Surveyor's Certification of
Proximity to Public
Transportation



816 Greenbrier Circle, Suite F
Chesapeake, Virginia 23320
Phone (757) 410-7436
Fax (757) 220-8994
aesva.com

Surveyor's Certification of Proximity to Transportation

DATE: December 01, 2021

TO: Virginia Housing Development Authority
601 South Belvidere Street
Richmond, VA 23220-6500

RE: 2021 Tax Credit Reservation Request

Name of Development: Myrtle Landing Apartments
Name of Owner: Myrtle Landing Renewal LLC

Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

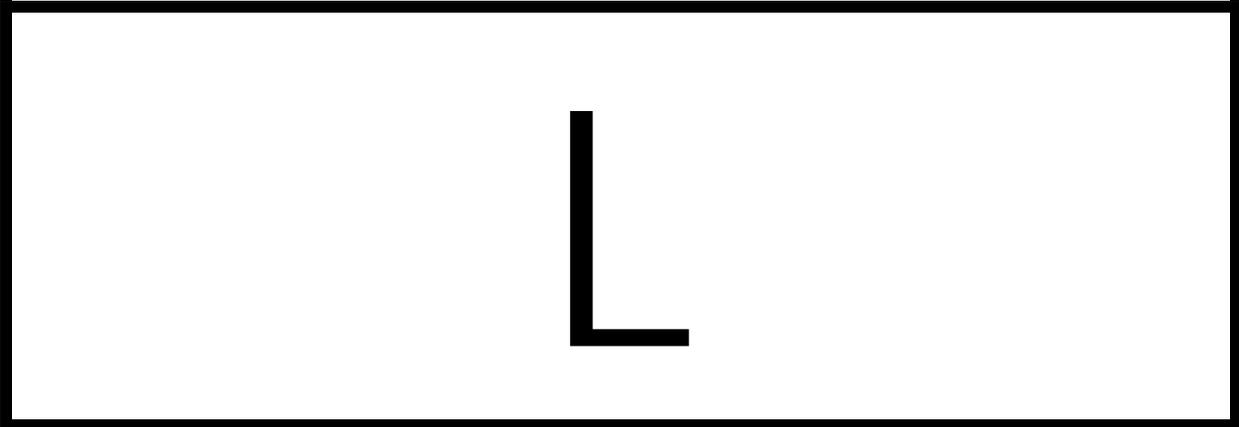
Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- 2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop.

AES Consulting Engineers
Firm Name

By: Mark Houston Ricketts, P.E., L.S.

Its: Office Manager / Principal
Title



L

PHA/Section 8 Notification
Letter

N/A

M

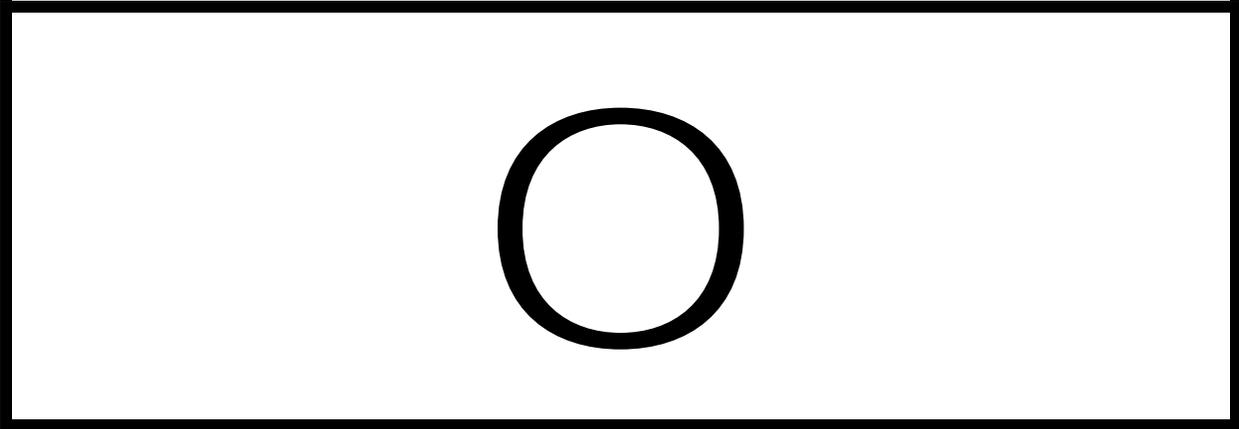
Locality CEO Response
Letter

N/A

N

Homeownership Plan

N/A



O

Plan of Development
Certification Letter

N/A

P

Copies of 8609s to
Certify Developer
Experience and
Partnership agreements

VHDA Experienced LIHTC Developers

Notes:

Updated: 2/09/2022

I Listed if 'named' Controlling General Partner or Managing Member (as confirmed by supporting documentation)

I Listed if documentation supported at least 6 LIHTC developments

I Listed if a principal who has developed at least 3 LIHTC deals and has at least \$500,000 in liquid assets

See LIHTC Manual for instructions on being added to this list

INDIVIDUALS

1 Alexander, Randall P.	29 Fitch, Hollis M.	60 Melton, Melvin B.
2 Arista, Roberto	30 Fore, Richard L.	61 Midura, Ronald J.
3 Asarch, Chad	31 Franklin, Wendell C.	62 Mirmelstein, George
4 Ayd, Tom	32 Franklin, Taylor	63 Nelson, IV, John M.
5 Barnhart, Richard K.	33 Friedman, Mitchell M.	64 Orth, Kevin
6 Baron, Richard	34 Gardner, Mark E.	65 Page, David
7 Bennett, Vincent R.	35 Goldberg, Jeffrey	66 Parent, Brian
8 Burns, Laura P.	36 Gunderman, Timothy L.	67 Park, Richard A.
9 Chapman, Tim	37 Haskins, Robert G.	68 Park, William N.
10 Cohen, Howard Earl	38 Hardee, Carl	69 Pasquesi, R.J.
11 Connelly, T. Kevin	39 Heatwole, F. Andrew	70 Pedigo, Gerald K.
12 Connors, Cathy	40 Honeycutt, Thomas W.	71 Poulin, Brian M.
13 Copeland, M. Scott	41 Hunt, Michael C.	72 Queener, Brad
14 Copeland, Robert O.	42 Iglesias, Adrian	73 Rappin, Steve
15 Copeland, Todd A.	43 Jaeger, Jeffrey	74 Ripley, F. Scott
16 Cordingley, Bruce A.	44 Jester, M. David	75 Ripley, Ronald C.
17 Counselman, Richard	45 Johnston, Thomas M.	76 Ross, Stephen M.
18 Crosland, Jr., John	46 Jones Kirkland, Janice	77 Salazar, Tony
19 Curtis, Lawrence H.	47 Kirkland, Milton L.	78 Sari, Lisa A.
20 Daigle, Marc	48 Kittle, Jeffery L.	79 Sciocino, Richard
21 Dambly, Mark H.	49 Koogler, David M.	80 Sinito, Frank T.
22 Deutch, David O.	50 Koogler, David Mark	81 Stockmaster, Adam J.
23 Dischinger, Chris	51 Lancaster, Dale	82 Stoffregen, Phillip J.
24 Douglas, David D.	52 Lawson, Phillip O.	83 Surber, Jen
25 Edmondson, Jim	53 Lawson, Steve	84 Valey, Ernst
26 Edson, Rick	54 Leon, Miles B.	85 Uram, David
27 Ellis, Gary D.	55 Lewis, David R.	86 Wilson, Stephen
28 Fekas, William L.	56 Levitt, Michael	87 Woda, Jeffrey J.
	57 Margolis, Robert B.	88 Wohl, Michael D.
	58 McCormack, Kevin	89 Wolfson, III, Louis
	59 McNamara, Michael L.	

NON-PROFITS, LHAS & (PUBLICLY TRADED) CORPORATIONS

- 1 AHC, Inc.
- 2 Alexandria RHA
- 3 Arlington Partnership for Affordable Housing (APAH)
- 4 Atlantic Housing Foundation, Inc.
- 5 Better Housing Coalition
- 6 Buckeye Community Hope Foundation
- 7 Community Housing Partners
- 8 Community Housing, Inc.
- 9 ElderHomes (dba Project: Homes)
- 10 Enterprise Homes, Inc
- 11 Fairfax County RHA
- 12 Homes for America, Inc.
- 13 Humanities Foundation, Inc.
- 14 **Huntington Housing, Inc.**
- 15 LEDIC Realty Company, LLC
- 16 Newport News RHA
- 17 NHT Communities
- 18 Norfolk Redevelopment Housing Authority
- 19 People Incorporated
- 20 Piedmont Housing Alliance
- 21 Preserving US, Inc.
- 22 Portsmouth RHA
- 23 RHA/Housing, Inc.
- 24 Rush Homes
- 25 The Community Builders
- 26 Virginia Supportive Housing
- 27 Virginia United Methodist Housing Development Corporation
- 28 Wesley Housing Development Corporation

Q

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

NOTIFICATION OF SECTION 8 CONTRACT RENTS AND FUNDING

FOR (Check One): Initial Renewal Subsequent Renewal Amend Rent/BA Only

Section 8 Contract No: VA36T821047 Contract Expiration: August 31, 2039

Funding Expiration: July 31, 2019

Owner Name: Myrtle Landing Affordable LLC

Project Name: Myrtle Landing Apartments (F/K/A) Heritage Acres VI

Project Location: 815 Randolph Avenue Cape Charles, VA 23310-2762

FHA Project No: 051-EH080

**IDENTIFICATION OF UNITS ("CONTRACT UNITS") BY SIZE
AND APPLICABLE CONTRACT RENTS**

Rent Effective Date: September 01, 2019

No. of Units	No. of Bedrooms	Contract Rent (\$)
88	1 Bedroom	\$850
5	1 Bedroom HC	\$905

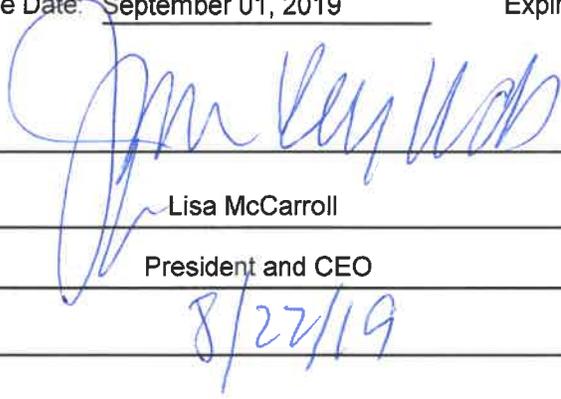
FUNDING

BUDGET AUTHORITY INCREASE: \$ 258,899

Contract/Renewal Effective Date: September 01, 2019

Expiration Date: August 31, 2039

By: _____



(Signature)

Lisa McCarroll

(Printed Name)

President and CEO

(Official Title)

8/27/19

(Date)

**U.S. Department of Housing and Urban Development
Office of Housing**

PROJECT-BASED SECTION 8

**HOUSING ASSISTANCE PAYMENTS
RENEWAL CONTRACT
FOR MARK-UP-TO-MARKET PROJECT**

Myrtle Landing Apartments (F/K/A) Heritage Acres VI (VA36T821047)

OMB Control #2502-0587

"Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for obtaining a signature on legally binding documents and will be used to enforce contractual obligations. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it has a currently valid OMB control number. No confidentiality is assured."

PREPARATION OF CONTRACT

Reference numbers in this form refer to notes at the end of the contract text. These endnotes are instructions for preparation of the Renewal Contract. The instructions are not part of the Renewal Contract.

**RENEWAL HAP CONTRACT
FOR SECTION 8 MARK-UP-TO-MARKET PROJECT¹**

1 CONTRACT INFORMATION²

PROJECT

Section 8 Project Number: VA36T821047

Section 8 Project Number of Expiring Contract: Same

FHA Project Number (if applicable): 051-EH080

Project Name: Myrtle Landing Apartments (F/K/A) Heritage Acres VI

Project Description:³

This property consists of (5) 1 Bedroom HC and (88) 1 Bedroom Section 8 units. This property is located at 815 Randolph Avenue, Cape Charles, VA 23310-2762 and is in Northampton County.

Check this box if the project is a Section 236 project or a Section 221(d)(3) below market interest rate (BMIR) project at the beginning of the Renewal Contract term.

PARTIES TO RENEWAL CONTRACT

Name of Contract Administrator⁴

Navigate Affordable Housing Partners

Name of Owner

Myrtle Landing Affordable LLC

2 TERM AND FUNDING OF RENEWAL CONTRACT

- a** The Renewal Contract begins on 9/1/2019⁵ and shall run for a period of 20 (Twenty)⁶ years .
- b** Execution of the Renewal Contract by the Contract Administrator is an obligation by HUD of \$ 258,899⁷, an amount sufficient to provide housing assistance payments for approximately 4⁸ months of the first annual increment of the Renewal Contract term.
- c** HUD will provide additional funding for the remainder of the first annual increment and for subsequent annual increments, including for any remainder of such subsequent annual increments, subject to the availability of sufficient appropriations. When such appropriations are available, HUD will obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate period of time within the Renewal Contract term to which it will be applied.

3 RENEWAL CONTRACT**a Parties**

- (1) This contract ("Renewal Contract") is a housing assistance payments contract ("HAP contract") between the contract administrator and the owner of the housing.
- (2) If HUD is the contract administrator, HUD may assign the Renewal Contract to a public housing agency ("PHA") for the purpose of PHA administration of the Renewal Contract, as contract administrator, in accordance with the Renewal Contract (during the term of the annual contributions contract ("ACC") between HUD and the PHA). Notwithstanding such assignment, HUD shall remain a party to the provisions of the Renewal Contract that specify HUD's role pursuant to the Renewal Contract, including such provisions of section 8 (applicable requirements), section 9 (statutory changes during term), section 10 (distributions) and section 11 (PHA default) of the Renewal Contract.

b Statutory authority

The Renewal Contract is entered pursuant to section 8 of the United States Housing Act of 1937 ("Section 8") (42 U.S.C. 1437f),

and section 524(a) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA) ** (Title V of Public Law No.105-65, October 27, 1997, 111 Stat. 1384), as amended.

c Expiring Contract

Previously, the owner entered into a Housing Assistance Payments Contract ("Expiring Contract") with HUD or a PHA to make Section 8 housing assistance payments to the owner for eligible families living in the project. The term of the Expiring Contract has expired or will expire prior to the beginning of the term of the Renewal Contract.

d Purpose of Renewal Contract

The purpose of the Renewal Contract is to renew the Expiring Contract for an additional term. During the term of the Renewal Contract, the contract administrator will make housing assistance payments to the owner in accordance with the provisions of the Renewal Contract. Such payments shall only be made for contract units occupied by eligible families ("families") leasing decent, safe and sanitary units from the owner in accordance with HUD regulations and other requirements.

e Contract units

The Renewal Contract applies to the project contract units identified in Exhibit A by size and applicable contract rents.

4 EXPIRING CONTRACT – PROVISIONS RENEWED

- a** Except as specifically modified by the Renewal Contract, all provisions of the Expiring Contract are renewed (to the extent such provisions are consistent with statutory requirements in effect at the beginning of the Renewal Contract term).
- b** Any provisions of the Expiring Contract concerning any of the following subjects are not renewed, and shall not be applicable during the renewal term:
- (1)** The amount of the monthly contract rents;
 - (2)** Contract rent adjustments;

(3) Project account (sometimes called "HAP reserve" or "project reserve") as previously established and maintained by HUD pursuant to former Section 8(c)(6) of the United States Housing Act of 1937 (currently Section 8(c)(5) of the Act, 42 U.S.C. 1437f(c)(5)). Section 8(c)(5) does not apply to the Renewal Contract, or to payment of housing assistance payments during the Renewal Contract term.

c The Renewal Contract includes those provisions of the Expiring Contract that are renewed in accordance with this section.

5 CONTRACT RENT

a Initial contract rents

At the beginning of the Renewal Contract term, and until contract rents for units in the project are adjusted in accordance with section 5b, the contract rent for each bedroom size (number of bedrooms) shall be the initial contract rent amount listed in Exhibit A, which is attached to and made a part of the Renewal Contract. The initial contract rent amounts listed in Exhibit A have been increased to market levels under the HUD Mark-Up-to-Market Option.

b Contract rent adjustments

(1) OCAF adjustment

Except for adjustment of the contract rents to comparable market rents at the expiration of each 5-year period (as provided in paragraph 5b(2) of this section) ("fifth year adjustment"), during the term of the Renewal Contract the contract administrator shall annually, on the anniversary of the Renewal Contract, adjust the amounts of the monthly contract rents in accordance with HUD requirements, using an operating cost adjustment factor (OCAF) established by HUD. Such adjustments by use of the OCAF shall not result in a negative adjustment (decrease) of the contract rents. The OCAF shall not be used for a fifth year adjustment.

(2) Fifth year adjustment (comparability adjustment at expiration of each 5-year period, *if applicable*)

(a) This section 5(b)(2) is only applicable if the term of the Renewal Contract is longer than five (5) years (from the first day of the term specified in section 2a).

-
- (b) At the expiration of each 5-year period of the Renewal Contract term, the contract administrator shall compare existing contract rents with comparable market rents for the market area. At such anniversary of the Renewal Contract, the contract administrator shall make any adjustments in the monthly contract rents, as reasonably determined by the contract administrator in accordance with HUD requirements, necessary to set the contract rents for all unit sizes at comparable market rents. Such adjustments may result in a negative adjustment (decrease) or positive adjustment (increase) of the contract rents for one or more unit sizes.
- (c) To assist in the redetermination of contract rents, the contract administrator may require that the owner submit to the contract administrator a rent comparability study prepared (at the owner's expense) in accordance with HUD requirements.

(3) Procedure for rent adjustments during renewal term

To adjust contract rents during the term of the Renewal Contract (in accordance with paragraph 5b(1) or paragraph 5b(2)), the contract administrator shall give the owner notice of the revised Exhibit A. The revised Exhibit A shall specify the adjusted contract rent amount for each bedroom size as determined by the contract administrator in accordance with paragraph 5b(1) or paragraph 5b(2). The notice shall specify when the adjustment of contract rent is effective. The notice by the contract administrator of the revised Exhibit A constitutes an amendment of the Renewal Contract.

(4) No other adjustments

Except for contract rent adjustments in accordance with paragraph 5b, there shall not be any other adjustments of the contract rents during the term of the Renewal Contract. Special adjustments shall not be granted.

6 OWNER WARRANTIES

- a The owner warrants that it has the legal right to execute the Renewal Contract and to lease dwelling units covered by the contract.

-
- b The owner warrants that the rental units to be leased by the owner under the Renewal Contract are in decent, safe and sanitary condition, as defined by HUD, and shall be maintained in such condition during the term of the Renewal Contract.

7 OWNER NOTICE

- a Before termination of the Renewal Contract, the owner shall provide written notice to the contract administrator and each assisted family in accordance with the law and HUD requirements.
- b If the owner fails to provide such notice in accordance with the law and HUD requirements, the owner may not increase the tenant rent payment for any assisted family until such time as the owner has provided such notice for the required period.

8 APPLICABLE REQUIREMENTS

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including amendments or changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD regulations and requirements which are inconsistent with the provisions of the Renewal Contract, including the provisions of section 5 (contract rent) and section 10 (distributions), shall not be applicable.

9 STATUTORY CHANGES DURING TERM

If any statutory change during the term of the Renewal Contract is inconsistent with section 5 or section 10 of the Renewal Contract, and if HUD determines, and so notifies the contract administrator and the owner, that the contract administrator is unable to carry out the provisions of section 5 or section 10 because of such statutory change, then the contract administrator or the owner may terminate the Renewal Contract upon notice to the other party.

10 DISTRIBUTIONS

During the term of the Renewal Contract, neither HUD nor the PHA may impose any additional limitations on distributions of project funds other than any distribution limitations specified in Exhibit B, which is attached to and made a part of this Renewal Contract.

11 PHA DEFAULT

- a This section of the Renewal Contract applies if the contract administrator is a PHA acting as contract administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD. This includes a case where HUD has assigned the Renewal Contract to a PHA contract administrator, for the purpose of PHA administration of the Renewal Contract.
- b If HUD determines that the PHA has committed a material and substantial breach of the PHA's obligation, as contract administrator, to make housing assistance payments to the owner in accordance with the provisions of the Renewal Contract, and that the owner is not in default of its obligations under the Renewal Contract, HUD will take actions HUD determines necessary for the continuation of housing assistance payments to the owner in accordance with the Renewal Contract.

12 SECTIONS 236 AND 221(D)(3) BMIR PROJECTS -- PREPAYMENT

- a This section of the Renewal Contract shall be applicable if the project is a Section 236 project or a 221(d)(3) BMIR project (See the check-box at section 1 of the Renewal Contract).

-
- b During the term of the Renewal Contract, the owner shall not prepay any FHA-insured mortgage on the project, except where HUD, in its sole discretion, approves the prepayment as a component of a transaction whereby the project is preserved as affordable housing.

13 EXCLUSION OF THIRD-PARTY RIGHTS

- a The contract administrator does not assume any responsibility for injury to, or any liability to, any person injured as a result of the owner's action or failure to act in connection with the contract administrator's implementation of the Renewal Contract, or as a result of any other action or failure to act by the owner.
- b The owner is not the agent of the contract administrator or HUD, and the Renewal Contract does not create or affect any relationship between the contract administrator or HUD and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner in connection with implementation of the Renewal Contract.
- c If the contract administrator is a PHA acting as contract administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD, the contract administrator is not the agent of HUD, and the Renewal Contract does not create any relationship between HUD and any suppliers, employees, contractors or subcontractors used by the contract administrator to carry out functions or responsibilities in connection with contract administration under the ACC.

14 WRITTEN NOTICES

Any notice by the contract administrator or the owner to the other party pursuant to the Renewal Contract must be in writing.

SIGNATURES

Contract administrator (HUD or PHA)

Name of Contract Administrator

Navigate Affordable Housing Partners

By: 

Signature of authorized representative

Lisa McCarroll, President and CEO

Name and official title

Date

8/22/19

U.S. Department of Housing and Urban Development

By: _____

Signature of authorized representative

Kyle Anderson - Supervisory Project Manager, U.S. Department of HUD

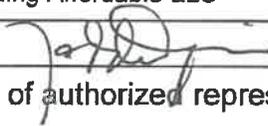
Name and official title

Date _____

Owner

Name of Owner

Myrtle Landing Affordable LLC

By: 

Signature of authorized representative

Todd Travis - President

Name and title

Date

08/22/2019

EXHIBIT B

DISTRIBUTION LIMITATIONS

FOR PROJECT NOT SUBJECT TO DISTRIBUTION LIMITATIONS:

If the project is not subject to any limitations on distribution of project funds, either pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, neither HUD nor the PHA may impose any additional limitations on distribution of project funds during the term of the Renewal Contract.

FOR PROJECT SUBJECT TO DISTRIBUTION LIMITATIONS:

If the project is subject to any limitations on distribution of project funds pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, such limitations on distribution shall continue to be applicable during the term of the Renewal Contract, provided that the owner may take an increased distribution in accordance with the Section 8 Renewal Policy Guidance for Renewal of Project-Based Section 8 Contracts, (the "Guidebook").

However, owners of Section 8 properties must maintain the property in good condition, as demonstrated by a REAC score of 60 or higher, in order to take increased distributions.

The owner shall comply with the distribution limitations. The maximum distribution to the owner shall be equal to the total of:

- 1 The limited distribution permitted pursuant to the FHA Regulatory agreement or the Expiring Contract, **plus**
- 2 Any increased distribution as approved by HUD in accordance with the Guidebook.

Attachment 1

PRESERVATION EXHIBIT

Subject to all applicable laws and regulations in effect upon expiration, the Renewal Contract shall automatically renew for a term of 4 Years¹ beginning on 09/01/2039². Owner and the Contract Administrator, as identified in section 1 of the Renewal Contract, and on all their successors and assigns.

Rent Schedule Low Rent Housing

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0012
(exp. 11/30/2020)

See page 3 for Instructions, Public Burden Statement and Privacy Act requirements.

Project Name Myrtle Landing Apartments (F/K/A) Heritage Acres VI - VA36T821047	FHA Project Number 051-EH080	Date Rents Will Be Effective (mm/dd/yyyy) 9/1/2019
---	---------------------------------	---

Part A - Apartment Rents

Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents		Col. 5 Utility Allowances (Effective Date (mm/dd/yyyy) 09 / 01 / 2019)	Col. 6 Gross Rent (Col. 3 + Col. 5)	Market Rents (Sec. 236 Projects Only)	
		Col. 3 Rent Per Unit	Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)			Col. 7 Rent Per Unit	Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
1 Bedroom	88	\$850	\$74,800	\$74	\$924	\$0	\$0
1 Bedroom HC	5	\$905	\$4,525	\$90	\$995	\$0	\$0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
Total Units	93	Monthly Contract Rent Potential (Add Col. 4)* \$79,325				Monthly Market Rent Potential (Add Col. 8)* \$0	
		Yearly Contract Rent Potential (Col. 4 Sum x 12)* \$951,900				Yearly Market Rent Potential (Col. 8 Sum x 12)* \$0	

* These amounts may not exceed the Maximum Allowable Monthly Rent Potential approved on the last Rent Computation Worksheet or requested on the Worksheet you are now submitting. Market Rent Potential applies only to Section 236 Projects.

Part B - Items Included in Rent

Equipment/Furnishings in Unit (Check those included in rent.)

- | | | |
|---|--|--------------------------------|
| <input checked="" type="checkbox"/> Range | <input type="checkbox"/> Dishwasher | <input type="checkbox"/> _____ |
| <input checked="" type="checkbox"/> Refrigerator | <input checked="" type="checkbox"/> Carpet | <input type="checkbox"/> _____ |
| <input checked="" type="checkbox"/> Air Conditioner | <input type="checkbox"/> Drapes | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Disposal | <input type="checkbox"/> _____ | <input type="checkbox"/> _____ |

Utilities (Check those included in rent. For each item, (even those not included in rent), enter E, F, or G on line beside that item)
E=electric; G=gas; F=fuel oil or coal.

- | | | |
|---|---|---|
| <input type="checkbox"/> Heating <u>E</u> | <input type="checkbox"/> Hot Water <u>E</u> | <input type="checkbox"/> Lights, etc. <u>E</u> |
| <input type="checkbox"/> Cooling <u>E</u> | <input type="checkbox"/> Cooking <u>E</u> | <input checked="" type="checkbox"/> Water/Sewer |

Services/Facilities (check those included in rent)

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Parking | <input checked="" type="checkbox"/> Trash Removal | <input type="checkbox"/> Nursing Care |
| <input checked="" type="checkbox"/> Laundry | <input type="checkbox"/> _____ | <input type="checkbox"/> Linen/Maid Service |
| <input type="checkbox"/> Swimming Pool | <input type="checkbox"/> _____ | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Tennis Courts | <input type="checkbox"/> _____ | <input type="checkbox"/> _____ |

Part C - Charges in Addition to Rent (e.g., parking, cable TV, meals)

Purpose	Monthly Charge
None	\$ 0.00
	\$
	\$
	\$
	\$
	\$ 0.00

Part D - Non-Revenue Producing Space

Col. 1 Use	Col. 2 Unit Type	Col. 3 Contract Rent
Manager's Unit	1 Bedroom	\$850
Total Rent Loss Due to Non-Revenue Units		\$ 850

Part E - Commercial Space (retail, offices, garages, etc.)

Col. 1 Use	Col. 2 Monthly Rent Potential	Col. 3 Square Footage	Col. 4 Rental Rate Per Sq. Ft. (Col. 2 divided by Col. 3)
Laundry	\$150	0	0
		\$ 150	Total Commercial Rent Potential

Part F - Maximum Allowable Rent Potential

Enter Maximum Allowable Monthly Rent
Potential From Rent Computation
Worksheet (to be completed by HUD or lender) **\$ 78,475**

Part G – Information on Mortgagor Entity

Name of Entity

Myrtle Landing Affordable LLC

Type of Entity

- Individual General Partnership Joint Tenancy/Tenants in Common Other (specify) Limited Liability Company
 Corporation Limited Partnership Trust

List all Principals Comprising Mortgagor Entity: provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:
• corporation, list: (1) all officers; (2) all directors; and (3) each stockholder having a 10% or more interest.
• partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
• trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

Name and Title

Randall Kelly Vice President

Name and Title

Robert Custer Secretary

Name and Title

Dogwood Housing Inc. Benard Beale Director

Name and Title

Dogwood Housing, Inc. Jason Goldblatt Director

Name and Title

Dogwood Housing, Inc Sole Member

Name and Title

Todd Travis President

Name and Title

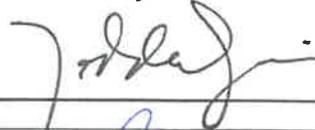
Part H – Owner Certification

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name and Title

Todd Travis - President

Authorized Official's Signature



08/22/2019
Date (mm/dd/yyyy)

Part I – HUD/Lender Approval

Addendum Number

Branch Chief/Lender Official Signature

HAP Contract Number VA36T821047



8/22/19
Date (mm/dd/yyyy)

Exhibit Number

Director, Housing Management Division Signature

Loan Servicer Signature

Date (mm/dd/yyyy)

Date (mm/dd/yyyy)

Part G – Information on Mortgagor Entity

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Myrtle Landing Affordable LLC

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- Individual General Partnership Joint Tenancy/Tenants in Common Other (specify) Limited Liability Company
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List all Principals Comprising Mortgagor Entity: provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:

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- partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
- trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

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Name and Title

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Name and Title

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Name and Title

Dogwood Housing, Inc. Sole Member

Name and Title

Todd Travis President

Name and Title

Part H – Owner Certification

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name and Title

Todd Travis, President

Authorized Official's Signature

6/8/2021

Date (mm/dd/yyyy)

Part I – HUD/Lender Approval

Addendum Number

HAP Contract Number

VA36-T821-047

Exhibit Number

Loan Servicer Signature

Date (mm/dd/yyyy)

Branch Chief/Lender Official Signature

06/18/2021

Date (mm/dd/yyyy)

Director, Housing Management Division Signature

Date (mm/dd/yyyy)

EXHIBIT A

**IDENTIFICATION OF UNITS ("CONTRACT UNITS") BY SIZE
AND APPLICABLE CONTRACT RENTS**

Project Name: Myrtle Landing Apartments (F/K/A) Heritage

Section 8 Contract No: VA36T821047

FHA Project Number: N/A

Effective Date of the Rent Increase: 09/01/2021

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
88	1 Bedroom	\$885	\$77	\$962
5	1 Bedroom HC	\$942	\$94	\$1,036

Do not submit a Gross Rent Change through TRACS until the HUD-92458 Rent Schedule has been returned to you duly executed from your HUD/PBCA office.

- Note: (1) This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in accordance with the Renewal Contract.
- (2) These rents are applicable with the Amend Rents Automatic OCAF for this effective Date.

R

Documentation of
Operating Budget
and Utility Allowance

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

December 31, 2020

Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047

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**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

December 31, 2020

Mortgagor's Certification

I hereby certify that I have examined the accompanying financial statements and supplementary data of Myrtle Landing Affordable LLC and, to the best of my/our knowledge and belief, the same are complete and accurate.

OFFICER

Dogwood Housing, Inc.

Todd Travis, President

Date

Telephone Number: (301) 998-0401

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

December 31, 2020

Managing Agent's Certification

I hereby certify that I have examined the accompanying financial statements and supplementary data of Myrtle Landing Affordable LLC and, to the best of my/our knowledge and belief, the same are complete and accurate.

MANAGING AGENT

ARCO Multifamily Management LLC

Samuel Rotter, CFO

Date

Kimberly Hignutt-Scott
Property Manager

Managing Agent Taxpayer
Identification Number:
82-1086631

Independent Auditor's Report

To the Member
Myrtle Landing Affordable LLC

Report on the Financial Statements

We have audited the accompanying financial statements of Myrtle Landing Affordable LLC, which comprise the balance sheet as of December 31, 2020, and the related statements of operations, member's equity and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Myrtle Landing Affordable LLC as of December 31, 2020, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 20 to 32 is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information on pages 20 to 32 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information on pages 20 to 32 is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2021, on our consideration of Myrtle Landing Affordable LLC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Myrtle Landing Affordable LLC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Myrtle Landing Affordable LLC's internal control over financial reporting and compliance.

CohnReznick LLP

Bethesda, Maryland
May 17, 2021

Taxpayer Identification Number:
22-1478099

Lead Auditor: Daniel G. Fox, CPA

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Balance Sheet
December 31, 2020**

Assets

Current assets	
Cash - operations	\$ 306,031
Tenant accounts receivable	9,639
Accounts receivable - HUD	3,149
Prepaid expenses	<u>25,372</u>
Total current assets	<u>344,191</u>
Deposits held in trust - funded	
Tenant deposits	<u>27,255</u>
Restricted deposits and funded reserves	
Escrow deposits	31,236
Reserve for replacements	183,191
Other reserves	<u>390,852</u>
Total restricted deposits and funded reserves	<u>605,279</u>
Rental property	
Land	642,771
Buildings	2,259,046
Furnishings	<u>75,572</u>
	2,977,389
Less accumulated depreciation	<u>(144,651)</u>
Total rental property	<u>2,832,738</u>
Other assets	
Miscellaneous other assets	<u>1,535</u>
Total other assets	<u>1,535</u>
Total assets	<u><u>\$ 3,810,998</u></u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Balance Sheet
December 31, 2020**

Liabilities and Member's Equity

Current liabilities	
Accounts payable - operations	\$ 5,467
Accrued management fee payable	4,550
Accrued interest payable - first mortgage	6,686
Mortgage payable - first mortgage (short-term)	54,019
Prepaid revenue	<u>9,368</u>
Total current liabilities	<u>80,090</u>
Deposits liability	
Tenant deposits held in trust (contra)	<u>25,240</u>
Long-term liabilities	
Mortgage payable - first mortgage	<u>2,895,846</u>
Total long-term liabilities	<u>2,895,846</u>
Total liabilities	<u>3,001,176</u>
Member's equity	<u>809,822</u>
Total liabilities and member's equity	<u><u>\$ 3,810,998</u></u>

See Notes to Financial Statements.

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Statement of Operations
Year Ended December 31, 2020**

Rental revenue	
Rent revenue - gross potential	\$ 251,491
Tenant assistance payments	<u>706,381</u>
Total rental revenue	<u>957,872</u>
Vacancies	
Apartments	<u>(32,128)</u>
Total vacancies	<u>(32,128)</u>
Net rental revenue	<u>925,744</u>
Financial revenue	
Revenue from investments - replacement reserve	<u>243</u>
Total financial revenue	<u>243</u>
Other revenue	
Laundry and vending	2,749
Tenant charges	4,346
Miscellaneous revenue	<u>125</u>
Total other revenue	<u>7,220</u>
Total revenue	<u>933,207</u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Statement of Operations
Year Ended December 31, 2020**

Administrative expenses	
Advertising and marketing	125
Office expenses	13,618
Management fee	46,412
Manager or superintendent salaries	33,200
Auditing expense	10,500
Bad debts	2,098
Miscellaneous administrative expenses	8,155
	<hr/>
Total administrative expenses	114,108
	<hr/>
Utilities expense	
Electricity	8,554
Water	54,278
Sewer	61,625
	<hr/>
Total utilities expense	124,457
	<hr/>
Operating and maintenance expenses	
Payroll	50,587
Supplies	35,780
Contracts	38,795
Garbage and trash removal	9,104
Security payroll/contract	69
Heating/cooling repairs and maintenance	13,237
Vehicle and maintenance equipment operation and repairs	67
	<hr/>
Total operating and maintenance expenses	147,639
	<hr/>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Statement of Operations
Year Ended December 31, 2020**

Taxes and insurance	
Real estate taxes	22,931
Payroll taxes	7,552
Property and liability insurance	25,361
Fidelity bond insurance	428
Workmen's compensation	1,793
Health insurance and other employee benefits	19,452
Miscellaneous taxes, licenses, permits and insurance	505
	<hr/>
Total taxes and insurance	78,022
	<hr/>
Financial expenses	
Interest on first mortgage payable	104,703
Miscellaneous financial expenses	879
	<hr/>
Total financial expenses	105,582
	<hr/>
Total cost of operations before depreciation	569,808
	<hr/>
Income before depreciation	363,399
	<hr/>
Depreciation	
Depreciation expense	108,488
	<hr/>
Total depreciation	108,488
	<hr/>
Total expenses	678,296
	<hr/>
Net income	<u><u>\$ 254,911</u></u>

See Notes to Financial Statements.

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Statement of Member's Equity
Year Ended December 31, 2020**

Member's equity December 31, 2019	\$ 684,064
Distributions	(129,153)
Net income	<u>254,911</u>
Member's equity December 31, 2020	<u><u>\$ 809,822</u></u>

See Notes to Financial Statements.

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Statement of Cash Flows
Year Ended December 31, 2020**

Cash flows from operating activities	
Rental receipts	\$ 921,359
Interest receipts	243
Other operating receipts	<u>7,220</u>
Total receipts	<u>928,822</u>
Administrative expenses paid	(44,158)
Management fees paid	(41,862)
Utilities paid	(124,207)
Salaries and wages paid	(83,856)
Operating and maintenance paid	(99,848)
Real estate taxes paid	(27,772)
Property insurance paid	(22,503)
Miscellaneous taxes and insurance paid	(505)
Net tenant security deposits received	1,327
Other operating expenses paid	(29,225)
Interest paid on first mortgage	(99,525)
Miscellaneous financial expenses paid	<u>(879)</u>
Total disbursements	<u>(573,013)</u>
Net cash provided by operating activities	<u>355,809</u>
Cash flows from investing activities	
Net deposits to mortgage escrows	(2,130)
Net deposits to reserve for replacements	<u>(28,143)</u>
Net cash used in investing activities	<u>(30,273)</u>
Cash flows from financing activities	
Mortgage principal payments - first mortgage	(61,641)
Distributions to member	<u>(129,153)</u>
Net cash used in financing activities	<u>(190,794)</u>
Net increase in cash and restricted cash	134,742
Cash and restricted cash, beginning	<u>561,345</u>
Cash and restricted cash, end	<u><u>\$ 696,087</u></u>

Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047

Statement of Cash Flows
Year Ended December 31, 2020

Reconciliation of net income to net cash provided by operating activities	
Net income	\$ 254,911
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation	108,488
Amortization of debt issuance costs	9,598
Bad debts	2,098
Changes in asset and liability accounts	
(Increase) decrease in assets	
Tenant accounts receivable	(7,157)
Accounts receivable - other	(939)
Prepaid expenses	(14,858)
Increase (decrease) in liabilities	
Accounts payable	(1,846)
Accrued liabilities	4,550
Accrued interest payable	(4,420)
Tenant security deposits held in trust	1,327
Prepaid revenue	4,057
Total adjustments	100,898
Net cash provided by operating activities	\$ 355,809

See Notes to Financial Statements.

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Notes to Financial Statements
December 31, 2020**

Note 1 - Organization

Myrtle Landing Affordable LLC (the "Company") was formed on February 15, 2019, as a Virginia limited liability company for the purposes of acquiring, owning, and operating a certain multifamily affordable rental housing complex. On August 29, 2019, the Company acquired a 93-unit property located in Cape Charles, VA, which is known as Myrtle Landing Apartments (the "Project").

The Company will continue to operate in perpetuity, unless dissolved by law or pursuant to the operating agreement (the "operating agreement").

The Company consists of one member, Dogwood Housing, Inc., a Maryland nonprofit corporation (the "Member"). The Member owns 100% of the outstanding membership interest in the Company.

Note 2 - Summary of significant accounting policies

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Tenant receivable and bad debts

Tenant receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Rental property

Rental property is carried at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives by use of the straight-line method for financial reporting purposes. For income tax purposes, accelerated lives and methods are used. Buildings are depreciated over 25 years, site improvements are depreciated over 15 years, and personal property is depreciated over five years.

Impairment of long-lived assets

The Company reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized through December 31, 2020.

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Notes to Financial Statements
December 31, 2020**

Debt issuance costs

Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the mortgage loan payable to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related loan. During the year ended December 31, 2020, \$9,598 of such amortization is included as a component of interest expense.

Income taxes

The Company is a disregarded entity for income tax purposes and does not file an income tax return. Taxable income or loss passes through to the sole member to be reported on its tax returns. The Company does not take any tax positions which must be considered for disclosure. Accordingly, these financial statements do not reflect a provision for income taxes.

Rental income

Rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Company and the tenants of the property are operating leases.

Advertising costs

Advertising costs are charged to operations when incurred. During the year ended December 31, 2020, \$125 of such costs was incurred.

Note 3 - Housing assistance payment contract

The Company has entered into a housing assistance program contract with HUD providing for payments for the apartment units leased to eligible low-income tenants pursuant to Section 8 of the U.S. Housing Act of 1937. The contract, dated September 1, 2019, is a 20-year, Section 8 contract; however, the annual payments are subject to appropriations by HUD. The contract covers 93 units and expires August 31, 2039. The amount of subsidy recognized under the contract during the year ended December 31, 2020, was \$706,381.

Note 4 - Escrow deposits and restricted balances

Real estate and tax insurance escrow

The first mortgage lender requires the Company to establish an escrows for real estate taxes and insurance. The required monthly deposits were \$4,816 as of December 31, 2020. During the year ended December 31, 2020, the Company made all required deposits. As of December 31, 2020, the balance of the real estate and insurance escrow was \$31,236 and is included in escrow deposits.

Replacement reserves

The first mortgage lender requires the Company to establish and maintain a replacement reserve fund. An initial deposit of \$148,000 was required and commencing October 1, 2019, the Company is required to make monthly deposits in the amount of \$2,325. During the year ended December 31, 2020, all required deposits were made. As of December 31, 2020, the balance of the lender held replacement reserve was \$183,191.

Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047

Notes to Financial Statements
December 31, 2020

Other reserves

The Company has elected to establish an additional replacement reserve fund that may be utilized at the Company's discretion. The initial deposit amounted to \$386,413 and as of December 31, 2020, the balance of the Company-held replacement reserve was \$362,801 and is included in other reserves.

The first mortgage lender required the Company to make an initial deposit of \$28,051 into a repair escrow fund. Releases from the escrow are restricted to fund necessary repairs at the property. As of December 31, 2020, the balance of the repair escrow was \$28,051 and is included in other reserves.

Note 5 - Mortgage payable

On August 29, 2019, the Company entered into a mortgage note payable in the original amount of \$3,090,000 with Orix Real Estate Capital, LLC. The note is secured by a deed of trust on the rental property. Interest on the note is adjusted monthly by the one-month LIBOR rate plus a margin of 2.43% (2.58% at December 31, 2020) not to exceed 7.58%. Commencing October 1, 2019, monthly principal and interest payment, based on a 30-year loan, will change in accordance with the adjustment to the interest rate and be effective to the remaining amortization period (\$19,534 at December 31, 2020) through maturity on September 1, 2026, at which time a balloon payment of approximately \$2,798,798 and any accrued interest shall become due. Interest incurred during the year ended December 31, 2020, was \$104,703, of which \$9,598 pertained to amortization of debt issuance costs. Accrued interest at December 31, 2020, was \$6,686. The principal balance outstanding at December 31, 2020 is \$3,016,350.

Debt issuance costs, net of accumulated amortization, totaled \$66,485 as of December 31, 2020, and are related to the first mortgage. Debt issuance costs on the above note are being amortized using an imputed interest rate of 3.52%.

Aggregate annual maturities of the mortgage payable over each of the next five years and thereafter are as follows:

December 31, 2021	\$	54,019
2022		56,359
2023		58,801
2024		61,007
2025		63,990
Thereafter		<u>2,722,174</u>
Total balance due		3,016,350
Unamortized debt issuance costs		<u>(66,485)</u>
Net balance	\$	<u><u>2,949,865</u></u>

Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047

Notes to Financial Statements
December 31, 2020

Note 6 - Statement of cash flows

The following table provides a reconciliation of cash and restricted cash reported within the balance sheet that sum to the total of the same such amounts in the statement of cash flows.

Cash	\$ 306,031
Tenant deposits	27,255
Other reserves	<u>362,801</u>
Total cash and restricted cash shown in the statement of cash flows	<u>\$ 696,087</u>

Amounts included in restricted cash are comprised of security deposits held in trust for the future benefit of tenants upon moving out of the property and other reserves are more fully described in Note 4.

Note 7 - Property management fee

The property is managed by an unrelated party pursuant to a management agreement approved by HUD. The management agreement provides for a management fee of 5% of residential and miscellaneous income, as defined in the agreement. During the year ended December 31, 2020, \$46,412 of such fees was charged to operations, of which \$4,550 remains payable at December 31, 2020.

Note 8 - Current vulnerability due to certain concentrations

The Company's principal asset is a 93-unit apartment project located in Cape Charles, Virginia. The Company's operations are concentrated in the multifamily real estate market. In addition, the Company operates in a heavily regulated environment. The operations of the Company are subject to the administrative directives, rules and regulations of federal agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Note 9 - Concentration of credit risk

The Company maintains its cash balances in several accounts in several banks. At times, these balances may exceed the federal insurance limits; however, the Company has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of December 31, 2020.

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Notes to Financial Statements
December 31, 2020**

Note 10 - Contingency

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity which could result in a loss of lease revenue and other material adverse effects to the Company's financial position, results of operations, and cash flows. As of December 31, 2020, the global pandemic is still ongoing. Management continues to monitor the results of operations to evaluate the economic impact of the pandemic on the project.

Note 11 - Subsequent events

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Company through May 17, 2021 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure is required in the notes to the financial statements.

Supplementary Information
Supporting Data Required by HUD

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

Supplementary Information

**Balance Sheet Data
December 31, 2020**

<u>Account No.</u>	<u>Assets</u>		
Current assets			
1120	Cash - operations	\$	306,031
1130	Tenant accounts receivable		9,639
1135	Accounts receivable - HUD		3,149
1200	Prepaid expenses		<u>25,372</u>
1100T	Total current assets		344,191
Deposits held in trust - funded			
1191	Tenant deposits		27,255
Restricted deposits and funded reserves			
1310	Escrow deposits	\$	31,236
1320	Reserve for replacements		183,191
1330	Other reserves		<u>390,852</u>
1300T	Total deposits		605,279
Rental property			
1410	Land		642,771
1420	Buildings		2,259,046
1460	Furnishings		<u>75,572</u>
1400T	Total fixed assets		2,977,389
1495	Less accumulated depreciation		<u>(144,651)</u>
1400N	Net fixed assets		2,832,738
Other assets			
1590	Miscellaneous other assets		<u>1,535</u>
1500T	Total other assets		<u>1,535</u>
1000T	Total assets	\$	<u><u>3,810,998</u></u>

Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047

Supplementary Information

Balance Sheet Data
December 31, 2020

		<u>Liabilities and Member's Equity</u>	
<u>Account No.</u>			
Current liabilities			
2110	Accounts payable - operations	\$	5,467
2123	Accrued management fee payable		4,550
2131	Accrued interest payable - first mortgage		6,686
2170	Mortgage payable - first mortgage (short-term)		54,019
2210	Prepaid revenue		<u>9,368</u>
2122T	Total current liabilities		80,090
Deposits liability			
2191	Tenant deposits held in trust (contra)		25,240
Long-term liabilities			
2320	Mortgage payable - first mortgage	<u>\$ 2,895,846</u>	
2300T	Total long-term liabilities		<u>2,895,846</u>
2000T	Total liabilities		3,001,176
3130	Member's equity		<u>809,822</u>
2033T	Total liabilities and member's equity	\$	<u><u>3,810,998</u></u>

Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047

Supplementary Information

Statement of Operations Data
Year Ended December 31, 2020

<u>Account No.</u>			
Rental revenue			
5120	Rent revenue - gross potential	\$ 251,491	
5121	Tenant assistance payments	<u>706,381</u>	
5100T	Total rental revenue		\$ 957,872
Vacancies			
5220	Apartments	<u>(32,128)</u>	
5200T	Total vacancies		<u>(32,128)</u>
5152N	Net rental revenue		925,744
Financial revenue			
5440	Revenue from investments - replacement reserve	<u>243</u>	
5400T	Total financial revenue		243
Other revenue			
5910	Laundry and vending	2,749	
5920	Tenant charges	4,346	
5990	Miscellaneous revenue	<u>125</u>	
5900T	Total other revenue		<u>7,220</u>
5000T	Total revenue		<u>933,207</u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

Supplementary Information

**Statement of Operations Data
Year Ended December 31, 2020**

Account No.

Administrative expenses		
6210	Advertising and marketing	125
6311	Office expenses	13,618
6320	Management fee	46,412
6330	Manager or superintendent salaries	33,200
6350	Auditing expense	10,500
6370	Bad debts	2,098
6390	Miscellaneous administrative expenses	<u>8,155</u>
6263T	Total administrative expenses	114,108
Utilities expense		
6450	Electricity	8,554
6451	Water	54,278
6453	Sewer	<u>61,625</u>
6400T	Total utilities expense	124,457
Operating and maintenance expenses		
6510	Payroll	50,587
6515	Supplies	35,780
6520	Contracts	38,795
6525	Garbage and trash removal	9,104
6530	Security payroll/contract	69
6546	Heating/cooling repairs and maintenance	13,237
6570	Vehicle and maintenance equipment operation and repairs	<u>67</u>
6500T	Total operating and maintenance expenses	147,639

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

Supplementary Information

**Statement of Operations Data
Year Ended December 31, 2020**

<u>Account No.</u>			
Taxes and insurance			
6710	Real estate taxes	22,931	
6711	Payroll taxes	7,552	
6720	Property and liability insurance	25,361	
6721	Fidelity bond insurance	428	
6722	Workmen's compensation	1,793	
6723	Health insurance and other employee benefits	19,452	
6790	Miscellaneous taxes, licenses, permits and insurance	505	
		<hr/>	
6700T	Total taxes and insurance		78,022
Financial expenses			
6820	Interest on first mortgage payable	104,703	
6890	Miscellaneous financial expenses	879	
		<hr/>	
6800T	Total financial expenses		<hr/> 105,582
6000T	Total cost of operations before depreciation		<hr/> 569,808
5060T	Income before depreciation		<hr/> 363,399
Depreciation			
6600	Depreciation expense	108,488	
		<hr/>	
	Total depreciation		<hr/> 108,488
5060N	Operating income		<hr/> 254,911
	Total expenses		<hr/> 678,296
3250	Net income		<hr/> <hr/> \$ 254,911

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

Supplementary Information

**Statement of Operations Data
Year Ended December 31, 2020**

Account No.

S1000-010	Total first mortgage (or bond) principal payments required during the audit year (12 monthly payments). Applies to all direct loans and HUD-held and fully-insured first mortgages.	<u>\$ 61,641</u>
S1000-020	Total of 12 monthly deposits in the audit year made to the replacement reserve account, as required by the regulatory agreement, even if payments may be temporarily suspended or reduced.	<u>\$ 27,900</u>
S1000-030	Replacement reserve, or residual receipts and releases which are included as expense items on the statement of operations.	<u>\$ -</u>
S1000-040	Project improvement reserve releases under the flexible subsidy program which are included as expense items on the statement of operations.	<u>\$ -</u>
S3100-120	Mortgage payable note detail (Section 236 only) Interest reduction payments from subsidy.	<u>\$ -</u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

Supplementary Information

**Statement of Member's Equity Data
Year Ended December 31, 2020**

<u>Account No.</u>		<u>Total</u>
S1100-010	Member's equity December 31, 2019	\$ 684,064
S1200-420	Distributions	(129,153)
3250	Net income	<u>254,911</u>
3130	Member's equity December 31, 2020	<u><u>\$ 809,822</u></u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

Supplementary Information

**Statement of Cash Flows Data
Year Ended December 31, 2020**

<u>Account No.</u>			
	Cash flows from operating activities		
S1200-010	Rental receipts	\$	921,359
S1200-020	Interest receipts		243
S1200-030	Other operating receipts		7,220
			928,822
S1200-040	Total receipts		928,822
S1200-050	Administrative expenses paid		(44,158)
S1200-070	Management fees paid		(41,862)
S1200-090	Utilities paid		(124,207)
S1200-100	Salaries and wages paid		(83,856)
S1200-110	Operating and maintenance paid		(99,848)
S1200-120	Real estate taxes paid		(27,772)
S1200-140	Property insurance paid		(22,503)
S1200-150	Miscellaneous taxes and insurance paid		(505)
S1200-160	Net tenant security deposits received (paid)		(877)
S1200-170	Other operating expenses paid		(29,225)
S1200-180	Interest paid on first mortgage		(99,525)
S1200-220	Miscellaneous financial expenses paid		(879)
			(879)
S1200-230	Total disbursements		(575,217)
S1200-240	Net cash provided by operating activities		353,605
	Cash flows from investing activities		
S1200-245	Net deposits to mortgage escrows		(2,130)
S1200-250	Net deposits to reserve for replacements		(28,143)
S1200-255	Net withdrawals from other reserves		
S1200-256	Net withdrawals from self-held replacement reserve	\$	23,612
			23,612
S1200-350	Net cash used in investing activities		(6,661)
	Cash flows from financing activities		
S1200-360	Mortgage principal payments - first mortgage		(61,641)
S1200-420	Distributions to member		(129,153)
			(129,153)
S1200-460	Net cash used in financing activities		(190,794)
S1200-470	Net increase in cash		156,150
S1200-480	Cash, beginning		149,881
S1200T	Cash, end		\$ 306,031

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

Supplementary Information

**Statement of Cash Flows Data
Year Ended December 31, 2020**

<u>Account No.</u>			
	Reconciliation of net income to net cash provided by operating activities		
3250	Net income	\$	254,911
	Adjustments to reconcile net income to net cash provided by operating activities		
6600	Depreciation		108,488
S1200-486	Amortization of debt issuance costs		9,598
	Changes in asset and liability accounts		
	(Increase) decrease in assets		
S1200-490	Tenant accounts receivable		(7,157)
S1200-500	Accounts receivable - other		(939)
S1200-520	Prepaid expenses		(14,858)
S1200-530	Tenant security deposits funded		(2,204)
	Increase (decrease) in liabilities		
S1200-540	Accounts payable		(1,846)
S1200-560	Accrued liabilities		4,550
S1200-570	Accrued interest payable		(4,420)
S1200-580	Tenant security deposits held in trust		1,327
S1200-590	Prepaid revenue		4,057
S1200-600	Other adjustments (include detail)		
S1200-601	Bad debts	\$	2,098
			2,098
	Total adjustments		98,694
S1200-610	Net cash provided by operating activities	\$	353,605

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Supplementary Information
Year Ended December 31, 2020**

Reserve for Replacements

<u>Account No.</u>		
1320P	Balance at December 31, 2019	\$ 155,048
1320DT	Total monthly deposits	27,900
1320INT	Interest income	<u>243</u>
1320	Balance at December 31, 2020	<u><u>\$ 183,191</u></u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Supplementary Information
Year Ended December 31, 2020**

Computation of Surplus Cash, Distributions and Residual Receipts

<u>Account No.</u>	<u>Part A - Compute Surplus Cash</u>	
S1300-010	Cash (Accounts 1120, 1170 and 1191)	\$ 333,286
1135	Accounts receivable - HUD	<u>3,149</u>
S1300-040	Total cash	<u>336,435</u>
S1300-050	Accrued mortgage interest payable	6,686
S1300-060	Delinquent mortgage principal payments	-
S1300-070	Delinquent deposits to reserve for replacements	-
S1300-075	Accounts payable (due within 30 days)	5,467
S1300-080	Loans and notes payable (due within 30 days)	-
S1300-090	Deficient tax, insurance or MIP escrow deposits	-
S1300-100	Accrued expenses (not escrowed)	4,550
2210	Prepaid revenue (Account 2210)	9,368
2191	Tenant security deposits liability (Account 2191)	<u>25,240</u>
S1300-140	Less total current obligations	<u>51,311</u>
S1300-150	Surplus cash	<u>\$ 285,124</u>
S1300-200	Amount available for distribution during next fiscal period	<u>\$ 285,124</u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Supplementary Information
Year Ended December 31, 2020**

Changes in Fixed Asset Accounts

	Assets			Balance 12/31/20
	Balance 12/31/19	Additions	Deletions	
Land	\$ 642,771	\$ -	\$ -	\$ 642,771
Buildings	2,259,046	-	-	2,259,046
Furnishings	75,572	-	-	75,572
	<u>\$ 2,977,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,977,389</u>
Accumulated depreciation	<u>\$ 36,163</u>	<u>\$ 108,488</u>	<u>\$ -</u>	<u>\$ 144,651</u>
Total net book value				<u>\$ 2,832,738</u>

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Supplementary Information
Year Ended December 31, 2020**

Detail of Accounts - Balance Sheet

Other Reserves (Account No. 1330)

Self-held replacement reserve	\$ 362,801
Repair escrow	<u>28,051</u>
	<u>\$ 390,852</u>

Miscellaneous Other Assets (Account No. 1590)

Utility deposits	<u>\$ 1,535</u>
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Other Information

Related party transactions detail:

<u>Account No.</u>	<u>Entity name</u>	<u>Amount paid</u>
S3100-210	Dogwood Housing, Inc. (distribution)	<u>\$ 129,153</u>

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Member
Myrtle Landing Affordable LLC

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Myrtle Landing Affordable LLC, which comprise the balance sheet as of December 31, 2020, and the related statements of operations, member's equity, and cash flows for year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 17, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Myrtle Landing Affordable LLC's internal control over financial reporting ("internal control") as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Myrtle Landing Affordable LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of Myrtle Landing Affordable LLC's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control, that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Myrtle Landing Affordable LLC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Bethesda, Maryland
May 17, 2021

Independent Auditor's Report on Compliance for Each Major HUD
Program and on Internal Control over Compliance Required by the
Consolidated Audit Guide for Audits of HUD Programs

To the Member
Myrtle Landing Affordable LLC

Report on Compliance for Each Major HUD Program

We have audited Myrtle Landing Affordable LLC's compliance with the compliance requirements described in the Consolidated Audit Guide for Audits of HUD Programs (the "Guide") that could have a direct and material effect on each of Myrtle Landing Affordable LLC's major U.S. Department of Housing and Urban Development ("HUD") programs for the year ended December 31, 2020. Myrtle Landing Affordable LLC's major HUD programs are as follows:

- Section 8 Rent Subsidy Program

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its HUD programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Myrtle Landing Affordable LLC's major HUD programs based on our audit of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major HUD program occurred. An audit includes examining, on a test basis, evidence about Myrtle Landing Affordable LLC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major HUD program. However, our audit does not provide a legal determination of Myrtle Landing Affordable LLC's compliance.

Opinion on Each Major HUD Program

In our opinion, Myrtle Landing Affordable LLC complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major HUD programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of Myrtle Landing Affordable LLC is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered Myrtle Landing Affordable LLC's internal control over compliance with the requirements that could have a direct and material effect on each major HUD program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major HUD program and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Myrtle Landing Affordable LLC's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a compliance requirement of a HUD program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement of a HUD program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement of a HUD program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.



Bethesda, Maryland
May 17, 2021

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Schedule of Findings, Questioned Costs and Recommendations
December 31, 2020**

Our audit disclosed no findings that are required to be reported herein under the HUD Consolidated Audit Guide.

**Myrtle Landing Affordable LLC
HUD Project No.: VA36-T821-047**

**Schedule of the Status of Prior Audit Findings,
Questioned Costs and Recommendations
December 31, 2020**

1. Audit report, dated May 4, 2020, for the period August 29, 2019 (date of acquisition) through December 31, 2019, issued by CohnReznick LLP.

There are no open findings from prior audit report.

2. There were no reports issued by HUD OIG or other federal agencies or contract administrators during the period covered by this audit.
3. There were no letters or reports issued by HUD management during the period covered by this audit.



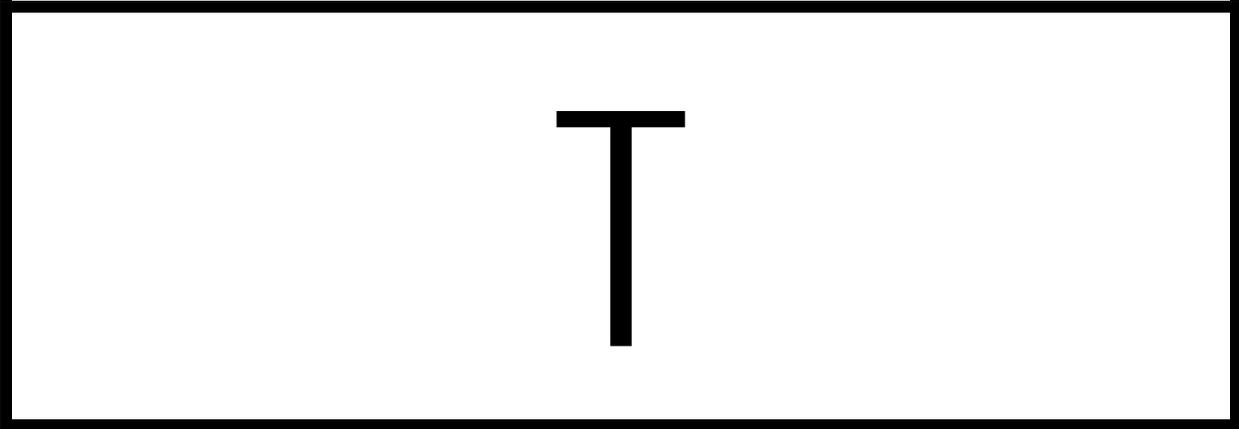
Independent Member of Nexia International

cohnreznick.com

S

Supportive Housing
Certification

N/A



T

Funding Documentation

Seller Note Loan

The seller will provide a note in the amount of \$5,130,000 as highlighted in the ensuing Purchase and Sale Agreement. The terms of that loan will be determined by the investor as shown in the equity letter in this section.

REAL ESTATE PURCHASE AND SALE AGREEMENT
(MYRTLE LANDING APARTMENTS)

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of the 4th day of January, 2022 ("Contract Date"), between MYRTLE LANDING RENEWAL LLC, a Virginia limited liability company ("Purchaser"), and MYRTLE LANDING AFFORDABLE LLC, a Virginia limited liability company ("Seller"), on the following terms and conditions, amending and restating in its entirety any previous agreement pertaining to the subject matter hereof:

1. Agreement to Purchase and Sell. Subject to and upon the terms and conditions hereinafter set forth, Purchaser hereby agrees to purchase from Seller and Seller hereby agrees to sell to Purchaser the property legally described in **Exhibit A** attached hereto (collectively, the "**Property**"). The Property consists of land together with any and all improvements thereon, any and all rights-of-way, easements, privileges and appurtenances pertaining thereto, if any, all right, title and interest of Seller, if any, in and to the fixtures, equipment and other personal property attached or appurtenant to the building or buildings, and any right, title and interest of Seller, if any, in and to any street, highway, road or alley adjoining any portion thereof.

2. Purchase Price.

2.1. Amount. The purchase price for the Property is Ten Million, One Hundred Thirty Thousand and 00/100 (\$10,130,000.00) (the "**Purchase Price**"). The purchase and sale of the Property is intended by the parties to be a sale of all elements of the Property, and is not severable or divisible, except as set forth in subsection 2.3.2 below. The Purchase Price shall be paid as provided in this Section 2.

2.2. Deposits. No earnest money deposits ("**Deposits**") shall be required unless required under other provisions of this Agreement.

2.3. Payment at Closing. At the Closing, Purchaser shall pay to Seller the following:

2.3.1. A promissory note in the principal amount of Five Million, One Hundred Thirty Thousand and 00/100 Dollars (\$5,130,000) payable to Seller on the terms and conditions set forth therein (the "Seller Note"), which shall be secured by a mortgage or deed of trust on the Property, subject and subordinate to any senior financing; and

2.3.2 An amount, in cash, equal to (A) the Purchase Price minus (B) the amount of the Seller Note; such difference to be subject to any credits, prorations, and other adjustments provided in this Agreement.



March 7, 2022

Todd Travis
National Foundation for Affordable Housing Solutions, Inc.
11810 Grand Park Avenue, Suite 600
North Bethesda, MD 20852

Re: Permanent Loan Financing for Myrtle Landing Apartments (the “Project”), an existing 93-unit rental subsidized multifamily housing project located in Cape Charles, VA.

Dear Mr. Travis,

ORIX Real Estate Capital, LLC, doing business as Lument Capital (“Lender”), is pleased to provide you with this conditional commitment letter to provide permanent financing through Fannie Mae on the above-referenced project.

The proposed terms shown below are based off of Lender’s review and underwriting of representations and information provided by you with regard to estimates of project costs, project income and expense figures, the limited market area data currently available to us, and the interest rate environment prevailing as of this date:

Permanent Loan Financing

Lender:	ORIX Real Estate Capital, LLC doing business as Lument Capital
Borrower:	Single Asset Entity; TBD
Loan Amount:	\$7,531,600 (estimated)
Loan Term:	17 years
Loan Amortization:	35 years
Interest Rate:	4.00% (estimated) Rates are subject to daily fluctuations. The Interest Rates shall be fixed and locked prior to the closing of the mortgage.
Debt Service Coverage:	1.15x Minimum Allowable
Loan to Value:	90% Maximum Allowable
Financing Fee:	\$75,316
Estimated Fannie Mae Fees:	
Fannie Mae Delivery Fee:	\$3,766
Processing Fee:	\$5,000
Security:	A first mortgage lien on the property and the Project; a first assignment of rents and leases on the property or the Project; a senior security interest in Borrower’s furnishings, fixtures, and equipment and Borrower’s other tangible and intangible



personal property acquired from, used in connection with or arising from the development, use or operating of the property or the Project; an assignment to Lender of any distribution rights of the Borrower and the general partner(s) of their respective general partnership interests in the property and the Project

Prepayment: Yield maintenance of 15 years, 1% thereafter, open to prepayment without penalty during the last 3 months of the term. Alternative structures available.

Standard Conditions:

The Borrower shall pay all costs incident to the processing and closing of the permanent financing including (without limitation) title insurance premiums; recording and settlement costs; costs of survey; fees and expenses of environmental, engineering, architectural, accounting, legal, and other professionals providing services to the Borrower; hazard insurance premiums, and payment of any amounts due to deliver interest rate. The Borrower shall pay such costs regardless of whether or not the permanent financing is closed and funded.

Prior to a loan closing, Borrower and/or Guarantors will be required to comply with and meet Lender's standard pre-closing conditions. Said pre-closing conditions would be contained in a final Lender Commitment letter issued to Borrower at a future date, and would contain, but not be limited to, Lender's review and acceptance of items including the final underwriting, conditions of Borrower, and any other conditions which Lender or its legal counsel shall require.

This commitment of Lender is subject to the satisfaction of Lender in its sole discretion as to each of the following:

- There shall have been no material adverse change, nor any reasonable expectation of a material adverse change, in the existing or prospective business, operations, assets, properties, liabilities, profits, prospects or financial position of Borrower as determined by Lender.
- No event shall have occurred and no condition shall exist which has caused, or could reasonably be expected to cause, a disruption of the financial or economic markets which, in Lender's good faith judgment, impacts pricing or the availability of credit or access to the capital markets in a material adverse way.
- No event shall have occurred and no condition shall exist which precludes, or could reasonably be expected to, preclude Lender from making or funding the Loan as contemplated by this Commitment, including without limitation, any work stoppage, power or other mechanical failure, computer virus, natural disaster, governmental action, communication disruption, pandemic or public health emergency, or any other cause or event beyond Lender's reasonable control.

You understand that the loan amounts and the other terms are only estimates based upon our preliminary analysis of the Project and the borrower, that such loan amounts may increase or decrease, and that such terms may change, depending upon the final underwriting of the property.

The terms and conditions of this letter will expire on March 7, 2023. We appreciate the opportunity to submit our proposal for the permanent financing of your affordable development and look forward to working with you on this transaction.

Very truly yours,

ORIX Real Estate Capital, LLC
doing business as Lument Capital

Tracy W. Peters
Senior Managing Director



*777 West Putnam Avenue
Greenwich, CT 06830
(p) 203.869.0900*

March 29, 2022

Myrtle Landing Renewal, LLC
c/o Mr. Todd Travis
Foundation Housing, Inc.
11810 Grand Park Avenue
Suite 600
North Bethesda, MD 20852

Re: Myrtle Landing Apartments, VA

Dear Mr. Travis:

The Richman Group Affordable Housing Corporation ("TRG") is the sponsor of investment partnerships which provide equity capital for multi-family apartment complexes that are eligible for low-income housing tax credits ("Low-Income Housing Tax Credits") pursuant to Section 42 of the Internal Revenue Code of 1986 (the "Tax Code") by investing in limited partnerships that own such apartment complexes.

You have advised us that Myrtle Landing Manager, LLC (the "Managing Member"), a single-purpose, for-profit, wholly-owned subsidiary of Huntington Housing, Inc. has formed Myrtle Landing Renewal LLC, a Virginia limited liability company (the "Company"), which intends to acquire and rehabilitate a 93-unit apartment complex located in Cape Charles, VA (the "Apartment Complex").

TRG is pleased to provide you with this letter of intent for the acquisition by an affiliated limited partnership, which will be sponsored by TRG ("Investor"), of a 99.99% membership interest in the Company, subject to the terms and conditions hereof. Upon the execution of this letter, TRG will commence its due diligence review and will hold an initial investment committee meeting. Upon approval of the initial investment committee, TRG may continue its due diligence and will seek an investor to acquire the membership interest. Receipt of initial investment committee approval is not, and should not be construed as, an indication that the transaction will receive final investment committee approval. Only upon (i) the receipt of final investment committee approval, (ii) negotiation and execution of documentation acceptable to both parties and (iii) receipt of opinions of counsel (including corporate, tax and real estate) acceptable to the Investor, will the parties execute an amended and restated operating agreement of the Company in the Investor's standard form (the "Operating Agreement"), admitting the Investor to the Company. Foundation Housing ("Foundation") or another entity with sufficient net worth acceptable to TRG (the "Guarantor") will guarantee the Managing Member's obligations to the Investor.

1. Financing: Financing of the Apartment Complex will be subject to Investor approval. You have informed us that the Apartment Complex will receive financing as follows:

Loan type	1 st Mortgage Perm. Loan	Seller Note	Reimbursement of COI
Loan Amount - not to exceed	\$7,531,600	\$5,130,000	\$56,487
Interest rate - not to exceed (including annual service fees)	4.00% (interest -only for first 2 years)	3.00%	
Loan term not less than (years)	17	35	
Amortization period (years)	35	35	
Cash flow loan (y/n)?	N	Y	

It is our understanding that all 93 units in the Apartment Complex will be covered under a Section 8 HAP Contract with a remaining term of no less than 15 years, subject to annual appropriations. To the extent that a change in financing structure changes the amount of Low-Income Housing Tax Credits, then capital contributions will be adjusted accordingly. The Managing Member must deliver any required approval of the admission of the Investor to the Company prior to such admission (the "Closing"). The preparation, filing and processing of such application and all costs and expenses thereof, shall be the sole responsibility of the Managing Member and/or the Company. All loan documents shall provide that notices of default and foreclosure shall be sent to the Investor, as well as to the Managing Member.

2. Capital Contributions of the Investor: The "Capital Contribution" as set forth below reflects current market conditions. The Capital Contributions may be adjusted to reflect the market conditions at the time of closing. Subject to the terms and conditions set forth herein and in the Operating Agreement, the Investor will make capital contributions to the Company in the total amount of **\$7,162,492** (the "Capital Contribution") including amounts payable under Section 15 as set forth below.

Installment No. 1: **(20.00%)** **\$1,432,498**

Paid at Closing.

Installment No. 2: **(20.00%)** **\$1,432,498**

Paid upon the latest of the following:

- (i) Completion of construction of the Apartment Complex, as certified by the Contractor and the Architect, receipt of certificates of occupancy for all units in the Apartment Complex if required by the applicable governmental jurisdiction, and receipt of all other governmental permits required in connection with the completion, use and occupancy of the Apartment Complex or a written certification from the Managing Member that no such additional governmental permits are required;
- (ii) Receipt of a payoff letter from the Contractor which states that upon receipt of Installment No. 2 the construction contract will be paid in full by such Installment No. 2 or the Contractor will defer any amounts owed to it until the payment of Installment No. 3;
- (iii) Receipt of an estoppel letter from each lender to the Company;
- (iv) Receipt of permanent certificates of occupancy if not previously provided;
- (v) Receipt of certificates of insurance complying with the requirements described herein; and
- (vi) July 1, 2023.

Installment No. 3: **(57.50%)** **\$4,118,433**

Paid upon the latest of the following:

- (i) Achievement of initial qualified occupancy for 100% of the units by tenants who qualify under Section 42 and who are paying rents (net of any concessions) at amounts which in

total are at least equal to the amount of the "Monthly Aggregate Rental Revenue" for the Apartment Complex as set forth on Schedule A;

- (ii) Funding of the "Operating Reserve" as described in Paragraph 7 below;
- (iii) Receipt of preliminary Low-Income Housing Tax Credit certification from the accountant for the Company other than Form 8609, and review and approval of such by Cohn Reznick on behalf of the Investor with the cost of such Cohn Reznick review paid by the Investor;
- (iv) Achievement of final closing of all permanent financing to the Company;
- (v) Achievement of "Breakeven Operations" (as defined below);
- (vi) Receipt of an estoppel letter from each lender to the Company; and
- (vii) November 1, 2023.

Installment No. 4: (2.50%) \$179,063

Paid upon the latest of the following:

- (i) Receipt of Form 8609 for each building in the Apartment Complex;
- (ii) Receipt of final Low-Income Housing Tax Credit certification from the accountant for the Company including Form 8609 and review and approval of such by Cohn Reznick as reviewing accountant on behalf of the Investor;
- (iii) Receipt of evidence satisfactory to the Investor that the monthly mandatory debt service payments on the 1st mortgage loan have not increased from the approved underwritten levels;
- (iv) Receipt of an estoppel letter from each lender to the Company, and
- (v) February 1, 2024.

Total Equity to Company (excluding amounts payable under Section 15 below): \$7,162,492

Installment No. 3 will only be released upon the achievement of Breakeven Operations. "Breakeven Operations" is generally defined as the following: (i) the date upon which income from the normal operation of the Apartment Complex, received on a cash basis, for each of the consecutive calendar months in the applicable "Test Period" (as defined below) after permanent mortgage loan closing, less all mandatory debt service payments for each month (or, if Final Closing has not yet occurred, the breakeven analysis shall include the mandatory monthly debt service monthly payments that would be due on the permanent loans if Final Closing had been achieved), equals or exceeds 1.15 multiplied by: (i) the greater of (a) underwritten or (b) actual accrued operational costs for each of such three (3) consecutive months ("Test Period 1"), or (ii) all actual accrued operational costs, adjusted for applicable seasonal cost variations, for each of six (6) consecutive months ("Test Period 2") or, (iii) all operational costs for a 12 month period (as reported under GAAP) ("Test Period 3") as evidenced by an audited financial statement prepared by the accountant for the Company. In addition, Breakeven Operations shall not have occurred unless, at the end of such applicable Test Period, the Company shall have (i) sufficiently funded segregated reserves to pay one (1) year's property insurance premiums (minus any prepaid premiums on the existing insurance policy) and the next full installment of real estate taxes payable (minus any prepaid taxes with respect to such installment) and (ii) liquid assets not committed to the payment of any other expense or reserve fund in an amount sufficient to pay (a) one (1) month's mandatory debt service payment plus (b) any other accrued unpaid expenses.

3. Adjuster Clause: The Capital Contribution amount stated above is based upon your projection of an annual amount of Low-Income Housing Tax Credits of \$795,912 ("LIHTC") which in turn is based upon certain of the assumptions and projections stated herein. The actual amount of Low-Income Housing Tax Credits may in fact change after the determination of eligible and qualified basis. Accordingly, the Capital Contribution may be adjusted when (i) final projections of the amount of Low-Income Housing Tax Credits are completed and/or (ii) upon or after actual completion of the Apartment Complex. To the extent such final projected amount of Low-Income Housing Tax Credits varies from the LIHTC, the Capital Contribution will be adjusted as set forth in the following paragraph and as will be more particularly set forth in the Operating Agreement.

If the final amount of Low-Income Housing Tax Credits ("Final LIHTC") is greater or less than the LIHTC then the Capital Contribution shall be adjusted so that the ratio of the Capital Contribution attributable to the Low-Income Housing Tax Credits divided by the Final LIHTC allocable to Investor is equal to 90.00% ("LIHTC Ratio"). However, in the case of an increase, such increase in Capital Contribution will take place only if the Investor has funds available which are not committed otherwise. If the Investor does not have funds available to pay for the higher amount of Low-Income Housing Tax Credits, then the Investor's interest in the Company will be adjusted downward accordingly, but in no event below a 90% interest. If the adjustment would result in an adjustment below 90%, then TRG may in its discretion endeavor to cause an affiliated investment partnership to purchase an interest in the Company, but shall have no liability if it is unable to do so.

4. Timing Differences: In the event that the actual Final Reported Credit for 2022 is more or less than 12.10% of the LIHTC or for 2023 is more or less than 87.63% of the LIHTC or for 2024 is less than 100.00% of the LIHTC (or LIHTC as adjusted pursuant to paragraph 2 above) then the Capital Contribution of the Investor to the Company shall be increased or decreased as appropriate (a "Timing Change"), by an amount sufficient to maintain an Internal Rate of Return to the Investor equal to a rate agreed upon at Closing; such adjustment to be based upon the methodology set forth on Attachment A assuming for this purpose that (i) the amount and timing of projected losses and deductions and (ii) the timing of the Capital Contributions will be fixed at the amounts shown in the projections attached to the Operating Agreement. With respect to the calculation of the losses in the parenthetical above, the Investor shall, for the years in which it has sufficient tax information, make the calculation for those years using the lesser of the actual losses or the projected losses. In the years in which there is not sufficient tax information to calculate actual losses, the projected losses shall be used. In the event that the Timing Change exceeds the then unpaid Capital Contribution of the Investor, the Managing Member shall pay to the Investor, immediately upon demand, the amount by which the Timing Change exceeds such then unpaid Capital Contributions. In the event that an upward Timing Change and/or the LIHTC Ratio adjuster described in Paragraph 3 results in an increase in the Capital Contribution, such increases combined will be capped at 5% of the original Capital Contribution.

5. Cash Flow Distributions: Cash flow of the Company after expenses and debt service will be distributed, to the extent available, according to the following priority:

- First: to pay any credit adjuster due;
- Second: a priority distribution to the Investor in the amount of \$3,000 annually;
- Third: to pay any deferred development fee to the developer;
- Fourth: to repay any operating deficit loans made by the Managing Member;
- Fifth: to repay the Seller Note, including interest accrued at the interest rate shown in Paragraph 1 above; and
- Sixth: remaining amounts split 10% to the Investor and 90% to the Managing Member.

6. Sale or Refinance: Upon the sale of the Apartment Complex or a refinancing of the permanent mortgage loan, proceeds will generally be allocated in accordance with the following priority:

- First: Expenses of the sale and refinancing and satisfaction of underlying financing plus any other third-party obligations and debts;
- Second: Return of the outstanding balance of any operating deficit loans previously made by the Managing Member (See Guarantees);
- Third: to repay the outstanding Seller Note, including interest accrued at the interest rate shown in Paragraph 1 above; and
- Fourth: Balance of proceeds split 10% to the Investor, 90% to the Managing Member.

The percentage splits between the Investor and Managing Member described in Paragraphs 5 and 6 assume that the transaction will be structured such that anti-churning rules for affiliated entities will not disallow taking the acquisition credits projected for the Apartment Complex.

7. Guarantees: The Managing Member and the Guarantor shall jointly and severally guarantee the obligations of the Managing Member under the Operating Agreement, including, without limitation, the following:

(A) Against recapture of the Low-Income Housing Tax Credits for 15 years except for recapture caused by (i) subsequent changes in the Tax Code or (ii) transfers of the Investor's interest in the Company.

(B) The payment in full of all costs and expenses of the acquisition and construction of the Apartment Complex in excess of the proceeds of all the construction period sources of funds and any operating deficits prior to the achievement of Breakeven Operations.

(C) To fund operating deficits for a five (5) year period (the "Operating Deficit Period") from the later of Breakeven Operations or funding of the permanent mortgage loan up to a maximum amount of \$441,931 (the "Operating Deficit Guaranty"). The Operating Deficit Period shall be deemed extended until (x) the Managing Member has provided the Investor with evidence that the Company has sufficient cash reserves to pay any accrued expenses as of the expiration of the Operating Deficit Period, (y) the Apartment Complex has achieved the "DSC Requirement" as hereinafter defined, and (z) the Operating Reserve has been fully replenished from net cash flow, if any portion of the Operating Reserve has been expended. The "DSC Requirement" means that the Apartment Complex has demonstrated a debt service coverage ratio of 1.10:1 for years four and five of the Operating Deficit Period. If the Apartment Complex has not demonstrated a 1.10:1 debt service coverage for such years the Operating Deficit Period will be extended until the Apartment Complex demonstrated a 1.10:1 debt service coverage for two consecutive years. For purposes of the Operating Deficit Guaranty, the term "Operating Deficits" shall include amounts withdrawn from the reserve for replacements for non-capital costs during such five (5) year period. A further assurance will be an agreement by the managing agent for the Apartment Complex, typically the Managing Member or an affiliate, (the "Managing Agent") to (i) defer and accrue its management fee, if necessary, to prevent a default under the permanent mortgage loan and (ii) defer its fee to the extent necessary to avoid an Operating Deficit. If the Managing Agent elects not to defer its fee pursuant to subparagraph (ii) above, it must send a notice to the Managing Member and the Investor offering to resign. If no such notice is sent, the Managing Agent will be deemed to have ratified its agreement to defer its fee. If a notice is sent refusing to defer its fee, such refusal shall be grounds for removal of the Managing Agent.

An operating/debt service reserve in the cumulative amount of \$441,931 (collectively, the "Operating Reserve") will be funded at or prior to payment of Installment No. 3. Subject to Investor approval, any operating deficit reserves and debt service reserves required by the lenders or the Agency may be applied toward the obligation to fund the Operating Reserve described in the previous sentence, however, such other reserves must remain as a Company reserve account for the full term that the Operating Reserve is required with terms acceptable to the Investor. Withdrawals made from the Operating Reserve will be subject to approval by the Investor. Withdrawals made from the Operating Reserve after achievement of Breakeven Operations will count toward fulfillment of the Operating Deficit

Guaranty described in the preceding paragraph. However, the balance of the Operating Reserve may not be drawn below one-half of the initial funded amount of the Operating Reserve during the Operating Deficit Period.

Subject to satisfactory underwriting, after the end of the Operating Deficit Period, funds remaining in the Operating Reserve in excess of 50% of the amount initially funded may be released to cash flow of the Company if "Release Test 1" (as defined below) is met as follows: "Release Test 1" shall be met if all of the following conditions are achieved: (i) no default exists under the Operating Agreement, and (ii) the project-based Section 8 rental assistance on the Apartment Complex has not been terminated or reduced.

Additionally, subject to satisfactory underwriting, the remaining balance of the Operating Reserve may be released to cash flow of the Company if "Release Test 2" (as defined below) is met as follows: "Release Test 2" shall be met if all of the following conditions are achieved: (i) no default exists under the Operating Agreement, (ii) the project-based Section 8 rental assistance on the Apartment Complex has not been terminated or reduced, and (iii) the Apartment Complex has maintained a debt service coverage of at least 1.20 on all mandatory debt service for a 12-month period commencing not earlier than the year after Release Test 1 is met, as evidenced by an audited financial statement. However, upon release of this remaining balance of the Operating Reserve, the Managing Member shall then guarantee the funding of subsequent operating deficits during the remainder of the 15-year compliance period, up to a cumulative maximum amount equal to 50% of the amount initially funded into the Operating Reserve, exclusive of any operating deficits funded by the Managing Member prior to the time of the final release of the Operating Reserve described above.

(D) Repurchase of the Investor's interest in the Company by payment to the Investor of the full amount of the gross Capital Contribution paid to such date, if the Managing Member fails to (i) place the Apartment Complex in service by December 31, 2023, (ii) complete Final Closing by December 1, 2024, (iii) achieve at least 70% of the aggregate projected LIHTC as set forth herein, or (iv) achieve Breakeven Operations within 24 months of Substantial Completion (to be defined in the Operating Agreement) of the Apartment Complex.

8. Representations and Warranties: The Managing Member shall provide the representations and warranties to the Investor more particularly set forth in the Operating Agreement and currently has no basis to believe that such representations and warranties cannot be given at Closing. The Managing Member shall be obligated to recertify to the continued truth and accuracy of such representations and warranties at the time of each installment of capital contributions.

9. Duties and Obligations: The Managing Member shall be obligated to assume the duties and obligations as are set forth in the Operating Agreement.

10. Legal Opinions: The Managing Member shall cause the attorneys for the Company to provide the legal opinions more particularly set forth in the Operating Agreement.

11. Sale or Conversion: Beginning 15 years from the date of the closing of the permanent mortgage loan, if the Investor requests the Managing Member to sell the Apartment Complex, the Managing Member will consent, provided such sale meets the approval of the lender and applicable tax credit agency. In the event the Managing Member does not consent to a sale at that time, the Managing Member will be granted an option to purchase the Apartment Complex at fair market value (as restricted by the uses mandated by the lender and the Tax Credit Agency). In the event that the Managing Member chooses not to exercise this purchase option, the Investor shall reserve the right to: (i) sell its interest in the Company to the Managing Member for \$1 or (ii) transfer its membership interest in the Company to an affiliated entity, provided however, a qualified non-profit Managing Member or its qualified non-profit designee will be granted a right of first refusal to purchase the Apartment Complex at the "Minimum Purchase Price" as defined in Section 42(i)7 of the Internal Revenue Code of 1986 and in accordance with requirements mandated by the lender and the Tax Credit Agency.

12. Accountants and Financial Reporting: The "Accountants" for the Company shall be Cohn Reznick or such other firm acceptable to the Investor. Financial information will be required to be

submitted to the Investor by the 30th day after the end of each quarter, for the first three calendar quarters of each year. Such financial information may be unaudited and may be prepared by the Managing Agent. Annual audited financial statements and tax information in draft form will be required to be submitted to the Investor by the Managing Member by February 15 of each year with final audited financial statements and tax information submitted to the Investor by the Managing Member by February 28 of each year. In the event that such final information is not submitted to the Investor by March 15 of each year, then the Managing Member shall be obligated to pay to the Investor an amount equal to \$350 for each day that such tax or other information is past due, which amount may be waived by the Investor at its sole discretion for reasonable cause; provided however, that if such late charge is not paid by the Managing Member within ten (10) days of demand therefor from the Managing Member, then the Management Agent shall be obligated to pay such late charge to the Investor. Any such late charge shall be returned by the Investor if at the end of three (3) years after the date of payment thereof, the following conditions are met: (1) such late charge was the first one incurred pursuant to this Section 13.04, (2) such late charge was in an amount of \$2,500 or less, (3) no other late charge shall have been assessed during such three-year period, and (4) such late charge was paid promptly on demand.

13. Removal Rights: The Investor shall have the right to remove the Managing Member for cause as will be set forth in the Operating Agreement. No removal right without cause shall exist.

14. Indemnity: In the Operating Agreement the Managing Member shall indemnify Investor and its officers, directors and affiliates for any untrue statement of a material fact or omission to state a material fact necessary to make any such statements, in light of the circumstances under which they were made, not misleading, by the Managing Member or their agents set forth in any document delivered by the Managing Member or their agents in connection with the acquisition of the Apartment Complex, the investment by the Investor in the Company and the execution of the Operating Agreement.

15. Reserve Requirements: The Company will be required to make an annual minimum deposit to a reserve for replacements in an amount equal to the greater of (i) \$300 per unit per year increasing by 3% annually, or (ii) the amount utilized in the underwriting of the mortgage loans by the lenders. The Investor may require that additional reserves be funded to cover potential cash deficiencies. The Operating Deficit Guaranty shall be increased by amounts withdrawn from the reserve for replacements for non-capital costs during the Operating Deficit Period.

16. Due Diligence: TRG and the Investor will have the opportunity to perform, and you and your professionals will assist us in, the customary due diligence necessary in the acquisition of the Apartment Complex and of the investment by Investor in the Company. As a condition of closing, the Company shall provide the Investor information reasonably requested by the Investor, including without limitation, (i) market rental information, proving that the projected rents will be achieved and the rent up will occur within a reasonable absorption period, (ii) engineering report by an engineer acceptable to the Investor and (iii) a Phase 1 environmental report. The Company shall bear the costs of Investor's, market study, engineering review and Investors legal counsel, subject to a maximum of ~~\$--0--~~. A sample (but not exhaustive) list of due diligence documents shall be forwarded upon receipt by the Investor of a fully executed copy of this letter. Additionally, approval of this transaction is subject to Investor satisfaction and completion of due diligence (including site visit, review, and investment committee approval), and receipt by the Company of a Low-Income Housing Tax Credits reservation or allocation approval from the appropriate state or local agency.

17. Title Insurance: The Managing Member shall provide, at Company expense, title insurance in favor of the Company in an amount not less than the sum of (i) all mortgage loans, and (ii) the amount of the Capital Contribution with only those exceptions as may be approved by Investor.

18. Execution of Operating Agreement: As a condition to the Closing, the Managing Member will execute the Operating Agreement and any related documentation necessary to complete the transaction and the Guarantor must execute the Guaranty.

19. Hazard and Liability Insurance: As a condition to receipt of Installment No. 1 of Capital Contributions, the Company shall deliver evidence of hazard insurance from carriers acceptable to the Investor, in an amount equal to the replacement cost of the apartment improvements. The hazard

insurance must include endorsements for inflation adjustment and code upgrade coverage. Liability insurance shall be in the amount of not less than \$5,000,000.

20. Escrows: To the extent not required by any mortgage lender, the Company shall maintain funds in a segregated escrow account, in an amount sufficient to pay all real estate taxes and insurance premiums when due.

21. Payment and Performance Bond or Letter of Credit: The Contractor shall provide one of the following (i) payment and performance bonds in form and substance satisfactory to Investor, in the full amount of the general contract naming the Company as obligee issued by a bonding company acceptable to Investor, or (ii) a letter of credit in the amount of not less than 15% of the general contract issued by a bank acceptable to Investor.

22. Brokers. Any and all fees due to any broker involved in this transaction will be the responsibility of the Managing Member. By executing this letter of intent, you represent and warrant that no broker has been involved in the negotiations among the Managing Member, its principals and TRG. You further acknowledge and agree that neither TRG nor the Investor shall be responsible for the payment of any brokerage fees in connection with the Investor's investment in the Project unless otherwise specifically agreed to in writing by TRG.

If the above is acceptable to the Managing Member, please execute a copy of this letter and return it to the Investor. In the event that Investor is not in receipt of an executed copy of this letter within thirty (30) days, this letter shall be considered withdrawn and shall be of no further force or effect.

Upon the Investor's receipt of a fully executed copy of this letter, the Investor will commence the necessary action to deliver to you a copy of the proposed Operating Agreement and you shall be bound by all of the terms and provisions hereof. If prior to the expiration of the due diligence period Investor agrees to proceed with the transaction, but notwithstanding such agreement, the Managing Member (i) fails to negotiate the Operating Agreement or other closing documents in good faith and/or (ii) offers the membership interest contemplated hereby to a third party, then the Managing Member shall be obligated to reimburse Investor and/or TRG for all fees, costs and expenses incurred by Investor and/or TRG in connection with this transaction, including without limitation, all legal fees and disbursements, engineering and other professional fees, site inspection fees, market study fees, appraisal fees, background investigation costs, and other due diligence costs and expenses.

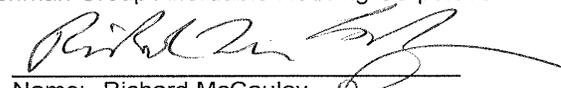
The Closing of the acquisition of the membership interest is subject to the availability of funds and the ability of TRG to identify an Investor. The Capital Contributions set forth in Paragraph 2 above may be recalculated or changed prior to the Closing to reflect rising interest rates or other changing market conditions and the Investor's then-current yield requirements. This letter shall be governed by and construed in accordance with the internal laws of the State of Connecticut. This agreement shall not create any liability on the part of TRG or the Investor. All rights and obligation of the Investor shall be set forth in the Operating Agreement and shall not be binding on the Investor until the Investor delivers a fully executed copy of the Operating Agreement to the Managing Member.

Notwithstanding anything to the contrary contained herein, the provisions of this letter represent the entire understandings of TRG, Investor, Managing Member and/or the Company with respect to the matter hereof, and all prior understandings, agreements and representations with respect thereto whether written or oral are superseded hereby and merged herein. None of the provisions of this letter may be waived or modified unless such waiver or modification is in writing and signed by the parties hereto and approved by TRG's counsel. No oral agreements shall ever be binding on TRG and/or the Investor.

Sincerely,

The Richman Group Affordable Housing Corporation

By:



Name: Richard McCauley
Title: Executive Vice President

Tab U:

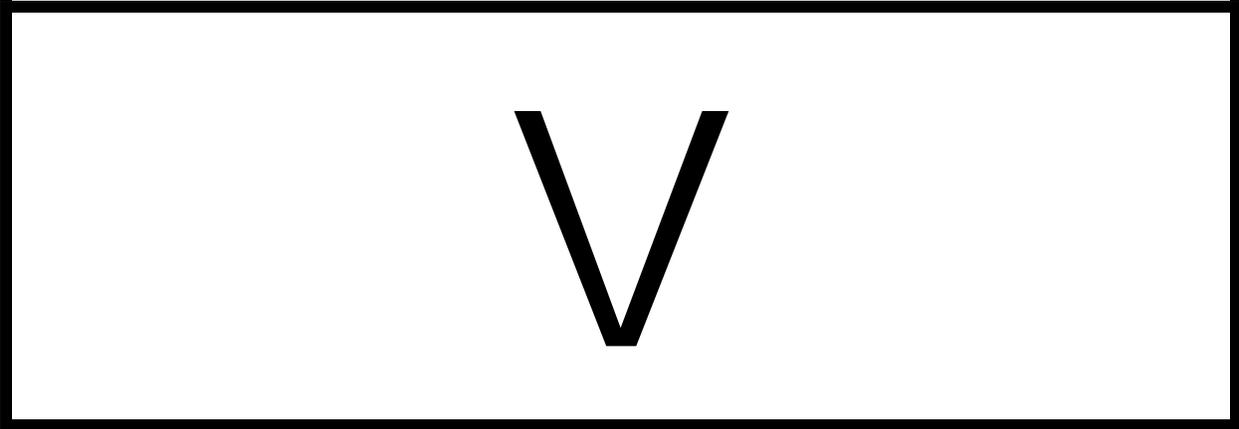
Acknowledgement by Tenant of the availability of Renter
Education provided by Virginia Housing

Resident Education Availability Acknowledgement Form

I, _____, acknowledge that I am aware of the availability of renter education from Virginia Housing and that I have been given the proper instructions and resources to access this tool if I so choose.

Resident Signature

Date



V

Nonprofit or LHA Purchase
Option or Right of First
Refusal

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

RIGHT OF FIRST REFUSAL AGREEMENT
(Myrtle Landing Apartments)

RIGHT OF FIRST REFUSAL AGREEMENT (the “Agreement”) dated as of [Closing Date] by and among **MYRTLE LANDING RENEWAL LLC**, a Virginia limited liability company (the “Owner” or the “Company”), , **HUNTINGTON HOUSING, INC.**, a Maryland non-stock nonprofit corporation (the “Grantee”), and is consented to by **MYRTLE LANDING MANAGER LLC**, a Virginia limited liability company (the “Managing Member”), **[INVESTOR ENTITY]**, a [[_____]_____] limited liability company (the “Investor Member”) and **[[_____]_____] SPECIAL LIMITED PARTNER, L.L.C.**, a [_____]_____] limited liability company (the “Special Member”). The Managing Member, the Investor Member and the Special Member are sometimes collectively referred to herein as the “Consenting Members”. The Investor Member and Special Member are sometimes collectively referred to herein as the “Non-Managing Members”. This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its [Amended and Restated] Operating Agreement dated on or about the date hereof by and among the Consenting Members (the “Operating Agreement”), is engaged in the ownership and operation of a 93-unit apartment project for elderly located in Cape Charles, Virginia and commonly known as Myrtle Landing Apartments” (the “Project”). The real property comprising the Project is legally defined on **Exhibit A**

B. The Grantee is a member of the Managing Member of the Owner and is instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell and convey to the Grantees certain rights of first refusal to purchase the Project on the terms and conditions set forth herein;

D. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the “Refusal Right”) to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the “Property”), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that is required by the Virginia Housing Development Authority

(“Virginia Housing” or the “Credit Authority”) or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. After the end of the Compliance Period, the Company agrees that it will not sell the Property or any portion thereof to any Person without first offering the Property to the Grantee (the “Refusal Right”), for the Purchase Price (as defined in Section 3); *provided, however*, that such Refusal Right shall be conditioned upon the receipt by the Company of a “bona fide offer” (the acceptance or rejection of which shall not require the Consent of the Members). The Company shall give the notice of its receipt of such offer (the “Offer Notice”) and shall deliver a copy of the Offer Notice to the Grantee. Upon receipt by the Grantee of the Offer Notice, the Grantee shall have 90 days to deliver to Company a written notice of its intent to exercise the Refusal Right (the “Election Notice”). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a “bona fide offer” for purposes of this Agreement. Such offer (i) may be solicited by the Grantee or the Managing Member (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period provided that the Election Notice may not be sent until the end of the Compliance Period) and (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non-Managing Members [or of Virginia Housing].

B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, or if such Election Notice is delivered but the Grantee does not consummate the purchase of the Project within 270 days from the date of delivery of the Election Notice (each, individually, a “Terminating Event”), then its Refusal Right shall terminate and the Company shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. The purchase price for the Property pursuant to the Refusal Right (the “Purchase Price”) shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the “minimum purchase price” as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Non-Managing Members of the Owner (or their constituent partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.

B. All costs of the Grantee’s purchase of the Property pursuant to the Refusal Right, including any filing fees, shall be paid by Grantee.

C. The Purchase Price shall be paid at Closing in one of the following methods:

(i) the payment of all cash or immediately available funds at Closing,
or

(ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

(i) the Grantee or its assignee shall be a “qualified nonprofit organization” as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a “Qualified Beneficiary”); and

(ii) the Project continues to be a “qualified low-income housing project” within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in a writing signed by the Grantee and each of the Consenting Members:

(i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or

(ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or

(iii) the Project ceases to be a “qualified low-income housing project” within the meaning of Section 42 of the Code, or

(iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes set forth in Section 2 above.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the “Closing”) to occur in Cape Charles, Virginia not later than the timeframes set

forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner's right, title and interest in the Property shall be conveyed by quitclaim deed, subject to such liens, encumbrances and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property "**AS IS, WHERE IS**" and "**WITH ALL FAULTS AND DEFECTS,**" latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed to the property, an ALTA owner's title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances and other exceptions then affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred to any Person without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right (i) all conditions and restrictions applicable to the exercise of the Refusal Right or the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which Grantee would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. The parties hereto agree that if the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an “option to purchase” pursuant to Section 42(i)(7) of the Code as opposed to a “right of first refusal” without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

B. If the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a “right of first refusal to purchase partner interests” and/or “purchase option to purchase partner interests” pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a “right of first refusal to purchase the Project” without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Member as a partner of the Company for federal income tax purposes) then the parties shall amend this Agreement and the Investor Members shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been given and received (i) two (2) business days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one (1) business day after being delivered to a nationally recognized overnight delivery service, (iii) on the day sent by telecopier or other facsimile transmission, answer back requested, or (iv) on the day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other party:

(i) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;

(ii) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement;

(iii) If to the Grantee at their respective addresses set forth in Schedule A of the Operating Agreement;

Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the foregoing, Company, Investor Member and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow non-profit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members [and Virginia Housing].

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project and, in the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable “Rule Against Perpetuities” by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right herein granted are covenants running with the land and the terms and provisions hereof will be binding upon, inure to the benefits of and be enforceable by the parties hereto and their respective successors and assigns.

Section 21. Third Party Beneficiary; Virginia Housing Rights and Powers

The Virginia Housing Development Authority (“Virginia Housing”) shall be a third party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. The Authority and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Right of First Refusal Agreement as of the date first stated above.

OWNER:

MYRTLE LANDING RENEWAL LLC, a Virginia limited liability company

By: Myrtle Landing Manager LLC, a Virginia limited liability company, its managing member

By: Huntington Housing, Inc., a Maryland nonprofit corporation, its sole member and manager

By:  Type text here
Todd Travis, President

STATE OF MARYLAND)
)
COUNTY OF MONTGOMERY)

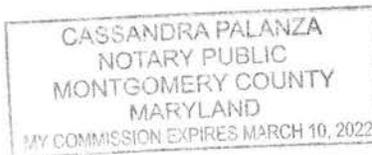
On February 2, 2022, before me, the undersigned, a notary public in and for said state, personally appeared Todd Travis, President of Huntington Housing, Inc., a Maryland nonprofit corporation, the sole member and manager of Myrtle Landing Manager LLC, a Virginia limited liability company, the managing member of Myrtle Landing Renewal LLC, a Virginia limited liability company, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in his capacity, and that by her signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.



Notary Public

Commission expires: _____

Registration No.: _____



The undersigned hereby consents to the foregoing Right of First Refusal Agreement as of the date first set forth hereinabove.

MANAGING MEMBER:

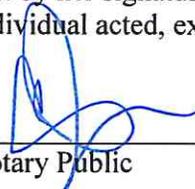
MYRTLE LANDING MANAGER LLC, a
Virginia limited liability company

By: Huntington Housing, Inc., a
Maryland nonprofit corporation, its sole
member and manager

By: 
Todd Travis, President

STATE OF MARYLAND)
)
COUNTY OF MONTGOMERY)

On February 2, 2022, before me, the undersigned, a notary public in and for said state, personally appeared Todd Travis, President of Huntington Housing, Inc., a Maryland nonprofit corporation, the sole member and manager of Myrtle Landing Manager LLC, a Virginia limited liability company, the managing member of Myrtle Landing Renewal LLC, a Virginia limited liability company, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in his capacity, and that by her signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.



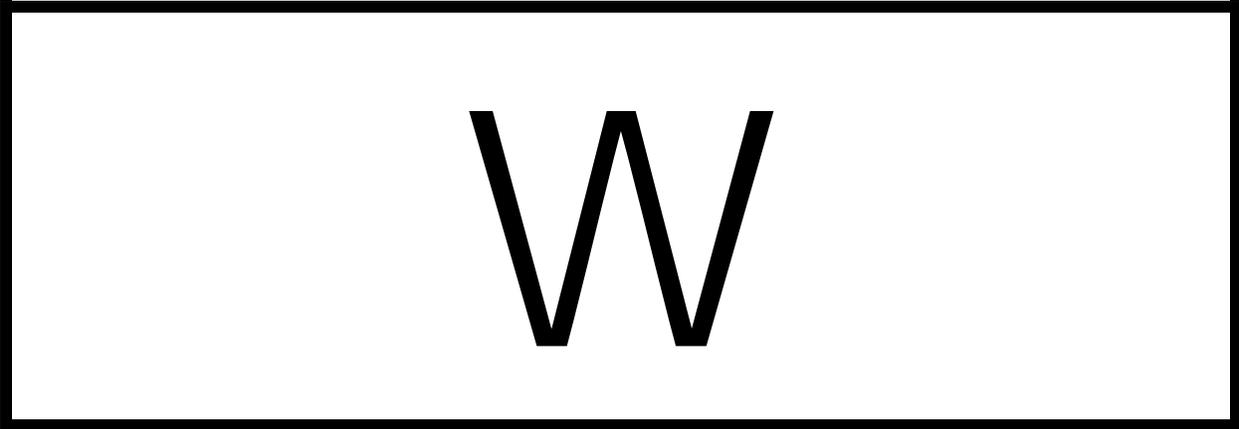
Notary Public

Commission expires: _____

Registration No.: _____

CASSANDRA PALANZA
NOTARY PUBLIC
MONTGOMERY COUNTY
MARYLAND
MY COMMISSION EXPIRES MARCH 10, 2022

EXHIBIT A
LEGAL DESCRIPTION



W

Internet Safety Plan and
Resident Information
Form

Myrtle Landing Acceptable Use Policy

Please read this acceptable use policy carefully before using the Westside Village wireless network.

Services provided by us may only be used for lawful purposes. You agree to comply with all applicable laws, rules and regulations in connection with your use of the services. Any material or conduct that in our judgment violates this policy in any manner may result in suspension or termination of the services or removal of user's account with or without notice.

Prohibited use

You may not use the services to publish content or engage in activity that is illegal under applicable law, that is harmful to others, or that would subject us to liability, including, without limitation, in connection with any of the following, each of which is prohibited under this AUP:

- Phishing or engaging in identity theft
- Distributing computer viruses, worms, Trojan horses or other malicious code
- Distributing pornography or adult related content or offering any escort services
- Promoting or facilitating violence or terrorist activities
- Infringing the intellectual property or other proprietary rights of others

Enforcement

Your services may be suspended or terminated with or without notice upon any violation of this policy. Any violations may result in the immediate suspension or termination of your account.

Reporting violations

To report a violation of this policy, please contact us.

We reserve the right to change this policy at any given time, of which you will be promptly updated. If you want to make sure that you are up to date with the latest changes, we advise you to frequently visit this page.

Resident Internet Policy Acknowledgement Form

I, _____, acknowledge that I have reviewed the Myrtle Landing Acceptable Use Policy and the Office of the Attorney General Internet Safety Package. I agree to abide by the rules and procedures outlined in the policy.

Resident Signature

Date



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

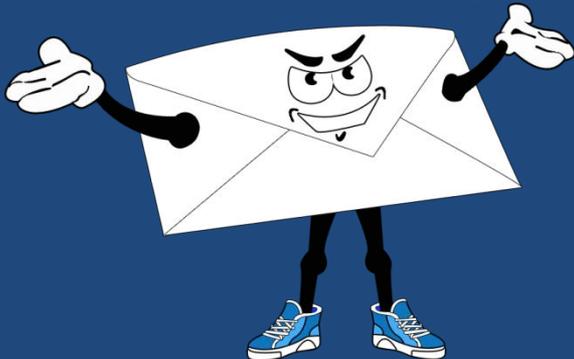
Spam



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-whatis.aspx>

Social Media



Privacy settings on social media accounts are set up as public when you first get one. Unless you want everyone to be able to look at all of your photos and other private stuff, you must go into your account settings and change this.

Something to remember is whatever you post and say on your page can be shared by your friends. Think about what you post online, BEFORE you do it. What you post, could be seen by anyone at any time depending on your settings and the friends you keep. Because we can take pictures of our screens, there is really no setting that can protect you. Think twice about what you are sharing with others, so there are no regrets later.

Make sure you know the people that you accept friend requests from. Sometimes people try to friend you to hack your Facebook account or access your contacts. Once you are hacked they will send out strange messages or friend requests to your contacts. Protect your friends and yourself by being cautious with friends and creating strong passwords for your social media accounts.

Geotagging



Geotagging is the bit of data that your electronic device packages with your picture that has information about where the picture was taken. This is something that can be turned on and off in your device and typically comes turned on until you change the setting.

When your photo is geotagged, this gives people information about your location. Letting outsiders know where you are, can allow them to plan to steal your belongings or vandalize your home.

Consider if you post a photo every Wednesday in your outfit ready to walk to ball practice and geotagging is turned on. This shows you have a routine and gives a rough area you will be in. A predator could come and take you away.

Another issue with allowing the geotagging to occur is you don't have control of your own privacy. Everyone does not need to know where you are all of the time, keep this information private.

<http://www.nytimes.com/2010/08/13/technology/personaltech>



Be Careful of What You Say!



Defamation: Defamation is the blanket word used for all types of untrue statements made about others. [Definition of Defamation on Law.com](#)

Slander: When someone orally tells one or more people an untruth about someone, which will harm the reputation of the person it is about. It is not slander if the untruth is in writing of some sort or if it is broadcast through television or radio.

[Definition of Slander on Law.com](#)

Libel: This is where someone publishes to print(including pictures), written word, online posts, blogs, articles, or broadcast through radio, television, or film, an untruth about another which will do harm to the person's reputation. [Definition of Libel on Law.com](#)



Be Careful of What You Say!



Much of the things people post online may get ignored, and you may get lucky and avoid legal action. But, when someone gets angry and files a lawsuit it can cause a major headache and possibly hit you hard in the wallet.

You might think you should have a right to openly complain about a company and their bad service or lousy product. Well when it comes to this, it is not always that simple. You can get sued for this and even if the judge agrees with you, you still have to pay for a defense attorney. Think twice and make sure that whatever you have to say is worth any headache you may have pop up later.

<http://ideas.time.com/2013/01/07/yelp-reviewers-beware-you-can-get-sued/>

On social media, people get into the habit of letting their emotions get the better of them and they end up speaking their minds about others online. When that person feels that this damages their character, they may opt to sue the other person for defamation. Even if their case is not successful, the stress, money, and time that you spend defending yourself is not worth it. To read more about defamatory social media posts, [click here](#).

Stranger Danger Online



When you think of being on your computer or other electronic device in your own home, you probably think you are safe. Your mom is in the next room, what could happen?

Well there are people online that are up to no good. They go in chat rooms and pop up on your instant messenger, looking for someone to “groom”.

What is grooming you say? Well, grooming is when a stranger (can be any age) finds someone they are interested in, usually a minor. They act really nice and maybe they pretend they are much younger than they really are, like they are a kid just like you. Then they try to get you to like them and to trust them. They may ask you not to tell anyone you are talking to them. This is not okay and is a warning sign of a possible groomer.

How to Protect Yourself in Online Chats

- Choose chat sites designed for kids, such as www.kidzworld.com. 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.

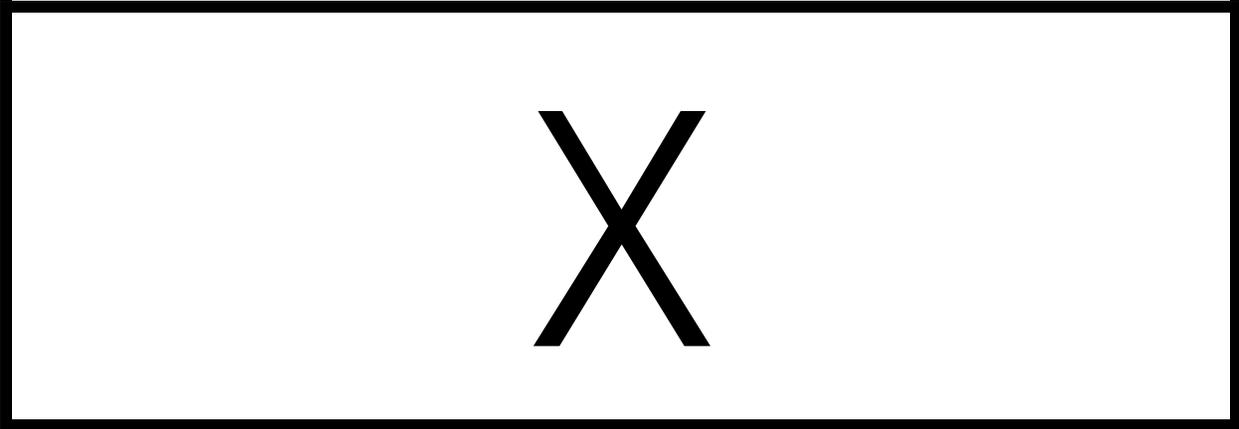
REMEMBER: You can't control what other people do with your photos. Even if you think you are sending it to someone you can trust, they may end up surprising you. You can't trust anyone with something as private as that. Don't Do It!

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



X

Marketing Plan

For units meeting accessibility requirements of HUD section

504

Myrtle Landing Apartments

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 Myrtle Landing Apartments will be a 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 Myrtle Landing Apartments. ARCO Multifamily Management LLC (ARCO), the Management Agent, will be responsible for all of the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, ARCO will be responsible for the development and management of community and resident services program.

I. Affirmative Marketing

ARCO 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. ARCO, 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. Any resident who has questions not answered by the housing staff will be referred to the Regional Manager or the President of ARCO.

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

ARCO will contact local centers for independent living and disability services boards and other service organizations via phone and printed communication. The property will be listed in **virginiahousingsearch.com** for the duration of the compliance period. The listing on **virginiahousingsearch.com** will provide information on the amenities available for the Target Population. The contacts will include the following organizations:

- Central Virginia Community Services (434-847-8050)
- Department of Rehabilitative Services (434-947-6721)
- Riverside Cape Charles Medical Center (757-331-1422)
- Virginia Board for People with Disabilities (804-786-0016)
- Virginia Vocational and Rehabilitation Agency (804-662-7000)
- Heritage Hall Nassawadox (757-442-5600)
- Virginia Rehab Association (804-662-7075)
- Commonwealth Senior Living at the Eastern Shore (757-787-4343)

2. Print Media

Print media sources will also be identified in the Cape Charles area that cater to people with disabilities as well as the public at large. These sources may include, but are not limited to, rental magazines such as the Apartment Shoppers Guide, Apartments for Rent, local newspapers, etc. All advertising materials related to the project will contain the Equal Housing Opportunity logotype, slogan or statement, in compliance with the Fair Housing Act, as well as the fact the units for people with disabilities are available.

3. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as 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 project newsletter announcing the tenant referral program.

4. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

- **Brochures** –A simple, two color brochures can be produced at low cost which will effectively sell the apartments and community. This brochure will include the floor plans, a listing of features and amenities. The floor plans should be printed in as large a format as possible.
- **Flyers** - As mentioned earlier, a flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic.
- **Resident Referral** - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. (\$50 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 should be changed several times each year 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. ARCO 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, family responsibilities, physical or mental handicap, 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, churches, mosques, and synagogues, city officials, and other sources of potential qualified residents still to be identified.

IV. Tenant Selection and Orientation

The first contact with the management operations is an important one in attracting qualified residents; therefore the management/leasing offices should convey a sense of professionalism, efficiency, and cleanliness. The management/leasing office is designed to provide a professional leasing atmosphere, with space set aside specifically for resident interviews and application assistance. The leasing interviews will be used to emphasize the respect afforded to the resident and the responsibilities which the resident will be expected to assume.

Times of Operation - the 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 in accordance with approved criteria. Move-in process and orientation to property - applicants meet with the Housing Manager or designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

On-site staff will check previous landlord and personal references, verify income, perform criminal/sex offender and credit background checks for each application taken. New tenants will be given an orientation to the property including a review of the rules and regulations, information on the area, proper use of appliances, move-out procedures, maintenance procedures, rent payment procedures, energy conservation, grievance procedures and a review of the Lease documents.

Unit Availability

Units must be held vacant for 60 days during which ongoing marketing will be documented. If a qualified household including a person with a disability is not located in that timeframe, the Management

Agent will submit the evidence of marketing to Virginia Housing's Program Compliance Officer and request approval to rent the unit to any income-qualified household. If the request is approved, the lease will contain a provision that the household must move to a vacant unit if a household including a person with a disability applies for the unit. The move will be paid for by the owner.

Tenant Selection Criteria

Tenant Selection will include maximum income standards under the Low-Income Tax Credit and Section 8 programs. New tenants will be given an orientation to the property including a review of the rules and regulations, information on the area, proper use of appliances, move-out procedures, maintenance procedures, rent payment procedures, energy conservation, grievance procedures and a review of the Lease documents.

Application Processing

Application processing will be done by the housing staff at the Management Office, well versed in Fair Credit Law. As stated before, the processing will include a review of prior landlord references, personal references, criminal/sex offender and credit reporting and income verification. The on-site 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 Property Manager will also use the following criteria in selecting applicants for occupancy:

- Applicants must be individuals, not agencies or groups.
- Applicants must meet the current eligibility income limits for tax credits and any other program requirements.

Note- If the applicant's denial is based upon a credit report, the applicant will be advised of the source of the credit report in accordance with the Federal Fair Reporting Act. Guidelines published by the Federal Trade Commission suggest that apartment managers fall under the provisions of the Act and are obligated to advise the person refused an apartment for credit reasons, the name and address of the credit reporting firm in writing. The credit report will not be shown to the applicant, nor will specific information be revealed.

- We will process the Rental Applications through a credit bureau to determine the credit worthiness of each applicant. If the score is below your threshold, but you have determined the applicant has no bad credit *and* no negative rental history *and* no criminal history and enough income to qualify, then you can conditionally approve the application after you have contacted the prior landlord. In these cases, the application must be reviewed by the Regional Manager before final approval.
- We will process the Rental Application through a credit bureau to determine any possible criminal conduct. Convictions will be considered, regardless of whether "adjudication" was withheld. A criminal background check will be used as part of the qualifying criteria. An applicant will automatically be denied if;
 - There is a conviction for the manufacture, sale, distribution, or possession with the intent to manufacture, sell or distribute a controlled substance within three years for a misdemeanor and seven years for a felony.
 - 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.
- 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 Burton Creek Apartments 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 if required.
 - Applicants must provide a birth certificate or other acceptable HUD approved forms of documentation for all household members.
 - Applicants must fill out the Application for Lease and all verification forms truthfully.
 - Applicants must provide all information required by current Federal regulations and policies.
 - Applicants must have the demonstrated ability to maintain acceptable housekeeping standards.
 - Applicants must have the demonstrated ability to pay the rent for the proposed unit, without spending a disproportionate amount of income for rent.
 - Applicants must meet current Federal program eligibility requirements for tax credits and any other programs.
 - Preference will be given to those households whose family members are handicapped or disabled for housing in the units specifically designated for the handicapped or disabled.
 - Applicants who meet the above criteria will be placed on a waiting list based on the date 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.

Y

Inducement Resolution
for Tax Exempt Bonds

**The Inducement Resolutions are not currently available,
and will not be included in this section.**

Tab Z:

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

N/A

Tab AA:

Priority Letter from Rural Development

N/A

Tab AB:

Socially Disadvantaged Population
Documentation

N/A