
2023 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 16, 2023**

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 2023 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 16, 2023**. 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
- ▶ 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	jd.bondurant@virginiahousing.com	(804) 343-5725
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Jonathan Kinsey	jonathan.kinsey@virginiahousing.com	(804) 584-4717
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
Lauren Dillard	lauren.dillard@virginiahousing.com	(804) 584-4729
Pamela Freeth	pamela.swartzenberg-freeth@virginiahousing.com	(804) 343-5563
Jaki Whitehead	jaki.whitehead@virginiahousing.com	(804) 343-5861

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2023 Low-Income Housing Tax Credit Application For Reservation

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

- | | |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans and Unit by Unit writeup (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab) |
| <input type="checkbox"/> | Electronic Copy of the Physical Needs Assessment (MANDATORY at reservation for a 4% rehab request) |
| <input type="checkbox"/> | Electronic Copy of Appraisal (MANDATORY if acquisition credits requested) |
| <input type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested) |
| <input checked="" type="checkbox"/> | Tab A: Scanned Copy of the Signed Tax Credit Application with Attachments (excluding market study, 8609s and plans & specifications) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab F: RESNET Rater Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab I: Nonprofit Questionnaire (MANDATORY for points or pool) |
| | The following documents need not be submitted unless requested by Virginia Housing: |
| | -Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status |
| | -Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable) |
| <input checked="" type="checkbox"/> | Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY) |
| | Tab K: Documentation of Development Location: |
| <input checked="" type="checkbox"/> | K.1 Revitalization Area Certification |
| <input checked="" type="checkbox"/> | K.2 Location Map |
| <input checked="" type="checkbox"/> | K.3 Surveyor's Certification of Proximity To Public Transportation |
| <input checked="" type="checkbox"/> | Tab L: PHA / Section 8 Notification Letter |
| <input checked="" type="checkbox"/> | Tab M: Locality CEO Response Letter |
| <input type="checkbox"/> | Tab N: Homeownership Plan |
| <input checked="" type="checkbox"/> | Tab O: Plan of Development Certification Letter |
| <input checked="" type="checkbox"/> | Tab P: Development Experience and Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Operating Budget and Utility Allowances |
| <input type="checkbox"/> | Tab S: Supportive Housing Certification and/or Resident Well-being |
| <input checked="" type="checkbox"/> | Tab T: Funding Documentation |
| <input checked="" type="checkbox"/> | Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing |
| <input checked="" type="checkbox"/> | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal |
| <input checked="" type="checkbox"/> | Tab W: Internet Safety Plan and Resident Information Form (if internet amenities selected) |
| <input checked="" type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504 |
| <input type="checkbox"/> | Tab Y: Inducement Resolution for Tax Exempt Bonds |
| <input type="checkbox"/> | Tab Z: Documentation of team member's Diversity, Equity and Inclusion Designation |
| <input type="checkbox"/> | Tab AA: Priority Letter from Rural Development |
| <input type="checkbox"/> | Tab AB: Social Disadvantage Certification |

VHDA TRACKING NUMBER **2023 C-20**

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: **3/16/23**

1. Development Name: **Fairfax Hall**

2. Address (line 1): **1101 Reservoir Street**
 Address (line 2):
 City: **Waynesboro** State: **VA** Zip: **22980**

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 **Waynesboro City**

5. The site overlaps one or more jurisdictional boundaries..... **FALSE**
 If true, what other City/County is the site located in besides response to #4?.....

6. Development is located in the census tract of: **32.00**

7. Development is located in a **Qualified Census Tract**..... **TRUE** *Note regarding DDA and QCT*

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

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

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

11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... **FALSE**
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)

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

3%	10%	12%
FALSE	FALSE	FALSE

Enter only Numeric Values below:

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

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

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

Fairfax Hall is the historic renovation of a former Railroad Hotel on the outskirts of Waynesboro. The property has provided comfortable, affordable housing to vulnerable seniors for the past 20 years. The project seeks to improve accessibility by combining and converting efficiency units and unutilized space to fully accessible UFAS units. When finished, the property will provide 9 UFAS units out of a total of 54 existing apartments. The project will also provide significant energy improvements.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/14/23

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 Michael G Hamp
Chief Executive Officer's Title: City Manager Phone: (540) 942-6600
Street Address: 503 W Main Street
City: Waynesboro State: VA Zip: 22980

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Leslie Tate - Director of Community Development

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

Local Housing Authority Pool

or

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

[Redacted]

For Tax Exempt Bonds, where are bonds being issued?

[Redacted]

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

2. Type(s) of Allocation/Allocation Year

Carryforward Allocation

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2023.

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, 2023, 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:

Rehabilitation

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

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

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

5. Planned Combined 9% and 4% Developments

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

If true, provide name of companion development

[Redacted]

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

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

Total Units within 9% allocation request? 0

Total Units within 4% Tax Exempt allocation Request? 0

Total Units: 0

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

6. Extended Use Restriction

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

Must Select One: 30

Definition of selection:

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

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

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

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: Fairfax Hall II LLC

Developer Name: South River Development Corporation

Contact: M/M Ms. First: Kimberley MI: Last: Byrd

Address: PO Box 1844, 1001 Hopeman Parkway

City: Waynesboro St. VA Zip: 22980

Phone: (540) 946-9230 Ext. Fax:

Email address: k_byrd@wrha.org

Federal I.D. No. 874750750 (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.
Jeffrey Michael Meyer - jmeyer@vacdc.org - 8045432208

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

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

<u>Names **</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Fairfax Hall II Management LLC	(540) 946-9230	MM	#####
South River Development Corporation			0.000% <i>need.</i>
Waynesboro Redevelopment and Housing /			0.000% <i>need.</i>
Kim Byrd, Executive Director			0.000% <i>need.</i>
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%
			0.000%

C. OWNERSHIP INFORMATION

			0.000%
			0.000%

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

C. OWNERSHIP INFORMATION

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

ACTION:

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

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

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

3. Developer Experience:

May select one or more of the following choices:

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

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

FALSE c. Applicant is competing in the Local Housing Authority pool and partnering with an experienced sponsor (as defined in the manual), other than a local housing authority.
Action: Provide documentation as stated in the manual. (**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: 12/31/23

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

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

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

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

b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 12/31/23 .

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: Fairfax Hall Limited Partnership

Address: PO Box 1844

City: Waynesboro St.: VA Zip: 22980

Contact Person: Kim Byrd Phone: (540) 946-9230

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>
South River Development Corpor	#####	MM	100.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

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

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

1. Tax Attorney:	Sara Langan	This is a Related Entity.	FALSE
Firm Name:	Applegate & Thorne-Thomsen	DEI Designation?	FALSE
Address:	425 S Financial Place, Ste 1900, Chicago, IL 60605		
Email:	slangan@att-law.com	Phone:	(312) 491-4451
2. Tax Accountant:	Mike Vicars	This is a Related Entity.	FALSE
Firm Name:	Dooley and Vicars PC	DEI Designation?	FALSE
Address:	1100 Boulders Parkway, Suite 600, N Chesterfiled, VA 23225		
Email:	mike@dvcpas.com	Phone:	(804) 355-2808
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:		Role:	
Email:		Phone:	
4. Management Entity:	Kim Byrd	This is a Related Entity.	FALSE
Firm Name:	South River Development Corporation	DEI Designation?	FALSE
Address:	PO Box 1844, Waynesboro VA 22980		
Email:	k_byrd@wrha.org	Phone:	(540) 946-9230
5. Contractor:	Jimmy Holland	This is a Related Entity.	FALSE
Firm Name:	Peacock Holland Construction LLC	DEI Designation?	FALSE
Address:	301 S Main Street, Ste 105, Blacksburg, VA 24060		
Email:	jimmy@peacockhollandconstruction.com	Phone:	(540) 613-2160
6. Architect:	Carter Green	This is a Related Entity.	FALSE
Firm Name:	Sharp9 LLC	DEI Designation?	FALSE
Address:	320 Sherwood Ave., Staunton VA 24401		
Email:	sharp9llc@gmail.com	Phone:	(540) 487-0827
7. Real Estate Attorney	Ed Burns	This is a Related Entity.	FALSE
Firm Name:	Edward M Burns, II, PC	DEI Designation?	FALSE
Address:	2611 W Main Street, Ste 5		
Email:	burnspc@lumos.net	Phone:	(540) 949-4832
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE
Address:		Phone:	
Email:		Phone:	
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. FALSE
Action: If true, provide an electronic copy of the Existing Condition Questionnaire and Appraisal
- b. This development has received a previous allocation of credits..... FALSE
 If so, when was the most recent year that this development received credits?
- c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority?..... FALSE
- d. This development is an existing RD or HUD S8/236 development..... FALSE
Action: (If True, provide required form in **TAB Q**)

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

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

2. Ten-Year Rule For Acquisition Credits

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

a. Credits are being requested for rehabilitation expenditures..... **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 compliance period...
TRUE d. Own, either directly or through a partnership or limited liability company, 100% of the partnership or managing member interest.
TRUE e. Not be affiliated with or controlled by a for-profit organization.
TRUE f. Not have been formed for the principal purpose of competition in the Non Profit Pool.
TRUE g. Not have any staff member, officer or member of the board of directors materially participate, directly or indirectly, in the proposed development as a for profit entity.

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

A. Nonprofit Involvement (All Applicants)

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

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

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: South River Development Corporation

Contact Person: Kim Byrd

Street Address: 116B S Wayne Ave

City: Waynesboro State: VA Zip: 22980

Phone: ##### Contact Email: kim_byrd@wrha.org

G. NONPROFIT INVOLVEMENT

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

Specify the nonprofit entity's percentage ownership of the general partnership 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: South River Development Corporation affiliate of

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

Name of Local Housing Authority _____

B. FALSE

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

Action: Provide Homeownership Plan (TAB N)

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

H. STRUCTURE AND UNITS INFORMATION

General Information

a. Total number of all units in development	54	bedrooms	54
Total number of rental units in development	54	bedrooms	54
Number of low-income rental units	54	bedrooms	54
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:.....	54	bedrooms	54
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.....		57,382.00	(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.....		57,382.00	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space .		2.00%	
i. Exact area of site in acres	2.981		
j. Locality has approved a final site plan or plan of development.....		TRUE	
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....		TRUE	

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

UNIT MIX

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	450.00	SF	3	3
1BR Elderly	590.00	SF	48	48
2BR Elderly	955.00	SF	3	3
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
			54	54

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

Structures

- a. Number of Buildings (containing rental units)..... 1
- b. Age of Structure:..... 133 years
- c. Maximum Number of stories:..... 4

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

e. Commercial Area Intended Use: _____

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

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

H. STRUCTURE AND UNITS INFORMATION

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

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

h. Development contains an elevator(s). TRUE
 If true, # of Elevators. 2
 Elevator Type (if known) Minnesota

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

Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: laundry, community room, management office, farmer's market

m. Number of Proposed Parking Spaces 70
 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 s TRUE
 If **True**, Provide required documentation (**TAB K3**).

H. STRUCTURE AND UNITS INFORMATION

Plans and Specifications

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

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

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

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

Market Study Data: (MANDATORY)

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

Project Wide Capture Rate - LIHTC Units	2.10%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	2.10%
Project Wide Absorption Period (Months)	2

J. ENHANCEMENTS

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

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

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

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

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

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

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

- TRUE** a. A community/meeting room with a minimum of 749 square feet is provided.
- 5.00%** 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 the 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).
- FALSE** d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- TRUE** e. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- f. *Not applicable for 2022 Cycles*
- FALSE** g. Each unit is provided free individual high speed internet access.
- or
- FALSE** h. Each unit is provided free individual WiFi access.
- TRUE** i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE** j. Full bath fans are equipped with a humidistat.
- 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
- TRUE** n. All Construction types: each unit is equipped with a permanent dehumidification system.
- TRUE** o. All interior doors within units are solid core.
- TRUE** p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE** q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- 0%** r. Percentage of development's on-site electrical load that can be met by a renewable energy electric system (for the benefit of the tenants)
- FALSE** s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

J. ENHANCEMENTS

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

- TRUE a. All cooking ranges have front controls.
- TRUE b. Bathrooms have an independent or supplemental heat source.
- TRUE 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 checked="" type="checkbox"/> TRUE | Earthcraft Gold or higher certification | <input checked="" type="checkbox"/> FALSE | National Green Building Standard (NGBS) certification of Silver or higher. |
| <input checked="" type="checkbox"/> FALSE | U.S. Green Building Council LEED certification | <input checked="" 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.)

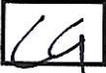
- | | | | |
|------------------------------------------|-------------------------------------|-------------------------------------------|-------------------------|
| <input checked="" type="checkbox"/> TRUE | Zero Energy Ready Home Requirements | <input checked="" type="checkbox"/> FALSE | Passive House 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.
- 0 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.

K. SPECIAL HOUSING NEEDS

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

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

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

TRUE

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

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

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

FALSE

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

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



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

Special Housing Needs/Leasing Preference:

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

TRUE

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

####

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

####

Supportive Housing (as described in the Tax Credit Manual)

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

K. SPECIAL HOUSING NEEDS

Resident Well-Being **Action:** Provide appropriate documentation for any selection below (**Tab S**)

- FALSE** a. Development has entered into a memorandum of understanding (approved by DBHDS) with service provider for the provision of resident services (as defined in the manual).
- FALSE** b. Development will provide licensed childcare on-site with a preference and discount to resident or an equivalent subsidy for tenants to utilize licensed childcare of tenant's choice.
- FALSE** c. Development will provide tenants with free on-call, telephonic or virtual healthcare services a licensed provider.

Rental Assistance

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

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

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

Section 8 New Construction Substantial Rehabilitation

Section 8 Moderate Rehabilitation

Section 811 Certificates

TRUE Section 8 Project Based Assistance

RD 515 Rental Assistance

Section 8 Vouchers
*Administering Organization _____

State Assistance
*Administering Organization _____

Other: _____

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

FALSE

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

d. Number of units receiving assistance: **12**

How many years in rental assistance contract **20.00**

Expiration date of contract: **12/31/43**

There is an Option to Renew..... **TRUE**

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

e. How many of the units in this development are already considered Public Housing **0**

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 -**

Leasing Preferences

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

Organization which holds waiting list: Waynesboro Redevelopment and Housing Authority

Contact person: Kim Byrd

Title: Executive Director

Phone Number: (540) 946-9230

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)**

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

First Name: Kim

Last Name: Shipe

Phone Number: (540) 946-4851 Email: k_shipe@southernriverdevelopment.org

L. UNIT DETAILS

1. Set-Aside Election:

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

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

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
27	50.00%	50% Area Median
27	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
54	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
6	11.11%	40% Area Median
21	38.89%	50% Area Median
27	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
54	100.00%	Total

- 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 co-
 20-30% Levels **FALSE** 40% Levels **FALSE** 50% Levels **FALSE**

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

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

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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 complan t	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	Efficiency	40% AMI	1		427.00	\$745.00	\$745
Mix 2	Efficiency	40% AMI	1		498.00	\$745.00	\$745
Mix 3	Efficiency	40% AMI	1		426.00	\$745.00	\$745
Mix 4	1 BR - 1 Bath	40% AMI	1	1	639.00	\$764.00	\$764
Mix 5	1 BR - 1 Bath	40% AMI	1	1	634.00	\$764.00	\$764
Mix 6	1 BR - 1 Bath	40% AMI	1	1	834.00	\$764.00	\$764
Mix 7	1 BR - 1 Bath	50% AMI	1		546.00	\$650.00	\$650
Mix 8	1 BR - 1 Bath	50% AMI	1		614.00	\$650.00	\$650
Mix 9	1 BR - 1 Bath	50% AMI	1		618.00	\$650.00	\$650
Mix 10	1 BR - 1 Bath	50% AMI	1		523.00	\$650.00	\$650
Mix 11	1 BR - 1 Bath	50% AMI	1		564.00	\$650.00	\$650

L. UNIT DETAILS

Mix 12	1 BR - 1 Bath	50% AMI	1		594.00	\$650.00	\$650
Mix 13	1 BR - 1 Bath	50% AMI	1		626.00	\$650.00	\$650
Mix 14	1 BR - 1 Bath	50% AMI	1		590.00	\$650.00	\$650
Mix 15	1 BR - 1 Bath	50% AMI	1		625.00	\$650.00	\$650
Mix 16	1 BR - 1 Bath	50% AMI	1		627.00	\$650.00	\$650
Mix 17	1 BR - 1 Bath	50% AMI	1		570.00	\$650.00	\$650
Mix 18	1 BR - 1 Bath	50% AMI	1		642.00	\$650.00	\$650
Mix 19	1 BR - 1 Bath	50% AMI	1		533.00	\$650.00	\$650
Mix 20	1 BR - 1 Bath	50% AMI	1		526.00	\$650.00	\$650
Mix 21	1 BR - 1 Bath	50% AMI	1		475.00	\$650.00	\$650
Mix 22	1 BR - 1 Bath	50% AMI	1	1	670.00	\$650.00	\$650
Mix 23	1 BR - 1 Bath	50% AMI	1		593.00	\$650.00	\$650
Mix 24	1 BR - 1 Bath	50% AMI	1		638.00	\$650.00	\$650
Mix 25	1 BR - 1 Bath	60% AMI	1		554.00	\$720.00	\$720
Mix 26	1 BR - 1 Bath	60% AMI	1		588.00	\$720.00	\$720
Mix 27	1 BR - 1 Bath	60% AMI	1		562.00	\$720.00	\$720
Mix 28	1 BR - 1 Bath	60% AMI	1		634.00	\$720.00	\$720
Mix 29	1 BR - 1 Bath	60% AMI	1		621.00	\$720.00	\$720
Mix 30	1 BR - 1 Bath	60% AMI	1		601.00	\$720.00	\$720
Mix 31	1 BR - 1 Bath	60% AMI	1		425.00	\$720.00	\$720
Mix 32	1 BR - 1 Bath	60% AMI	1		531.00	\$720.00	\$720
Mix 33	1 BR - 1 Bath	60% AMI	1		576.00	\$720.00	\$720
Mix 34	1 BR - 1 Bath	60% AMI	1		638.00	\$720.00	\$720
Mix 35	1 BR - 1 Bath	60% AMI	1		575.00	\$720.00	\$720
Mix 36	1 BR - 1 Bath	60% AMI	1		611.00	\$720.00	\$720
Mix 37	1 BR - 1 Bath	60% AMI	1		578.00	\$720.00	\$720
Mix 38	1 BR - 1 Bath	60% AMI	1		522.00	\$720.00	\$720
Mix 39	1 BR - 1 Bath	60% AMI	1		606.00	\$720.00	\$720
Mix 40	1 BR - 1 Bath	60% AMI	1		552.00	\$720.00	\$720
Mix 41	1 BR - 1 Bath	60% AMI	1		532.00	\$720.00	\$720
Mix 42	1 BR - 1 Bath	60% AMI	1		622.00	\$720.00	\$720
Mix 43	1 BR - 1 Bath	60% AMI	1		544.00	\$720.00	\$720
Mix 44	1 BR - 1 Bath	60% AMI	1		563.00	\$720.00	\$720
Mix 45	1 BR - 1 Bath	60% AMI	1		737.00	\$720.00	\$720
Mix 46	1 BR - 1 Bath	60% AMI	1		534.00	\$720.00	\$720
Mix 47	1 BR - 1 Bath	60% AMI	1		623.00	\$720.00	\$720
Mix 48	1 BR - 1 Bath	60% AMI	1		688.00	\$720.00	\$720
Mix 49	1 BR - 1 Bath	60% AMI	1		628.00	\$720.00	\$720
Mix 50	1 BR - 1 Bath	60% AMI	1		545.00	\$720.00	\$720
Mix 51	1 BR - 1 Bath	60% AMI	1		507.00	\$720.00	\$720
Mix 52	2 BR - 1.5 Bath	50% AMI	1	1	1140.00	\$1,001.00	\$1,001
Mix 53	2 BR - 1.5 Bath	50% AMI	1		833.00	\$1,001.00	\$1,001
Mix 54	2 BR - 1.5 Bath	50% AMI	1	1	895.00	\$1,001.00	\$1,001
Mix 55							\$0
Mix 56							\$0
Mix 57							\$0
Mix 58							\$0
Mix 59							\$0
Mix 60							\$0
Mix 61							\$0
Mix 62							\$0
Mix 63							\$0
Mix 64							\$0
Mix 65							\$0
Mix 66							\$0
Mix 67							\$0

L. UNIT DETAILS

Mix 68									\$0
Mix 69									\$0
Mix 70									\$0
Mix 71									\$0
Mix 72									\$0
Mix 73									\$0
Mix 74									\$0
Mix 75									\$0
Mix 76									\$0
Mix 77									\$0
Mix 78									\$0
Mix 79									\$0
Mix 80									\$0
Mix 81									\$0
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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			54	6					\$38,670

Total	54	Net Rentable SF: TC Units	32,597.00
Units		MKT Units	0.00
		Total NR SF:	32,597.00

Floor Space Fraction (to 7 decimals) 100.00000%

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$750
2. Office Salaries			\$18,000
3. Office Supplies			\$6,000
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$21,292
	<u>4.93%</u> of EGI	<u>\$394.30</u> Per Unit	
6. Manager Salaries			\$25,000
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$250
9. Auditing			\$0
## Bookkeeping/Accounting Fees			\$5,000
## Telephone & Answering Service			\$3,000
## Tax Credit Monitoring Fee			\$1,540
## Miscellaneous Administrative			\$0
Total Administrative			\$80,832

Utilities

## Fuel Oil			\$0
## Electricity			\$50,000
## Water			\$6,000
## Gas			\$8,300
## Sewer			\$4,000
Total Utility			\$68,300

Operating:

## Janitor/Cleaning Payroll			\$0
## Janitor/Cleaning Supplies			\$0
## Janitor/Cleaning Contract			\$9,000
## Exterminating			\$1,500
## Trash Removal			\$10,500
## Security Payroll/Contract			\$3,750
## Grounds Payroll			\$0
## Grounds Supplies			\$0
## Grounds Contract			\$15,000
## Maintenance/Repairs Payroll			\$22,000
## Repairs/Material			\$11,800
## Repairs Contract			\$5,500
## Elevator Maintenance/Contract			\$24,000
## Heating/Cooling Repairs & Maintenance			\$5,000
## Pool Maintenance/Contract/Staff			\$0
## Snow Removal			\$2,000
## Decorating/Payroll/Contract			\$5,000
## Decorating Supplies			\$0
## Miscellaneous			\$0
Totals Operating & Maintenance			\$115,050

M. OPERATING EXPENSES

Taxes & Insurance

## Real Estate Taxes	\$20,000
## Payroll Taxes	\$6,100
## Miscellaneous Taxes/Licenses/Permits	\$0
## Property & Liability Insurance	\$30,000
## Fidelity Bond	\$0
## Workman's Compensation	\$0
## Health Insurance & Employee Benefits	\$22,000
## Other Insurance	\$0
Total Taxes & Insurance	\$78,100

Total Operating Expense **\$342,282**

Total Operating Expenses Per Unit **\$6,339** **C. Total Operating Expenses as % of** **79.31%**

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Mini **\$16,200**

Total Expenses	\$358,482
-----------------------	------------------

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	Complete	Kim Byrd
b. Site Acquisition	12/31/23	Kim Byrd
c. Zoning Approval	completed	Kim Byrd
d. Site Plan Approval	completed	Kim Byrd
2. Financing		
a. Construction Loan		
i. Loan Application	complete	Kim Byrd
ii. Conditional Commitment		
iii. Firm Commitment	4/1/23	Kim Byrd
b. Permanent Loan - First Lien		
i. Loan Application	4/1/23	Kim Byrd
ii. Conditional Commitment	6/1/23	Kim Byrd
iii. Firm Commitment	8/1/23	Kim Byrd
c. Permanent Loan-Second Lien		
i. Loan Application	complete	Kim Byrd
ii. Conditional Commitment		
iii. Firm Commitment		
d. Other Loans & Grants		
i. Type & Source, List		
ii. Application		
iii. Award/Commitment		
2. Formation of Owner	complete	Kim Byrd
3. IRS Approval of Nonprofit Status	complete	Kim Byrd
4. Closing and Transfer of Property to Owner	12/31/23	Kim Byrd
5. Plans and Specifications, Working Drawings	4/1/23	Kim Byrd
6. Building Permit Issued by Local Government	6/1/23	Kim Byrd
7. Start Construction	8/1/23	Kim Byrd
8. Begin Lease-up	1/1/24	Kim Byrd
9. Complete Construction	12/31/24	Kim Byrd
10. Complete Lease-Up	6/1/25	Kim Byrd
11. Credit Placed in Service Date	6/1/25	Kim Byrd

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

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

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	6,430,384	0	0	6,430,384
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	6,430,384	0	0	6,430,384
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	332,106	0	0	332,106
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	332,106	0	0	332,106
Total Structure and Land	6,762,490	0	0	6,762,490
r. General Requirements	333,749	0	0	333,749
s. Builder's Overhead	222,500	0	0	222,500
(3.3% Contract)				
t. Builder's Profit	222,500	0	0	222,500
(3.3% Contract)				
u. Bonds	73,125	0	0	73,125
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: License and Insurance	59,042	0	0	59,042
aa. Other 3: Permits	8,663	0	0	8,663
Contractor Costs	\$7,682,069	\$0	\$0	\$7,682,069

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!	(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	25,000	0	0	25,000
b. Architecture/Engineering Design Fee \$9,259 /Unit)	500,000	0	0	500,000
c. Architecture Supervision Fee \$0 /Unit)	0	0	0	0
d. Tap Fees	0	0	0	0
e. Environmental	15,000	0	0	15,000
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	30,000	0	0	30,000
h. Appraisal	10,000	0	0	10,000
i. Market Study	7,000	0	0	7,000
j. Site Engineering / Survey	10,000	0	0	10,000
k. Construction/Development Mgt	150,000	0	0	150,000
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	25,000	0	0	25,000
n. Construction Interest (7.0% fo 24 months)	380,000	0	0	300,000
o. Taxes During Construction	20,000	0	0	0
p. Insurance During Construction	70,000	0	0	0
q. Permanent Loan Fee (0.0%)	10,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	15,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	40,000	0	0	0
w. Legal Fees for Closing	195,000	0	0	20,000
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	51,050	0	0	0
z. Tenant Relocation	565,000	0	0	0
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	200,000	0	0	0
ad. Contingency	800,000	0	0	800,000
ae. Security	0	0	0	0
af. Utilities	50,000	0	0	50,000

O. PROJECT BUDGET - OWNER COSTS

ag. Servicing Reserve	0			
(1) Other* specify soft cost contingency	43,994	0	0	43,994
(2) Other* specify leasing and marketing	25,000	0	0	0
(3) Other* specify carrying costs during construction	100,000	0	0	0
(4) Other* specify historic certification fee	15,000	0	0	15,000
(5) Other* specify third party inspections	20,000	0	0	20,000
(6) Other* specify		0	0	0
(7) Other* specify	0	0	0	0
(8) Other* specify	0	0	0	0
(9) Other* specify	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$3,372,044	\$0	\$0	\$2,020,994
Subtotal 1 + 2 (Owner + Contractor Costs)	\$11,054,113	\$0	\$0	\$9,703,063
3. Developer's Fees	1,450,000	145,000	0	1,305,000
Action: Provide Developer Fee Agreement (Tab A)				
4. Owner's Acquisition Costs				
Land	648,000			
Existing Improvements	2,652,000	2,652,000		
Subtotal 4:	\$3,300,000	\$2,652,000		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$15,804,113	\$2,797,000	\$0	\$11,008,063

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: \$1,578,329

Proposed Development's Cost per Sq Foot \$218 **Meets Limits**
 Applicable Cost Limit by Square Foot: \$241

Proposed Development's Cost per Unit \$231,558 **Meets Limits**
 Applicable Cost Limit per Unit: \$235,006

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	15,804,113	2,797,000	0	11,008,063

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	2,196,021

3. Total Eligible Basis (1 - 2 above)

2,797,000	0	8,812,042
-----------	---	-----------

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	2,643,613
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	11,455,655
---	------------

5. Applicable Fraction

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

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

2,797,000	0	11,455,655
-----------	---	------------

7. Applicable Percentage

9.00%	9.00%	9.00%
-------	-------	-------

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

8. Maximum Allowable Credit under IRC §42

\$251,730	\$0	\$1,031,009
-----------	-----	-------------

(Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)	\$1,282,739 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.	Atlantic Union Bank			\$5,000,000	
2.					
3.					
Total Construction Funding:				\$5,000,000	

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

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1.	Virginia Housing							
2.	DHCD VHTF			\$773,543	\$15,470	2.00%		30
3.	DHCD HIEE			\$876,457		0.00%		30
4.	DHCD NHTF			\$700,000	\$14,000	2.00%		30
5.	DHCD HOME			\$626,457	\$12,529	2.00%		30
6.	Sponsor Loan (PDC)			\$150,000		0.00%		30
7.	Sponsor Loan (City)			\$50,000		0.00%		30
8.	Seller Note			\$2,630,000	\$0	3.74%		30
9.								
10.								
Total Permanent Funding:				\$5,806,457	\$41,999			

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

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

Q. SOURCES OF FUNDS

Total Permanent Grants:

\$0

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	DHCD VHTF		\$773,543
2.	DHCD NHTF		\$700,000
3.	DHCD HIEE		\$876,457
4.	DHCD HOME		\$626,457
5.	Seller Note		\$2,630,000
Total Subsidized Funding			\$5,606,457

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$0
g.	HOME Funds	\$626,457
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$700,000
j.	Virginia Housing Trust Fund	\$773,543
k.	Other: HIEE	\$876,457
l.	Other:	\$0

Market-Rate Loans

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

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

Q. SOURCES OF FUNDS

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

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

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

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

[Empty yellow box for listing financing and 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. **TRUE** **New** project based subsidy from HUD or Rural Development for the greater of 5 or 10% of the units in the development.

c. **FALSE** Other [Empty yellow 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	<u>\$2,196,021</u>	x Equity \$	<u>\$0.820</u>	=	<u>\$1,800,737</u>
Amount of Virginia historic credits	<u>\$2,745,026</u>	x Equity \$	<u>\$0.720</u>	=	<u>\$1,976,419</u>

b. Equity that Sponsor will Fund:

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

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	\$15,804,113
b. Total of Permanent Funding, Grants and Equity	- <u>\$9,583,613</u>
c. Equity Gap	<u>\$6,220,500</u>
d. Developer Equity	- <u>\$1,244</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$6,219,256

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator: Virginia Community Development Corporation (VCDC)

Contact Person: Jeffrey Michael Meyer Phone: (804) 543-2208

Street Address: 1840 W Broad Street

City: Richmond State: VA Zip: 23220

b. Syndication Equity

i. Anticipated Annual Credits	<u>\$715,000.00</u>
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	<u>\$0.870</u>
iii. Percent of ownership entity (e.g., 99% or 99.9%)	<u>99.98000%</u>
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	<u>\$0</u>
v. Net credit amount anticipated by user of credits	<u>\$714,857</u>
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	<u>\$6,219,256</u>

c. Syndication: Private

d. Investors: Corporate

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$6,219,256

5. Net Equity Factor

Must be equal to or greater than 85% 87.0000013989%

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>\$15,804,113</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$9,583,613</u>
3. Equals Equity Gap		<u>\$6,220,500</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>87.0000013989%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$7,150,000</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$715,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,282,739</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$715,000</u>
Credit per LI Units	<u>\$13,240.7407</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$13,240.7407</u>	
		\$715,000

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	\$38,670
Plus Other Income Source (list): _____	\$0
Equals Total Monthly Income:	<u>\$38,670</u>
Twelve Months	x12
Equals Annual Gross Potential Income	\$464,040
Less Vacancy Allowance 7.0%	<u>\$32,483</u>
Equals Annual Effective Gross Income (EGI) - Low Income Units	<u><u>\$431,557</u></u>

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

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	<u>\$431,557</u>
b. Annual EGI Market Units	<u>\$0</u>
c. Total Effective Gross Income	<u>\$431,557</u>
d. Total Expenses	<u>\$358,482</u>
e. Net Operating Income	<u>\$73,075</u>
f. Total Annual Debt Service	<u>\$41,999</u>
g. Cash Flow Available for Distribution	<u>\$31,076</u>

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	431,557	440,188	448,992	457,972	467,131
Less Oper. Expenses	358,482	369,236	380,314	391,723	403,475
Net Income	73,075	70,952	68,679	66,249	63,657
Less Debt Service	41,999	41,999	41,999	41,999	41,999
Cash Flow	31,076	28,953	26,680	24,250	21,658
Debt Coverage Ratio	1.74	1.69	1.64	1.58	1.52

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	476,474	486,004	495,724	505,638	515,751
Less Oper. Expenses	415,579	428,046	440,888	454,114	467,738
Net Income	60,895	57,957	54,836	51,524	48,013
Less Debt Service	41,999	41,999	41,999	41,999	41,999
Cash Flow	18,896	15,958	12,837	9,525	6,014
Debt Coverage Ratio	1.45	1.38	1.31	1.23	1.14

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	526,066	536,587	547,319	558,265	569,431
Less Oper. Expenses	481,770	496,223	511,110	526,443	542,236
Net Income	44,296	40,364	36,209	31,822	27,194
Less Debt Service	41,999	41,999	41,999	41,999	41,999
Cash Flow	2,297	-1,635	-5,790	-10,177	-14,805
Debt Coverage Ratio	1.05	0.96	0.86	0.76	0.65

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

U. Building-by-Building Information

Must Complete

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

Number of BINS:	1
------------------------	---

Total Qualified Basis should equal total on Elig Basis Tab

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

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

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit					
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount		
1.		54		1101 Reservoir Street		Waynesboro	VA	22980										\$11,455,655	12/31/24	9.00%	\$1,031,009	
2.																						\$0
3.																						\$0
4.																						\$0
5.																						\$0
6.																						\$0
7.																						\$0
8.																						\$0
9.																						\$0
10.																						\$0
11.																						\$0
12.																						\$0
13.																						\$0
14.																						\$0
15.																						\$0
16.																						\$0
17.																						\$0
18.																						\$0
19.																						\$0
20.																						\$0
21.																						\$0
22.																						\$0
23.																						\$0
24.																						\$0
25.																						\$0
26.																						\$0
27.																						\$0
28.																						\$0
29.																						\$0
30.																						\$0
31.																						\$0
32.																						\$0
33.																						\$0
34.																						\$0
35.																						\$0

54 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$0

\$0

\$11,455,655

\$0

\$0

\$1,031,009

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.
3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.
4. that this application form, provided by Virginia Housing to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of Virginia Housing in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.
5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by Virginia Housing prior to allocation, should one be issued.
6. that the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms 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 Fairfax Hall II LLC

By: 

Its: Executive VP/CEO
(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: CARTER GREEN
Virginia License#: 0401009451
Architecture Firm or Company: SHARP 9 LLC

By: 

Its: PRINCIPAL ARCHITECT
(Title)

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

W. LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

MANDATORY ITEMS:

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

1. READINESS:

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	Y	0 to 10	10.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
e. Location in a revitalization area with resolution	Y	0 or 15	15.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
Total:			25.00

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	3.89
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	35.47%	Up to 40	40.00
d. Tax abatement on increase of property's value	N	0 or 5	0.00
e. New project based rental subsidy (HUD or RD)	Y	0 or 10	10.00
f. Census tract with <12% poverty rate	0%	0, 20, 25 or 30	0.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	0.40
Total:			54.29

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			27.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 50	50.00
or c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Provides approved resident services or eligible childcare services	N	0 or 15	0.00
e. Provides telephonic or virtual health services	N	0 or 15	0.00
f. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
g. Development will be Green Certified	Y	0 or 10	10.00
h. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
i. Developments with less than 100 low income units	Y	up to 20	18.40
j. Historic Structure eligible for Historic Rehab Credits	Y	0 or 5	5.00
Total:			120.40

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$83,600	\$71,300

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	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	11.11%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.00%	Up to 50	0.00
Total:			60.00

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	147.53
b. Cost per unit		Up to 100	19.16
Total:			166.69

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	<u>0.00</u>
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 30	<u>0.00</u>
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	<u>0.00</u>
f. Team member with Diversity, Equity and Inclusion Designation	N	0 or 5	<u>0.00</u>
g. Commitment to electronic payment of fees	Y	0 or 5	<u>5.00</u>
	Total:		<u><u>65.00</u></u>
400 Point Threshold - all 9% Tax Credits			TOTAL SCORE:
300 Point Threshold - Tax Exempt Bonds			<u><u>491.38</u></u>

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance material	40	2.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Rehab only: Infrastructure for high speed internet/broadband	1	1.00
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	3.00
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	5.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. % of renewable energy electric systems	10	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>24.00</u>

All elderly units have:

t. Front-control ranges	1	1.00
u. Independent/suppl. heat source	1	1.00
v. Two eye viewers	1	1.00
w. Shelf or Ledge at entrance within interior hallway	2	0.00
		<u>3.00</u>

Total amenities: 27.00

X. Development Summary

Summary Information 2023 Low-Income Housing Tax Credit Application For Reservation

Deal Name:	Fairfax Hall
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Cycle Type: 9% Tax Credits **Requested Credit Amount:** \$715,000
Allocation Type: Rehabilitation **Jurisdiction:** Waynesboro City
Total Units: 54 **Population Target:** Elderly
Total LI Units: 54
Project Gross Sq Ft: 57,382.00 **Owner Contact:** Kimberley Byrd
Green Certified? TRUE

Total Score 491.38

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$5,806,457	\$107,527	\$101	\$53,198
Grants	\$0	\$0		
Subsidized Funding	\$5,606,457	\$103,823		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$6,762,490	\$125,231	\$118	42.79%
General Req/Overhead/Profit	\$778,749	\$14,421	\$14	4.93%
Other Contract Costs	\$140,830	\$2,608	\$2	0.89%
Owner Costs	\$3,372,044	\$62,445	\$59	21.34%
Acquisition	\$3,300,000	\$61,111	\$58	20.88%
Developer Fee	\$1,450,000	\$26,852	\$25	9.17%
Total Uses	\$15,804,113	\$292,669		

Total Development Costs	
Total Improvements	\$11,054,113
Land Acquisition	\$3,300,000
Developer Fee	\$1,450,000
Total Development Costs	\$15,804,113

Proposed Cost Limit/Sq Ft: \$218
Applicable Cost Limit/Sq Ft: \$241
Proposed Cost Limit/Unit: \$231,558
Applicable Cost Limit/Unit: \$235,006

Income		
Gross Potential Income - LI Units		\$464,040
Gross Potential Income - Mkt Unit:		\$0
Subtotal		\$464,040
Less Vacancy %	7.00%	\$32,483
Effective Gross Income		\$431,557

Unit Breakdown	
Supp Hsg	0
# of Eff	3
# of 1BR	48
# of 2BR	3
# of 3BR	0
# of 4+ BR	0
Total Units	54

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$80,832	\$1,497
Utilities	\$68,300	\$1,265
Operating & Maintenance	\$115,050	\$2,131
Taxes & Insurance	\$78,100	\$1,446
Total Operating Expenses	\$342,282	\$6,339
Replacement Reserves	\$16,200	\$300
Total Expenses	\$358,482	\$6,639

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	6
50% AMI	27	21
60% AMI	27	27
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$431,557
Total Expenses	\$358,482
Net Income	\$73,075
Debt Service	\$53,198
Debt Coverage Ratio (YR1):	1.37

Income Averaging? FALSE

Extended Use Restriction? 30

Y. Efficient Use of Resources

Credit Points for 9% Credits:

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

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

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

Combined Max	\$1,282,739
Credit Requested	\$715,000
% of Savings	44.26%
Sliding Scale Points	147.53

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	\$12,504,113
Total Square Feet	57,382.00
Proposed Cost per SqFt	\$217.91
Applicable Cost Limit per Sq I	\$241.00
% of Savings	9.58%
Total Units	54
Proposed Cost per Unit	\$231,558
Applicable Cost Limit per Uni	\$235,006
% of Savings	1.47%
Max % of Savings	9.58%
Sliding Scale Points	19.16

Tab A:

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

**OPERATING AGREEMENT
OF
FAIRFAX HALL II LLC**

THIS OPERATING AGREEMENT, dated as of January 18, 2022 by and among the undersigned parties, who by their execution of this Operating Agreement have become members of **FAIRFAX HALL II LLC**, a Virginia limited liability company (the "Company"), provides as follows:

RECITALS

The undersigned parties have caused the Company to be organized as a limited liability company under the laws of the Commonwealth of Virginia effective as of the date hereof, and they wish to enter into this Operating Agreement in order to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, covenants and conditions herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby covenant and agree as follows:

***ARTICLE I
DEFINITIONS***

1.01 The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein):

(1) "Act" shall mean the Virginia Limited Liability Company Act, Va. Code § 13.1-1000 *et seq.*, as amended, and in force from time to time.

(2) "Articles" shall mean the articles of organization of the Company, as amended and in force from time to time.

(3) "Capital Account" shall mean as of any given date the amount calculated and maintained by the Company for each Member as provided in Section 6.04 hereof.

(4) "Capital Contribution" shall mean any contribution to the capital of the Company by a Member in cash, property or services, or a binding obligation to contribute cash, property or services, whenever made. "Initial Capital Contribution" shall mean the initial contribution to the capital of the Company by a Member, as determined pursuant to Section 6.01 hereof.

(5) "Code" shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

(6) "Company" shall refer to Fairfax Hall II LLC.

(7) "Entity" shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or other association.

(8) "Manager" shall mean a manager of the Company, whose rights, powers and duties are specified in Article V hereof.

(9) "Member" shall mean each Person that is identified as an initial Member in Article III hereof or is admitted as a Member (either as a transferee of a Membership Interest or as an additional Member) as provided in Article VIII hereof. A Person shall cease to be a Member at such time as he no longer owns any Membership Interest.

(10) "Membership Interest" shall mean the ownership interest of a Member in the Company, which may be expressed as a percentage equal to such Member's Capital Account divided by the aggregate capital Accounts of all Members. The Membership Interests may be recorded from time to time on a schedule attached to this Operating Agreement.

(11) "Operating Agreement" shall mean this Operating Agreement, as originally executed and as amended from time to time.

(12) "Person" shall mean any natural person or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so admits.

ARTICLE II
PURPOSE AND POWERS OF COMPANY

2.01 Purpose. The purpose of the Company shall be to:

(a) Acquire, own, buy, sell, invest in, trade, manage, finance, refinance, exchange, or otherwise dispose of stocks, securities, partnership interests, CDs, mutual funds, commodities, and any and all investments whatsoever, that the Managers may from time to time deem to be in the best interests of the Company;

(b) Own, acquire, manage, develop, operate, buy, sell, exchange, finance, refinance, and otherwise deal with real estate, personal property, and any type of business, as the Managers may from time to time deem to be in the best interests of the Company; and

(c) Engage in such other activities as are related or incidental to the foregoing purposes.

2.20 Powers. The Company shall have all powers and rights of a limited liability company organized under the Act, to the extent such powers and rights are not prescribed by the Articles.

**ARTICLE III
NAMES, ADDRESSES AND MEMBERSHIP INTERESTS
OF INITIAL MEMBERS;
PRINCIPAL OFFICE**

3.01 Names, Addresses and Membership Interests. The names, addresses, and Membership Interests of the initial Member is as follows:

<u>Names and Addresses</u>	<u>Membership Interest</u>
Fairfax Hall II Management LLC 1700 New Hope Road P. O. Box 1138 Waynesboro, Virginia 22980-0821	100%

3.02 Principal Office. The principal office of the Company shall initially be at 1700 New Hope Road, Waynesboro, Virginia 22980. The principal office may be changed from time to time by the Managers.

**ARTICLE IV
VOTING POWERS, MEETINGS, ETC. OF MEMBERS**

4.01 In General. The Members shall not be entitled to participate in the day-to-day affairs and management of the Company, but instead, the Members' right to vote or otherwise participate with respect to matters relating to the Company shall be limited to those matters as to which the express terms of the Act, the Articles or this Operating Agreement vest in the Members the right to so vote or otherwise participate.

4.02 Actions Requiring Approval of Members.

(a) Notwithstanding any other provision of this Operating Agreement, the approval of the Members shall be required in order for any of the following actions to be taken on behalf of the Company:

(i) Amending the Articles or this Operating Agreement in any manner that materially alters the preferences, privileges or relative rights of the Members.

(ii) Electing the Managers as provided in Article V hereof.

(iii) Taking any action that would make it impossible to carry on the ordinary business of the Company.

(iv) Confessing a judgment against the Company in excess of \$5,000.00.

(v) Filing or consenting to filing a petition for or against the Company under any federal or state bankruptcy, insolvency or reorganization act.

(vi) Loaning Company funds in excess of \$25,000.00 or for a term in excess of one year to any Member.

(b) Unless the express terms of this Operating Agreement specifically provide otherwise, the affirmative vote of the Members holding a majority of the Membership Interests shall be necessary and sufficient in order to approve or consent to any of the matters set forth in Section 4.02(a) above or any other matters which require the approval or consent of the Members.

4.03 Action by Members. In exercising their rights as provided above, the Members shall act collectively through meetings and/or written consents as provided in this Article.

4.04 Annual Meeting. The annual meeting of the Members shall be held on the first day in May of each year at the principal office of the company or at such other time as shall be determined by the Managers for the purpose of the transaction of such business as may come properly before the meeting.

4.05 Special Meetings. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Managers, and shall be called by the Managers at the request of any two Members, or such lesser number of Members as are Members of the Company.

4.06 Place of Meeting. The place of any meeting of the Members shall be the principal office of the Company, unless another place, either within or outside the Commonwealth of Virginia, is designated by the Managers.

4.07 Notice of Meetings. Written notice stating the place, day and hour of any meeting of the Members and, if a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the Managers, to each Member, unless the Act or the Articles require difference notice.

4.08 Conduct of Meetings. All meetings of the Members shall be presided over by a chairperson of the meeting, who shall be a Manager, or a Member designated by the Managers. The chairperson of any meeting of the Members shall determine the order of business and the procedure at the meeting, including regulation of the manner of voting and the conduct of discussion, and shall appoint a secretary or such meeting to take minutes thereof.

4.09 Participation by Telephone or Similar Communications. Members may participate and hold a meeting by means of conference telephone or electronic communications equipment by means of which all Members participating can hear and be heard, and such participation shall constitute attendance and presence in person at such meeting.

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

4.11 Action by Written Consent. Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if one or more written consents to such action are signed by the Members who are entitled to vote on the matter set forth in the consents and who constitute the requisite number of percentages of such Members necessary for adoption or approval of such matter on behalf of the Company. By way of example and not limitation, the Members holding a majority of the Membership Interests may take action as to any matter specified in Section 4.02 hereof by signing one or more written consents approving such action, without obtaining signed written consents from any other Members. Such consent or consents shall be filed with the minutes of the meetings of the Members. Action taken under this Section shall be effective when the requisite Members have signed the consent or consents, unless the consent or consents specify a different effective date.

ARTICLE V ***MANAGERS***

5.01 Powers of Manager. Except as expressly provided otherwise in the Act, the Articles or this Operating Agreement, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by, one or more Managers. The powers so exercised shall include but not be limited to the following:

(a) Entering into, making and performing contracts, agreements, and other undertakings binding the Company that may be necessary, appropriate or advisable in furtherance of the purposes of the Company.

(b) Opening and maintaining bank accounts, investment accounts other arrangements, drawing checks and other orders for the payment of money, and designating individuals with authority to sign or give instructions with respect to those accounts and arrangements. Company funds shall not be commingled with funds from other sources and shall be used solely for the business of the Company.

(c) Collecting funds due to the Company.

(d) Acquiring, utilizing for the Company's purposes, maintaining and disposing of any assets of the Company.

(e) To the extent that funds of the Company are available therefore, paying debts and obligations of the Company.

(f) Borrowing money or otherwise committing the credit of the Company for Company activities, and voluntarily prepaying or extending any such borrowings.

(g) Employing from time-to-time persons, firms or corporations for the operating and management of various aspects of the Company's business, including, without limitation, managing agents, contractors, subcontractors, architects, engineers, laborers, suppliers, accountants and attorneys on such terms and for such compensation as the Managers shall determine, notwithstanding the fact that the Managers or any Member may have a financial interest in such firms or corporations.

(h) Making elections available to the Company under the Code.

(i) Registering the Company as a tax shelter with the Secretary of the Treasury and furnishing to such Secretary lists of investors in the Company, if required pursuant to applicable provisions of the Code.

(j) Obtaining general liability, property and other insurance for the Company, as the Managers deem proper.

(k) Taking such actions as may be directed by the Members in furtherance of their approval of any matter set forth in Section 4.02 hereof.

(l) Doing and performing all such things and executing, acknowledging and delivering any and all such instruments as may be in furtherance of the Company's purposes and necessary and appropriate to the conduct of its business.

5.02 Election, Etc of Managers.

(a) The Members hereby unanimously elect Fairfax Hall II Management LLC as the initial Manager of the Company, to serve until the first annual meeting of the Members and until their respective successors shall be duly elected and qualified.

(b) The Members shall elect one or more Persons as Managers at each annual meeting of the Company to serve until the next annual meeting of the Company and until their respective successors are duly elected and qualified. In addition, if any Person resigns or otherwise vacates the office of Manager, the Members shall elect a replacement Manager to serve the remaining term of such office, unless one or more other Persons then serve as Managers and the Members determine not to fill such vacancy. A Person may be removed as a Manager by the Members with or without cause at any time. A Manager may, but shall not be required to, be elected from among the Members. A Manager shall be a natural person or an Entity. Notwithstanding any of the foregoing provisions, the rights of the Members to elect and remove Managers shall be subject to the restrictions set forth in Section 5.03 hereof.

5.03 Voting Agreement. Reserved.

5.04 Action by Two or More Managers. Unless otherwise expressly provided by the Act, the Articles, or the terms of this Operating Agreement, the vote, approval or consent of a majority of the Managers, determined on a per capital basis, shall be necessary and sufficient for the Managers to take any action on behalf of the Company that the Managers are authorized to take pursuant to

the Act, the Articles or this Operating Agreement.

5.05 Execution of Documents and Other Actions. The Managers may delegate to one or more of their number the authority to execute any documents or take any other actions deemed necessary or desirable in furtherance of any action that they have authorized on behalf of the Company as provided in Section 5.04 hereof.

5.06 Single Manager. If at any time there is only one Person serving as a Manager, such Manager shall be entitled to exercise all powers of the Managers set forth in this Section, and all references in this Section and otherwise in this Operating Agreement to "Managers" shall be deemed to refer to such single Manager.

5.07 Reliance by Other Persons. Any Person dealing with the Company, other than a Member, may rely on the authority of a particular Manager or Managers in taking any action in the name of the Company, if such Manager or Managers provide to such Person a copy of the applicable provision of this Operating Agreement and/or the resolution or written consent of the Managers or Members granting such authority, certified in writing by such Manager or Managers to be genuine and correct and not to have been revoked, superseded or otherwise amended.

5.08 Manager's Expenses and Fees. A Manager shall be entitled, but not required, to receive a reasonable salary for services rendered on behalf of the Company or in his capacity as a Manager. The amount of such salary shall be determined by the Managers and consented to by the Members, which consent shall not be unreasonably withheld. The Company shall reimburse any Manager for reasonable out-of-pocket expenses which were or are incurred by the Manager on behalf of the Company with respect to the start-up or operation of the Company, the on-going conduct of the Company's business, or the dissolution and winding up of the Company and its business.

5.09 Competition. During the existence of the Company, the Managers shall devote such time to the business of the Company as may reasonably be required to conduct its business in an efficient and profitable manner. The Managers, for their own account and for the account of others, may engage in business ventures, including the acquisition of real estate properties or interests therein and the development, operating, management and/or syndication of real estate properties or interests therein, which may compete with the business of the Company. In furtherance and not in limitation of the foregoing, the Members recognize that one or more of them may own or have an interest in other real estate projects in the area, some of which may be in the vicinity of and may compete with the business of the Company. Each Member hereby expressly consents to the continued and future ownership and operating by the other Members and the Managers of such properties and waives any claim for damages or otherwise, or rights to participate therein or with respect to the operation and profits or losses thereof.

5.10 Indemnification. The Company shall indemnify each Manager, whether serving the Company or, at its request, any other Entity, to the full extent permitted by the Act. The foregoing rights of indemnification shall not be exclusive of other rights to which the Managers may be entitled. The Managers may, upon the approval of the Members, take such action as is necessary to carry out these indemnification provisions and may adopt, approve, and amend from time to time

such resolutions or contacts implementing such provisions or such further indemnification arrangements as may be permitted by law.

5.11 Liability of Managers. So long as the Managers act in good faith with respect to the conduct of the business and affairs of the Company, no Manager shall be liable or accountable to the Company or to any of the Members, in damages or otherwise, for any error or judgment, for any mistake of fact or of law, or for any other act or thing which he may do or refrain from doing in connection with the business and affairs of the Company, except for willful misconduct or gross negligence or breach of fiduciary duty, and further except for breaches of contractual obligations or agreements between the Managers and the Company.

ARTICLE VI
CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS

6.01 Initial Capital Contributions. Each Member, upon the execution of this Operating Agreement, shall make as an initial Capital Contribution the amount shown on Exhibit A, which is attached hereto. The initial Capital Contribution to be made by any Person who hereafter is admitted as a Member and acquires his Membership Interest from the Company shall be determined by the Members.

6.02 Additional Capital Contributions. No Member shall be required to make any Capital Contributions in addition to his Initial Capital Contribution. The Founding Members, as defined in Section 5.03, may make additional Capital Contributions to the Company with the consent of the Members. Otherwise, the Members may make additional Capital Contributions to the Company only if such additional Capital Contributions are made pro rata by all the Members or all the Members consent in writing to any non-pro rata contribution. The fair market value of any property other than cash or widely trade securities to be contributed as an additional Capital Contribution shall be (a) agreed upon by the contributing Member and a majority in interest of the Members before contribution, or (b) determined by a disinterested appraiser selected by the Managers.

6.03 Interests and return of Capital Contribution. No Member shall receive any interest on his Capital Contribution. Except as otherwise specifically provided for herein, the Members shall not be allowed to withdraw or have refunded any Capital Contribution.

6.04 Capital Accounts. Separate Capital Accounts shall be maintained for each Member in accordance with the following provisions:

(a) To each Member's Capital Account there shall be credited the fair market value of such Member's Initial Capital Contributions and any additional Capital Contributions, such Member's distributive share of profits, and the amount of any Company liabilities that are assumed by such Member.

(b) To each Member's Capital Account there shall be debited the amount of cash and the fair market value of any Property distributed to such Member pursuant to any provision of this Operating Agreement, such Member's distributive share of losses, and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property

contributed by such Member to the Company.

(c) In the event any interest in the Company is transferred in accordance with the terms of this Operating Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it related to the transferred interest.

(d) The Capital Account shall also include a pro rata share of the fair market value of any property contributed by a person who is not a Member, such value to be the same value reported for federal gift tax purposes if a gift tax return is filed, and if not, the value in the case of real property shall be determined by an independent M.A.I. appraiser actively engaged in appraisal work in the area where such property is located and selected by the Managers, and otherwise by the certified public accountant or accountants then serving the Company.

(e) If any Member makes a non-pro rata Capital Contribution to the Company or the Company makes a non-pro rata distribution to any Member, the Capital Account of each Member shall be adjusted to reflect the then fair market value of the assets held by the Company immediately before the Capital Contribution or distribution.

6.05 Loans to the Company. If the Company has insufficient funds to meet its obligations as they come due and to carry out its routine, day-to-day affairs, then, in lieu of obtaining required funds from third parties or selling its assets to provide required funds, the Company may, but shall not be required to, borrow necessary funds from one or more of the Members as designated by the Managers; provided that the terms of such borrowing shall be commercially reasonable and the Company shall not pledge its assets to secure such borrowing.

6.06 Effect of Sale or Exchange. In the event of a permitted sale or other transfer of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent they relate to the transferred Membership Interest.

6.07 Distributions. All distributions of cash or other property (except upon the Company's dissolution, which shall be governed by the applicable provisions of the Act and Article IX hereof) shall be made to the Members in proportion to their respective Membership Interests. All distributions of cash or property shall be made at such time and in such amounts as determined by the Managers. All amounts withheld pursuant to the Code or any provisions of state or local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to this Section.

6.08 Allocations. Except as otherwise provided in Section 6.09 hereof, all items of income, gain, loss, deduction and credit, whether resulting from the Company's operations or in connection with its dissolution, shall be allocated to the Members for federal, state and local income tax purposes in proportion to their respective Membership Interests.

6.09 Allocation with Respect to Property. If, at any time during the Company's existence, any Member contributes to the Company property with an adjusted basis to the contributing Member which is more or less than the agreed fair market value and such property is accepted by

the Company at the time of its contribution, the taxable income, gain, loss, deductions and credits with respect to such contributed property for tax purposes only (but not for purposes of calculating the Members' respective Capital Accounts) shall be shared among the Members so as to take account of the variation between the basis of the property to the Company and its agreed fair market value at the time of contribution, pursuant to Section 704(c) of the Code.

ARTICLE VII
RECORDS, REPORTS, ETC.

7.01 Records. The Company shall maintain and make available to the Member its records to the extent provided in the Act.

7.02 Financial and Operating Statements and Tax Returns. Within seventy-five (75) days from the close of each fiscal year of the Company, the Managers shall cause to be delivered to each Member a statement setting forth such Member's allocable share of all tax items of the Company for such year, and all such other information as may be required to enable each Member to prepare his federal, state and local income tax returns in accordance with all then applicable laws, rules and regulations. The Managers also shall cause to be prepared and filed all federal, state and local income tax returns required of the Company for each fiscal year.

7.03 Banking. The funds of the Company shall be kept in one or more separate bank accounts in the name of the Company in such banks or other federally insured depositories as may be designated by the Managers or shall otherwise be invested in the name of the Company in such manner and upon such terms and conditions as may be designated by the Managers. All withdrawals from any such bank accounts or investments established by the Managers hereunder shall be made on such signature or signatures as may be authorized from time to time by the Managers. Any account opened by the Managers for the Company shall not be commingled with other funds of the Managers or interested persons.

7.04 Power of Attorney.

(a) Each Member does hereby irrevocably constitute and appoint the Managers serving in office from time to time, and each of them, as such Member's true and lawful attorney, in his name, place and stead, to make, execute, consent to, swear to, acknowledge, record and file from time to time any and all of the following:

(i) Any certificate or other instrument which may be required to be filed by the Company or the Members under the laws of the Commonwealth of Virginia or under the applicable laws of any other jurisdiction in order to conduct business in any such jurisdiction, to the extent the Managers deem any such filing to be necessary or desirable.

(ii) Any amendment to the Articles adopted as provided in this Operating Agreement.

(iii) Any certificates or other instruments which may be required to effectuate the dissolution and termination of the Company pursuant to the provisions of this

Operating Agreement.

(b) It is expressly understood, intended and agreed by each Member for himself, his successors and assigns that the grant of the power of attorney to the Managers pursuant to subsection (a) is coupled with an interest, is irrevocable, and shall survive the death or legal incompetency of the Member or such assignment of his Membership Interest.

(c) One of the ways that the aforementioned power of attorney may be exercised is by listing the names of the Members and having the signature of the Manager or Managers, as attorney-in-fact appear with the notation that the signatory is signing as attorney-in-fact of the listed Members.

ARTICLE VIII ASSIGNMENT; RESIGNATION

8.01 Assignment Generally. Except as provided in Sections 8.02, 8.03, and 8.04 of this Operating Agreement, each Member hereby covenants and agrees that he will not sell, assign, transfer, mortgage, pledge, encumber, hypothecate or otherwise dispose of all or any part of his interest in the Company to any person, firm, corporation, trust or other entity without first offering in writing to sell such interest to the Company. The Company shall have the right to accept the offer at any time during the 30 days following the date on which the written offer is delivered to the Company. The consent of all the Managers shall be required to authorize the exercise of such option by the Company. If the Company shall fail to accept the offer within the 30 day period, such interest may during the following 60 days be disposed of free of the restrictions imposed by this Operating Agreement; provided, however, that the purchase price for such interest shall not be less and the terms of purchase for such interest shall not be more favorable than the purchase price and terms of purchase that would have been applicable to the Company had the Company purchased the interest; provided further that the purchaser shall first become a Member pursuant to this Operating Agreement; and provided further that any interest not so disposed of within the 60-day period shall thereafter remain subject to the terms of this Operating Agreement. Notwithstanding the preceding sentence, no assignee of a Membership Interest shall become a Member of the Company except upon the consent of a majority in interest of the non-assigning Members.

8.02 Gift to Family Member. Reserved.

8.03 Transfers from Custodianships. Reserved.

8.04 Purchase of Certain Membership Interests.

(a) If an Option Event (as defined below) occurs with respect to any Member (as "Option Member"), the Company shall have the option to purchase the Option Member's Membership Interest upon the terms and conditions set forth in this Section 8.04. For purposes of the foregoing, an "Option Event" shall mean the (i) the occurrence of any event set forth in Section 9.01(c) hereof, if all or the requisite remaining Members consent to continue the business of the Company as provided therein, and (ii) the inability of a Member to pay its debts generally as they

become due, or any assignment by a Member for the benefit of its creditors, or the filing by a Member of a voluntary petition in bankruptcy or similar insolvency proceedings, or the filing against a Member of an involuntary petition in bankruptcy or similar insolvency proceeding that is not dismissed within ninety (90) days thereafter. The term "Option Member" shall include as Option Member's personal representative or trustee in bankruptcy, to the extent applicable.

(b) Upon any Option Event occurring to an Option Member, the Option Member shall deliver written notice of the occurrence of such Option Event to the Company. The Company shall have the option, but not the obligation, to purchase the Option Member's Membership Interest at any time during the sixty (60) day period immediately following the date on which it receives notice of the occurrence of the Option Event. Such option shall entitle the Company to purchase such Membership Interest for the fair market value of such Membership Interest. The fair market value of the interest shall be the amount that the Option Member would receive in exchange for his entire interest in the Company if the Company sold all of its assets, subject to their liabilities, at their fair market value as of the date on which the Option Event occurred and distributed the net proceeds from such sale in complete liquidation of the Company. The consent of all the Managers shall be required to authorize the exercise of such option by the Company. Such option must be exercised by delivery of a written notice from the Company to the Option Member during the aforementioned period. Upon delivery of such notice the exercise of such option shall be final and binding on the Company and the Option Member.

(c) If the foregoing option is not exercised, the business of the Company shall continue, and the Option Member shall retain his Membership Interest.

(d) The fair market value of the Option Member's Membership Interest shall be determined as expeditiously as possible by a disinterested appraiser mutually selected by the Option Member and the Company (the Company's selection being made by the Managers). If the Option Member and the Company are unable to agree on a disinterested appraiser, then the Option Member and the Company shall each select a disinterested appraiser and if the disinterested appraisers selected are not able to agree as to the fair market value of the interest, then the two disinterested appraisers shall select a third disinterested appraiser who shall determine the fair market value. The determination of the fair market value of the Option Member's Membership Interest by the appraiser or appraisers shall be conclusive and binding on all parties. All costs of an appraiser mutually selected by the Option Member and the Company or the two disinterested appraisers shall be shared equally by the Option Member and the Company. All costs of an individually selected appraiser shall be borne by the parties selecting such appraiser.

(e) If the option to purchase the Option Member's Membership Interest is exercised by the Company, then not later than thirty (30) days after the date on which the appraisal described above is complete (the "Appraisal Date"), the Company shall make a distribution of property (which may be cash or other assets of the Company) to the Option Member with a value equal in amount to the fair market value of the Option Member's Membership Interest; provided, however, that at the election of the Company such distribution to the Option Member in five equal annual installments, the Company may accelerate without penalty all of such installments at any time or any part of such installment at any time. If the Company elects to make distributions to the Option Member in five equal annual installments as provided herein, the Company, in addition to

such annual installments, shall pay the Option Member additional amounts computed as if the Option Member were entitled to interest on the undistributed amount of the total distribution to which the Option Member is entitled hereunder at an annual rate equal to the annual Federal Med-Term Rate in effect under Section 1274(d) of the Code, as determined on the 30th day after the Appraisal Date, which additional amounts, computed like interest, shall be due and payable on the same dates as the annual installments of the distribution payable to the Option Member hereunder. Any unpaid capital contributions of the Option Member and any damages occurring to the Company as result of the Option Event shall be taken into account in determining the net amount due the Option Member at the closing, and any excess of such unpaid capital contributions or damages over the amount due at closing shall be netted against subsequent installment payments as they become due.

(f) If at a time when the Company has an option to purchase as Option Member's Membership Interest, it is prohibited from purchasing all or any portion of such Membership Interest pursuant to the Act or any loan agreement or similar restrictive agreement, the Option Member and the remaining Members shall, to the extent permitted by law, take appropriate action to adjust the value of the Company's assets from book value to a fair valuation based on accounting practices and principles that are reasonable under the circumstances in order to permit the Company to purchase such Membership Interest. If the Company becomes obligated to purchase an Option Member's Membership Interest under this Section and the above action cannot be taken or does not create sufficient value to permit the Company to do so, the Company shall be obligated to purchase the portion of the Membership Interest it is permitted to purchase, with a proportionate reduction in the aggregate purchase price.

(g) In order to fund any obligations under this Operating Agreement, the Company or the Members may maintain such life insurance policies on the lives of one or more Members as the Members determine from time to time to be desirable.

8.05 Absolute Prohibition. Notwithstanding any other provision in this Article VIII, the Membership Interest of a Member, in whole or in part, or any rights to distributions therefrom, shall not be sold, exchanged, conveyed, assigned, pledged, hypothecated, subjected to a security interest or otherwise transferred or encumbered, if, as a result thereof, the Company would be terminated for federal income tax purposes in the opinion of counsel for the Company or such action would result in a violation of federal or state securities laws in the opinion of Counsel for the Company.

8.06 Members Acquiring Membership Interest From Company. No Person, other than the initial Member, who acquires a Membership Interest from the Company shall be admitted as a Member of the Company, except upon the unanimous consent of the Members.

8.07 Resignation. No Member shall be entitled to resign from the Company except upon the unanimous written consent of the Members. Any attempted resignation, without such consent, shall be of no force or effect.

8.08 Effect of Prohibited Action. Any transfer or other action in violation of this Article shall be void *ab initio* and of no force or effect whatsoever.

8.09 Rights of an Assignee. If an assignee of a Membership Interest is not admitted as a Member because of the failure to satisfy the requirements of Section 8.01 or 8.05 hereof, such assignee shall nevertheless be entitled to receive such distributions from the Company as the assigning Member would have been entitled to receive under Section 6.07 of this Operating Agreement with respect to such Membership Interest had the assigning Member retained such Membership Interest.

ARTICLE IX
DISSOLUTION AND TERMINATION

9.01 Events of Dissolution. The Company shall be dissolved upon the first to occur of the following:

- (a) Any event that under the Articles required dissolution of the Company.
- (b) The unanimous written consent of the Members to the dissolution of the Company.
- (c) The death, permitted resignation, bankruptcy or dissolution of a Member or the occurrence of any other event that terminates the continued Membership of such Member in the Company unless the business of the Company is continued by the consent of a majority in interest of the remaining Members.
- (d) The entry of a decree of judicial dissolution of the Company as provided in the Act.
- (e) Any event not set forth above under which the Act requires dissolution of the Company.

9.02 Liquidation. Upon the dissolution of the Company, it shall wind up its affairs and distribute its assets in accordance with the Act by either or a combination of both the following methods as the Members shall determine:

- (a) Selling the Company's assets and, after the payment of Company liabilities, distributing the net proceeds therefrom to the Members in proportion to their Membership Interests and in satisfaction thereof; and/or
- (b) Distributing the Company's assets to the Members in kind with each Member accepting an undivided interest in the Company's assets, subject to its liabilities, in satisfaction of his Membership Interest. The interest conveyed to each Member in such assets shall constitute a percentage of the entire interests in such assets equal to such Member's Membership Interest.

9.03 Orderly Liquidation. A reasonable time as determined by the Managers not to exceed eighteen (18) months shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors to as to minimize any losses attendant upon dissolution.

9.04 Distributions. Upon liquidation, the Company assets (including any cash on hand) shall be distributed in the following order and in accordance with the following priorities:

(a) First, to the payment of debts and liabilities of the Company and the expenses of liquidation, including a sales commission to the selling agent, if any; then

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

(c) Third, to the Members to the extent of their respective positive Capital Account balances in the ratio of said Capital Accounts, after first taking into account the allocations prescribed by Section 9.05 below; then

(d) Fourth, to the Members in proportion to their respective Membership Interests.

(e) In the event of a distribution in liquidation of the Company's property in kind, the fair market value of such property shall be determined by a qualified and disinterested M.A.I. appraiser actively engaged in appraisal work in the Cities of Waynesboro and Staunton and the County of Augusta selected by the Managers (or the person or persons carrying out the liquidation), and each Member shall receive an undivided interest in such property equal to the portion of the proceeds to which he would be entitled under the immediately preceding subsections if such property were sold at such fair market value.

9.05 Taxable Gain or Loss. Taxable income, gain or loss from the sale or distribution of Company property incurred upon or during liquidation and termination of the Company shall be allocated to the Members as provided in Section 6.8 above.

9.06 No Recourse Against Members. Except as provided by law, upon dissolution, each Member shall look solely to the assets of the Company for the return of his Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of each Member, such Member shall have no recourse against any other Member.

ARTICLE X
MISCELLANEOUS PROVISIONS

10.01 Attorneys' Fees. In the event any party brings an action to enforce any provisions of this Operating Agreement, whether such action is at law, in equity or otherwise, and such party prevails in such action, such party shall be entitled, in addition to any other rights or remedies available to it, to collect from the non-prevailing party or parties the reasonable costs and expenses incurred in the investigation preceding such action and the prosecution of such action, including but not limited to reasonable attorneys' fees and court costs.

10.01 Notices. Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required to be given to any Person, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such notice may be given in writing, by mail, addressed to the Company at its principal office from time to time and to any other Person at his address as it appears on the records of the Company from time to time, with postage thereon prepaid. Any such notice shall be deemed to have been given at the time it is deposited in the United States mail. Notice to a Person may also be given personally or by telegram or telecopy sent to his address as it appears on the records of the Company. The addresses of the initial Members as shown on the records of the Company shall originally be those set forth in Article III hereof. Any Person may change his address as shown on the records of the Company by delivering written notice to the Company in accordance with this Section.

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

10.04 Amendments. No amendment or modification of this Operating Agreement shall be effective except upon the unanimous written consent of the Members.

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

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

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

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

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

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

10.11 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company.

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

10.13 Entire Agreement. This Operating Agreement sets forth all of the promises, agreements, conditions and understandings between the parties respecting the subject matter thereof and supersedes all prior negotiations, conversations, discussions, correspondence, memoranda and agreements between the parties concerning such subject matter.

The undersigned, being all the Members of the Company, hereby agree, acknowledge and certify that the foregoing Operating Agreement constitutes the sole and entire Operating Agreement of the Company, unanimously adopted by the Members of the Company as of the date first above written.

MEMBER:

Fairfax Hall II LLC
By:

Fairfax Hall II Management LLC
Sole Member
By:

South River Development Corporation, Inc.
Sole Member

By: 

Mary Ann Everly-Maupin
President

EXHIBIT A

MEMBER

PROPERTY

FAIRFAX HALL ORGANIZATIONAL CHART



DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") made as of March 1, 2023, by and between **South River Development Corporation**, a Virginia non profit corporation (the "Developer") and **Fairfax Hall II LLC**, a Virginia limited liability company (the "Company").

WITNESSETH:

WHEREAS, the Company has been formed to develop, construct, ground lease, maintain and operate certain property as low-income residential rental housing, to be known as Fairfax Hall, to be located at 1101 Reservoir Street in the City of Waynesboro Virginia (the "Project"); and

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

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

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

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

Section 1. Development Services.

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

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

performance of such duty is beyond its reasonable control. The Developer has performed or shall perform the following:

(i) Negotiate and cause to be executed in the name and on behalf of the Company any agreements for architectural, engineering, testing or consulting services for the Project, and any agreements for the construction of any improvements or tenant improvements to be constructed or installed by the Company or the furnishing of any supplies, materials, machinery or equipment therefor, or any amendments thereof, provided that no agreement shall be executed nor binding commitment made until the terms and conditions thereof and the party with whom the agreement is made have been approved by the managing member of the Company (“Managing Member”) unless the terms, conditions, and parties comply with guidelines issued by the Managing Member concerning such agreements;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iv) Inspect the progress of the course of construction of the Project, including verification of the materials and labor being furnished to and on such construction so as to be fully competent to approve or disapprove requests for payment made by the Project architect and the general contractor, or by any other parties with respect to the design or

construction of the Project, and in addition to verify that the construction is being carried out substantially in accordance with the plans and specifications approved by the Company or, in the event construction is not being so carried out, to promptly notify the Company;

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

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

(vii) At the Company's expense, obtain and maintain insurance coverage for the Project, the Company, the management agent of the Project ("Management Agent"), and the Developer and its employees, at all times until final completion of construction of the Project, in accordance with an insurance schedule approved by the Company, which insurance shall include general public liability insurance covering claims for personal injury, including but not limited to bodily injury, or property damage, occurring in or upon the Property or the streets, passageways, curbs and vaults adjoining the Property. Such insurance shall be in a liability amount approved by the Company;

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

contractors performing work in connection with the construction of the Project shall include the agreement of said independent contractors to comply with all such applicable laws;

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

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

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

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

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

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

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

(b) Any proposed change in the work of the construction of the Project, or in the plans and specifications therefor as previously approved by the Company, or in the cost

thereof, or any other change which would affect the design, cost, value or quality of the Project, except for such matters as may be expressly delegated in writing to the Developer by the Company;

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

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

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

Section 3. Accounts and Records.

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

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

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

Section 4. Obligation To Complete Construction.

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

Section 5. Development Amount.

As a fee for its services in connection with the development of the Project and the supervision of the construction/rehabilitation of the Project as set forth in Section 1 and elsewhere in this Agreement, the Developer shall be paid an amount (the "Development Amount") equal to one million four hundred and fifty thousand and No/100 Dollars (\$1,450,000.00). The Development Amount shall be deemed to have been earned as follows:

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

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

- (i) Zero percent (0 %) on initial equity funding of the Project;
- (ii) Eighty percent (80%) upon substantial completion of the Project; and
- (iii) Twenty percent (20 %) upon achievement of 100 %occupancy for the Project.

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

Section 6. Applicable Law.

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

Section 7. Binding Agreement.

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

Section 8. Headings.

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

Section 9. Terminology.

All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 10. Benefit of Agreement.

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

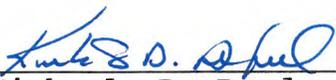
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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

COMPANY:

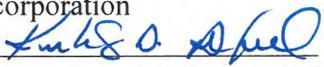
Fairfax Hall II LLC, a Virginia limited liability company

By: Fairfax Hall II Management LLC a Virginia limited liability company

By: 
Name: Kimberly D. Byrd
Title: Authorized Signatory

DEVELOPER:

South River Development Corporation, a Virginia non profit corporation

By: 
Name: Kimberly D. Byrd
Title: Executive VP/CEO

Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, January 18, 2022

This is to certify that the certificate of organization of

Fairfax Hall II LLC

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

Effective date: January 18, 2022



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

Tab C:

Principal's Previous Participation Certification
(MANDATORY)

Appendices continued

Previous Participation Certification

Development Name Fairfax Hall

Name of Applicant (entity) Fairfax Hall II, LLC

I hereby certify that:

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

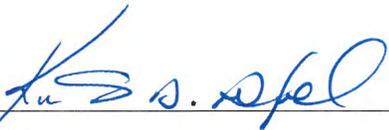
Appendices continued

governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.

12. None of the participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the participant was a principal in such property. This does not refer to corrected 8823's.
14. None of the participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
15. None of the participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

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

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



Signature

Kimberly D. Byrd

Printed Name

3-7-2023

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

Tab D:

List of LIHTC Developments (Schedule A)
(MANDATORY)

Appendices continued

List of LIHTC Developments (Schedule A)

Development Name Fairfax Hall
 Name of Applicant Fairfax Hall II, 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 for the past 15 years.
4. Use separate pages as needed, for each principal.

Principal's Name Fairfax Hall II Management, LLC

Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* YES NO

	Development Name and 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.	Mountain View Apartments-Waynesboro	Mountain View Partners, LLC - 540 946 9230	N	129	129	12/31/12	10/29/13	N
2.								
3.	Mountain Crest Apartments Hot Springs VA	Bath County Retirement Home Limited Partnership 540 946 9230	N	28	28	4/30/07	11/21/08	N
4.								
5.								
6.								
7.								
8.								

Appendices continued

List of LIHTC Developments (Schedule A)

Development Name Fairfax Hall

Name of Applicant Fairfax Hall II, 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 for the past 15 years.
4. Use separate pages as needed, for each principal.

Principal's Name South River Development Corporation

Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* YES XNO

	Development Name and 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.	Mountain View Apartments Waynesboro	Mountain View Partners, LLC 540 946 9230	N	129	129	12/31/12	10/29/13	N
2.	Mountain Crest Apartments Hot Springs VA	Bath County Retirement Home Limited Partnership 540 946 9230	N	28	28	4/30/07	11/21/08	N
3.								
4.								
5.								
6.								
7.								
8.								

Appendices continued

List of LIHTC Developments (Schedule A)

Development Name Fairfax Hall

Name of Applicant Fairfax Hall II, 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 for the past 15 years.
4. Use separate pages as needed, for each principal.

Principal's Name Waynesboro Redevelopment and Housing Authority

Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* YES XNO

	Development Name and 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.	Mountain View Apartments Waynesboro	Mountain View Partners, LLC 540 946 9230	N	129	129	12/31/12	10/29/13	N
2.	Mountain Crest Apartments Hot Springs VA	Bath County Retirement Home Limited Partnership 540 946 9230	N	28	28	4/30/07	11/21/08	N
3.								
4.								
5.								
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8.								

Appendices continued

List of LIHTC Developments (Schedule A)

Development Name Fairfax Hall

Name of Applicant Fairfax Hall II, 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 for the past 15 years.
4. Use separate pages as needed, for each principal.

Principal's Name Kim Byrd

Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* YES XNO

	Development Name and 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.	Mountain View Apartments Waynesboro	Mountain View Partners, LLC 540 946 9230	N	129	129	12/31/12	10/29/13	N
2.	Mountain Crest Apartments Hot Springs VA	Bath County Retirement Home Limited Partnership 540 946 9230	N	28	28	4/30/07	11/21/08	N
3.								
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Tab E:

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

ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (“Agreement”) is made and entered into as of this 1st day of March 2022, by and among Fairfax Hall Limited Partnership, L.P., a Virginia Limited Partnership, having a principal business address of 1700 New Hope Rd., Waynesboro, Virginia 22980 hereinafter referred to as the “Seller”, Party of the First Part, and, Fairfax Hall II LLC, a Virginia Limited Liability Company, having a principal business address of 1700 New Hope Rd., Waynesboro, Virginia 22980, Party of the Second Part, herein referred to as “Purchaser”, and Fairfax Hall Ventures, Incorporated, a Virginia non-stock corporation, having a principal business address of PO Box 1844, 1700 New Hope Rd., Waynesboro, VA 22980 (“FHV”), which corporation is the Limited Partner of Seller.

RECITALS

A. Seller owns improved real estate located in the City of Waynesboro, Virginia, which improved real estate is hereafter referred to as the “Real Estate,” more particularly described on Exhibit A attached hereto, on which property Seller owns and operates a residential housing development, for elderly and handicapped residents, called Fairfax Hall, located in a structure registered in the Virginia Historic Register. The business address of Fairfax Hall is Fairfax Hall Apartments is 1101 Reservoir St., Waynesboro, VA 22980 and such business is engaged in leasing to tenants and maintaining the rental units therein which business is hereinafter referred to as the “Business.”

B. Seller desires to sell and transfer to Purchaser, and Purchaser desires to purchase and receive from Seller, the Real Estate and all of the assets of Seller used in the operation of the Business and not specifically excluded herein, for the consideration and upon the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements herein set forth and in reliance on the representations and warranties contained herein, the parties agree as follows:

1. Purchase and Sale of Assets-Closing Date. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell to Purchaser, on the Closing Date set forth herein, free and clear of all liens, pledges, and encumbrances of every kind, character, and description whatsoever, excepting only those described in Exhibit 1 attached hereto that are to be excluded, and Purchaser agrees to purchase from Seller on the Closing Date the Real Estate, together with the assignment of any leases or rental agreements (“Leases”) with Tenants of Fairfax Hall Apartment units (“Tenants”) and any security deposits paid to Lessor by such Tenants (“Security Deposits”). The Purchaser and Seller will by separate agreement provide for the sale by Seller and purchase by Purchaser of all of the other assets of Seller used in the operation of the Business.

(a) Conveyance of Title to Real Estate. The Real Estate will be conveyed by General Warranty Deed (hereinafter referred to as the "Deed") in the form attached hereto as Exhibit A conveying the Real Estate to Purchaser, free and clear of any lien or encumbrance excepting only for (i) real estate taxes for the current year that are a lien upon the Real Estate but are not yet due and payable; and (ii) those encumbrances which Grantee agrees to assume and satisfy listed in Exhibit B.

(b) Assumption of Liabilities. Purchaser will not assume or have any responsibility with respect to any obligation or liability of the Seller or the Business excepting only those expressly assumed in this Agreement.

(d) Purchase Price and Method of Payment. The "Purchase Price" for the Acquired Assets is Three Million Three Hundred Thousand Dollars (\$3,300,000.00), payable as follows:

By wire transfer to the Settlement agent at Settlement, subject to any reductions adjustments and additions as set forth in this agreement.

2. Assignment and Transfer of Leases and Security and Attornment.

(a). Seller represents and warrants that all lease or rental agreements with Tenants for units of Fairfax Hall Apartments in existence at the date hereof (the "Leases") are listed and identified on Schedule 2 attached by Tenant name, rental unit address or number, monthly lease payment amount and due date, date through which rental or lease payments have been received by Seller, the amount of any delinquent rent due including any penalties, late fees or interest thereon, and any security deposit held by Seller with respect to such unit ("Security Deposits") and covenants such information is true and correct as the date hereof.

(b). Seller represents and warrants that there is no default under and there are no pending court suits, actions, mediations, arbitrations, or other proceedings, whether private or public in nature, or claims asserted by or on behalf of, or any dispute, by or between, a Tenant and Landlord, under or regarding any Lease or unit that has been filed, made or to the knowledge of Seller threatened or claimed, except as listed on Schedule 2.

(c). Seller agrees to transfer and assign to Purchaser at Closing (i) all the Leases and any future payments due thereunder and (ii) all Security Deposits. Seller shall have each Tenant execute and deliver to Purchaser at Closing an Attornment agreement in the form attached as Exhibit C for each unit currently under lease in Fairfax Hall Apartments.

3.. Representations and Warranties of Seller. Seller represents and warrants that:

(a) Seller is the sole owner of the Real Estate.

(b) Seller has the authority to own the property sold herein and conduct the Business in the manner in which such business is now being conducted. Seller and the Business are in good standing in each jurisdiction in which the Seller owns the Real Estate or in which it conducts such business.

(c) Seller has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes a valid and legally binding obligation of Seller, enforceable in accordance with its terms and conditions.

(d) The execution and delivery of this Agreement by Seller and the performance by Seller of its obligations hereunder will not:

i. Violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, stipulation, ruling, charge, or other restriction of any government, governmental agency, or court to which Seller is subject; or

ii. Conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which Seller is a party or by which he is bound or to which any of his assets are subject. All consents by third parties that are required to prevent or eliminate every such conflict, breach, default, acceleration, creation of the above-referenced rights, or encumbrance shall have been validly obtained before the Closing and at the Closing shall be in full force and effect and valid and sufficient for such purpose.

(e) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated do not and will not conflict with, or result in a breach of any term or provision of, or constitute a default under, or result in the creation of any lien or encumbrance upon the property or assets of Seller under any agreement, indenture, mortgage, deed of trust or other instrument to which Seller is a party or by which it is bound or to which its properties are subject, or any law, rule, regulation, judgment, order or decree. All consent by third parties that are required to prevent or eliminate every such conflict, breach, default, lien and encumbrance shall have been validly obtained before the Closing and at the Closing shall be in full force and effect and valid and sufficient for such purpose.

(f) Seller has no material debts, liabilities or other obligations (including, without limitation, obligations for federal, state or local taxes or other governmental assessments or penalties, and obligations and advances, directly or indirectly, to Seller), absolute or contingent, due or to become due, which are unpaid or for which payment has not been adequately provided, and Seller does not know or have reasonable grounds for knowing the basis for any assertion against Seller of any liability (including any tax liability) of any nature or in any amount not paid or for which adequate payment has not been provided for by Seller, except the Exit Taxes for which Purchaser shall be responsible as described in 1(d) above.

(g) Seller is current in the payment of all of the obligations and liabilities of the Business, and there are none that Seller will not be able to satisfy in the ordinary course of business.

(h) From the date of this agreement and through and including the Closing Date, Seller will not engage in any practice, take any action, or enter into any transaction outside

the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency) and, with respect to the Business of Seller, there has not been and will not be through the Closing Date:

- i. Any materially adverse change in the condition (financial or otherwise) or overall business or prospects of Seller;
- ii. Any damage, destruction or loss (whether or not covered by insurance) materially and adversely affecting its properties, assets, business or prospects;
- iii. Any agreement, contract or other arrangement obligating Seller entered into, or any debt, obligation or liability (whether direct or indirect, contingent or otherwise) incurred other than in the ordinary course of business;
- iv. Any sale or other disposition of or lien or encumbrance placed on any of Seller's properties;
- v. Any fee, wage or salary increases;
- vii. Any employment contract or arrangements entered into; and
- viii. Any other occurrence, event, condition or state of facts of any kind which materially affects or which may materially affect the overall business or prospects of Seller in any adverse manner.

(i) Except for the Leases and as set forth in Schedule 3(h) to this Agreement, Seller is not a party to or obligated under any notes, mortgages, security agreements, contracts, employment contracts, agreements, leases, other commitments or the like (including pension, profit sharing, option, bonus, or other employee benefit plans) which are not terminable on 30 days' notice or which involve termination exposure in excess of \$1,000. True and complete copies of all documents for obligations herein described will be furnished to Purchaser upon request. All such notes, mortgages, security agreements, contracts, agreements, leases, other commitments or the like, to which Seller is a party, are fully binding and validly enforceable by and against it in accordance with their terms and there is no default thereunder.

(j) Seller has all governmental licenses and permits (federal, state and local) necessary to conduct the Business and has complied in all material respects with all laws, rules and regulations and orders applicable to the Business. The licenses and permits of Seller are in full force and effect and there is not pending or threatened any proceeding looking toward the revocation or material limitation of any such license or permit.

(k) Seller has filed with the appropriate governmental agencies all tax returns (federal, state and local) required to be filed by the Business, such tax returns are accurate, and all taxes shown to be due and payable on said returns or on any assessments received by the Business, and all other taxes (federal, state and local) due and payable on or before the date of this Agreement have been determined and paid. There are in effect no waivers of any applicable

statute of limitations relating to such returns, and Seller has not granted any one power of attorney with respect to tax matters. No liability for any tax will be imposed upon the Acquired Assets or Seller or the Business with respect to any period before the Closing Date for which there is not an adequate reserve maintained. Seller is not subject to any open audit in respect of its taxes, no deficiency assessment or proposed adjustment for taxes is pending, and Seller has no knowledge of any liability, whether or not proposed, for any taxes with respect to any period through the date hereof to be imposed on any of properties or assets of the Business for which there is not an adequate reserve. Seller has withheld and paid all taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, other third party.

(l) There is no material litigation, claim, proceeding or investigation currently threatened or pending against Seller, and Seller does not know of any basis or grounds for any such suit, action, claim, dispute, investigation or other proceeding, except as described in Schedule 3(k) attached to this Agreement.

(m) Seller is not affected by any present or threatened strike or other labor disturbance, and there have been no petitions for union elections covering any of the employees of Seller filed, and Seller has no knowledge or any reason to know of any union attempting to represent any employees of Seller as a collective bargaining agent. Seller has no knowledge or any reason to know of any executive, key employee, or group of employees who has plans to terminate employment with Seller, excepting only Seller himself and spouse.

(n) Assets.

(i) Seller has good and marketable title to all properties and assets used in the Business, including without limitation, real estate, improvements thereon and equipment used in the Business (except such real and personal properties as are held pursuant to valid leases or licenses described in Schedule 3(m) attached hereto, if any), free and clear of all liens, charges and encumbrances, other than those expressly permitted herein.

(ii) The Real Estate is adequately insured against risks commonly insured against by companies similarly situated, and together with properties and assets held pursuant to valid leases or licenses, constitute all properties and assets which are being used in Seller's present Business.

(o) Reserved.

(p) All leases (except the Leases for Fairfax Hall Rental units) under which Seller holds real or personal property, if any, are described in Schedule 3(p) attached hereto. True and complete copies of all such leases will be furnished to Purchaser upon request. Seller has good title to the leasehold interests in such property free and clear of liens and encumbrances. Each lease is in full force and effect, all accrued and payable payments have been paid, Seller has not violated any term of any such lease in any material respect and no event of default under any such lease has occurred.

(q) Real Property.

i. Exhibit A attached hereto contains a description of all real property owned by Seller (“Real Property”). Seller has good and marketable title to the Real Property owned by Seller free and clear of any liens except those permitted herein.

ii. Purchaser understands and acknowledges and agrees that Purchaser is buying all Acquired Assets “AS IS” with no warranty or assurances by the Seller whatsoever regarding the state or condition of the Acquired Assets being purchased hereunder, excepting only Seller warrants that to the knowledge of Seller the roof of any structure upon the Real Estate is free from leaking, the structural walls and foundations of all buildings upon the Real Estate are sound and not unsafe, and the heating, cooling, electrical, gas, if any, water, sewer, septic, if any, telephone, television. Cable, satellite receiving equipment, if any, and WIFI, if any, are in operating condition and will be in such condition at the Closing Date.

iii. Except for property leased pursuant to leases listed in Schedule 3(p), if any, the Real Property includes all land, buildings, structures, and other improvements used by Seller to enable Seller to conduct the Business as it is presently being conducted and as it has been conducted in the past.

iv. Seller does not own or hold, is not obligated under, or a party to, any option, right of first refusal, or other contractual right to sell, transfer or acquire any real property or interest therein, to be sold hereunder except to South River Development Corporation, Inc. dated February 2,2010 which Purchase Option and Right of First Agreement Purchaser which will be terminated and replaced at Settlement by a new Purchase Option and Right of First Refusal in favor of South River Development Corporation, Inc., which action Purchaser hereby specifically approves and accepts.

v. To the knowledge of Seller, there is no condition of the Real Property, or any real property leased by Seller, that would be revealed by an accurate survey or physical inspection thereof, which would interfere in any respect with the use, occupancy, or operation thereof as currently used, occupied, or operated, or materially reduce the fair market value thereof below the fair market value such parcel would have had but for such encroachment or other fact or condition; and no portion of the Real Property or any real property leased by Seller encroaches on any property belonging to any third party. Seller warrants that, to his knowledge, there is no encroachment upon property belonging to any third party.

vi. No portion of the Real Property or any real property leased by Seller is located in a special flood hazard area designated by any state or federal governmental authority.

vii. Neither the Real Property nor any real property leased by Seller contains any hazardous substances which are not stored, maintained, or used in compliance with applicable state or federal regulations regulating such storage, maintenance or usage. Further, such Real Property does not contain any underground storage tanks regulated by the

Commonwealth of Virginia or the applicable locality. Seller has never been cited for violating any federal, state, or local environmental law or regulation with respect to operation of the Business. Seller has no reports, tests results, and other documents relating to the presence or absence of hazardous materials on such Real Property. Seller has no knowledge or reason to know of any such citations, violations, reports, results, or other documents.

viii. To the best of Seller's knowledge, there is no violation of any applicable zoning or other ordinances, statutes and regulations in respect to the use, maintenance, condition and operation of the Property or any part thereof. Seller has no knowledge of any actions, suits, proceedings or investigations pending or threatened against or affecting the Property.

(r) Employee Benefit Plans.

None.

(s) To the best knowledge of Seller, Seller enjoys good working relationships under all of its rental, supplier, and creditor agreements necessary to the normal operation of the Business. Seller does not have any knowledge or basis for knowledge that any tenant has made a claim against, or any supplier or creditor has terminated or expects to terminate a material portion of its normal business with, Seller, but Seller makes no representation that any tenant, supplier or creditor will continue to patronage the business operated by Purchaser after Closing.

(t) Reserved.

(u) No broker or finder has acted directly or indirectly for Seller in connection with this Agreement or the transactions contemplated hereby, and no broker or finder is entitled to any brokerage or finder's fee or other commission in respect thereof based in any way on the actions or statements of, or agreements, arrangements, or understandings made with Seller.

(v) No statement contained in this Agreement or in any statement, certificate, instrument or other document, furnished to Purchaser pursuant hereto or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or will omit to state a material fact necessary to make the statements contained herein or therein not misleading. Notwithstanding any other covenant or representation made herein, Seller makes no representation to Purchaser regarding the future success or profitability of the operation by Purchaser of the same or a similar business as that operated by Seller with the Acquired Assets sold hereunder.

3. Representations and Warranties of Purchaser. Purchaser represents and warrants that:

(a) Purchaser is duly organized and at present in good standing under the laws of the Commonwealth of Virginia and will be at Closing. Purchaser has full power and authority to execute and deliver this Agreement and to perform the obligations hereunder. This Agreement constitutes a valid and legally binding obligation of Purchaser, enforceable in accordance with its terms and conditions.

(b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not conflict or be inconsistent with or result in the termination of or result in any breach of or constitute a default under the terms of any indenture, mortgage, deed of trust, covenant, agreement, or other instrument to which Purchaser is a party.

(c) Fairfax Hall II LLC is the only person who will be the Purchaser of the Acquired Assets at Closing.

5. Covenants and Further Agreements.

(a) Reliance Upon and Survival of Representations and Warranties. Notwithstanding any investigation at any time conducted by any of the parties hereto, each of the parties hereto shall be entitled to rely on the representations and warranties of the other parties set forth herein or in any schedule, exhibit, or other document delivered pursuant hereto. The representations, warranties, covenants, and agreements of the parties shall be true and accurate as of, and shall survive the Closing Date.

(b) Further Assurances. The parties hereto agree to execute and deliver or cause to be executed and delivered at the Closing or at other reasonable times and places such additional instruments as another party hereto may reasonably request for the purpose of carrying out this Agreement.

(c) Indemnification.
i. Seller covenants and agrees to indemnify and hold harmless the Purchaser from and against any loss, claim, liability, obligation or expense (including reasonable attorneys' fees):

(1) incurred or sustained by Purchaser on account of any misrepresentation or breach of any warranty, covenant, or agreement of Seller contained in this Agreement, or

(2) incurred or sustained on account of the nonfulfillment by Seller any of the conditions or covenants of this Agreement as contemplated hereby. Without limiting the generality of the foregoing, Seller shall be liable for all material undisclosed liabilities of Seller existing before the Closing or which may arise based on facts or events existing prior to the Closing. If any claim is asserted against Purchaser for which indemnification may be sought under the provisions of this Section 5(c), Purchaser shall promptly notify Seller of such claim and thereafter shall permit Seller at his expense to participate in the negotiation and settlement of any such claim and to join in the defense of any legal action arising therefrom.

ii. Purchaser covenants and agrees to indemnify and hold harmless Seller from and against any loss, claim, liability, obligation or expense (including reasonable attorneys' fees):

(1) incurred or sustained on account of any misrepresentation or breach of any warranty, covenant or agreement of Purchaser contained in this Agreement, or

(2) incurred or sustained on account of the nonfulfillment by Purchaser of any of the conditions or covenants of this Agreement as contemplated hereby. If any claim is asserted against Seller for which indemnification may be sought under the provisions of this Section 5(c), Seller shall promptly notify Purchaser of such claim and thereafter shall permit Purchaser at its expense to participate in the negotiation and settlement of any such claim and to join in the defense of any legal action arising therefrom.

(d) Expenses. Each party shall pay its own expenses and costs, including without limitation, counsel fees, in connection with preparation of this Agreement and Closing of this transaction. Seller shall pay the grantor's tax on the Deed of Conveyance, and Purchaser shall pay all other recording taxes and fees with respect to the Deed of Conveyance. Real estate taxes and utility payments shall be pro rated between Seller and Purchaser as of the date of delivery of the Deed of Conveyance.

(e) Notice of Developments. Each party will give prompt written notice to the other party of any material adverse development causing a breach of any of its representations and warranties. No disclosure by any party pursuant to this Section shall, however, be deemed to amend or supplement the required disclosures or to prevent or cure any misrepresentation, breach of warranty, or breach of covenant.

(f) Exclusivity. So long as Purchaser is not then in breach or default of the obligations of Purchaser hereunder, Seller will not solicit, initiate, or encourage the submission of any proposal or offer from any person relating to the acquisition of the Business or the Acquired Assets or participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any manner any effort or attempt by any person to do or seek any of the foregoing. Seller will notify Purchaser immediately if any person makes any proposal, offer, inquiry or contact with respect to any of the foregoing.

(g) Employees. Seller employs _____ () persons (the "Employees") at or in connection with the Business. The Employees are employed on an "at-will" basis. Seller shall be responsible for the payment of all amounts owing to or for the benefit of the Employees accrued and unpaid as of the Closing, including, but not limited to, wages, vacation, sick leave, other benefits, if any, federal and state withholding, Medicare taxes, Social Security taxes, and unemployment insurance. At Closing, Seller shall terminate the employment of those _____ () employees, and Purchaser may rehire them or not as Purchaser in its sole discretion decides.

(h) Reserved.

7. Conditions to Obligation of Purchaser. The obligations of the Purchaser at the Closing to consummate the transactions herein contemplated are subject to the fulfillment at or prior to the Closing of each of the following conditions:

(a) Truth of Representations and Warranties. The representations and warranties of Seller contained in this Agreement and in any exhibit or other document delivered pursuant hereto shall be true and correct on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date. Purchaser shall have received a certificate to this effect dated the Closing Date and signed by Seller.

(b) Performance of Agreements. Each agreement of Seller to be performed on or before the Closing Date pursuant to the terms hereof or as contemplated herein shall have been duly performed, and Purchaser shall have received a certificate to this effect dated the Closing Date and signed by Seller.

(c) Consents. All consents by third parties that are required for the consummation of the transactions contemplated herein, or that are required pursuant to Section 3(d) or 3(e) of this Agreement, shall have been obtained in writing.

(d) Access. From and after the date of this Agreement, Seller shall have provided to the attorneys, accountants, and other authorized representatives of Purchaser free and full access to the plants, properties, books, and records of Seller in order that Purchaser shall have had the opportunity to make whatever investigation it shall desire of the affairs of Seller, provided that the investigation shall not unreasonably interfere with the operations of Seller. Such investigation may include entering the property of Seller for the purpose of making surveys or soil boring, engineering, water, sanitary and storm sewer, utilities, topographic and other similar tests, investigations or studies, and to perform zoning and economic feasibility studies, provided that Purchaser restores the property to its prior condition to the extent of any changes made by its agents or representatives in the event Purchaser does not purchase the property. Seller shall furnish to Purchaser during such periods all information concerning the property that Purchaser may reasonably request and which is in the possession of Seller.

(e) Reserved.

(f) Reserved.

(g) Reserved.

(h) Real Property. The real property to be sold by Seller to Purchaser is currently zoned in the City of Waynesboro, Virginia to permit the operation of the current business conducted thereon by Seller. The same zoning shall be in effect at the time of Closing.

(i) Reserved.

(j) Business Licenses and Other Approvals. Seller currently conducts a business involving maintenance and rental of multifamily housing units. Prior to Closing, Purchaser shall have obtained assurances that Purchaser deems to be adequate that all required business licenses and other necessary approvals for the operation of the Business in its current location will be able to be obtained by Purchaser.

Purchaser may waive any conditions specified in this Section 6 if Purchaser executes a writing so stating at or prior to Closing.

8. Conditions to the Obligations of Seller. The obligations of Seller to consummate the transactions herein contemplated are subject to the satisfaction on or before the Closing Date of the following conditions:

(a) Truth of Representations and Warranties. The representations and warranties of Purchaser contained in this Agreement and in any exhibit or other document delivered pursuant hereto shall be true and correct on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date, and Seller shall have received certificates to this effect dated the Closing Date and signed by Purchaser.

(b) Performance of Agreements. Each agreement of Purchaser to be performed on or before the Closing Date pursuant to the terms hereof or as contemplated herein shall have been duly performed, and Seller shall have received certificates to this effect dated the Closing Date and signed by Purchaser.

Seller may waive any conditions specified in this Section 7 if Seller executes a writing so stating at or prior to Closing.

9. The Closing.

(a) The closing (the "Closing") under this Agreement shall be held on December 31, 2023 at 11:00 AM (the "Closing Date") or such other date and time as Seller and Purchaser may mutually agree, at the offices of Edward M. Burns II, PC, 2611 W. Main St., Ste 5, Waynesboro, Virginia 22980, or at such other place as the parties may mutually agree.

(b) At the Closing, Seller shall deliver or cause to be delivered to Purchaser general warranty deeds, bills of sale, assignments, or other instruments of transfer or conveyance necessary to vest in Purchaser good and marketable title to the Acquired Assets, any lease assignments, any required third consents of third parties, the accounts receivable listing referred to in Section 1 hereof, and all other instruments and documents required to be delivered by Seller under this Agreement.

(c) At the Closing, Purchaser shall pay and deliver to Seller the Purchase Price in the amount and form specified hereinbefore in Section 1(c) and shall deliver all other instruments and documents required to be delivered by Purchaser under this Agreement.

9. Termination. This Agreement may be terminated:

- (a) By mutual consent of the parties at any time before Closing;
- (b) Reserved.

(c) Purchaser may terminate this Agreement prior to Closing by giving written notice to Seller as follows:

i. In the event Seller has breached any material representation, warranty, or covenant contained in this Agreement in any material respect, Purchaser has notified Seller of the breach, and the breach has continued without cure for a period of ten (10) business days after notice of the breach; or

ii. If the Closing shall not have occurred on or before August 1, 2023 by reason of the failure of any condition precedent under Section 7 hereof.

(d) Seller may terminate this Agreement prior to closing by giving written notice to Purchaser as follows:

i. In the event Purchaser has breached any material representation, warranty, or covenant contained in this Agreement in any material respect, Seller has notified Purchaser of the breach, and the breach has continued without cure for a period of ten (10) business days after notice of the breach; or

ii. If the Closing shall not have occurred on or before August 1, 2023 by reason of the failure of any condition precedent under Section 8 hereof.

10. Effect of Termination. If any party terminates this Agreement pursuant to Section 9 above, all rights and obligations of the parties hereunder shall terminate without any liability of any party to any other party (except for any liability of any party then in breach).

11. Benefits. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their assigns and successors in interest.

12. Notices. Any notice or other communication required or permitted hereunder shall be sufficiently given if sent by certified mail, postage prepaid, addressed as follows:

(a) If to Purchaser, addressed as follows:

Fairfax Hall II LLC
Attn: Kimberly D. Byrd, Executive Vice President/CEO
1700 New Hope Rd.
Waynesboro, Virginia 22980

with copies to:

Edward M. Burns, II, Esq.
2611 West Main Street
Suite 5
Waynesboro, Virginia 22980

(b) If to Seller, addressed as follows:

Fairfax Hall Limited Partnership, L.P.
Attn: Kimberly D. Byrd, Executive Vice President/CEO
1700 New Hope Rd.
Waynesboro, Virginia 22980

with copies to:

Edward M. Burns, II, Esq.
2611 West Main Street
Suite 5
Waynesboro, Virginia 22980

(c) Any such notice or communication shall be deemed to have been given as of the date so mailed.

13. Entire Agreement. The exhibits hereto and the certificates and other documents to be furnished in connection herewith are an integral part of this Agreement. All understandings and agreements between the parties are merged into this Agreement which fully and completely expresses their agreements and supersedes any prior agreement or understanding relating to the subject matter, and no party has made any representations or warranties, express or implied, not herein expressly set forth. This Agreement shall not be changed or terminated except by written amendment signed by the parties hereto.

14. Governing Law. This Agreement and the agreements contemplated hereby shall be construed in accordance with and governed by the laws of the Commonwealth of Virginia.

15. Counterparts. This Agreement may be executed in several counterparts, all of which taken together shall constitute one instrument.

16. Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Agreement which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Agreement. If any agreement or obligation contained in this Agreement is held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the respective party hereto only to the extent permitted by law.

Fairfax Ventures, Incorporated is the sole Limited Partner of Seller and has executed this Agreement solely to evidence its consent to the transaction described herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above mentioned.

PURCHASER

Fairfax Hall II LLC, a Virginia Limited Liability Company

By:

Fairfax Hall II Management, LLC
A Virginia Limited Liability Company
Sole Managing Member

By:

South River Development Corporation,
A Virginia non-stock corporation
Sole Member

By: M. A. Everly Maupin (SEAL)
M. A. Everly Maupin, President

SELLER

Fairfax Hall Limited Partnership, L.P., a Virginia Limited Partnership

By:

Fairfax Hall LLC
General Partner

By:

South River Development Corporation,
A Virginia non-stock corporation
Sole Member

By: M. A. Everly Maupin (SEAL)
M. A. Everly Maupin, President

LIMITED PARTER

Fairfax Ventures, Incorporated
A Virginia non-stock corporation

By: M. A. Everly Maupin (SEAL)
M. A. Everly Maupin, President

EXHIBITS

- A. Legal Description
- B. General Warranty Deed
- C. Tenant Attornment Agreement

SCHEDULES

- 1 List of Leases
- 3(j) Material contracts, notes, leases, obligations, etc. not terminable on 30 days notice or which involve termination exposure in excess of \$1,000.
- 3(m) Description of any pending or threatened material litigation, claim, proceeding or investigation, and a description of any known grounds for any such suit, action, claim, dispute, investigation or other proceeding.
- 3(o) Listing of all liens, charges or encumbrances on all assets or properties of Seller.
- 3(p) Description of all leases under which Seller holds real or personal property, and description of any liens or encumbrances on such leasehold interest.

EXHIBIT A

Fairfax Hall Apartments

Legal Description

All of that certain tract or parcel of real estate, together with all buildings and improvements thereon, located in the City of Waynesboro, Virginia, and being shown and designated as Lot 2A containing 2.981 acres on a "Waiver of Subdivision Plat, Fairfax Hall Property, Waynesboro, Virginia," dated February 3, 1998, made by Thomas E. Shumate, Surveyor, which plat is of record in the Clerk's Office of the Circuit Court of the City of Waynesboro, Virginia, in Plat Book 5, page 196.

Together with the following easements which shall run with and be appurtenant to Lot 2A:

1. D Street Access Easement. An exclusive easement or right-of-way extending in a northwesterly and then northerly direction from the northern boundary of Lot 2A to D Street and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761; and
2. Front Driveway Easement. The non-exclusive right to use a portion of the existing paved driveway lying on both sides of that part of the southern boundary of Lot 2A which is shown on the Plat and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761.

Being the same parcel of real estate acquired by Fairfax Hall Limited Partnership, a Virginia Land Partnership, by deed of Wesley R. Meeteer and Alice K. Meeteer, husband and wife, and Robert L. Stover, Jr. and Betty Jo Stover, husband and wife, and the City of Waynesboro, Virginia, a political subdivision of the Commonwealth of Virginia, dated November 10, 1998, or record in the aforesaid Clerk's Office in Deed Book 256, page 761.

EXHIBIT B

PIN No. 163163 Actual Price and Consideration
Tax Map No. 47-2-2A \$3,300.000
This document was prepared by
Edward M. Burns, II, P. C.
VA State Bar No. 14566

THIS DEED, made this ____ day of _____ 202_, by
FAIRFAX HALL LIMITED PARTNERSHIP, L.P., a Virginia Limited
Partnership, party of the first part ("Grantor"), and **FAIRFAX
HALL II LLC**, a Virginia Limited Liability Company, party of the
second part ("Grantee"), whose address is 1700 New Hope Rd.,
Waynesboro, Virginia 22980.

*** W I T N E S S E T H ***

Pursuant to that certain Purchase And Sale Agreement dated March 1,2022, by and
between the Grantor herein and the Grantee herein ("Purchase Agreement"), and for good and
valuable consideration, the receipt and sufficiency of which consideration is hereby
acknowledged, Fairfax Hall Limited Partnership, L.P., a Virginia Limited Partnership, Grantor,
party of the first part, does hereby grant and convey with GENERAL WARRANTY AND
ENGLISH COVENANTS OF TITLE to Fairfax Hall II LLC, a Virginia Limited Liability
Company, Grantee, party of the second part, the following described real estate, to-wit:

All that certain tract or parcel of land, shown and designated as Lot 2A containing
2.981 Acres, on a Waiver of Subdivision Plat recorded in Plat Book 5, page 196,
in the Office of the Clerk of the Circuit Court of the City of Waynesboro,
Virginia, together with all improvements thereon and all easements described

therein and other appurtenances thereunto belonging, and being more particularly identified and described on Exhibit A attached hereto and recorded herewith, which real estate is sometimes commonly referred to as Fairfax Hall Apartments;

Being a portion of the same real estate conveyed to Fairfax Hall Limited Partnership, L.P., a Virginia Limited Partnership, by Deed from Wesley J. Meeteer and Alice K. Meeteer, husband and wife, and Robert L. Stover, Jr. and Betty Jo Stover, husband and wife, dated November 10, 1998, recorded in the Clerk's Office of the Circuit Court for the City of Waynesboro, Virginia, in Deed Book 256, at page 761, reference to which is here made for a more complete description as well as derivation of title.

This conveyance is also made and accepted expressly subject to the terms and conditions of VHDA Regulatory Agreement Multi-Family Rental Housing Development dated August 30, 2001, recorded as Instrument No. 010002286 in the aforesaid Clerk's Office (the "Regulatory Agreement").

Sometimes herein the Deed of Trust and the Regulatory Agreement are referred to collectively as the Obligations.

An Extended Use Regulatory Agreement and Declaration of Restrictive Covenants dated _____, 202_ from Grantee in favor of Virginia Housing Development Authority is being recorded immediately after this instrument (the "New Regulatory Agreement").

This conveyance is further made subject to all other obligations of the Grantee under the Purchase Agreement, and to any other conditions, restrictions, and easements of record to the extent that they may be applicable to the property herein conveyed.

IN WITNESS WHEREOF this instrument has been executed below on behalf of Fairfax Hall Limited Partnership, L.P. by Fairfax Hall LLC, its sole General Partner. This instrument has also been executed on behalf of Fairfax Ventures, Inc., as Limited Partner, to evidence its consent to the conveyance set forth above as the sole Limited Partner of Fairfax Hall Limited Partnership, L.P.

FAIRFAX HALL LIMITED
PARTNERSHIP, L.P.,
a Virginia Limited Partnership

By: FAIRFAX HALL LLC,
A Virginia Limited Liability Company
Corporation,
Its General Partner

BY:
South River Development Corporation,
A Virginia non-stock corporation
Sole Member

BY:  (SEAL)
M.A. Everly Maupin, President

COMMONWEALTH OF VIRGINIA, AT LARGE,
CITY OF WAYNEBORO, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid on behalf of Fairfax Hall Limited Partnership, L.P., a Virginia Limited Partnership, by M. A. Everly, President of South River Development Corporation, Inc., sole member of Fairfax Hall LLC, which is the General Partner of Fairfax Hall Limited Partnership, L.P., on this the 1 day of March 2022.

Teresa G. Fitzgerald
Notary Public

Registration Number: 7509702

My commission expires: July 31, 2023

FAIRFAX VENTURES, INC.
a Virginia non-stock corporation

By:  (SEAL)
M.A. Everly Maupin, President

COMMONWEALTH OF VIRGINIA, AT LARGE,
CITY/COUNTY OF Waynesboro, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid on behalf of Fairfax Ventures, Inc. L.P., a a Virginia non-stock Corporation, on this the 1 day of March. 20122.

Teresa G. Fitzgerald
Notary Public
Registration Number: 7509702
My comm.expires: July 31, 2023

LEGAL DESCRIPTION- Exhibit A

All of that certain tract or parcel of real estate, together with all buildings and improvements thereon, located in the City of Waynesboro, Virginia, and being shown and designated as Lot 2A containing 2.981 acres on a "Waiver of Subdivision Plat, Fairfax Hall Property, Waynesboro, Virginia," dated February 3, 1998, made by Thomas E. Shumate, Surveyor, which plat is of record in the Clerk's Office of the Circuit Court of the City of Waynesboro, Virginia, in Plat Book 5, page 196.

Together with the following easements which shall run with and be appurtenant to Lot 2A:

3. D Street Access Easement. An exclusive easement or right-of-way extending in a northwesterly and then northerly direction from the northern boundary of Lot 2A to D Street and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761; and
4. Front Driveway Easement. The non-exclusive right to use a portion of the existing paved driveway lying on both sides of that part of the southern boundary of Lot 2A which is shown on the Plat and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761.

Being the same parcel of real estate acquired by Fairfax Hall Limited Partnership, a Virginia Land Partnership, by deed of Wesley R. Meeteer and Alice K. Meeteer, husband and wife, and Robert L. Stover, Jr. and Betty Jo Stover, husband and wife, and the City of Waynesboro, Virginia, a political subdivision of the Commonwealth of Virginia, dated November 10, 1998, or record in the aforesaid Clerk's Office in Deed Book 256, page 761.

RE: Fairfax Hall. Deed from FRHLP to FH I LLC. .22

EXHIBIT C
Tenant Attornment Agreement

To be supplied

SCHEDULE 1-List of Leases

Attached

SCHEDULE 2(j)-Material Contracts, etc

List and copies delivered to Purchaser

Schedule 3(m)-Pending/Threatened Litigation

NONE

SCHEDULE 3(o) Listing of Liens and Encumbrances

To be supplied with title search report and title insurance commitment

SCHEDULE 3(p)-Description of Leases

List and copies delivered to Purchaser

LEGAL DESCRIPTION- Exhibit A

All of that certain tract or parcel of real estate, together with all buildings and improvements thereon, located in the City of Waynesboro, Virginia, and being shown and designated as Lot 2A containing 2.981 acres on a "Waiver of Subdivision Plat, Fairfax Hall Property, Waynesboro, Virginia," dated February 3, 1998, made by Thomas E. Shumate, Surveyor, which plat is of record in the Clerk's Office of the Circuit Court of the City of Waynesboro, Virginia, in Plat Book 5, page 196.

Together with the following easements which shall run with and be appurtenant to Lot 2A:

3. D Street Access Easement. An exclusive easement or right-of-way extending in a northwesterly and then northerly direction from the northern boundary of Lot 2A to D Street and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761; and
4. Front Driveway Easement. The non-exclusive right to use a portion of the existing paved driveway lying on both sides of that part of the southern boundary of Lot 2A which is shown on the Plat and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761.

Being the same parcel of real estate acquired by Fairfax Hall Limited Partnership, a Virginia Land Partnership, by deed of Wesley R. Meeteer and Alice K. Meeteer, husband and wife, and Robert L. Stover, Jr. and Betty Jo Stover, husband and wife, and the City of Waynesboro, Virginia, a political subdivision of the Commonwealth of Virginia, dated November 10, 1998, or record in the aforesaid Clerk's Office in Deed Book 256, page 761.



REAL ESTATE ASSESSMENT OFFICE
 116B South Wayne Avenue
 Waynesboro VA 22980

Phone: (540) 942-6722

Hours: Monday - Friday
 8am - 5pm



THIS IS NOT A BILL

*006567/1--S 21--B 1

Mailing Date: February 3, 2023

Account Number: 163163

Property Address: 1101 RESERVOIR ST
 WAYNESBORO VA 22980



FAIRFAX HALL LTD PARTNERSHIP
 PO BOX 1844
 WAYNESBORO VA 22980-7516

WARD A

Notice of 2023 Real Estate Reassessment

	Land	Buildings	Total	Tax Rate	Tax Amount	Percent Change
2023	397,500	2,523,400	2,920,900	*.90	26,288.10	6.53%
2022	270,000	2,471,800	2,741,800	.90	24,676.20	0.00%
2021	270,000	2,471,800	2,741,800	.90	24,676.20	

- *The 2023 tax rate has not yet been established. The tax amount currently shown for 2023 is based on the 2022 tax rate.
- Land Use, Tax Relief for the Elderly, and Veteran's Exemptions are not reflected in the tax amounts above.

Possible Relief

If you were 65 or older or permanently disabled as of January 1, 2023, and meet certain income and net worth requirements, you may qualify for tax relief. If you are a Veteran and have a 100% service-connected, permanent and total disability, you also may qualify for tax relief. For information on either of these programs, please contact the Commissioner of Revenue's office at (540) 942-6610.

Your Right to Appeal

As a taxpayer, you have the right to appeal your property tax assessment. There are three levels of appeals: **Administrative, Board of Equalization, and Circuit Court**. In order to appeal to Circuit Court, you must first have appealed to the Board of Equalization.

Please note: Under state law, neither financial impact nor the rate of value change is, by itself, sufficient grounds for appeal. As required, the City's assessment is an estimate of fair market value as of January 1, 2023. We welcome appeals based on issues such as factual discrepancies or demonstrable issues of uniformity or fair market value.

Administrative Appeals and Deadlines

Administrative hearings are by appointment, and will be held: **February 6 – March 3, 2023**. Please call prior to February 24, 2023, to schedule an appointment. Written appeals are also welcome, but must reach our office no later than 5pm, March 3, 2023. A form for written appeals can be found on our website. Emailed appeals may be sent to: Assessor@ci.waynesboro.va.us and those mailed, to: Assessor's Office, 116B S Wayne Ave, Waynesboro VA 22980.

Board of Equalization

Applications to appeal to the Board of Equalization will be accepted **March 15 – April 14, 2023**. BOE applications will be available on our website or in our office. All BOE applications must reach our office no later than 5pm, April 14, 2023.

Please see the back of this notice for important information.

Information About Reassessment

State law requires all real property be assessed at 100% fair market value (Virginia Code §58.1-3201). The last general reassessment in the City of Waynesboro was effective January 1, 2021. The current reassessment reflects the present market value of your property. Every effort has been made to assess your property on a fair and equitable basis.

All property appraisal cards, except those containing information made confidential by §58.1-3, are available for your review after the change of assessment notice is mailed. You have a right to review and make copies of records maintained by our office pursuant to §58.1-3331 and §58.1-3332. The City Assessor's Office is open Monday – Friday from 8:00 am to 5:00 pm.

Assessment information is available on our website at: <https://www.waynesboro.va.us/158/Real-Estate-Assessor>

Public Hearing on Tax Rates

The date of the Public Hearing for the establishment of the 2023 real estate tax rate has not been set at this time. Notice for the actual date of the public hearing will be advertised in [The News Virginian](#).

Forwarding of Notices

Section §58.1-3330 of the Code of Virginia provides that any person other than the owner who receives such assessment notice, shall transmit the notice to such owner, at their last known address, immediately on the receipt thereof. (If not known, please return to this office.)

Tab F:

RESNET Rater Certification (MANDATORY)

RESNET Rater Certification of Development Plans

Deal Name _____

Deal Address _____

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

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

In addition provide HERS rating documentation as specified in the manual

_____ **New Construction** – EnergyStar Certification

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

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

Or Must evidence a HERS Index of 80 or better

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

_____ **Adaptive Reuse** – Must evidence a HERS Index of 95 or better.

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

Additional Optional Certifications

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

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

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

Final RESNET Rate: Certification of Development

I certify that the development incorporates all items for the required baseline energy performance as indicated in Virginia’s Qualified Allocation Plan (QAP).

I certify that the energy data entered into any system was not entered in by another party.

I certify the development has obtained the measurement as indicated below.

In addition provide HERS rating documentation as specified in the manual

_____ **New Construction** – EnergyStar Certification

The development's design meets the criteria for the EnergyStar certification.

_____ **Rehabilitation** – 30% performance increase over existing, based on HERS Index;
Or Must evidence a HERS Index of 80 or better.

Beginning HERS rating _____

Final HERS rating _____

_____ **Adaptive Reuse** – Must evidence a HERS Index of 95 or better.

Additional Optional Certifications

I certify the development has met all the requirements of the certification chosen below and all data was not entered or submitted by another party.

_____ **Earthcraft Certification:** The development’s has obtained the EarthCraft Certification of _____ (level).

_____ **LEED Certification:** The development has obtained the Green Building Council LEED certification. _____ (level)

_____ **National Green Building Standard (NGBS):** The development has been certified to the NGBS standards and received certification.

_____ **Enterprise Green Communities:** The development has been certified as an Enterprise Green Community. _____ (level)

Date: _____ Printed Name _____

Printed Name _____
RESNET Rater

Signature _____

My notary seal is affixed below: Signature _____

Notary Public _____ The foregoing instrument was acknowledged
My commission expires _____ before me this ____ day of _____, 20 ____
My notary registration number is _____ by _____.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2023-03-12

Registry ID:

Ekotrope ID: VdGr9xDL

HERS® Index Score:

73

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

Annual Savings

\$320

*Relative to an average U.S. home

Home:

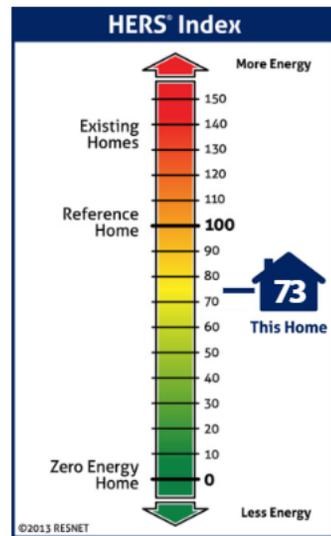
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.6	\$153
Cooling	0.9	\$31
Hot Water	4.0	\$123
Lights/Appliances	9.0	\$302
Service Charges		\$308
Generation (e.g. Solar)	0.0	\$0
Total:	18.5	\$917

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Studio (Basement Level) -Unit 022 Studio - HIEE
Community:	N/A
Conditioned Floor Area:	435 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.6 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	7 ACH50
Ventilation:	50 CFM • 17.5 Watts (Default)
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-11
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.65, SHGC: 0.72
Foundation Walls:	N/A
Framed Floor:	R-19

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 3LM46b52

HERS® Index Score:

134

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

Annual Savings

\$170

*Relative to an average U.S. home

Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	12.5	\$407
Cooling	1.8	\$62
Hot Water	5.3	\$175
Lights/Appliances	9.4	\$311
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	29.0	\$1,034

This home meets or exceeds the criteria of the following:

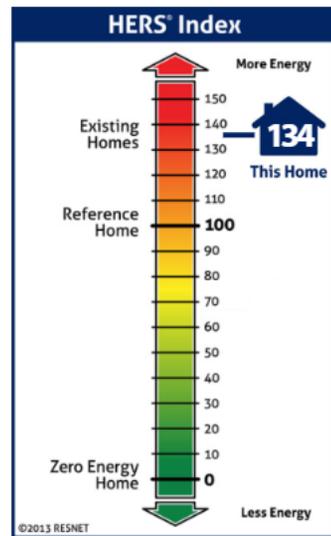
Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Studio (Basement Level) -Unit 022 Studio - Pre-reno
Community:	N/A
Conditioned Floor Area:	435 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.7 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	1665 CFM50 (23.55 ACH50)
Ventilation:	None
Duct Leakage to Outside:	302 CFM @ 25Pa (69.43 / 100 ft ²)
Above Grade Walls:	R-11
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.9, SHGC: 0.65
Foundation Walls:	N/A
Framed Floor:	R-19

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2023-03-12

Registry ID:

Ekotrope ID: 123IM0oL

HERS® Index Score:

74

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

Annual Savings

\$385

*Relative to an average U.S. home

Home:

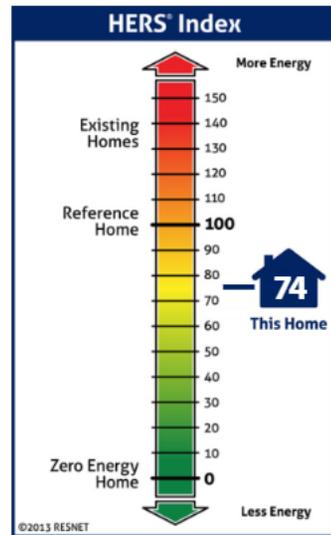
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.6	\$222
Cooling	1.2	\$40
Hot Water	3.9	\$120
Lights/Appliances	9.7	\$326
Service Charges		\$289
Generation (e.g. Solar)	0.0	\$0
Total:	21.5	\$997

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	1BR (Basement Level) -Unit 024 1 BR - HIEE
Community:	N/A
Conditioned Floor Area:	611 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.6 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	7 ACH50
Ventilation:	50 CFM • 17.5 Watts (Default)
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-11
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.65, SHGC: 0.72
Foundation Walls:	N/A
Framed Floor:	R-19

Rating Completed by:

Energy Rater: Stacey Smith

RESNET ID: 2279319

Rating Company: Viridiant

1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant

1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater

Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: yLOG6MJ2

HERS® Index Score:

140

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

Annual Savings

\$142

*Relative to an average U.S. home

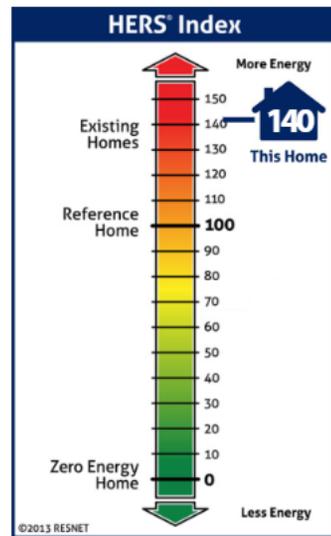
Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	18.2	\$579
Cooling	2.2	\$75
Hot Water	5.0	\$164
Lights/Appliances	9.4	\$308
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	34.9	\$1,206

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	1BR (Basement Level) - Unit 024 1 BR - preren0
Community:	N/A
Conditioned Floor Area:	611 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.7 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	2019 CFM50 (20.33 ACH50)
Ventilation:	None
Duct Leakage to Outside:	302 CFM @ 25Pa (49.43 / 100 ft ²)
Above Grade Walls:	R-11
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.9, SHGC: 0.65
Foundation Walls:	N/A
Framed Floor:	R-19

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 7d1J001v

HERS® Index Score:

70

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

Annual Savings

\$346

*Relative to an average U.S. home

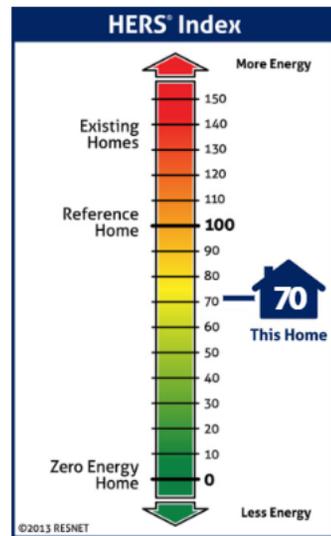
Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.9	\$197
Cooling	1.1	\$36
Hot Water	3.8	\$116
Lights/Appliances	10.0	\$335
Service Charges		\$308
Generation (e.g. Solar)	0.0	\$0
Total:	20.7	\$993

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	1 BR 1st Flr. - Unit 122 1 BR - HIEE
Community:	N/A
Conditioned Floor Area:	645 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 10.6 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 22.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	7 ACH50
Ventilation:	50 CFM • 17.5 Watts (Default)
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.65, SHGC: 0.72
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: VdGlXokv

HERS® Index Score:

129

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

Annual Savings

\$136

*Relative to an average U.S. home

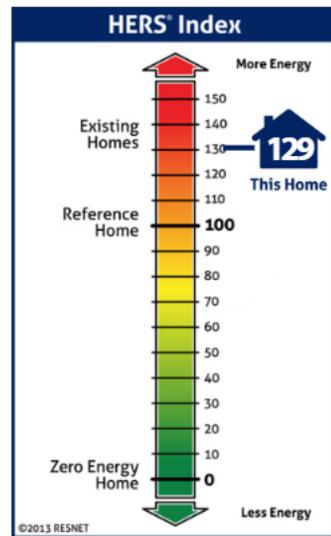
Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	14.9	\$479
Cooling	2.3	\$75
Hot Water	5.8	\$191
Lights/Appliances	10.0	\$329
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	33.0	\$1,153

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	1 BR 1st Flr.- Unit 122 1 BR- prereno
Community:	N/A
Conditioned Floor Area:	645 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.7 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	2689 CFM50 (16.68 ACH50)
Ventilation:	None
Duct Leakage to Outside:	10 CFM @ 25Pa (1.55 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.9, SHGC: 0.65
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2023-03-12

Registry ID:

Ekotrope ID: AvjRjX6v

HERS® Index Score:

62

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

Annual Savings

\$495

*Relative to an average U.S. home

Home:

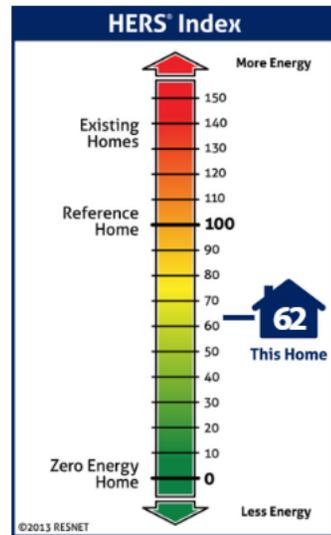
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.6	\$188
Cooling	1.2	\$39
Hot Water	3.9	\$121
Lights/Appliances	10.8	\$363
Service Charges		\$308
Generation (e.g. Solar)	0.0	\$0
Total:	21.5	\$1,019

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Unit 126 1 BR - HIEE
Community:	N/A
Conditioned Floor Area:	885 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.6 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	7 ACH50
Ventilation:	50 CFM • 17.5 Watts (Default)
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.65, SHGC: 0.72
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith

RESNET ID: 2279319

Rating Company: Viridiant

1431 W. Main Street, Richmond, VA 23220

Rating Provider: Viridiant

1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater

Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: ZdmrKK9v

HERS® Index Score:

103

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

Annual Savings

\$260

*Relative to an average U.S. home

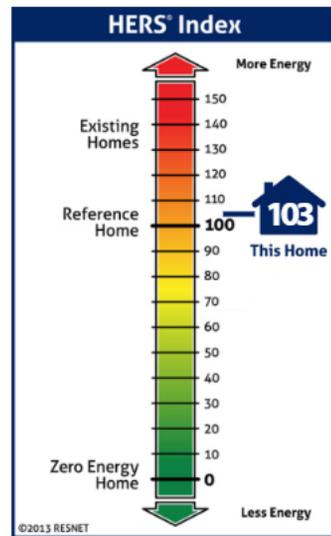
Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	7.7	\$259
Cooling	1.4	\$46
Hot Water	5.8	\$193
Lights/Appliances	9.0	\$301
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	23.9	\$878

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Studio - Unit 128 Studio - prerenno
Community:	N/A
Conditioned Floor Area:	420 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.7 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	1483 CFM50 (14.12 ACH50)
Ventilation:	None
Duct Leakage to Outside:	168 CFM @ 25Pa (40 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.9, SHGC: 0.65
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2023-03-12
Registry ID:
Ekotrope ID: BdNrwWqd

HERS® Index Score:

66

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

Annual Savings

\$368

*Relative to an average U.S. home

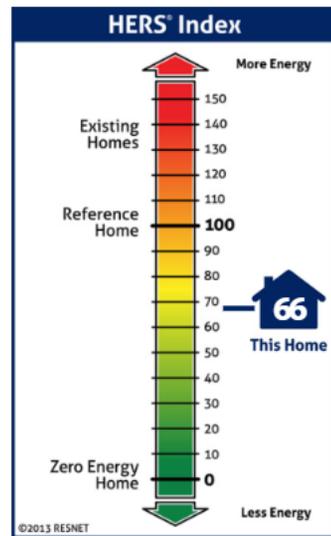
Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.9	\$129
Cooling	1.6	\$54
Hot Water	4.2	\$131
Lights/Appliances	9.7	\$324
Service Charges		\$308
Generation (e.g. Solar)	0.0	\$0
Total:	19.4	\$946

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1 BR 2nd Floor Unit - Unit 228 1 BR Unit - HIEE
Community:	N/A
Conditioned Floor Area:	596 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.6 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	7 ACH50
Ventilation:	50 CFM • 17.5 Watts (Default)
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.65, SHGC: 0.72
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: gdEJN6Mv

HERS® Index Score:

118

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

Annual Savings

\$210

*Relative to an average U.S. home

Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	11.3	\$368
Cooling	3.0	\$101
Hot Water	6.1	\$201
Lights/Appliances	9.7	\$321
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	30.0	\$1,069

This home meets or exceeds the criteria of the following:

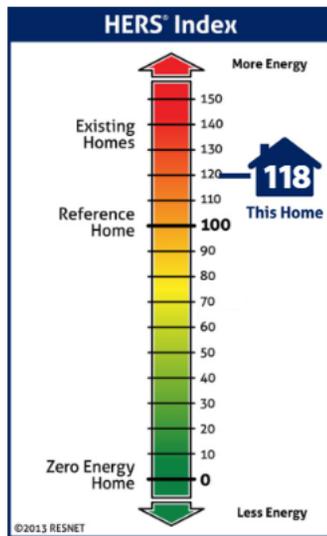
Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1 BR 2nd Floor Unit - Unit 228 1 BR Unit - prereno
Community:	N/A
Conditioned Floor Area:	596 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.7 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	1785 CFM50 (16.59 ACH50)
Ventilation:	None
Duct Leakage to Outside:	144 CFM @ 25Pa (24.16 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.9, SHGC: 0.65
Foundation Walls:	N/A
Framed Floor:	R-0

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2023-03-12

Registry ID:

Ekotrope ID: pdW7wIEd

HERS® Index Score:

55

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

Annual Savings

\$655

*Relative to an average U.S. home

Home:

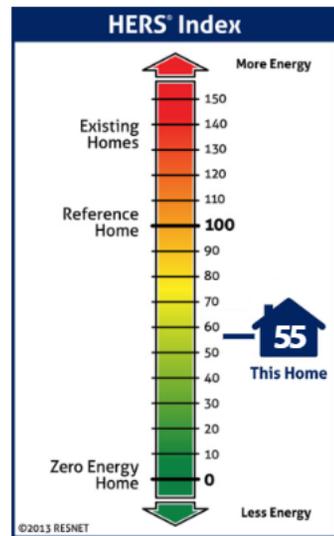
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.1	\$172
Cooling	2.0	\$66
Hot Water	5.4	\$168
Lights/Appliances	11.6	\$388
Service Charges		\$315
Generation (e.g. Solar)	0.0	\$0
Total:	24.1	\$1,110

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	2 BR 2nd Floor Unit - Unit 238 2 BR Unit - HIEE
Community:	N/A
Conditioned Floor Area:	843 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 11 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.6 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	7 ACH50
Ventilation:	50 CFM • 17.5 Watts (Default)
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.36, SHGC: 0.512
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: M28myXRL

HERS® Index Score:

117

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

Annual Savings

\$295

*Relative to an average U.S. home

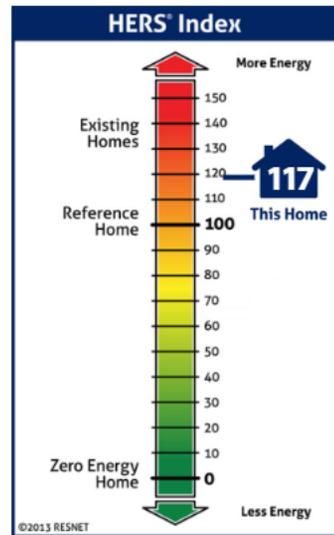
Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	18.3	\$578
Cooling	4.5	\$152
Hot Water	7.4	\$241
Lights/Appliances	11.5	\$377
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	41.8	\$1,426

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	2 BR 2nd Floor Unit - Unit 228 1 BR Unit - prereno
Community:	N/A
Conditioned Floor Area:	843 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 7.7 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	2585 CFM50 (16.99 ACH50)
Ventilation:	None
Duct Leakage to Outside:	148 CFM @ 25Pa (17.56 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.9, SHGC: 0.65
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2023-03-12

Registry ID:

Ekotrope ID: VvnA6wad

HERS® Index Score:

73

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

Annual Savings

\$369

*Relative to an average U.S. home

Home:

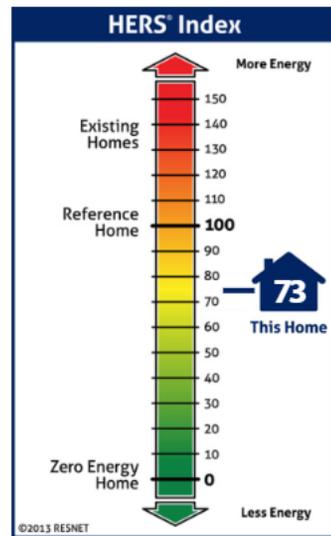
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.1	\$205
Cooling	1.5	\$51
Hot Water	8.3	\$208
Lights/Appliances	9.8	\$327
Service Charges		\$308
Generation (e.g. Solar)	0.0	\$0
Total:	25.7	\$1,100

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1 BR Top Floor Unit -Unit 333 1 BR - HIEE
Community:	N/A
Conditioned Floor Area:	635 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.6 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.88 Energy Factor
House Tightness:	15.2 ACH50
Ventilation:	50 CFM • 17.5 Watts (Default)
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-19
Ceiling:	Attic, R-41
Window Type:	U-Value: 0.65, SHGC: 0.72
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: M28mq|BL

HERS® Index Score:

127

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

Annual Savings

\$126

*Relative to an average U.S. home

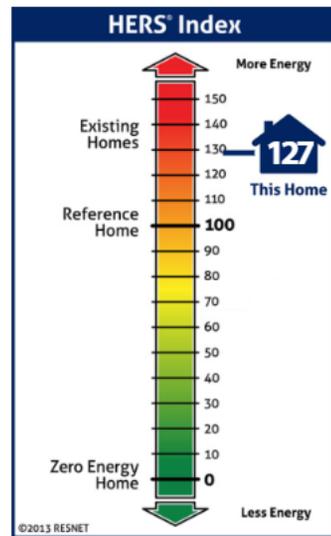
Home:
1101 Reservoir St
Waynesboro, VA 22980

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	17.9	\$564
Cooling	2.8	\$94
Hot Water	7.8	\$255
Lights/Appliances	9.9	\$322
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	38.4	\$1,314

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1 BR Top Floor Unit - Unit 333 1 BR - prereno
Community:	N/A
Conditioned Floor Area:	635 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.7 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.81 Energy Factor
House Tightness:	1440 CFM50 (15.12 ACH50)
Ventilation:	None
Duct Leakage to Outside:	710 CFM @ 25Pa (111.81 / 100 ft ²)
Above Grade Walls:	R-19
Ceiling:	Attic, R-41
Window Type:	U-Value: 0.675, SHGC: 0.65
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279_1

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

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


Stacey Smith, Certified Energy Rater
Digitally signed: 3/14/23 at 9:54 AM



Tab G:

Zoning Certification Letter (MANDATORY)



MICHAEL G HAMP II, CITY MANAGER

hampmg@ci.waynesboro.va.us
503 West Main Street, Suite 210
Waynesboro, VA 22980
(540) 942-6600
(540) 942-6671 FAX

Zoning Certification

Date 2/15/23

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

RE: ZONING CERTIFICATION

Name of Development Fairfax Hall

Name of Owner/Applicant Fairfax Hall II, LLC

Name of Seller/Current Owner Fairfax Hall Limited Partnership

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 Virginia Housing solely for the purpose of determining whether the Development qualifies for credits available under Virginia Housing's Qualified Allocation Plan.

Development Description:

Development Address
1101 Reservoir Street
Waynesboro VA 22980

Legal Description
Please see attached

Proposed Improvements

- New Construction: _____ #Units _____ #Buildings _____ Approx. Total Floor Area Sq. Ft.
- Adaptive Reuse: _____ #Units _____ #Buildings _____ Approx. Total Floor Area Sq. Ft.
- Rehabilitation: 54 #Units 1 #Buildings 57832 Approx. Total Floor Area Sq. Ft.



Current Zoning: _____ 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.

Date 2-15-23

Signature Michael G. Hamp II

Printed Name Michael G. Hamp II

Title of Local Official or Civil Engineer City Manager

Phone 540-942-6600

LEGAL DESCRIPTION- Exhibit A

All of that certain tract or parcel of real estate, together with all buildings and improvements thereon, located in the City of Waynesboro, Virginia, and being shown and designated as Lot 2A containing 2.981 acres on a "Waiver of Subdivision Plat, Fairfax Hall Property, Waynesboro, Virginia," dated February 3, 1998, made by Thomas E. Shumate, Surveyor, which plat is of record in the Clerk's Office of the Circuit Court of the City of Waynesboro, Virginia, in Plat Book 5, page 196.

Together with the following easements which shall run with and be appurtenant to Lot 2A:

3. D Street Access Easement. An exclusive easement or right-of-way extending in a northwesterly and then northerly direction from the northern boundary of Lot 2A to D Street and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761; and
4. Front Driveway Easement. The non-exclusive right to use a portion of the existing paved driveway lying on both sides of that part of the southern boundary of Lot 2A which is shown on the Plat and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761.

Being the same parcel of real estate acquired by Fairfax Hall Limited Partnership, a Virginia Land Partnership, by deed of Wesley R. Meeteer and Alice K. Meeteer, husband and wife, and Robert L. Stover, Jr. and Betty Jo Stover, husband and wife, and the City of Waynesboro, Virginia, a political subdivision of the Commonwealth of Virginia, dated November 10, 1998, or record in the aforesaid Clerk's Office in Deed Book 256, page 761.

Tab H:

Attorney's Opinion (MANDATORY)

March 16, 2023

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

RE: 2023 Tax Credit Reservation Request or 2024 Forward Allocation Tax Credit
Request
Name of Development: Fairfax Hall II
Name of Owner: Fairfax Hall II LLC

Ladies and Gentlemen:

The undersigned firm represents the above-referenced Owner as its tax counsel. It has received a copy of and has reviewed the completed application package dated March 16, 2023 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

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

4. The information set forth in the Unit Details section of the Application as to proposed rents satisfies all applicable requirements of the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.
6. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.
7. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.
8. It is more likely than not that the representations made under the Rehab Info section of the Application as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

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

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

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

Sincerely,

Applegate & Thorne-Thomsen, P.C.

Applegate & Thorne-Thomsen, P.C.

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: The following documents need not be submitted unless requested by Virginia Housing:

- Nonprofit Articles of Incorporation
- IRS Documentation of Nonprofit Status
- Joint Venture Agreement (if applicable)
- For-profit Consulting Agreement (if applicable)



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: Fairfax Hall
- Name of owner/applicant: Fairfax Hall II LLC
- Name of non-profit entity: South River Development Corporation
- Address of principal place of business of non-profit entity:
1700 New Hope Road Waynesboro, VA 22980
- Tax exempt status: 501(c)(3) 501(c)(4) 501(a)
- Date of legal formation of non-profit (must be prior to application deadline); _____
evidenced by the following documentation:
August 1997 Articles of Incorporation of the Waynesboro Housing Corporation and
October 2004 Articles of Amendment to change name to the South River Development Corporation
- Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):
February 2002
- Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):
To construct, develop, acquire, renovate, manage and operate safe and sanitary dwelling accommodations for persons of low income, qualified housing for mentally or physically disabled persons and qualified housing for elderly persons, and to further the economic development of communities, including the elimination of conditions of blight and deterioration and the promotion and assistance of economic and housing opportunities for low income persons, the elderly and/or the disabled in such communities
- 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.)?
13 How many part time, paid staff members? 0

Describe the duties of all staff members:

- Executive Vice President responsible for overall strategic planning and direction of the organization and all development activities
- Vice President of Property Operations responsible for rental compliance and overseeing large scale property maintenance
- Business Manager responsible for Accounts Payable, financial reporting, insurance and financial audits
- Property Managers responsible for collecting rent, managing resident disputes, maintenance referrals, and aiding with eligibility compliance

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

SRDC operates entirely from the proceeds earned from development activities and property management fees.

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

See attached roster

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:

SRDC and the Waynesboro Redevelopment and Housing Authority have overlapping Board Members and the Executive Director of the Waynesboro Redevelopment and Housing Authority serves as the CEO of SRDC.

- 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: SRDC is an affiliate of WRHA and the WRHA Board of Commissioners serve as the Board of Directors of SRDC.

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

Yes No If yes, explain: Please see above.

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: Overlapping Boards and staff.

- 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.

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?

The operating Agreement of the Managing Member specifically names the non-profit as the Managing Member of the Managing Member.

(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? The non-profit purchase option and right of first refusal will be included as and Exhibit to the Amended and Restated Operating 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:

SRDC is the Managing Member of the Managing Member and will be responsible for all day to day decisions regarding the development of the project. SRDC will hire the development team, approve the plans, secure financing, oversee construction and lease-up.

- (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):

SRDC will also serve as the property management agent for the development and will be responsible for the initial and as needed lease-up, will draft the operating budget annually, will provide reports to lenders and investors, will collect rents and pay bills.

- (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:

Executive VP/CEO - 500+ hours overseeing construction decisions; VP of Property Operations - 263 hours tax credit compliance

Business Manager - 363 hours accounts payable, financial reporting and compliance, audits

Property management staff - 1400 hours collecting rents, updating and securing tenant files, resident relations

- 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.

Not applicable

- 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.

- 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.
-
-

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:

Not applicable

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:
The organization is authorized to do business anywhere in the state but to date has concentrated its activities in the
lower Shenandoah Valley, the Alleghany Highlands, and SW Virginia. SRDC works with low income and disabled populations.
- 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:
SRDC is headquartered in Waynesboro and Fairfax Hall was the organization's first LIHTC project in 2000. SRDC has developed and continues to own and operate several other properties in Waynesboro including the 130 unit Mountain View property and several group homes and independent living facilities in collaboration with the Community Services Board.
- 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:
SRDC Board meetings are open to the public

- 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:
The City of Waynesboro has committed \$50,000 to the Fairfax Hall project as well as political support.

- 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:
Property management communicates with residents and neighbors on a continuous basis about the proposed project.

- 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:
SRDC Board meetings are held at the same time as Waynesboro Redevelopment and Housing Authority Board meetings and are open to the public.
- 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: SRDC is an affiliate of the Waynesboro Redevelopment and Housing Authority which is a political subdivision of the Commonwealth, but is considered a unit of local government.
- 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).
Fairfax Hall - 1998 - awarded and placed in service 2000.
Mountain Crest - 2005 - awarded and placed in service 2007
Mountain View - 2010 - awarded and placed in service 2012
Alleghany Apartments 2016 and 2017 - awarded but voluntarily canceled and returned to VHD in 2020
- To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? Yes No
awarded in 1998 initial compliance period ended 2015
- 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

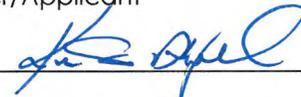
Documentation of any of the above need not be submitted unless requested by VHDA

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.

2-14-2022
Date

Fairfax Hall II LLC

Owner/Applicant

By:  **Kimberly Byrd**

Its: Executive Vice President/CEO

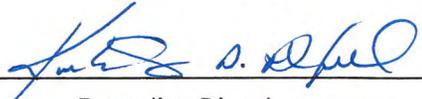
Title

South River Development Corporation

Non-profit

2-14-2022
Date

By: 
Board Chairman

By: 
Executive Director

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

RELOCATION PLAN

Fairfax Hall

**1101 Reservoir Street
Waynesboro, VA**

April 2021

South River Development Corporation
1700 New Hope Road
Waynesboro, VA 22980

1.1 Purpose of this Plan

The objective of this Relocation Plan (“Plan”) is to outline the relocation/non-displacement policy for the South River Development Corporation (SRDC). These requirements and policies are to be followed when relocating or displacing persons for a project or program with federal HUD or other financial assistance, including, but not limited to Virginia Housing Development Authority (“VHDA”) and the Virginia Department of Housing and Community Development (DHCD). In order to provide a resource for residents and practitioners, policies and procedures are cited in this Plan.

The SRDC understands that requested action is subject to the relocation requirements of 24 CFR Part 970 and Chapter 8, Section 110 of HUD Handbook 1378.

If there is any possibility that residents will be relocated because of acquisition, demolition, or rehabilitation for this project, the SRDC must undertake a planning process in conformance with the federal Uniform Relocation Act to minimize the adverse impacts of relocation.

Good recordkeeping, including a record of contacts with affected residents, is necessary to carry out the policies in an effective manner that maintains continuity, regardless of staff turnover.

1.2 Principles for Relocation

As SRDC moves forward with plans to rebuild or renovate any of its affordable housing communities, it is committed to minimizing the disruption experienced by existing residents who will be required to relocate during the redevelopment process. Most low-income residents have already experienced extensive housing instability in their lives as it is, so relocation for redevelopment must be planned carefully and implemented with the residents’ best interests in mind.

Displacing residents from their homes and communities is almost always disruptive in the short term, but SRDC’s goal is to implement a model relocation process that not only guarantees that no resident will become homeless as a result of relocation, but actually results in improved long-term housing stability for each affected household. Toward that end, SRDC’s resident relocation efforts shall be carried out in accordance with four key principles:

1. SRDC will be transparent, inclusive and proactive in communicating with residents about the timetable and process for redevelopment and relocation. No residents will be blindsided by the changes that are coming to their neighborhood and to their own housing situation.
2. Well in advance of any relocation, SRDC will engage with the residents of each household to develop an individually-tailored Relocation and Housing Stability Plan for that household, based on its own unique needs and aspirations. The goal of this assessment is to identify the best possible short- and long-term housing outcomes for each resident, and to spell out the steps needed to accomplish those outcomes. Replacement housing shall be comparable or superior in quality and characteristics to the housing the resident is leaving behind, and must not leave any household cost-burdened.
3. SRDC will provide substantial wrap-around services and support to each household in carrying out its Relocation and Housing Stability Plan - and not just the minimum level of assistance that's required by federal or state code, such as the Uniform Relocation Act. SRDC will cover 100% of the moving costs for each displaced household and provide hands-on assistance to residents in easing the transition to and from their new home.
4. Any temporary relocation will be minimal in impact and duration. Furthermore, all residents who wish to return to their former neighborhood once the renovation or rebuilding work is completed will have the right to do so.
5. To the extent feasible, SRDC will follow a "build first, move once" philosophy in construction planning to minimize displacement.

With these provisions and protections in place, relocation can be transformed from a typically destabilizing process to one that helps each resident make a smooth transition to a more stable and higher-quality housing future (see **Exhibit B** for the full Principles for Relocation).

From the SRDC's perspective, the following elements must also be considered when planning for relocation of residents:

- Minimize displacement
- Budgetary implications - necessary funds are needed to carry out the relocation process
- Coordination of the project - necessary staffing and inter-agency coordination must be planned to coordinate activities and facilitate a resident's move
- Determine resource needs - staffing, training, capacity building and other considerations must be planned for early on.

- Administrative requirements - must adhere to HUD and other regulatory regulations. In addition, this process must follow requirements of the Fair Housing Act to provide reasonable accommodations for disabled individuals and their special needs.

2.0 PROJECT DESCRIPTION

Due to the limited availability of affordable “decent, safe, and sanitary” housing in the City of Waynesboro, the strategy of minimizing the temporary relocation of residents is the primary goal. The renovation of the existing Fairfax Hall building will proceed in phases or floor-by-floor in order to minimize the relocation of residents. The intent of renovation in phases is to focus on the temporary relocation of those residents in the first phase of construction who choose to return to Fairfax Hall, and to move residents in subsequent phases only once whenever possible.

2.2 The Fairfax Hall Project

Project Site	Project Description and Proposed Timeframe	Proposed Units					
		Total	0-BR	1-BR	2-BR	3-BR	4-BR
Fairfax Hall 1101 Reservoir Street	Renovation of existing units	54	3	48	3	0	0

Fairfax Hall, built in 1890, and converted to affordable housing in 2002, is a 54-unit, three-story building housing primarily disabled and senior residents. (See **EXHIBIT C** for a location map of the property).

The renovation of Fairfax Hall consists of the renovation of 54 apartment units, community and office spaces and miscellaneous site and exterior building improvements. The scope of the interior work includes, but is not limited to: new handicap apartment unit layouts, finishes, plumbing fixtures, electrical light fixtures, mechanical systems, elevator modernization, and new appliances.

The project is anticipated to phase renovation floor-by-floor, rather than a section or building tower.

The estimated start date of construction is January 2023 with estimated completion in March 2024. The estimated timeframes of each phase are as follows:

Phase 1: January 2023 - July 2023

Phase 2: July 2023 - October 2023

Phase 3: October 2023 - December 2023

Phase 4: December 2023 - March 2024

2.3 Measures to Minimize Construction Impact

The goal of a phased construction schedule is to minimize or eliminate the impact of the construction process on the residents while ensuring the delivery of a high quality product. The phasing plan for the Fairfax Hall renovation is broken down into four phases of work, based on the floor-by-floor renovation of the building. The construction of each phase is estimated to occur in a range in time around ten weeks. The total construction process is slated for 15 months assuming there are no unforeseen conditions or owner directed changes that would impact this timeframe.

The anticipated construction start date is January 2023, provided that relocation of residents in Phase 1 is completed. The remaining floors can remain occupied during construction. The following precautionary measures, as required by OSHA (Occupational Safety and Health Administration), will be set in place to insure the safety of residents remaining in Fairfax Hall during construction:

- Create construction barricades that separate residents from construction workers and their work
- Insure the proper signage is posted throughout the building notifying residents of work zones and areas where work is taking place
- Utilize an OSHA approved air monitoring control device during all phases of construction
- Utilize negative air pressure machines as required to control air quality within and outside work zones
- Insure all workers are wearing the proper personal protective equipment when working within the construction work zone so that residents can easily identify the construction workers
- All construction trades will utilize the west staircase during Phase 1 construction operations
- Use of the passenger elevator (for minor deliveries only) will be coordinated with property management as needed to insure there's minimal impact to residents
- All debris will be removed via an attached building chute system provided in each phase
- There will be no instances where heavy construction debris will be near residents or in common area.
- Air monitoring machines will be placed within corridors to insure normal levels are maintained throughout construction

- Weekly owners, tenant, and subcontractor meetings will be held to insure safety and quality compliance has been and continues to be met
- Residents will be given notice about upcoming loud noises and other disturbances.
- Work shall not begin until 8am, and will cease at 7pm unless otherwise announced, with at least 2 days notice or if there is an emergency.
- The lounge area will be part of the first renovation to provide an area for residents to go to escape any noise.

3.0 PROPERTY AND HOUSEHOLD SUMMARY

The following table provides the current demographics (HOH) by site within the Fairfax Hall as of April 2021:

Site	Elderly	Disabled	Non-Disabled	Totals
Fairfax Hall	48	41	6	54

4.0 THE RELOCATION PROGRAM

4.1 Assessment of Impacted Residents and Relocation Needs

Information necessary for the preparation of this Plan will be obtained through workshops and personal interviews conducted with the residents of Fairfax Hall. Inquiries will be made of affected residents through one-on-one interviews as well as group workshops conducted by SRDC staff. These inquiries will include household size and composition, income, monthly rent obligation, length of occupancy, ethnicity, home language, disabilities/health problems, transportation needs, pets, legal presence status, and general information regarding the resident's attitudes towards the redevelopment of their community and their desire to either remain within the community or relocate to a different development. Needs that are identified through this survey will guide relocation planning.

4.2 Replacement Housing Needs

Replacement housing needs are defined by the total number of required replacement units and the distribution of those units by bedroom size.

The projected number of required units by bedroom size is calculated by comparing survey data relative to household size with SRDC's replacement housing occupancy standards. These standards allow for occupancy based on SRDC's admissions policy and is reflected in the following table:

Size of family	Number of Bedrooms in Unit
1-2	1
3-4	2
5-6	3
7-8	4
9-10	5
11-12	5

In addition, where a live-in aide has been approved, SRDC will first determine the appropriate number of bedrooms for the family in accordance with the above chart.

If a household cannot be immediately right-sized at the time of their relocation, SRDC will provide the household with the option to be temporarily over-housed in an on-site unit at no cost to the household. When a new unit becomes available in that phase or a future phase, the household will then be moved into the right-sized unit.

For example based on the number of occupants compared to the number of current bedrooms, ___ units may be currently under-housed, and ___ units may be over-housed. Appropriate actions will be taken to accommodate households that are under- or over- housed.

4.3 Current Housing Data - Fairfax Hall (54 units)

Household Information	Unit Size		
	0 BR	1 BR	2 BR
Occupied Units	6	47	1
# Elderly			
# Non-Elderly Disabled			
# Elderly & Disabled			
Single Household			
Family/Couple Household - No Children			
Family/Couple Household - With children (under 18)		0	0
Income 0-30% AMI			
Income 31-50% AMI		-	
Income 51-80% AMI		-	
Average Income		\$	
Average Rent		\$	
Average Household Size		1	
Under-housed Units		0	0
Over-housed Units		0	2

4.4 Tenants to be temporarily relocated

If you are to be temporarily relocated during this renovation process, you are guaranteed the right to return to Fairfax Hall, if you so choose.

It is intended that there will be minimal temporarily relocated persons during this redevelopment process. A “Build First and Move Once” philosophy will be used whenever possible.

All residents who are in “good standing” under their current leases at Fairfax Hall will be eligible to move into renovated units, if they so choose. Residents in “good standing” are defined as those household(s) against whom SRDC has been granted possession by the general district court and the appeal period has passed or who have been terminated from housing assistance after a hearing before an uninterested hearing officer.

The renovation of Fairfax Hall will be occurring in four (4) phases. For those residents currently living in Fairfax Hall who wish to permanently relocate, there are other options available, as detailed within this Plan.

PHASE 1

In the first phase, it is intended that approximately 16 units will be renovated starting on the first floor. It is possible, if a buffer is required, that a total of 32 units will be initially renovated. For those residents currently living in this first phase who wish to return to Fairfax Hall after

renovation, they will be required to be temporarily moved possibly to another location. This temporary relocation is anticipated to be no more than 12 months, but may be up to 14 months, during construction.

Upon completion of construction of the first phase units, the following will be the priority of occupancy:

1st priority - residents currently occupying units in the second phase of renovations (which will be the second or third floor and who choose to relocate only once into a newly renovated unit in Fairfax Hall will be moved down a floor into those units

2nd priority - residents currently occupying those units, who were temporarily relocated, and choose to return to a newly-renovated unit will be moved back in

3rd priority - residents currently occupying units in the third and fourth phase of renovations and who choose to relocate only once into a newly renovated unit in Fairfax Hall will be moved into those units

PHASE 2- 3

Upon completion of construction of the first floor units, the following will be the priority of occupancy:

1st priority - residents currently occupying units in the floor below or above the renovations and who choose to relocate only once into a newly renovated unit in Fairfax Hall will be moved into those units

2nd priority - residents who were temporarily relocated from Phase 1, and choose to return to a newly-renovated unit will be moved back in

PHASE 4

Upon completion of construction of the final phase units, the following will be the priority of occupancy:

1st priority - residents who were temporarily relocated from Phase 1, and choose to return to a newly-renovated unit will be moved back in

The SRDC staff will work with those residents who may desire to move back into a newly-renovated unit. As future vacancies in Fairfax Hall occur, normal occupancy procedures will apply.

4.5 Displaced Persons

It is intended that there will be no displaced persons, who by definition are persons that must move from the property permanently, during this redevelopment process. SRDC will operate under a zero involuntary displacement of residents policy during redevelopment. However, if it is determined that there is a possibility of involuntary displacement, the household will have the right to a meeting with the executive director or other uninterested officer who will review the decision. Further,

immediately upon discovery of a potential involuntary displacement, SRDC will make a direct referral to the Legal Aid. If this occurs the plan will be amended to address the special requirements particular to the tenants. These tenants would be given the Notice of Eligibility for Relocation Assistance which would inform them of their rights under the URA.

4.6 Relocation Options

The goal of the redevelopment process involves a strategy requiring little temporary relocation housing. All residents will be provided options for temporary or permanent housing during this renovation process, including:

- Permanent Move to a newly-renovated unit in Fairfax Hall
- Permanent Move to another SRDC - owned unit - any household will be offered the opportunity to relocate to comparable replacement housing, utilizing occupancy standards, in another unit owned by SRDC, if available.
- Temporary Move / Return to the resident's previously occupied neighborhood
- Homeownership / Market-Rate Rental housing - SRDC would assist eligible and interested residents in pursuing these opportunities, if possible.
- LIHTC/Affordable Housing - SRDC would assist eligible and interested residents in pursuing these opportunities, if possible.
- Assisted Living - SRDC would assist eligible and interested residents in pursuing assisted living opportunities, if possible.

4.7 General Relocation Procedure

- All residents will receive the required notices for relocation, including but not limited to a General Information Notice, a 90-day Notice, and a 30-day Notice. SRDC staff will also be sending out updates and posting a relocation calendar in the lobby area.
- Briefing sessions will be held between SRDC and residents to explain the relocation procedures in detail. It is during these sessions that residents will receive written notice regarding the impending relocation (90 Day Notice). SRDC will require a signature from each resident on this form as acknowledgment of receipt of this notice.

- Each resident will be personally interviewed by SRDC staff to determine housing needs and special needs, if applicable.
- If a resident chooses to return to Fairfax Hall following renovation, SRDC staff will assist the resident with identifying a temporary or permanent unit to move to, all moving services, utility connections, if applicable, and scheduling.
- If a suitable unit is selected for rent that is not another unit in Fairfax Hall, the SRDC staff will assist the resident in completing the necessary application, forms, lease, utility connections and deposits and moving services and scheduling, for a permanent move to that unit.
- If a suitable unit is selected for rent with a Section 8 voucher, the SRDC staff will assist the resident in completing the necessary application, forms, obtaining the landlord's signature and negotiating the rent if necessary. Once the unit passes required inspections, the SRDC staff will assist the resident with utility connections, deposits and moving services and scheduling, for a permanent move to that unit.
- Once a unit has been determined and the resident is approved for move in, a move in date is established. At that time, the SRDC staff will assist with scheduling moving services for the resident and the transfer of utilities, if necessary. The SRDC staff will also process the paperwork necessary for a refund of the resident's security deposit and payment of the new security deposit, if applicable.
- Following a temporary move in, the SRDC staff will continue contact with the resident to assist with providing information as to the permanent move in process.
- Following permanent move in, the SRDC staff will assist the resident with services to insure housing needs have been provided.

5.0 RELOCATION SERVICES PROVIDED

SRDC is required to provide the following services during relocation/moving process:

Advisory Services - Once a construction start date is determined, a site office for Advisory Services will be established. SRDC staff will be identified to be the primary contact person for the residents during this relocation process. Services will be provided to all households prior to the commencement of each applicable phase of the redevelopment of the property:

- One-on-one meetings to identify household needs and preferences

- Identify and respond to special needs and reasonable accommodation issues and requests;
- Determine who will be moved where and when
- Identify temporary locations for residents with available units that meet the needs of the household; Where needed negotiate with partner properties. The preference will be for residents to remain somewhere on SRDC property if feasible or otherwise for the SRDC to secure units for residents preferably in writing;
- Work to ensure that temporary housing will not require any rescreening or onerous application process;
- Provide residents with clear options for the move, including the housing identified. Whatever option this is, the SRDC staff will help with the application and other required processes;
- Work with residents to address any pest infestations before the move
- Prepare and issue required notices
- Prepare Individual Move plans
- Determine and provide relocation schedules, calculate and provide payments and logistics

Communication / Notices / Recordkeeping

Relocation Reimbursement Expenses - In addition to advisory services, households may be eligible to receive relocation payments, moving expenses, and replacement housing payments for the increased cost of renting or purchasing a comparable replacement dwelling.

5.1 Advisory and Assistance Services

Advisory services to those households who are required to relocate may be provided by SRDC or an outside vendor. Wherever possible, vendors used in this process should incorporate principles of Section 3, choosing vendors who are people of color owned, who prioritize hiring low-income residents, and are committed to apprenticing low income residents. Advisory and assistance services include, but are not limited to the following:

- Provide information of the nature of, and procedures for, obtaining relocation assistance and benefits;
- Determine the needs and preferences of each affected household
- Explain all options for relocation assistance, where temporary housing is already identified and secured if resident so desires.
- Understand and anticipate the needs of families and the elderly and able to meet the special advisory services they may need.
- Provide referrals for tenants to replacement properties, and contact said properties to request priority for persons being displaced.

- Provide contact information for questions and access to phone or computer if needed to make contact.
- Offer to provide transportation for tenants needing to look at other housing, especially those who are elderly or disabled, if applicable.
- Allow and make tenants aware that appointments can be scheduled outside of normal business hours if needed.
- Supply information about other federal and state programs offering similar assistance
- Offer other assistance (i.e. social services, financial referrals, housing inspections)
- Provide appropriate counseling for tenants who are unable to read and understand notices.
- Provide written information and/or translation services in their native languages if necessary.
- Provide counseling and other assistance to minimize hardship during adjustment period
- Provide other assistance as required by each household
- Explain the appeals process if they are not satisfied with the Agency's decisions

Relocation Staff

Implementation of this Plan will be the responsibility of the SRDC staff, or other individual(s) identified by SRDC. The SRDC staff will be the primary contact person for the residents. This person will be responsible for preparing and distributing all required relocation notices, maintaining the original list of households to be relocated, establishing and maintaining a recordkeeping system, identifying replacement units (if applicable) and coordinating the relocation of households with the required timeframes.

The SRDC staff will meet with all households to confirm their options, their relocation plans/needs and will provide all necessary assistance throughout the relocation process. Prior to, and upon completion of, the newly constructed units, the SRDC staff will do the following:

- Conduct relocation information sessions with each head-of-household;
- Assist residents with the completion of any necessary forms, whether for assistance or otherwise;
- Identify an appropriate temporary (or permanent) replacement unit that meets SRDC occupancy requirements, which is suitable in its living conditions and has comparable amenities to the current unit;
- Facilitate and schedule resident moves, and assist with utility transfers, completion of change of address forms, etc

5.2 Relocation Communication / Notices

Resident participation / meetings

Notice of Availability of Draft Relocation Plan

This notice informs affected households that the Plan is available for review and input. (See EXHIBIT ____ for sample Notice of Availability of Draft Relocation Plan Notice).

General Information Notice (GIN)

This notice informs affected households of the project and that they may be displaced by the project and establishes their eligibility for relocation assistance and payments. (See EXHIBIT ____ for sample General Information Notice).

Letter of Eligibility for Relocation Assistance

This notice informs the affected households that they will be displaced by the project and formally establishes their eligibility. (See EXHIBIT ____ for sample Letter of Eligibility for Relocation Assistance Notice).

Notice of Non-Displacement (may be combined with the 90-day notice)

90 Day Notice

No household shall be required to move without a minimum of 90 days written notice of the required date of the move. This notice informs affected households of the earliest date by which they will be required to move. This notice may not be issued unless a comparable replacement dwelling is available and the displaced person is informed of its location and has sufficient time to lease or purchase the property. (See EXHIBIT ____ for sample 90 Day Notice).

30 Day Notice

(See EXHIBIT ____ for sample 30 Day Notice).

30 Day Return Termination of Relocation Benefit Notice

After-move advisory and assistance services

5.3 Recordkeeping

Recipients must maintain all records associated with relocation assistance.

The SRDC Relocation files should include the following documentation:

- **General Relocation File:** Overall and individual items such as the relocation plan, and documentation of relocation budget.
- **List of Occupants:** name, address, and occupant characteristics for all persons occupying the property at key relocation milestones (rent roll).
- **All Residents:** copies of notices; evidence of delivery of notices; evidence of reimbursement of expenses; for tenants who elect to relocate, documentation supporting ineligibility for relocation payments as a displaced person; documentation to support lease violations and/or eviction for cause; documentation to determine illegal occupancy of the property; and copy of any appeal or complaint filed and response.

All pertinent records shall be retained for no less than three (3) years after the latest of:

- The date by which all payments have been received by persons displaced for the project and all payments for the acquisition of real property have been received;
- The date the project has been completed;
- The date by which all issues resulting from litigation, negotiation, audit or other action (e.g., civil rights compliance) have been resolved and final action taken; or
- For real property acquired with HUD funds, the date of final disposition.

5.4 Relocation / Reimbursement Expenses

Covered Costs

- **Security Deposit.** Residents will not be required to pay another security deposit during the relocation process, if they are relocating to another public housing unit. If a resident elects to relocate to a unit other than another public housing units, applicable security deposit provisions will apply.
- **Telephone and Cable TV.** SRDC will pay the required cost of telephone and cable TV installation and troubled wiring (where necessary) to residents with previous telephone and cable TV services prior to the relocation period.
- **Utility Costs.** SRDC will pay the required cost of utility new connection fees. Utilities are identified as electric, water, sewer and gas. Delinquent accounts incurred prior to the relocation will not be covered. SRDC is not allowed to pay utility deposits.

However, SRDC can advance needed deposits to residents who choose reimbursement for the actual and reasonable costs of the move, provided the resident executes an agreement to pay the funds. Such advance payments of deposit are in essence loans, and therefore, are to be repaid in accordance with the terms of the repayment agreement agreed to by the authority and the resident.

- **Incidental Costs.** Reasonable incidental costs incurred due to the relocation may be reimbursed, upon presentation of a valid receipt for approved expenses.

- **Moving Expense Payments**

Moving assistance will be provided to all households moving to newly rehabilitated units or off-site to other permanent or temporary units. This assistance may be provided in one of the following manners:

- **Reasonable Moving and Related Expenses**

Residents may choose to receive a relocation payment to cover the reasonable cost of the move. The lower of two bids or estimates prepared by a commercial mover are required. Claims may include the reasonable and necessary costs for:

- Transportation for the household
- Packing, moving and unpacking of household goods
- Disconnecting and reconnecting household appliances and other personal property (e.g., telephone and cable TV)
- Insurance for the replacement value of property during the move
- The replacement value of property lost, stolen or damaged in the move (but not through resident's neglect) if insurance is not reasonably available

Important:

- Residents must be able to account for any costs incurred.
- Full documentation is required, including bills, certified prices, appraisals and other evidence of expenses.
- Receipts are required for all reimbursements.

- **Fixed Moving Expense**

This allowance is based on the number of rooms in your home or the number of rooms of furniture you will be moving as shown on a schedule. If there is not a large amount of personal property to move, this payment may be more advantageous. No special documentation is required to

support a claim. Following the move, the appropriate claim form must be completed and submitted in order to receive payment.

Resident owns furniture									Resident does not own furniture	
Number of rooms									Number of rooms	
1 room	2 rooms	3 rooms	4 rooms	5 rooms	6 rooms	7 rooms	8 rooms	Each Addt'l room	1 room	Each addt'l room
700	900	1100	1300	1500	1700	1900	2100	300	400	75

**Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as Amended Fixed Residential Moving Cost Schedule (2015)*

Note: "Room" excludes bathrooms, hallways and closets.

- **Residential Move is Performed by SRDC**

This allowance is based on the SRDC sub-contracting full moving services including packing, moving and unpacking of household goods; disconnecting and reconnecting household appliances and other personal property; insurance for the replacement value of property during the move; and the replacement value of property lost, stolen or damaged in the move (but not through resident's neglect). Payment is limited to \$100.00 (not including replacement value claims).

If a resident prefers to pack their own personal possessions and items of value, they will be provided with packing boxes and tape for the move. A resident who needs assistance in packing shall notify the SRDC staff for assistance. It is the obligation of the SRDC sub-contractor to pack and move all of a resident's belongings and household goods.

The following table reflects the estimated one-time move budget prepared by SRDC to cover cost for relocation of residents at Fairfax Hall per unit (as of January 2021):

Unit Size	Moving Expense	Moving Fee	Utility Transfers	Per Unit Total	Total Units	Estimated Cost
0 BR	\$ 700.00	\$ 100.00	\$ 45.00	\$ 845.00	6	\$ 5,070.00
1 BR	\$ 1100.00	\$ 100.00	\$ 45.00	\$ 1245.00	47	\$ 58,515.00
2 BR	\$ 1300.00	\$ 100.00	\$ 45.00	\$ 1445.00	1	\$1,445.00
Totals					54	\$ 65,030.00

- A Moving Fee of \$100.00 is estimated for those residents who allow the SRDC contractor to perform the move.
- This total does not reflect moving insurance which will be necessary.

6.0 OTHER IMPORTANT INFORMATION

6.1 Leases Required

All relocated Residents will be considered eligible to enter into a new lease without eligibility screening required. If a Resident chooses to relocate to a non-SRDC-owned housing unit, applicable lease provisions will apply.

6.2 Resident Owned Fixtures

6.3 Pets/Animals - If a Resident is relocating to another SRDC-owned housing unit, current SRDC policy(ies) apply. If a Resident chooses to relocate to a non-SRDC-owned housing unit, applicable lease provisions will apply.

6.4 Relocation Tax Consequences

In general, relocation payments are not considered income for the purpose of IRS or Personal Income Tax. This information is not intended to be provision of tax advice by the SRDC, its Agents, Consultants, Partners, or Assigns. Tenants in receipt of moving and/or rental assistance payments are encouraged to consult with independent tax advisors concerning the tax consequences of relocation payments.

6.5 Relocation Budget

The proposed budget is as follows:

	FY22/23	FY23/24	FY24/25	Totals
Advisory services (staff)	\$30,000	\$30,000		\$60,000
Packing materials	\$10,000	\$10,000		\$20,000
Packing and moving costs	\$45,000	\$45,000		\$90,000
Utility deposits	\$15,000	\$15,000		\$30,000
After-move advisory services (staff)	\$10,000	\$10,000		\$20,000
Rent Supplements	\$150,000	\$150,000		\$300,000
Totals	\$260,000	\$260,000		\$520,000

6.6 Projected Rents and Rental Policies after Project Completion

Residents will pay no more or no less rent than is required pursuant to the applicable rental policies in effect at the time of their move into renovated housing or a new SRDC-owned location as chosen by the resident. If a Resident chooses to relocate to a non-SRDC-owned housing unit, applicable lease provisions will apply.

6.7 Resources - this list of service providers currently working in Fairfax Hall may need to be made aware of the relocation plans:

- Valley Community Services Board
- Other medical professionals and nurses/aides that provide services
- Valley Program for Aging Services
- BRITE Bus Service
- USPS
- Meals on Wheels
- Utility service providers
- Disability / SSI office
- Interpreters needed for assistance

6.8 Program Assurances and Standards

Please see EXHIBIT ____ for assurances provided to residents pursuant to this Plan.

6.9 Grievance Procedures

SRDC's Appeals/Grievance Procedures shall govern any appeals pursuant to this Plan. These policies and procedures may be obtained at SRDC's main office. The Housing Director is also available at this location at:

17 New Hope Road
540 946 9230

A resident may, at any time, exercise their right to appeal SRDC's decision through the U.S. Department of Justice or the local HUD office at:

U.S. Department of Housing and Urban Development
Richmond Field Office
600 East Broad Street, 3rd Floor
Richmond, VA 23219

Telephone: 800-842-2610

6.10 Owner Contact Information

Kim Byrd, Executive Vice President and CEO
South River Development Corporation
1700 New Hope Road
Waynesboro, VA 22
(540) 946 9230
K_byrd@wrha.org

RELOCATION PLAN ASSURANCE

I CERTIFY THAT THIS RELOCATION AND HOUSING STABILITY PLAN CONTAINS ACCURATE INFORMATION AND HAS BEEN PREPARED IN ACCORDANCE WITH 49 CFR PART 24, UNIFORM RELOCATION ASSISTANCE (URA) AND REAL PROPERTY ACQUISITION FINAL RULE AND NOTICE, AS MAYBE AMENDED. I FURTHER ASSURE THAT:

1. Services will be provided to ensure that displacement does not result in different, or separatetreatment of households based on race, nationality, color, religion, national origin, sex, sexualorientation, marital status, familial status, disability or any other basis protected by the federalFair Housing Amendments Act, the Americans with Disabilities Act, Title VI of the Civil Rights Act of 1964, Title VII of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, as well as otherwise arbitrary, or unlawful discriminations;
2. Relocation staff will follow URA requirements;
3. Relocation staff who will implement this plan are familiar with its contents and therequirements;
4. Sufficient funds have been appropriated, reserved, set aside or otherwise committed to coverthe anticipated relocation costs;
5. Families and individuals will have full opportunity to occupy comparable, decent, safe andsanitary housing;
6. Relocation payments will be made promptly and to the full extent for which tenants areeligible;
7. The project activities have been planned in a manner that will minimize hardships to tenants;
8. All tenants will be given a reasonable period of time to move and no one will be required tomove unless a comparable replacement unit is available or provided for;
9. Relocation assistance and advisory services will be provided in accordance with the needs ofthe tenant.

SRDC Executive Director

SRDC Board of Directors
(Chairperson)

Print Name

Print Name

Date

Date

(date)

Name
Address
City, State, zip

RE: General Information Notice

Regarding Relocation

Dear _____:

South River Development Corporation (SRDC) is about to embark on important capital improvements to Fairfax Hall that will improve your comfort and convenience. As a current resident of Fairfax Hall, you may be required to move from your apartment either:

- temporarily while renovation is in progress (2 moves); or
- permanently, from your unit into a newly-renovated unit or, if you choose, another preferred housing alternative (1 move)

You may be eligible for Relocation Assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

THIS IS NOT A NOTICE TO VACATE YOUR APARTMENT. You will be notified in advance when required to move from your apartment. As required by law, you will be provided additional notice at minimum timeframes of 90 days and 30 days prior to moving.

We urge you not to move at this time. If you choose to move, you will not be provided relocation assistance. Please remember:

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

If you are currently under eviction, your eligibility for relocation assistance will be contingent upon the outcome of the eviction proceedings against you.

You will be contacted soon so that we can provide you with more information about the proposed project. If the project financing is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions, please contact

____ (name) _____, _____ (title) _____, at _____ (phone) _____ or _____ (email) _____.

Sincerely,

Kim Byrd

cc: A copy of this letter is required in your Resident case and relocation file. This notice was delivered (e.g. personally served or certified mail, return receipt requested) – and the date of delivery.

Date

Tenant Name
ADDRESS

RE: Notice of Non-displacement

Dear TENANT NAME

On __/__/2021, South River Development Corporation notified you of proposed plans to rehabilitate Fairfax Hall. On __/__/2021, the project was approved, and the rehabilitation project will begin soon.

This is a **Notice of Non-displacement**. You **will not** be required to move permanently off-site as a result of the rehabilitation. This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy a newly renovated unit in Fairfax Hall. Your monthly rent will continue to be based on the appropriate LIHTC rent standard.
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs.

To carry out an overall rehabilitation of Fairfax Hall, it may be necessary for you to move, internally, from your unit either to:

- A temporary unit during the rehabilitation process (2 moves); or
- A permanent unit that is newly renovated

YOU DO NOT NEED TO MOVE NOW! Below is a chart detailing 90-day notification for relocation by floor. You will not be required to move until you are given further notification.

Phase Project by Floor	Project Start Date	90-Day Notification
1st Floor		
2nd Floor		
3rd Floor		
Basement		

Note: Dates are subject to change. Residents may be offered an early move opportunity.

You will have the opportunity to occupy a unit that is newly rehabilitated, you are urged **not to move from the community**. If you do elect to move from the community, for your own reasons, you will not receive any relocation assistance.

If you have any questions or concerns, please contact Kim Shipe at 540 946 9230. This letter is important and should be retained.

Sincerely,

Kim Byrd
Executive Vice President and CEO

(date)

Name
Address
City, State, zip

RE: 30 Day

Notification to

RelocateDear____:

On____ (date)____, South River Development Corporation notified you of proposed plans to renovate Crescent Halls in order to provide safe, sanitary and decent housing. This previous notice also advised you that as a current resident of Fairfax` Hall, you will be required to move from your apartment either:

- temporarily while renovation is in progress (2 moves); or
- permanently, from your unit into a newly-renovated unit or, if you choose, another preferred housing alternative (1 move)

You do not need to move now! This is a 30 day moving notification - the moving date will not be sooner than 30 days from the effective date of this notice (____effective date____). To carry out an overall redevelopment strategy, it will be necessaryfor you to move. When you do move, you will be entitled to relocation reimbursement and/or other assistance in accordancewith federal regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

We anticipate the moving date to be approximately____. We will be working with you through continued counselingand other advisory services to finalize your relocation and moving plans. We want to make it clear that you are eligible for assistance to relocate. If you are currently under eviction, your eligibility for relocation assistance will be contingent upon theoutcome of the eviction proceedings against you.

You have the right to appeal the relocation payment or other circumstances regarding relocation. Remember, if you move before receiving a notice from South River Development Corporation to vacate the premises, your eligibility for relocation assistance could be denied.

If you have any questions, please contact____(name)____,____(title)____,

at____(phone)____or____(email)____.

Sincerely,

Kim Byrd

cc: A copy of this letter is required in your Resident case and relocation file. This notice was delivered (e.g. personally served or certified mail, return receipt requested) – and the date of delivery.

**Sample Letter: Letter of Eligibility for Relocation Assistance –
Residential Tenant**

(date)

Name
Address
City, State, zip

RE: Letter of Eligibility for Relocation

Assistance Notice

Dear _____:

On ____ (date) ____, South River Development Corporation notified you of proposed plans to renovate Crescent Halls in order to provide safe, sanitary and decent housing. This previous notice also advised you that as a current resident of Crescent Halls, you may be required to move from your apartment either:

- temporarily while renovation is in progress (2 moves); or
- permanently, from your unit into a newly-renovated unit or, if you choose, another preferred housing alternative (1 move)

YOU DO NOT NEED TO MOVE NOW! This is a notice of eligibility for relocation assistance. To carry out an overall redevelopment strategy, it will be necessary for you to move. You will not be required to move until you receive advance written notification of the date by which you will move. When you do move, you will be entitled to relocation reimbursement and/or other assistance in accordance with federal regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

The effective date of this notice is (date) . We want to make it clear that you are eligible for assistance to relocate, including counseling and other advisory services. If you are currently under eviction, your eligibility for relocation assistance will be contingent upon the outcome of the eviction proceedings against you.

Remember, do not move before we have a chance to discuss your eligibility for assistance. If you move before receiving a notice from Charlottesville Redevelopment and Housing Authority to vacate the premises, your eligibility for relocation assistance could be denied. This letter is important to you and should be retained. **This is NOT a notice to vacate the premises.**

If you have any questions, please contact _____ (name) _____, _____ (title) _____,
at _____ (phone) _____ or _____ (email) _____.

Sincerely,

Kim Byrd

cc: A copy of this letter is required in your Resident case and relocation file. This notice was delivered (e.g. personally served or certified mail, return receipt requested) – and the date of delivery.

Tab K:

Documentation of Development Location:

Tab K.1

Revitalization Area Certification



MICHAEL G. HAMP II, CITY MANAGER

hampmg@ci.waynesboro.va.us

503 West Main Street, Suite 210

Waynesboro, VA 22980

(540) 942-6600

(540) 942-6671 FAX

February 15, 2023

Mr. JD Bondurant, Director
Low-Income Housing Tax Credit Program
Virginia Housing
601 S. Belvidere Street
Richmond, VA. 23220

Subject: 1101 Reservoir Street

Dear Mr. Bondurant,

The above-referenced development is located in a Revitalization Area in the City of Waynesboro, Virginia. The industrial, commercial or other economic development of such area will benefit the city or county, but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare, or nonprofit enterprises or undertakings to locate or remain in such area; and (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate-income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

Sincerely

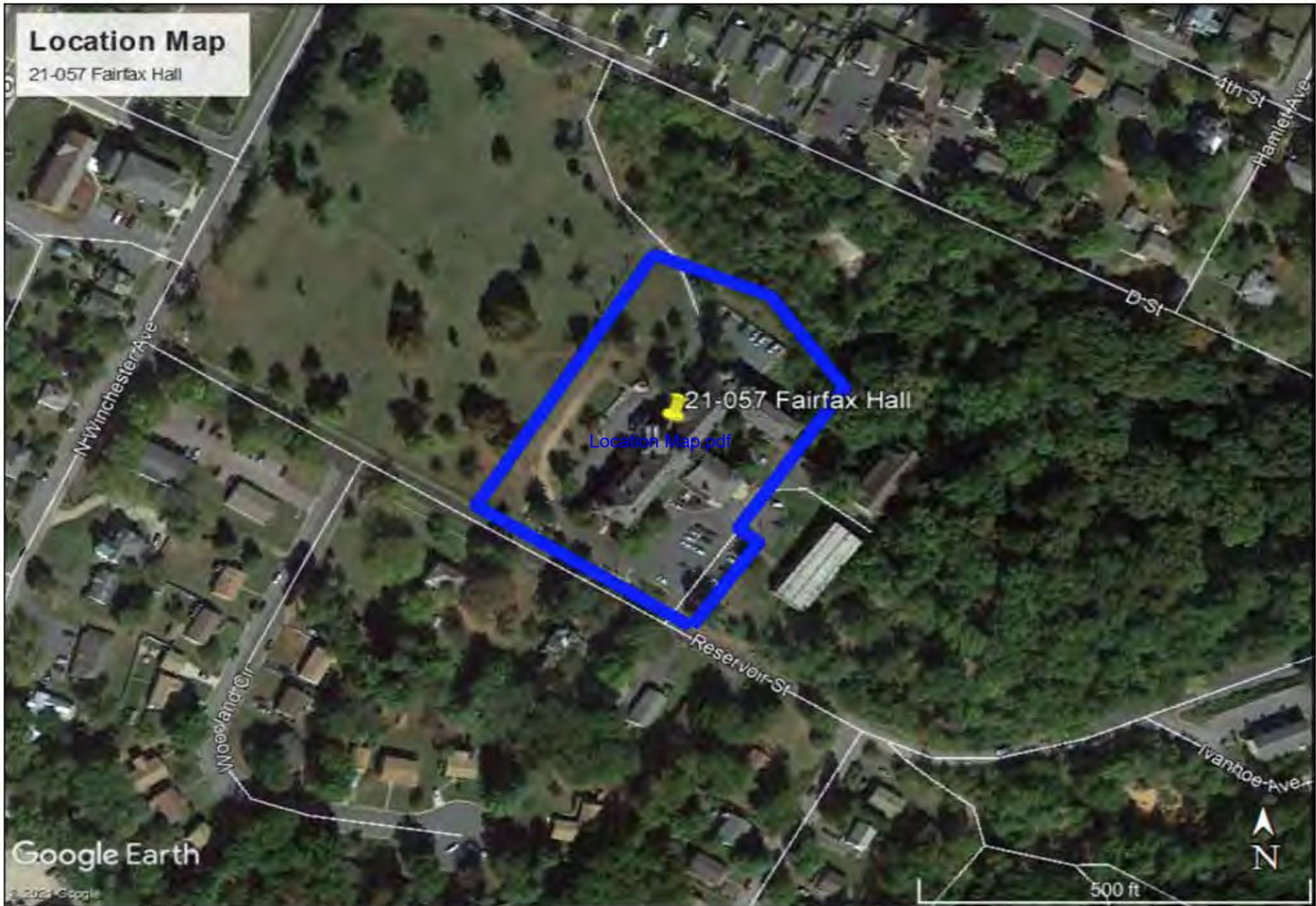
A handwritten signature in black ink that reads "Michael G. Hamp II". The signature is written in a cursive style.

Michael G. Hamp II

City Manager

Tab K.2

Location Map



Tab K.3

Surveyor's Certification of Proximity To Public
Transportation

Lexington

Russ Orrison, PE, LS
Pierson Hotchkiss, LS
Gavin Worley, PE



Lynchburg

Norm Walton, PE
Aaron Dooley, LS

February 28, 2023

Virginia Housing Development Authority
601 South Belvidere Street
Richmond, VA 23220

Re: 2023 Tax Credit Reservation Request
Name of Development: Fairfax Hall
Name of Owner: Fairfax Hall II, LLC

Ladies and Gentlemen:

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

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

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

Perkins & Orrison, Inc

A handwritten signature in black ink, reading 'Gavin G. Worley', with a long, sweeping underline that extends to the right.

Gavin G. Worley, PE
Principal

Tab L:

PHA / Section 8 Notification Letter

Appendices continued

PHA or Section 8 Notification Letter

Date 3-3-23

To Waynesboro Redevelopment and Housing Authr
PO Box 1844
Waynesboro, VA 22980

RE: **Proposed Affordable Housing Development**

Name of Development Fairfax Hall

Name of Owner Fairfax Hall II LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on 1-1-25 (date).

The following is a brief description of the proposed development:

Development Address 1101 Reservoir Street, Waynesboro VA 22980

Proposed Improvements:

<input type="checkbox"/> New Construction:	_____ #Units	_____ #Buildings
<input type="checkbox"/> Adaptive Reuse:	_____ #Units	_____ #Buildings
<input checked="" type="checkbox"/> Rehabilitation:	<u>54</u> #Units	<u>1</u> #Buildings

Proposed Rents:

<input checked="" type="checkbox"/> Efficiencies:	\$ <u>745</u>	/month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ <u>650-764</u>	/month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>1001</u>	/month
<input type="checkbox"/> 3 Bedroom Units:	\$ _____	/month
<input type="checkbox"/> 4 Bedroom Units:	\$ _____	/month

Other Descriptive Information:

Fairfax Hall is the historic renovation of the former railroad hotel on the outskirts of Waynesboro. The property has provided comfortable and affordable housing to vulnerable seniors for the past 20 years. The project seeks to improve accessibility by combining and converting efficiency units and unutilized space to fully accessible UFAS units when finished, the property will provide 9 UFAS units and energy efficiency will be significantly improved.

Appendices continued

PHA or Section 8 Notification Letter

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (540) 946 - 9230 .

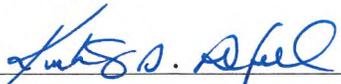
Please acknowledge receipt of this letter by signing below and returning it to me.

Sincerely yours,

Name Kim Byrd

Title Representative of the Managing Member of Fairfax Hall II LLC

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

Seen and Acknowledged By 

Printed Name: **Kimberly D. Byrd**

Title **Executive Director**

Phone **540-946-9230**

Date **3-7-2023**

Tab M:

Locality CEO Response Letter



MICHAEL G HAMP II, CITY MANAGER

hampmg@ci.waynesboro.va.us
503 West Main Street, Suite 210
Waynesboro, VA 22980
(540) 942-6600
(540) 942-6671 FAX

Locality CEO Letter

2/15/2023

Date

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

Virginia Housing Tracking Number:	<u>2023 C-20</u>
Development Name:	<u>Fairfax Hall</u>
Name of Owner/Applicant:	<u>Fairfax Hall II, LLC</u>

Dear Mr. Bondurant:

The construction or rehabilitation of the above-named development and the allocation of federal housing tax credits available under IRC Section 42 for said development will help to meet the housing needs and priorities of the City of Waynesboro. Accordingly, the City of Waynesboro supports the allocation of federal housing tax credits requested by Fairfax Hall II, LLC for this development.

Yours truly,

Michael G. Hamp II
Signature
Michael G. Hamp II
[CEO Name]
City Manager
[Title]

Not Applicable

Tab N:

Homeownership Plan

Tab O:

Plan of Development Certification Letter



MICHAEL G HAMP II, CITY MANAGER

mhampmg@ci.waynesboro.va.us
503 West Main Street, Suite 210
Waynesboro, VA 22980
(540) 942-6600
(540) 942-6671 FAX

Plan of Development Certification

DATE: 2/15/2023

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development:	<u>Fairfax Hall</u>
Name of Owner/Applicant:	<u>Fairfax Hall II, LLC</u>
Name of Seller/Current Owner:	<u>Fairfax Hall Limited Partnership</u>

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the site plan of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming the status of plan of development or site plan approval of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credits.

DEVELOPMENT DESCRIPTION:

Development Address: 1101 Reservoir Street
Waynesboro VA 22980

Legal Description: Please see attached

Plan of Development Number: _____



Proposed Improvements:

<input type="checkbox"/> New Construction:	_____	# Units	_____	# Buildings	_____	Total Floor Area
<input type="checkbox"/> Adaptive Reuse:	_____	# Units	_____	# Buildings	_____	Total Floor Area
<input checked="" type="checkbox"/> Rehabilitation:	54	# Units	1	# Buildings	57,832	Total Floor Area

Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following as appropriate:

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

The above plan of development approval is in effect until: _____

Michael G. Namp II
Signed
Michael G. Namp II
Printed Name
City Manager
Title
540 942-6600
Phone
2-15-23
Date

LEGAL DESCRIPTION- Exhibit A

All of that certain tract or parcel of real estate, together with all buildings and improvements thereon, located in the City of Waynesboro, Virginia, and being shown and designated as Lot 2A containing 2.981 acres on a "Waiver of Subdivision Plat, Fairfax Hall Property, Waynesboro, Virginia," dated February 3, 1998, made by Thomas E. Shumate, Surveyor, which plat is of record in the Clerk's Office of the Circuit Court of the City of Waynesboro, Virginia, in Plat Book 5, page 196.

Together with the following easements which shall run with and be appurtenant to Lot 2A:

3. D Street Access Easement. An exclusive easement or right-of-way extending in a northwesterly and then northerly direction from the northern boundary of Lot 2A to D Street and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761; and
4. Front Driveway Easement. The non-exclusive right to use a portion of the existing paved driveway lying on both sides of that part of the southern boundary of Lot 2A which is shown on the Plat and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761.

Being the same parcel of real estate acquired by Fairfax Hall Limited Partnership, a Virginia Land Partnership, by deed of Wesley R. Meeteer and Alice K. Meeteer, husband and wife, and Robert L. Stover, Jr. and Betty Jo Stover, husband and wife, and the City of Waynesboro, Virginia, a political subdivision of the Commonwealth of Virginia, dated November 10, 1998, or record in the aforesaid Clerk's Office in Deed Book 256, page 761.

Not Applicable

Tab P:

Developer Experience documentation and
Partnership agreements (Please submit this TAB as
a separate stand alone document)

Tab Q:

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



October 25, 2021

Ms. Kimberly Byrd
Executive Vice President and CEO
South River Development Corporation
1700 New Hope Road
Waynesboro, VA 22980

Re: Fairfax Hall

Dear Ms. Byrd:

Thank you for responding to the Waynesboro Redevelopment and Housing Authority's Request for Proposal for Project-Based Housing Choice Vouchers issued on September 2, 2021.

In response to your proposal, I am pleased to inform you that you have been awarded twelve (12) project-based vouchers for the Fairfax Hall project located at 1101 Reservoir Street in Waynesboro, Virginia. The term of the PBV's will be 20 years and is subject to satisfactory approval by HUD of a Part 58 Environmental Review and Subsidy Layering Review. Upon completion of these conditions, WRHA will enter into a Housing Assistance Payment contract with the owner. This commitment is effective immediately and is conditioned upon the project's successful award of Low Income Housing Tax Credits.

Fairfax Hall is an important piece of the affordable housing portfolio in the City of Waynesboro and your proposed retrofit of units to meet UFAS compliance would be a perfect fit with the anticipated HAP contract. We look forward to working closely with you in the near future.

Please don't hesitate to contact me if you should have any further questions.

Sincerely,

Kimberly D. Byrd
Executive Director
Waynesboro Redevelopment and Housing Authority

Tab R:

Documentation of Operating Budget and Utility Allowances

Utility Allowance Schedule

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169 (7/31/2022)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

LOCALITY	UNIT TYPE						DATE
Waynesboro Redevelopment and Housing Authority	Garden						4/13/2022
UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE						
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	
HEATING							
a. Natural Gas	\$18	\$21	\$25	\$28	\$32	\$35	
b. Electric	\$23	\$28	\$34	\$40	\$48	\$53	
c. Heat Pump	\$13	\$17	\$20	\$23	\$28	\$31	
d. Fuel Oil	\$55	\$66	\$76	\$87	\$101	\$111	
e. Propane	\$55	\$66	\$75	\$87	\$100	\$110	
AIR CONDITIONING	\$8	\$10	\$13	\$17	\$21	\$25	
COOKING							
a. Natural Gas	\$7	\$7	\$8	\$9	\$10	\$10	
b. Electric	\$10	\$11	\$13	\$14	\$15	\$15	
c. Propane	\$23	\$24	\$28	\$30	\$33	\$34	
OTHER ELECTRIC	\$26	\$29	\$32	\$38	\$42	\$50	
WATER HEATING							
a. Natural Gas	\$10	\$13	\$17	\$24	\$31	\$39	
b. Electric	\$10	\$18	\$25	\$39	\$54	\$70	
c. Fuel Oil	\$29	\$39	\$50	\$70	\$92	\$114	
d. Propane	\$34	\$45	\$57	\$81	\$107	\$132	
WATER	\$16	\$23	\$31	\$45	\$60	\$74	
SEWER	\$27	\$39	\$52	\$77	\$102	\$127	
TRASH COLLECTION	\$16	\$16	\$16	\$16	\$16	\$16	
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5	
RANGE	\$4	\$4	\$4	\$4	\$4	\$4	
OTHER: Natural Gas Base Charge	\$20	\$20	\$20	\$20	\$20	\$20	
ACTUAL FAMILY ALLOWANCES: (To be used by family to complete allowance. Complete below for Actual Unit Rented)				UTILITY OR SERVICE		PER MONTH	
NAME OF FAMILY				HEATING		\$	
				AIR CONDITIONING		\$	
ADDRESS OF UNIT				COOKING		\$	
				OTHER ELECTRIC		\$	
				WATER HEATING		\$	
				WATER		\$	
				SEWER		\$	
				TRASH COLLECTION		\$	
				REFRIGERATOR		\$	
				RANGE		\$	
NUMBER OF BEDROOMS				OTHER		\$	
				TOTAL		\$	

Not Applicable

Tab S:

Supportive Housing Certification

Tab T:

Funding Documentation

Tab T of the Fairfax Hall application includes the following sources documented here:

- 2022 DHCD award of VHTF \$773,543
- 2022 DHCD award of NHTF \$350,000
- 2022 DHCD award of HIEE \$876,457
- 2021 City of Waynesboro award of \$50,000 CDBG
- 2023 DHCD award of \$976,457 just announced including:
 - \$350,000 NHTF
 - \$626,457 HOME funds.
- 2023 Recommitment of SRDC/WRHA equity in the value of the land and buildings of \$2,630,000 derived by subtracting the remaining loan balance of @\$670,000 from the appraised value of \$3,300,000.



Gloria A. Youngkin
Governor

Cori Mericle
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Erin W. Horn
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 31, 2022

Ms. Kimberly Byrd
Executive Director
South River Development Corporation
1700 New Home Rd.
Waynesboro, VA 22980
Via: k_byrd@wrha.org

Proposed Affordable & Special Needs Housing Financing Offer

Dear Ms. Kimberly Byrd,

I am pleased to advise you that the Department of Housing and Community Development has approved the request of South River Development Corporation's Fairfax Hall project. Included with this letter are the proposed rate and terms granted to you in accordance with your project description.

Please note that upon agreement you will receive further communication regarding program agreement(s) within the next few weeks. These program agreements must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a program commitment and reservation of funds.

Please review the attached offer letter carefully, and attach any updated or new information with your response as it may pertain to this project. For projects which are awarded a HOME or NHTF award, a HUD required environmental review must be completed prior to execution of a program agreement. In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters must be approved by DHCD before the program agreements may be executed.

At your earliest convenience, please submit your project's Phase I Environmental Assessment to DHCD staff for review. If your project is financed utilizing HOME or NHTF funds, please prepare and submit the Part 58 checklist with your EA to DHCD staff. The Part 58 Checklist may be found on DHCD's website under Affordable and Special Needs Housing.

We are looking forward to working with you to provide affordable housing, if you have any questions as it pertains to this offer please feel free to contact your Program Administrator or myself at 804-840-1909.

Sincerely,

Chloe Rote
ASNH Program Manager



Terms & Conditions

Fairfax Hall

1101 Reservoir Street, Waynesboro, VA 22980

The Department of Housing and Community Development herein referred to as DHCD (“Lender”), has approved the request of South River Development Corporation, listed as the developer of the project and herein is referred to as (“Developer”), regarding Fairfax Hall (“Project”). Please review the following information as it pertains to your project:

The Project is awarded \$773,543.00 of Virginia Housing Trust Fund funding. Please review the following proposed terms and conditions carefully, and notate any questions you may have for DHCD staff:

Interest Rate	1% Fixed
Loan Repayment Period	360 months (Interest Only)
Mandatory Compliance Period	360 months (from date of loan closing)
Extended Affordability Period	n/a (following mandatory compliance)

The compliance and repayment period begins upon loan closing. This loan constitutes permanent, must pay hard debt, which is not cash flow dependent. Deferred principle & accrued interest shall be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period.

It is the intention of the Lender to disburse the Virginia Housing Trust Fund award as part of the permanent financing package upon final permanent close, which includes the issuance of the final Certificate of Occupancy or Certificate of Substantial Completion.

Final permanent close shall commence upon receipt of acceptable title, survey & environmental reports, closing of other required funding, customary due diligence, rehab completion (if applicable), rental occupancy report, and issuance of COO/CSC by a local building official. Impediments to loan closing include, but are not limited to: failure to complete construction/renovations, due diligence items, or rent & occupancy requirements for the project in accordance with HOME, NHTF, VHTF and/or HIEE requirements (whichever is applicable).



DHCD shall be placed in the 2nd lien position, unless otherwise approved by the agency. Program agreements must be executed within 12 months of this letter, with an estimated closing of permanent debt to take place no later than 24 months after construction start. Failure to execute a program agreement within 12 months could result in a de-obligation of funds to your project.

Please execute and return this document to DHCD via email. Once received, DHCD will be in communication with you regarding next steps.

It is our sincere pleasure to make this financing proposal to you; we look forward to your acceptance and to our continuing relationship.

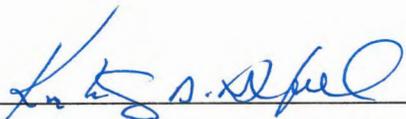
Sincerely,

Department of Housing & Community Development



Chloe Rote: ASNH Program Manager

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:



(Authorized Officer)

By: Kimberly D. Byrd Its: Executive Vice President/CEO

Date: 6-8-2022





Glenn A. Youngkin
Governor

Caren Merrick
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Bryan W. Han
Director

DEPARTMENT OF
HOUSING AND COMMUNITY DEVELOPMENT

January 31, 2022

Ms. Kimberly Byrd
Executive Director
South River Development Corporation
1700 New Home Rd.
Waynesboro, VA 22980
Via: k_byrd@wrha.org

Proposed Affordable & Special Needs Housing Financing Offer

Dear Ms. Kimberly Byrd,

I am pleased to advise you that the Department of Housing and Community Development has approved the request of South River Development Corporation's Fairfax Hall project. Included with this letter are the proposed rate and terms granted to you in accordance with your project description.

Please note that upon agreement you will receive further communication regarding program agreement(s) within the next few weeks. These program agreements must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a program commitment and reservation of funds.

Please review the attached offer letter carefully, and attach any updated or new information with your response as it may pertain to this project. For projects which are awarded a HOME or NHTF award, a HUD required environmental review must be completed prior to execution of a program agreement. In addition, any adjustment to the capital budget, operating expense budget, pro forma numbers, and other project parameters must be approved by DHCD before the program agreements may be executed.

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We are looking forward to working with you to provide affordable housing, if you have any questions as it pertains to this offer please feel free to contact your Program Administrator or myself at 804-840-1909.

Sincerely,

Chloe Rote
ASNH Program Manager



Terms & Conditions

Fairfax Hall

1101 Reservoir Street, Waynesboro, VA 22980

The Department of Housing and Community Development herein referred to as DHCD (“Lender”), has approved the request of South River Development Corporation, listed as the developer of the project and herein is referred to as (“Developer”), regarding Fairfax Hall (“Project”). Please review the following information as it pertains to your project:

The Project is awarded \$350,000 of National Housing Trust Fund funding. Please review the following proposed terms and conditions carefully, and notate any questions you may have for DHCD staff:

Interest Rate	1% Fixed
Loan Repayment Period	360 months (Interest Only)
Mandatory Compliance Period	360 months (from date of loan closing)
Extended Affordability Period	n/a (following mandatory compliance)

The compliance and repayment period begins upon loan closing. This loan constitutes permanent, must pay hard debt, which is not cash flow dependent. Deferred principle & accrued interest shall be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period.

It is the intention of the Lender to disburse the National Housing Trust Fund award as part of the permanent financing package upon final permanent close, which includes the issuance of the final Certificate of Occupancy or Certificate of Substantial Completion.

Final permanent close shall commence upon receipt of acceptable title, survey & environmental reports, closing of other required funding, customary due diligence, rehab completion (if applicable), rental occupancy report, and issuance of COO/CSC by a local building official. Impediments to loan closing include, but are not limited to: failure to complete construction/renovations, due diligence items, or rent & occupancy requirements for the project in accordance with HOME, NHTF, VHTF and/or HIEE requirements (whichever is applicable).



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It is our sincere pleasure to make this financing proposal to you; we look forward to your acceptance and to our continuing relationship.

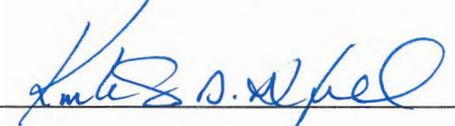
Sincerely,

Department of Housing & Community Development



Chloe Rote: ASNH Program Manager

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:



(Authorized Officer)

By: Kimberly D. Byrd Its: Executive Vice President/CEO

Date: 6-8-2022



Glenn A. Youngkin
Governor

Caren Merritt
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Bryan W. Horn
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 31, 2022

Ms. Kimberly Byrd
Executive Director
South River Development Corporation
1700 New Home Rd.
Waynesboro, VA 22980
Via: k_byrd@wrha.org

Proposed Affordable & Special Needs Housing Financing Offer

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We are looking forward to working with you to provide affordable housing, if you have any questions as it pertains to this offer please feel free to contact your Program Administrator or myself at 804-840-1909.

Sincerely,

Chloe Rote
ASNH Program Manager



Terms & Conditions

Fairfax Hall

1101 Reservoir Street, Waynesboro, VA 22980

The Department of Housing and Community Development herein referred to as DHCD (“Lender”), has approved the request of South River Development Corporation, listed as the developer of the project and herein is referred to as (“Developer”), regarding Fairfax Hall (“Project”). Please review the following information as it pertains to your project:

The Project is awarded \$876,457 of Housing Innovations in Energy Efficiency funding. Please review the following proposed terms and conditions carefully, and notate any questions you may have for DHCD staff:

Interest Rate	0% Fixed
Loan Repayment Period	360 months (Interest Only)
Mandatory Compliance Period	360 months (from date of loan closing)
Extended Affordability Period	n/a (following mandatory compliance)

The compliance and repayment period begins upon loan closing. This loan constitutes permanent, must pay hard debt, which is not cash flow dependent. Deferred principle & accrued interest shall be forgiven at the end of a successful 30-year mandatory compliance and/or affordability period.

It is the intention of the Lender to disburse the Housing Innovations in Energy Efficiency award as part of the permanent financing package upon final permanent close, which includes the issuance of the final Certificate of Occupancy or Certificate of Substantial Completion.

Final permanent close shall commence upon receipt of acceptable title, survey & environmental reports, closing of other required funding, customary due diligence, rehab completion (if applicable), rental occupancy report, and issuance of COO/CSC by a local building official. Impediments to loan closing include, but are not limited to: failure to complete construction/renovations, due diligence items, or rent & occupancy requirements for the project in accordance with HOME, NHTF, VHTF and/or HIEE requirements (whichever is applicable).



DHCD shall be placed in the 2nd lien position, unless otherwise approved by the agency. Program agreements must be executed within 12 months of this letter, with an estimated closing of permanent debt to take place no later than 24 months after construction start. Failure to execute a program agreement within 12 months could result in a de-obligation of funds to your project.

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It is our sincere pleasure to make this financing proposal to you; we look forward to your acceptance and to our continuing relationship.

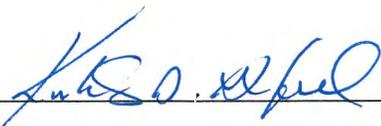
Sincerely,

Department of Housing & Community Development



Chloe Rote: ASNH Program Manager

The undersigned accepts the obligation of funds, and agrees to the programmatic terms & conditions of the foregoing commitment:

 _____ (Authorized Officer)

By: Kimberly D. Byrd Its: Executive Vice President/CEO

Date: 6-8-2022





MICHAEL G. HAMP II, CITY MANAGER

hampmg@ci.waynesboro.va.us
503 West Main Street, Suite 210
Waynesboro, VA 22980
(540) 942-6600
(540) 942-6671 FAX

April 27, 2021

Kimberly D. Byrd, Executive VP/CEO
South River Development Corporation
P.O. Box 1138
Waynesboro, Va. 22980

Dear Ms. Byrd,

The City of Waynesboro is a Participating Jurisdiction for the receipt of federal Community Development Block Grant funds from the U.S. Department of Housing and Urban Development. The South River Development Corporation, an affiliate of the Waynesboro Redevelopment and Housing Authority, is the owner of Fairfax Hall Apartments LLC, a 54-unit apartment community for seniors that provides much needed affordable housing for the City's vulnerable elderly population.

The South River Development Corporation is proposing to renovate Fairfax Hall and to include in the proposed renovations the conversion of nine (9) apartments to meet the Uniform Federal Accessibility Standards (UFAS). This conversion will enable many of the residents to remain independent and safe in their homes for longer periods of time.

I will recommend to the City Council, and based on the availability of funds and in accordance with all regulations governing the CDBG program, an allocation of \$25,000 in the upcoming fiscal year, 2021; and an additional of \$25,000 in the next fiscal year, 2022; for a total of \$50,000 in support of this worthy project.

Please feel free to contact me if you should have any questions. Best wishes for a successful project.

Sincerely,

Michael G. Hamp II
City Manager



2023 AFFORDABLE AND SPECIAL NEEDS HOUSING AWARDED PROJECTS

January 10, 2023

Organization	Project Name	Award
Charlottesville Redevelopment and Housing Authority	Sixth Street Phase One	\$4,100,000
Hopewell Redevelopment and Housing Authority	The Rendezvous	\$4,100,000
Arlington Partnership for Affordable Housing	Marbella North Nine	\$3,800,000
Arlington Partnership for Affordable Housing	Marbella South Four	\$3,800,000
The Community Builders	Broad Creek Resyndication Phase 1	\$2,900,000
Wesley Housing Development Corporation	The Lamb Center	\$2,900,000
People Incorporated Housing Group	Lightfoot Apartments	\$2,890,000
Arlington Partnership for Affordable Housing	Dominion Square - Tysons North Four	\$2,700,000
Arlington Partnership for Affordable Housing	Dominion Square - Tysons South Four	\$2,700,000
Marlyn Development Corporation	The Arbors at 29 North	\$2,700,000
TRG Community Development LLC	Lexington Senior Apartments	\$2,700,000
Virginia United Methodist Housing Development Corporation	Wesley Apartments	\$2,700,000
Wesley Housing Development Corporation	First Christian Church of Falls Church	\$2,700,000
Better Housing Coalition Sponsored	Lafayette Gardens	\$2,518,502
The Community Builders	Creighton Phase B	\$2,500,640
Virginia Supportive Housing	Gosnold II Apartments	\$2,500,000
Taft-Mills Group	Middlebrook Trace II	\$2,491,723
Culpeper Community Development Corp.	Parkside Apartments	\$2,310,000
Better Housing Coalition	Carter Woods III	\$2,250,000
Enterprise Community Development	Brookland Park Apartments - Nehemiah	\$2,182,128
Virginia Beach Community Development Corporation	Tranquility at the Lakes II	\$2,100,996
Newport News Redevelopment and Housing Authority	Orcutt Townhomes 1	\$2,100,000
S. L. Nusbaum Realty Co.	Blaine Landing Phase III	\$1,967,176
Community Housing Partners	Crestview Senior	\$1,940,000
Community Housing Partners	Stroubles Ridge - Phase I	\$1,700,000
People Incorporated Housing Group	Whites Mill Point II Apartments	\$1,695,000
Landmark Asset Services Inc	Claremont School Apartments	\$1,465,000
Piedmont Housing Alliance	Southwood Apartments B	\$1,421,127
Hopewell Redevelopment and Housing Authority	Piper Square Apartments	\$1,400,000
Greater Charlottesville Habitat for Humanity	Southwood Neighborhood Revitalization Phase 1	\$1,391,908
Piedmont Housing Alliance	Southwood Apartments A	\$1,300,000
The Hanson Company	Newport Gardens	\$1,100,000
South River Development Corporation	Fairfax Hall	\$976,457
Alexandria Housing Development Corporation	Seminary Road Phase 1	\$700,000
Alexandria Housing Development Corporation	Seminary Road Phase 2	\$700,000
Alexandria Housing Development Corporation	Seminary Road Phase 3	\$700,000
Better Housing Coalition	Colbrook II	\$700,000

Bristol Redevelopment and Housing Authority	Bonham Circle & Moore Street	\$700,000
Lynx Ventures Inc.	7000 Carnation	\$700,000
New Road Community Development Group Inc.	Legacy Phase I	\$700,000
New Road Community Development Group Inc.	Legacy Phase II - Homeownership Units	\$700,000
New Road Community Development Group Inc.	Legacy Phase II - Rental Units	\$700,000
SCG Development Partners LLC	One University Family	\$700,000
SCG Development Partners LLC	One University Senior	\$700,000
The Franklin Johnston Group	Princedale Apartments	\$700,000
The Lawson Companies	700 West 44	\$700,000
The Lawson Companies	Market Heights Apartments - 4%	\$700,000
The Lawson Companies	Market Heights Apartments - 9%	\$700,000
The Lawson Companies	Miller's Rest Apartments	\$700,000
The Maggie Walker Community Land Trust	Bensley Agrihood	\$700,000
Hanover and King William Habitat for Humanity Inc.	South Taylor and Arlington	\$697,930
Project:Homes	New Construction Homes in Richmond	\$691,995
Urban Hope Inc.	Urban Hope Renewal Project	\$600,000
Chesapeake Bay Housing Inc.	Daffodil Gardens Phase Two	\$515,000
Commonwealth Catholic Charities Housing Corporation	Saint Elizabeth Apartments	\$400,000
Pathway Homes Inc.	Pathway Homes Renovating Support	\$200,000
Piedmont Housing Alliance	Fifeville Rehab	\$113,823
	TOTAL	\$93,119,405





March 9, 2023

Mr. JD Bondurant
LIHTC Program Director
Virginia Housing Development Authority
601 S. Belvidere Street
Richmond, VA 23220-6500

Re: Fairfax Hall
2023-C-20

Dear Mr. Bondurant:

The South River Development Corporation (SRDC), an affiliate of the Waynesboro Redevelopment and Housing Authority, owns all of the interests of the Fairfax Hall Limited Partnership through our subsidiaries, Fairfax Hall, L.L.C. and Fairfax Hall Ventures, Inc. (the current general and limited partners respectively). Fairfax Hall Limited Partnership is the current owner of record of the property at 1101 Reservoir Street in Waynesboro, also known as Fairfax Hall.

SRDC is firmly committed to contributing its equity in the land and buildings, currently estimated at \$2,630,000 and arrived at by subtracting the anticipated debt remaining on the property at the time of closing of \$670,000 (see attached VHDA loan balance schedule) from the appraised value of \$3,300,000 (please see appraisal attached separately as part of the application package).

This below market rate contribution will be documented with a promissory note, secured by a deed of trust, and reflecting an interest rate equal to the AFR at the time of closing, and with a term of 30 years. Loan payments will be made from available cash flow only.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly Byrd", is written over a faint, circular official stamp.

Kimberly Byrd
Executive Vice President and CEO



Borrower Inquiry - Powered by McCracken

- Loan Search
 - * Borrower Info
 - * Loan Profile
 - * Property Profile
 - * Loan Balances
 - * Escrow/Impound
 - * Transaction History
 - * Late Charges
 - * Year-to-Date
 - * Payment Information
- * Manage Users
- * Manage User Profiles
- + Reports
 - * Forms
 - * Contacts

FAIRFAX HALL : Loan Number 100115964 : CIF.NO 07767

[Log Out](#)

Loan Balances

Loan Balance and Payment Information

Outstanding Principal Balance:	670,413.14
Next Payment Due Date:	03/01/2023
Last Payment Posted Date:	02/28/2023
Amount Last Posted:	2,933.05
Suspense Escrow:	0.00

Escrow and Reserve Balances

TAXES:	4,112.78
INSURANCE:	13,410.80
MIP:	0.00
FORBEARANCE REPAY:	0.00
RESERVES:	
REPLACEMENT RESERVE TAXABLE	30,449.31
MISCELLANEOUS RESERVE TAXABLE	24,779.96
RESERVES Total:	55,229.27

All Funds Are In U.S. Dollars

Tab U:

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

Virginia Housing Renter Education Program

Whether it's a house, apartment, duplex or townhouse, renting can have its advantages over purchasing. Here are some resources to help you understand and explore your options for finding affordable rental housing in Virginia. As a renter, you have certain rights that protect you and your interests, but you also have responsibilities. Become familiar with what you need to know.

Virginia Housing provides Renters the opportunity to complete free courses and access other resources at their website. Renters are encouraged but not required to access this information.

To begin, Renters need to create an account on the VHDA website that is included in the links below. The eBook is a comprehensive resource that covers financial readiness, credit, searching for rentals, the application, the lease agreement, security deposit, tenant rights & responsibilities, housekeeping, and maintenance & repairs.

The online course is available in both English and Spanish. It is comprised of nine (9) standalone modules/chapters and is available 24 hours a day. A Certificate of Completion is made available at the completion of each chapter. Renters can download the certificate, print, save, and share by email if desired.

Links for Assistance to Renters Before Taking the Renter Education Program:

<https://www.virginiahousing.com/renters>

<https://www.virginiahousingsearch.com/Resources.html>

<https://www.virginiahousing.com/renters/education>

Acknowledgment of Renter of _____ (Apartments):

Signature: _____ Dated: _____

Printed: _____

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

Appendices continued

RECORDING REQUESTED BY: _____

AND WHEN RECORDED MAIL TO: _____

RIGHT OF FIRST REFUSAL AGREEMENT

Fairfax Hall

RIGHT OF FIRST REFUSAL AGREEMENT (the "Agreement") dated as of [Closing Date] by and among **Fairfax Hall II LLC**, a Virginia limited liability company (the "Owner" or the "Company"), **South River Development Corporation**, a Virginia non-stock nonprofit corporation (the "Grantee"), and is consented to by **Fairfax Hall II Management LLC**, a Virginia limited liability company (the "Managing Member"), **VCDC Equity Fund 27, L.L.C.**, a Virginia limited liability company (the "Investor Member") and **VAHM, L.L.C.** a Virginia limited liability company (the "Special Member"). The Managing Member, the Investor Member and the Special Member are sometimes collectively referred to herein as the "Consenting Members". The Investor Member and Special Member are sometimes collectively referred to herein as the "Non-Managing Members". This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

- A. The Owner, pursuant to its [Amended and Restated] Operating Agreement dated on or about the date hereof by and among the Consenting Members (the "Operating Agreement"), is engaged in the ownership and operation of an 54-unit apartment project for seniors located in the City of Waynesboro, Virginia and commonly known as "Fairfax Hall" (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

Appendices continued

reserves of the Partnership that is required by 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.

Appendices continued

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 the City of Waynesboro, 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,**”

Appendices continued

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).

Appendices continued

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, South River Development Corporation, PO Box 1844, Waynesboro VA 22980 ; and

Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Appendices continued

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 nonprofit 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

Appendices continued

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.

Appendices continued

IN WITNESS WHEREOF, the parties hereto have executed this Right of First Refusal Agreement as of the date first stated above.

OWNER:

Fairfax Hall II LLC, a Virginia limited liability company

By: **Fairfax Hall II Management LLC**, a Virginia limited liability company, its managing member

By: South River Development Corporation, its Managing Member

By: 

COMMONWEALTH OF VIRGINIA

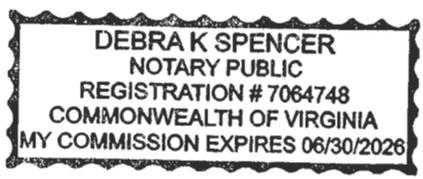
CITY/COUNTY OF WAYNESBORO

On March 7, 2023, before me, the undersigned, a notary public in and for said state, personally appeared Kimberly Byrd, 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 he executed the same in her capacity as the Executive Vice President and CEO of the South River Development Corporation, the managing member of Fairfax Hall II Management LLC, which is the managing member of Fairfax Hall II LLC 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: June 30, 2026

Registration No.: 7064748



Appendices continued

GRANTEE:

South River Development Corporation, a Virginia non-stock nonprofit corporation

By: 

Name: Kimberly Byrd

Title: Executive Vice President and CEO

COMMONWEALTH OF VIRGINIA

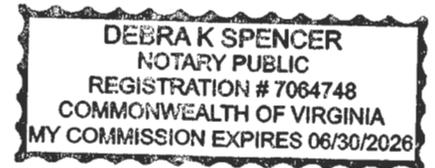
CITY/COUNTY OF WAYNESBORO

On March 7, 2023, before me, the undersigned, a notary public in and for said state, personally appeared Kimberly Byrd, 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 her capacity as Executive Vice President and CEO of the South River Development Corporation, 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: June 30, 2026

Registration No.: 7064748



Appendices continued

The undersigned hereby consents to the foregoing Right of First Refusal Agreement as of the date first set forth hereinabove.

MANAGING MEMBER:

Fairfax Hall II Management LLC, a Virginia limited liability company

By: South River Development Corporation, its Managing Member

By: 

COMMONWEALTH OF VIRGINIA

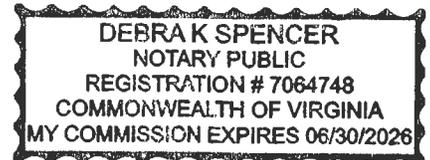
CITY/COUNTY OF WAYNESBORO

On March 7, 2023, before me, the undersigned, a notary public in and for said state, personally appeared Kimberly Byrd, 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 her capacity as Executive Vice President and CEO of South River Development Corporation, the sole member of Fairfax Hall II Management LLC, 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: June 30, 2026

Registration No.: 7064748



Appendices continued

The undersigned hereby consents to the foregoing Right of First Refusal Agreement as of the date first set forth hereinabove.

INVESTOR MEMBER:

VCDC Equity Fund 27, LLC, a Virginia limited liability company

By: Virginia Housing Capital Corporation, its Managing Member

By: _____

SPECIAL MEMBER:

VAHM, L.L.C. a Virginia limited liability company

By: **Housing Capital Corporation of Virginia**, a Virginia non-stock corporation, its sole member

By: _____

STATE OF _____

CITY/COUNTY OF _____

On _____, 20 __, before me, the undersigned, a notary public in and for said state, personally appeared [_____], 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 he executed the same in his capacity as _____ of Virginia Housing Capital Corporation the manager of **VCDC Fund 26, L.L.C.**, a Virginia limited liability company, and **VAHMC, L.L.C.**, a Virginia limited liability company, and that by his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public _____

Commission expires _____

Right of First Refusal Agreement
Fairfax Hall
Signature Page 4 of 4

Appendices continued

EXHIBIT A

LEGAL DESCRIPTION

[insert legal]

LEGAL DESCRIPTION- Exhibit A

All of that certain tract or parcel of real estate, together with all buildings and improvements thereon, located in the City of Waynesboro, Virginia, and being shown and designated as Lot 2A containing 2.981 acres on a "Waiver of Subdivision Plat, Fairfax Hall Property, Waynesboro, Virginia," dated February 3, 1998, made by Thomas E. Shumate, Surveyor, which plat is of record in the Clerk's Office of the Circuit Court of the City of Waynesboro, Virginia, in Plat Book 5, page 196.

Together with the following easements which shall run with and be appurtenant to Lot 2A:

3. D Street Access Easement. An exclusive easement or right-of-way extending in a northwesterly and then northerly direction from the northern boundary of Lot 2A to D Street and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761; and
4. Front Driveway Easement. The non-exclusive right to use a portion of the existing paved driveway lying on both sides of that part of the southern boundary of Lot 2A which is shown on the Plat and described in deed dated November 10, 1998, recorded in Deed Book 256, page 761.

Being the same parcel of real estate acquired by Fairfax Hall Limited Partnership, a Virginia Land Partnership, by deed of Wesley R. Meeteer and Alice K. Meeteer, husband and wife, and Robert L. Stover, Jr. and Betty Jo Stover, husband and wife, and the City of Waynesboro, Virginia, a political subdivision of the Commonwealth of Virginia, dated November 10, 1998, or record in the aforesaid Clerk's Office in Deed Book 256, page 761.

Tab W:

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

Draft Internet Security Plan

Network Security:

1. Purpose

This standard specifies the technical requirements that wireless infrastructure devices must satisfy to connect to a (Owner) network. Only those wireless infrastructure devices that meet the requirements specified in this standard or are granted an exception by the InfoSec Team are approved for connectivity to the Owner's network.

Network devices including, but not limited to, hubs, routers, switches, firewalls, remote access devices, modems, or wireless access points, must be installed, supported, and maintained by an Information Security (Infosec) approved support organization.

2. Scope

All employees, contractors, consultants, temporary and other workers at Owner and its subsidiaries/affiliates, including all personnel that maintain a wireless infrastructure device on behalf of the Owner, must comply with this standard. This standard applies to wireless devices that make a connection the network and all wireless infrastructure devices that provide wireless connectivity to the network. Infosec must approve exceptions to this standard in advance.

3. Standard

3.1 General Requirements:

All wireless infrastructure devices that connect to the Owner's network or provide access to the Owner Confidential, Owner Highly Confidential, or Owner Restricted information must:

- Use Extensible Authentication Protocol-Fast Authentication via Secure Tunneling (EAP-FAST), Protected Extensible Authentication Protocol (PEAP), or Extensible Authentication Protocol-Translation Layer Security (EAP-TLS) as the authentication protocol.
- Use Temporal Key Integrity Protocol (TKIP) or Advanced Encryption System (AES) protocols with a minimum key length of 128 bits.
- All Bluetooth devices must use Secure Simple Pairing with encryption enabled.4.2Lab and Isolated Wireless Device Requirements
- Lab device Service Set Identifier (SSID) must be different from the Owner's production device SSID.
- Broadcast of lab device SSID must be disabled.4.3 Home Wireless Device Requirements
All home wireless infrastructure devices that provide direct access to the Owner's network, such as those behind Enterprise Teleworker (ECT) or hardware VPN, must adhere to the following:
- Enable WiFi Protected Access Pre-shared Key (WPA-PSK), EAP-FAST, PEAP, or EAP-TLS

- When enabling WPA-PSK, configure a complex shared secret key (at least 20 characters) on the wireless client and the wireless access point
- Disable broadcast of SSID
- Change the default SSID name
- Change the default login and password

4. Policy Compliance

4.1 Compliance Measurement

The Infosec team will verify compliance to this policy through various methods, including but not limited to, periodic walk-thrus, video monitoring, business tool reports, internal and external audits, and feedback to the policy owner.

4.2 Exceptions

Any exception to the policy must be approved by the Infosec Team in advance.

4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

Equipment

1. Purpose

The purpose of this policy is to outline the acceptable use of computer equipment at (Owner). These rules are in place to protect the employee and Owner. Inappropriate use exposes the Owner to risks including virus attacks, compromise of network systems and services, and legal issues.

2. Scope

This policy applies to the use of information, electronic and computing devices, and network resources to conduct the Owner's business or interact with internal networks and business systems, whether owned or leased by Owner, the employee, or a third party. All employees, contractors, consultants, temporary, and other workers at Owner and its subsidiaries are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources in accordance with Owner's policies and standards, and local laws and regulation. Exceptions to this policy are documented in section 5.2.

This policy applies to employees, contractors, consultants, temporaries, and other workers at Owner including all personnel affiliated with third parties. This policy applies to all equipment that is owned or leased by Owner.

3. Policy

3.1 General Use and Ownership

3.1.1 Owner proprietary information stored on electronic and computing devices whether owned or leased by Owner, the employee or a third party, remains the sole property of the Owner. You must ensure through legal or technical means that proprietary information is protected in accordance with the Data Protection Standard.

3.1.2 You have a responsibility to promptly report the theft, loss or unauthorized disclosure of Owner proprietary information.

3.1.3 You may access, use or share Owner proprietary information only to the extent it is authorized and necessary to fulfill your assigned job duties.

3.1.4 Employees are responsible for exercising good judgment regarding the reasonableness of personal use. Individual departments are responsible for creating guidelines concerning personal use of Internet/Intranet/Extranet systems. In the absence of such policies, employees should be guided by departmental policies on personal use, and if there is any uncertainty, employees should consult their supervisor or manager.

3.1.5 For security and network maintenance purposes, authorized individuals within Owner may monitor equipment, systems and network traffic at any time, per Infosec's Audit Policy.

3.1.6 Owner reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

3.2 Security and Proprietary Information

3.2.1 All mobile and computing devices that connect to the internal network must comply with the Minimum Access Policy.

3.2.2 System level and user level passwords must comply with the Password Policy. Providing access to another individual, either deliberately or through failure to secure its access, is prohibited.

3.2.3 All computing devices must be secured with a password-protected screensaver with the automatic activation feature set to 10 minutes or less. You must lock the screen or log off when the device is unattended.

3.2.4 Postings by employees from an Owner email address to newsgroups should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of the Owner, unless posting is in the course of business duties.

3.2.5 Employees must use extreme caution when opening e-mail attachments received from unknown senders, which may contain malware.

3.3 Unacceptable Use

The following activities are, in general, prohibited. Employees may be exempted from these restrictions during the course of their legitimate job responsibilities (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services).

Under no circumstances is an employee of Owner authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing Owner-owned resources.

The lists below are by no means exhaustive, but attempt to provide a framework for activities which fall into the category of unacceptable use.

3.3.1 System and Network Activities

The following activities are strictly prohibited, with no exceptions:

- Violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by Owner.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which Owner or the end user does not have an active license is strictly prohibited.
- Accessing data, a server or an account for any purpose other than conducting Owner's business, even if you have authorized access, is prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.
- Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).
- 6. Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
- Using an Owner computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws in the user's local jurisdiction.
- Making fraudulent offers of products, items, or services originating from any Owner account.

- Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes. 11. Port scanning or security scanning is expressly prohibited unless prior notification to Infosec is made.
- Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty.
- Circumventing user authentication or security of any host, network or account.
- Introducing honeypots, honeynets, or similar technology on the <Company Name> network.
- Interfering with or denying service to any user other than the employee's host (for example, denial of service attack).
- Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet.
- Providing information about, or lists of, Owner's employees to parties outside Owner.

3.3.2 Email and Communication Activities

When using company resources to access and use the Internet, users must realize they represent the company. Whenever employees state an affiliation to the company, they must also clearly indicate that "the opinions expressed are my own and not necessarily those of the company". Questions may be addressed to the IT Department

- Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).
- Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages.
- Unauthorized use, or forging, of email header information.
- Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies.
- Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
- Use of unsolicited email originating from within Owner's networks of other Internet/Intranet/Extranet service providers on behalf of, or to advertise, any service hosted by Owner or connected via Owner's network.
- Posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).

3.3.3 Blogging and Social Media

1. Blogging by employees, whether using Owner's property and systems or personal computer systems, is also subject to the terms and restrictions set forth in this Policy. Limited and occasional use of Owner's systems to engage in blogging is acceptable, provided that it is done in a professional and responsible manner, does not otherwise violate Owner's policy, is not detrimental to Owner's best interests, and does not interfere with an employee's regular work duties. Blogging from Owner's systems is also subject to monitoring.
2. Owner's Confidential Information policy also applies to blogging. As such, Employees are prohibited from revealing any Owner confidential or proprietary information, trade secrets or any other material covered by Owner's Confidential Information policy when engaged in blogging.
3. Employees shall not engage in any blogging that may harm or tarnish the image, reputation and/or goodwill of Owner and/or any of its employees. Employees are also prohibited from making any discriminatory, disparaging, defamatory or harassing when blogging or otherwise engaging in any conduct prohibited by Owner's Non-Discrimination and Anti-Harassment policy.
4. Employees may also not attribute personal statements, opinions or beliefs to Owner when engaged in blogging. If an employee is expressing his other beliefs and/or opinions in blogs, the employee may not, expressly or implicitly, represent themselves as an employee or representative of Owner's Employees assume any and all risk associated with blogging.
5. Apart from following all laws pertaining to the handling and disclosure of copyrighted or export controlled materials, Owner's trademarks, logos and any other Owner intellectual property may also not be used in connection with any blogging activity

4. Policy Compliance

4.1 Compliance Measurement

The Infosecteam will verify compliance to this policy through various methods, including but not limited to, business tool reports, internal and external audits, and feedback to the policy owner.

4.2 Exceptions

Any exception to the policy must be approved by the Infosecteam in advance.

4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

Internet Acceptable Use Policy (AUP)

All users of Internet services agree to and must comply with this Acceptable Use Policy (AUP). does not exercise editorial control or review over the content of any Web site, electronic mail transmission, paper printout, newsgroup, or other material created or accessible over or through the Services. However, may remove, block, filter, or restrict by any other means any materials that, in sole discretion, may be illegal, may subject to liability, or which may violate this AUP. may cooperate with legal authorities and/or third parties in the investigation of any suspected or alleged crime or civil wrong. Violation of this AUP may result in the suspension or termination of either access to the Services and/or account or other actions as detailed below.

The following constitute violations of this AUP (this list is intended to be illustrative and not exhaustive; other uses may violate the AUP and remains the sole and final arbiter of acceptable usage of its Services):

- **Illegal use:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that, intentionally or unintentionally, violates any applicable local, state, national or international law, or any rules or regulations promulgated there under.
- **Harm to minors:** Using the Services to harm, or attempt to harm, minors in any way.
- **Threats:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that threatens or encourages bodily harm or destruction of property.
- **Harassment:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that harasses another.
- **Fraudulent activity:** Using the Services to make fraudulent offers to sell or buy products, items, or services or to advance any type of financial scam such as "pyramid schemes", "Ponzi schemes", unregistered sales of securities, securities fraud and "chain letters."
- **Forgery or impersonation:** Adding, removing or modifying identifying network, message, or article header information in an effort to deceive or mislead is prohibited. Attempting to impersonate any person by using forged headers or other identifying information is prohibited. The use of anonymous remailers or nicknames does not constitute impersonation.
- **Unsolicited commercial email/Unsolicited bulk email:** Using the Services to transmit any unsolicited commercial email or unsolicited bulk email. Activities that have the effect of facilitating unsolicited commercial email or unsolicited bulk email, whether or not that email is commercial in nature, are prohibited. Using deliberately misleading headers in e-mails sent to multiple parties is prohibited.
- **Unauthorized access:** Using the Services to access, or to attempt to access, the accounts of others, or to penetrate, or attempt to penetrate, security measures of 's or another entity's computer software or hardware, electronic communications system, or telecommunications system, whether or not the intrusion results in disruption of service or the corruption or loss of data.
- **Copyright or trademark infringement:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that infringes any copyright, trademark, patent, trade secret, or other proprietary rights of any third party, including, but not limited to, the unauthorized copying of copyrighted material, the digitization and distribution of photographs from magazines, books, or other copyrighted sources, and the unauthorized transmittal of copyrighted software.
- **Collection of personal data:** Using the Services to collect, or attempt to collect, personal information about third parties without their knowledge or consent.
- **Reselling the services:** Reselling the Services without 's authorization.

- **Network disruptions and unfriendly activity:** Using the Services for any activity which adversely affects the ability of other people or systems to use Services or the Internet. This includes excessive consumption of network or system resources whether intentional or unintentional. This also includes "denial of service" (DoS) attacks against another network host or individual user. Interference with or disruption of other network users, network services or network equipment is prohibited. It is the users's responsibility to ensure that their system is configured, operated, and used in a manner to avoid excessive consumption of network or system resources. It is the users's responsibility to ensure that their system is configured in a secure manner. A user may not, through action or inaction, allow others to use their system for illegal or inappropriate actions. A user may not permit their system, through action or inaction, to be configured in such a way that gives a third party the capability to use their system in an illegal or inappropriate manner.
- **High Volume, Server Hosting, and non-traditional end user activities:** The Services are intended for an end user's periodic active use of email, instant messaging, browsing the World Wide Web, and other typical end user activities. High volume data transfers, especially sustained high volume data transfers, are prohibited. Hosting a web server, IRC server, or any other server is prohibited. Accordingly, maintains the right to terminate any user's connection following the detection of any high volume data transfer, server hosting, or non-traditional end user activity as determined by .

requests that anyone who believes that there is a violation of this AUP direct the information to the property manager.

If available, please provide the following information:

- The IP address used to commit the alleged violation
- The date and time of the alleged violation, including the time zone or offset from GMT
- Evidence of the alleged violation

When reporting an issue regarding unsolicited email please provide a copy of the email messages with full headers which typically provides all of the above data. Other situations will require different methods of providing the necessary information.

may take any one or more of the following actions, or other actions not listed, at 's sole discretion in response to complaints:

- Issue warnings: written or verbal
- Terminate the user's access
- Bill the user for administrative costs and/or reactivation charges
- Bring legal action to enjoin violations and/or to collect damages, if any, caused by violations.

reserves the right to revise, amend, or modify this AUP, and our other policies and agreements at any time and in any manner.

provides public access to the Internet. There are potentially serious security issues with any computer connected to the Internet without the appropriate protection. These security issues range from viruses, worms and other programs that can damage the user's computer to attacks on the computer by unauthorized or unwanted third parties. These parties, known commonly as "hackers" may attempt to penetrate the user's computer and download information from the user's computer. If the user has unprotected files on the computer, these files may be visible to hackers on the Internet, potentially

including parties with criminal intent. Hackers also exploit vulnerabilities in operating systems to cause malicious damage to a user's computer or even a whole company's network, up to and including the destruction or deletion of files or the re-formatting of drives. It is recommended that the user uses either a personal firewall or Virtual Private Network systems to protect this information. advises the user that he/she should consult a security expert to determine whether there are any potential security holes in their computer's configuration.

SPECIFICALLY DISCLAIMS ANY LIABILITY FOR UNAUTHORIZED THIRD-PARTY SECURITY BREACHES OR THE RESULTS THEREOF. PROVIDES ACCESS TO THE INTERNET AND THE NETWORK ON AN "AS IS" BASIS WITH ALL RISKS INHERENT IN SUCH ACCESS. BY CONNECTING TO THE NETWORK, THE USER ACKNOWLEDGES THE RISKS ASSOCIATED WITH PUBLIC ACCESS TO THE INTERNET OR DOCUMENT PRINTING AND HEREBY RELEASES AND INDEMNIFIES FROM ANY DAMAGES THAT MIGHT OCCUR.

Acknowledgment of Resident:

Signature: _____

Dated: _____

Printed: _____



The Internet might seem intimidating at first - a vast global communications network with billions of webpages. But in this lesson, we simplify and explain the basics about the Internet using a conversational non-technical style to make it understandable, useful, and enjoyable. There's no reason to be left out!

Basic Internet Skills

Microsoft Windows PCs

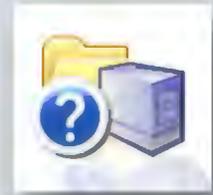
www.NetLiteracy.org





What the Internet is:

The Internet, the web, cyberspace, and the 'net are all terms that generally mean the same thing, in this case, we will call it the Internet. The Internet is a **NET**work of computers, all over the world, **INTER**connected to each other and available to any individual. The Internet is used for many different activities including shopping, communicating, learning, and distributing information.



Unfortunately, you cannot open a door to a house and walk outside to “go into the Internet.” Computers are a primary tool you’ll utilize to use the Internet. The Internet is somewhat difficult to describe because you cannot touch it (in a way similar to software). It seems invisible—only computers can see it – and you can see it through a computer. Sometimes the Internet is best described in comparison to a library. The Internet is made up of many individual components, just like a library is made up of many books. The Internet’s components have even more individual parts, just like a book has pages.

Changing Constantly:

The Internet is a useful source of information about news, sports, and entertainment because it changes along with the minute-by-minute events that occur in the world brings. This might seem confusing. However, it is not

necessarily so—the Internet can be thought of as a “dynamic” living organism that changes and adapts to its environment. The Internet changes very quickly—just watching a 24 hour news channel on the television. The content on some websites is updated every few seconds.

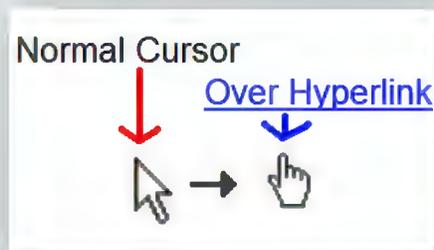




Purpose / Content of Websites

On the Internet, there are many websites. These are usually made for one specific purpose; they range from informing you about the news to teaching you how to cook.

The best analogy of a website is a comparison to an entire book or an entire newspaper. Websites are made up of “pages,” just like newspapers and books.



Websites are usually independent, however sometimes they are linked together by hyperlinks (also called links) that allow you to jump from one website to another website. These links allow you to “turn the page,” and move around on the Internet. They are usually underlined and **blue**, however they can be any color and or even a picture. How

do you identify a hyperlink? When your mouse hovers over a hyperlink, the arrow changes into a pointing hand.

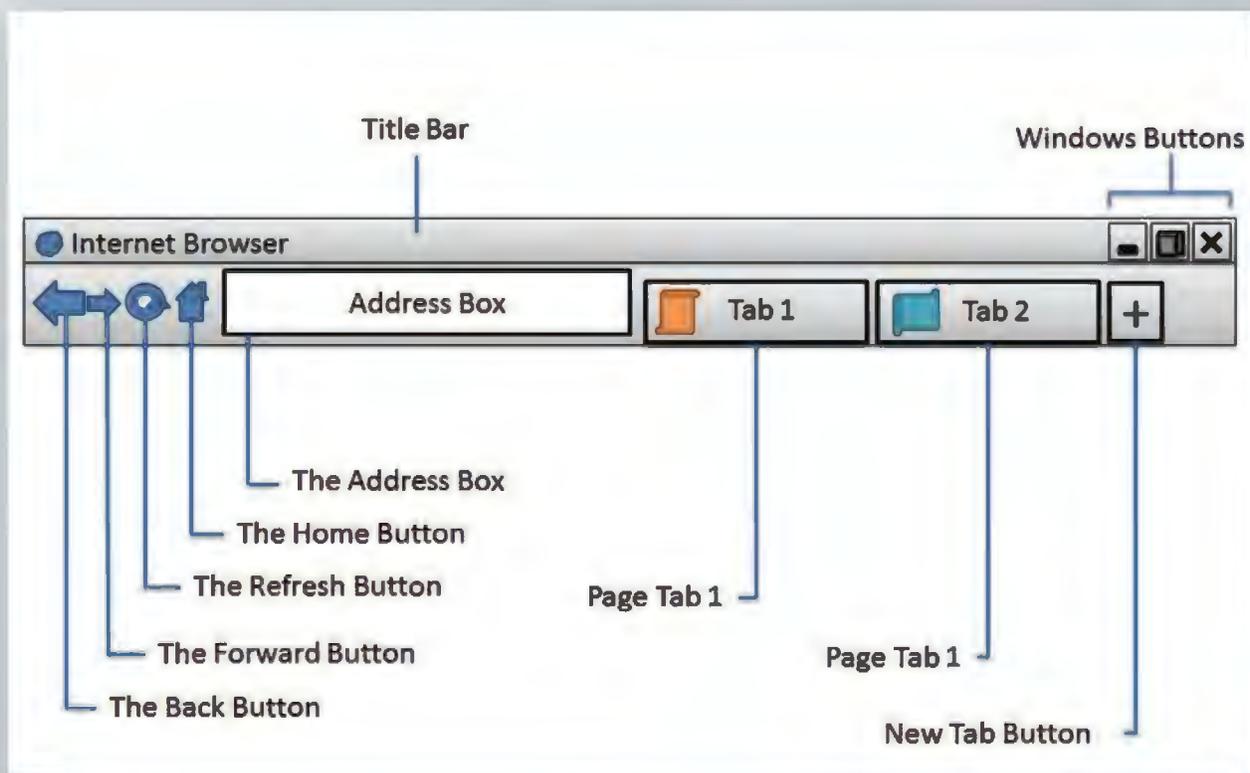
Webpages are what you see and read on the Internet. They are primarily made up of text (words), digital media (pictures, movies, and music), and hyperlinks. The Internet, unlike a book or newspaper, is in no order, and can seem slightly confusing at first. However, there are tools on the Internet that help organize it and will allow you to use it comfortably and easily.





Applications to Access the Internet

On the computer, you use a program to see the Internet. The program is called a web browser — you “browse” the web with it. Some common brands of web browsers include Internet Explorer, Firefox, and Chrome. They serve the same purpose, navigating the internet, and also have many of the same buttons. For instance, we will take a look at a generic browser’s buttons. You will use these buttons to navigate around the Internet. Sometimes extra buttons might be added, while other times, buttons might have been moved around on the toolbar. If you cannot find a button, just ask someone (they seem to be pretty tricky when they hide from you).



The Buttons

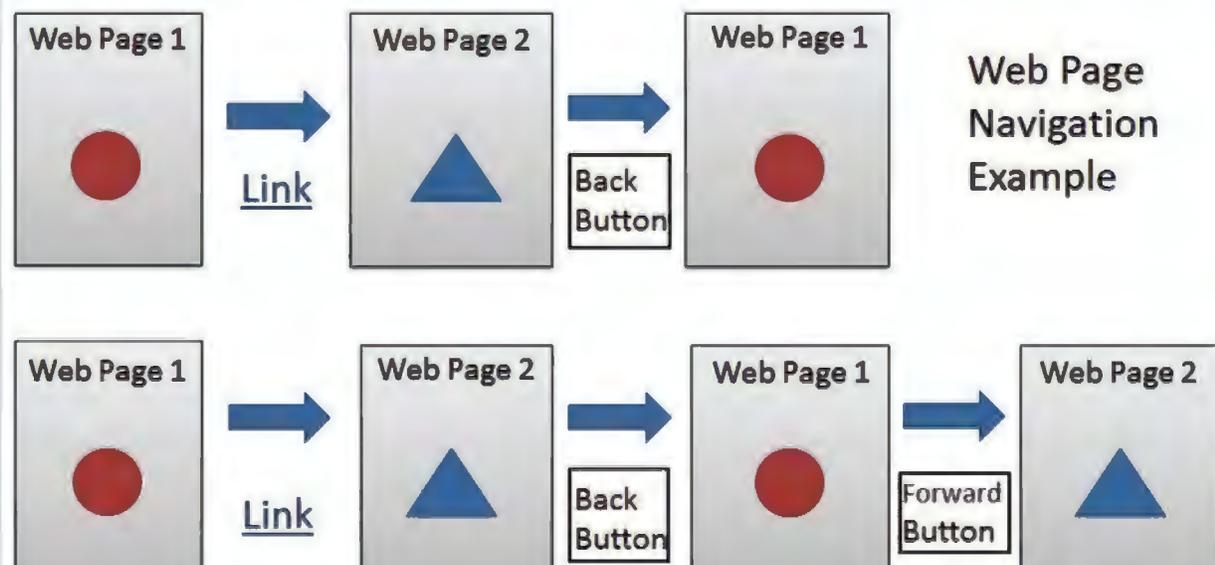
The Back Button – This button allows you to return to the last webpage that you last visited. It is most often used if you accidentally click on a link and wish to return to your previous page.

The Forward Button – If you clicked the back button, you don't have to hunt for the hyperlink on the webpage to return to the previous webpage. Just click on the forward button to return to the previous page that you were at before you pressed the back button.

Note: If the forward button is "grayed out" and when you click on it, nothing happens, this means that it is disabled.

The Refresh Button – This button is useful if you are looking at pages that contain content that is updated more frequently, such as the news, sports scores, or the weather. By clicking on the refresh button, the web page loads again, and is updated with the latest information.

The Home Button - When you open your web browser, the first website that is displayed is your **homepage**. You can change your homepage to fit your preferences. When you click on the home button, it takes you to your homepage.





The Address Box

The Address Box – This displays the URL of a webpage. URL stands for Universal Resource Locator, which is a unique address for each webpage – just like your own home’s address is unique. You can type a specific URL into the address box by left clicking in the box once and then typing. Although URLs are all different, they share common characteristics. The basic diagram of a URL is shown below.



<http://www.google.com>

Http:// - Begins most web addresses. Tells the internet browser what protocol to use.

www - Stands for “World Wide Web.” Most web addresses have it although it is not necessary. It indicates a web page.

. (dot) - Separates parts of the address so it does not all run together and the computer can distinguish the different parts of the address.

Domain name - Example: “Google” - A series of numbers, letters or hyphens “-” that identifies the owner of the address.

“.” (dot) - See previous Definition

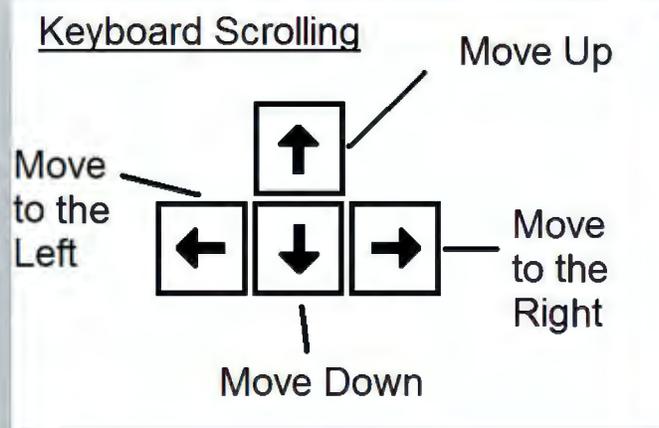
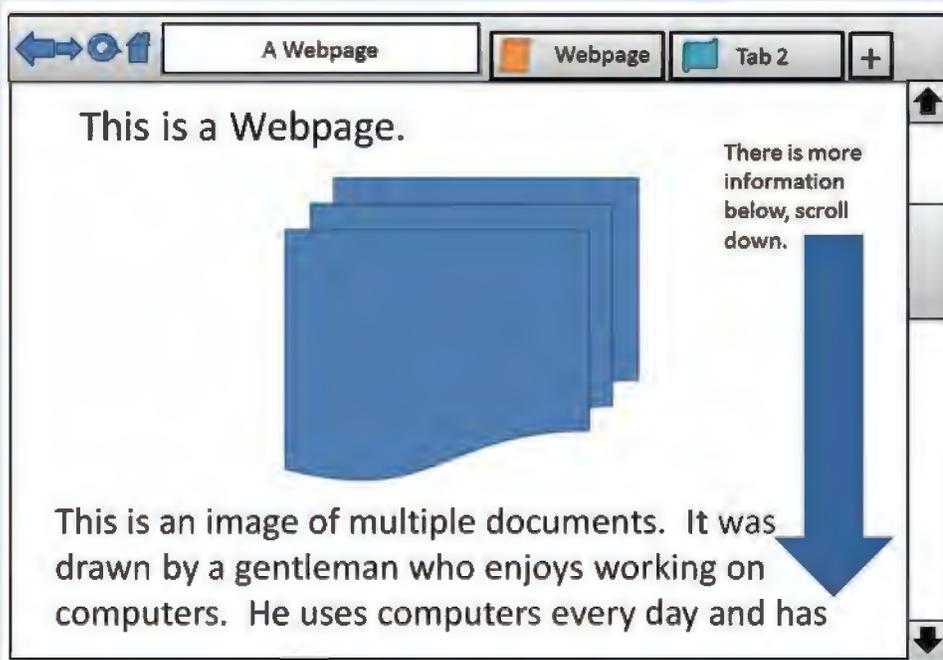
The Domain - At the end of a web address. Tells what type of web page you are viewing.
 .com – Commercial
 .org – Non-For-Profit Organization
 .edu – Education (Colleges/Universities)
 .net – Internet Related
 .mil – US Military
 .gov – US Government
 .us – United States
 .uk – United Kingdom

Important: Make sure you spell everything correctly. Addresses are very specific and if typed incorrectly, they will direct you to the wrong website. If this happens, simply use your back arrow to return to the previous webpage.



Scrolling on Webpages

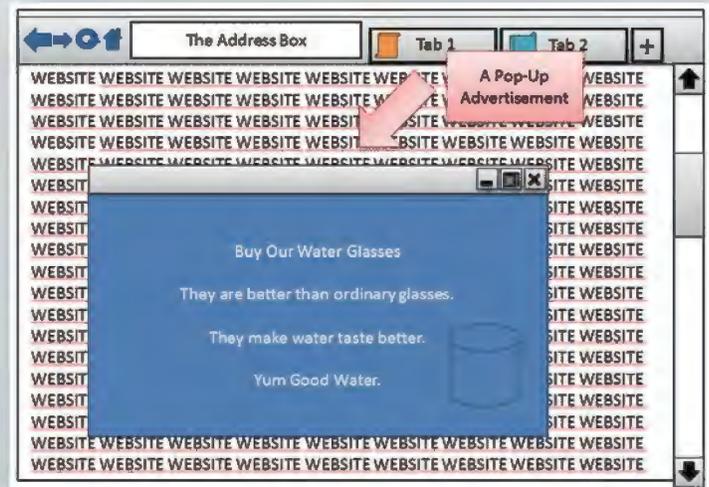
One thing to keep in mind when viewing the Internet is that a bunch of information might be displayed on a webpage, however, only a small portion can be seen immediately when you load the webpage. Thus, it is important to look at your scroll bars to the right and bottom to see if there is more information you are missing. If you are tired of using the mouse to scroll up and down, try using the arrow keys.



Pop Up Advertisements



On the Internet, there are things that help you and things that can make you aggravated. One aggravation is the **Pop Up Ad**. These advertisements are created by aggressive marketers who want you to see their “amazing” product and buy it. Pop ups create their own window and usually appear on top of the information that you are interested in. If you click on a pop up ad, it will take you away from the information you are looking at. If you see a pop up ad, click the X at the top right of the window to close it.



Another type of advertisement is the **Banner**. Banner ads show up at the top of a website or on the side of a website. As a beginner, it's generally wiser to ignore banner advertisements unless you are familiar with the company.



Searching the Internet

Because there are so many things on the Internet, it is frequently hard to locate exactly what you are looking for. Search engines such as Google (www.google.com) are very helpful and allow you search the Internet.

A search engine is a Website used to search for information on the World Wide Web. Google first collects websites using a computer program (called a



wanderer, crawler, robot, worm, or spider). Then Google creates an index of these sites so they are searchable. There are many search engines that are available - we use Google for purposes of instruction because most people use it.

Performing a search in Google (See Next Page for Picture)

1. Go to Google by typing www.google.com in the URL address box (see page 5). Google is also one of the fastest search engines and provides some of the best results.
2. Next type your topic or key words (words closely related to your topic) into the box under the Google logo.
3. Press Enter or click "Google Search"
4. The next page that will appear is your search results page. This page lists the first few results from your search. Click on one of the page title that has an interesting description or seems most relevant.
5. If you are not satisfied with that website, click the back button and try a different website. If you still cannot find a good website, try searching by using different terms in the search box at the top of the webpage.



Google Searching Tips

Google will return pages that include all of your search terms. There is no need to include the word "and" between terms. For example, to look for information about parks in Cincinnati, simply type "Cincinnati parks."

Google is not case sensitive. Typing "United States" is the same as typing "UNITED STATES" or "united states."

The more words you include in your search, the more specific your search will be and the more relevant your search results will be.



Internet Glossary

Browser – A software program that allows Internet documents (like webpages) to be viewed, also called a Web Browser.

Cyberspace – The world of computer networks.

Domain Name – A unique name that identifies a specific computer on the Internet.

Download – A term for transferring software or other files from one computer to another.

Email – Electronic Mail – Messages sent from one specific user to another using the Internet.

Email address – The way a specific user is identified so that they may receive email. An email address can be identified by the “@” sign. E.g., Support@seniorconnects.org

Home Page – The first page of a Website, similar to a table of contents.

HTML – HyperText Markup Language- A computer language used to make hypertext documents that are sent via the World Wide Web and viewed using a Browser.

HTTP – HyperText Transfer Protocol – The way that hypertext documents are transferred over the Internet.

Hypertext – A way of presenting information that allows words, pictures, sounds, and actions to be inter-linked so that you may jump between them however you choose.

Link – A word, phrase, or image that allows you to jump to another document on the World Wide Web.

Search Engine – A website that indexes and allows searching of information gathered from the Internet. Google is an example of this.

URL – Uniform Resource Locator – The entire address for a piece of information of the Internet. E.g., www.google.com

Webpage – A hypertext document available on the World Wide Web.

Website – A collection of webpages.

World Wide Web – A collection of resources available on the Internet using a web browser.

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Fairfax Hall II, LLC
Waynesboro, Virginia

Low Income Housing Tax Credit Application for Reservation

VHDA Accessibility Requirements for Section 504 of the Rehabilitation Act

Marketing Plan

Fairfax Hall II, LLC is proposing to undertake the rehabilitation of low income housing units on Reservoir Street in Waynesboro, VA. The project will result in 54 efficiency, one and two-bedroom apartments and will utilize proceeds from the syndication of Low Income Housing Tax Credits. This initiative is being undertaken in accordance with the requirements of VHDA's QAP.

At least 6 apartments at the complex are designed to serve frail elderly or persons with physical disabilities. Accordingly, the following will apply:

- (1) Construction on such apartments will conform to HUD regulations defining the accessibility requirements of Section 504 of the Rehabilitation Act.

- (2) Marketing for residents to occupy these units will be targeted to frail elders and people with special needs. These fully accessible apartments will include zero step entrances, open floor plans, roll under sinks and counters, ranges with front controls, wide doors and hallways, and fully accessible bathrooms. All of the building amenities and services will be on accessible pathways.

- (3) People with intellectual and/or developmental disabilities will be given a first preference for occupancy.
- (4) Unless the unit is rented to a qualified disabled resident, units will be held vacant for a minimum of 60 days during which ongoing marketing efforts are documented and reported to VHDA's program compliance officer before being authorized to rent to non-disabled household.

Contacts will be made to the organizations below in advance of the completion of the construction of the project to insure that the apartments are occupied as quickly as possible by the people who need them.

Further, throughout the compliance period, regular contacts will be made with residents of such units to determine if their needs have changed. Contacts will also be made regularly to those local organizations at initial occupancy but also throughout the term of the lease.

- Valley Community Services Board
85 Sangers Lane
Staunton, Virginia 24401
276 964 9702

- Valley Program for Aging Services, Inc.
325 Pine Ave
Waynesboro, Virginia 22980

In addition to the above, the property will be affirmatively market to the target population as follows:

- Registering Fairfax Hall and vacancies on VirginiaHousingSearch.com
- Registering Fairfax Hall and vacancies on accessva.org
- Registering Fairfax Hall in the Virginia Housing Directory
- Communicating regularly with the appropriate personnel at the Virginia Department of Behavioral Health and Developmental Services Housing Team regarding vacancies at the property.
- Communicating regularly with the Asset Management staff at VHDA.

Not Applicable

Tab Y:

Inducement Resolution for Tax Exempt Bonds

Not Applicable

Tab Z:

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

Not Applicable

Tab AA:

Priority Letter from Rural Development

Not Applicable

TAB AB:

Social Disadvantage Certification