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# 2019 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 **2:00 PM**  
Richmond, VA Time On **March 14, 2019**

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

## INSTRUCTIONS FOR THE VIRGINIA 2019 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 **2:00 PM** Richmond Virginia time on **March 14, 2019**. 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:**

**VHDA can accept files via our work center site Procorem or on flash/thumb drives. Contact Hope Rutter for access to Procorem.**

**Do not submit any application materials to any email address unless specifically requested by the VHDA LIHTC Allocation Department staff.**

### Disclaimer:

VHDA 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 VHDA.

### Entering Data:

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

### **Please Note:**

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

### Assistance:

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

### VHDA LIHTC Allocation Staff Contact Information

<b>Name</b>	<b>Email</b>	<b>Phone Number</b>
JD Bondurant	<a href="mailto: johndavid.bondurant@vhda.com">johndavid.bondurant@vhda.com</a>	(804) 343-5725
Hope Coleman Rutter	<a href="mailto: hope.rutter@vhda.com">hope.rutter@vhda.com</a>	(804) 343-5574
Sheila Stone	<a href="mailto: sheila.stone@vhda.com">sheila.stone@vhda.com</a>	(804) 343-5582
Stephanie Flanders	<a href="mailto: stephanie.flanders@vhda.com">stephanie.flanders@vhda.com</a>	(804) 343-5939
Pamela Freeth	<a href="mailto: pamela.freeth@vhda.com">pamela.freeth@vhda.com</a>	(804) 343-5563
Jovan Burton	<a href="mailto: Jovan.burton@vhda.com">Jovan.burton@vhda.com</a>	(804) 343-5518

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## 2019 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 VHDA's point system of ranking applications, and may assist VHDA in its determination of the appropriate amount of credits that may be reserved for the development.

- |                                     |  |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Scanned Copy of the <b>Signed</b> Tax Credit Application with Attachments (excluding market study and plans & specifications) <b>(MANDATORY)</b> |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study <b>(MANDATORY - Application will be disqualified if study is not submitted with application)</b>             |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications <b>(MANDATORY)</b>   |
| <input type="checkbox"/>            | Electronic Copy of the Physical Needs Assessment <b>(MANDATORY if rehab)</b>   |
| <input type="checkbox"/>            | Electronic Copy of Appraisal <b>(MANDATORY if acquisition credits requested)</b>   |
| <input checked="" type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) <b>(MANDATORY if 4% credits requested)</b>  |
| <input checked="" type="checkbox"/> | Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests <b>(MANDATORY)</b>                |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab F: Architect's Certification and RESNET Rater Certification <b>(MANDATORY)</b>   |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter <b>(MANDATORY)</b>  |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion <b>(MANDATORY)</b>   |
| <input type="checkbox"/>            | Tab I: Nonprofit Questionnaire <b>(MANDATORY for points or pool)</b>   |
- The following documents need not be submitted unless requested by VHDA:
- Nonprofit Articles of Incorporation
  - IRS Documentation of Nonprofit Status
  - Joint Venture Agreement (if applicable)
  - For-profit Consulting Agreement (if applicable)
- |                                     |  |
|-------------------------------------|--|
| <input type="checkbox"/>            | Tab J: Relocation Plan <b>(MANDATORY, if tenants are displaced)</b>  |
| <input type="checkbox"/>            | Tab K: Documentation of Development Location:  |
| <input checked="" type="checkbox"/> | K.1 Revitalization Area Certification  |
| <input checked="" type="checkbox"/> | K.2 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 type="checkbox"/>            | Tab O: Plan of Development Certification Letter  |
| <input checked="" type="checkbox"/> | Tab P: Developer Experience documentation and Partnership agreements   |
| <input 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  |
| <input type="checkbox"/>            | Tab T: Funding Documentation   |
| <input type="checkbox"/>            | Tab U: Documentation to Request Exception to Restriction-Pools With Little/No Increase in Rent Burdened Population |
| <input checked="" type="checkbox"/> | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal  |
| <input type="checkbox"/>            | Tab W: (Reserved)  |
| <input checked="" type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504                              |



A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 8/15/2019

1. Development Name: The Foundry Apartments
2. Address (line 1): 950 Sledd Street  
 Address (line 2):   
 City: Richmond State: VA Zip: 23220
3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000  
 (Only necessary if street address or street intersections are not available.)
4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:  
 City/County of Richmond City
5. The site overlaps one or more jurisdictional boundaries..... FALSE  
 If true, what other City/County is the site located in besides response to #4?.....
6. Development is located in the census tract of: 111.00
7. Development is located in a **Qualified Census Tract**..... TRUE
8. Development is located in a **Difficult Development Area**..... FALSE
9. Development is located in a **Revitalization Area based on QCT** ..... TRUE
10. Development is located in a **Revitalization Area designated by resolution** ..... FALSE
11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... FALSE  
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
12. Development is located in a census tract with a poverty rate of.....
 

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

Enter only Numeric Values below:

13. Congressional District: 4
- Planning District: 15
- State Senate District: 9
- State House District: 71

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

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

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

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

New construction consisting of one, two, three-bedroom units. Amenities will include a clubhouse, fitness center, laundry facility, bike storage, and playground. Property will include 10 accessible units.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 8/15/2019

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: Selena Cuffee-Glenn  
 Chief Executive Officer's Title: Chief Administrative Officer Phone:   
 Street Address: 900 East Broad Street  
 City: Richmond State: Va Zip: 23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Mark Olinger | Director of Planning | (804) 646-6305

- 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:

or

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

**For Tax Exempt Bonds, Skip Numbers 2**

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

Definitions of types:

a.

**Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2019.

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, 2019, 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 2019 credits pursuant to Section 42(h)(1)(E).

3. **Select Building Allocation type:**

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

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

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

A site plan has been submitted with this application indicating two developments on the same or contiguous site. One development relates to this 9% allocation request and the remaining development will be a 4% tax exempt bond application. (25, 35 or 45 pts)

Name of companion development:

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

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

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

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

**Definition of selection:**

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

**C. OWNERSHIP INFORMATION**

NOTE: VHDA 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 VHDA 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: The Foundry Apartments, L.P.

Developer Name: Upland Investors, LLLP

Contact: M/M ▶ Mr. First: Austin MI: T Last: Pittman

Address: 373 Edwin Drive

City: Virginia Beach St. ▶ VA Zip: 23462

Phone: (757) 499-6161 Ext.  Fax:

Email address: Apittman@lawsoncompanies.com

Federal I.D. No. 83-22911421 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ▶ Limited Partnership Formation State: ▶ VA

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

Carl L. Hardee | Chardee@lawsoncompanies.com | (757) 499-6161

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

**2. 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>
<u>See Exhibit A - Ownership Structure</u>			<u>100.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>

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

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

## Exhibit A - Ownership Structure

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
<b>The Foundry Apartments GP, LLC</b>	<b>(757) 499-6161</b>	<b>General Partner Entity</b>	<b>100%</b>
LIH Pool-1 GP, LLC	(757) 499-6161	Manager of G.P.	90.00%
The Lawson Companies, Inc.	(757) 499-6161	Manager	67.50%
Steven E. Lawson	(757) 499-6161	Managing Member	27.00%
Robert R. Lawson	(757) 499-6161	Member	13.50%
Michael A. Lawson	(757) 499-6161	Member	13.50%
Jeffry A. Lawson	(757) 499-6161	Member	13.50%
Carl L. Hardee	(757) 499-6161	Member	9.45%
Aaron J. Phipps	(757) 499-6161	Member	7.425%
Susan L. Glancy	(757) 499-6161	Member	5.625%
Catamaran Capital, LLC	(757) 499-6161	Member	10.00%
Kristopher L. Knepper	(757) 499-6161	Member	10.00%

**C. OWNERSHIP INFORMATION**

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- 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**)

**3. Developer Experience:** Provide evidence that the principal or principals of the controlling general partner or managing member for the proposed development have developed:

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

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

b. at least three deals as principal and have at \$500,000 in liquid assets..... **FALSE**

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

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

**Action:** Must provide copies of 8609s and partnership agreements (**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 VHDA 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 and provide documentation - **Mandatory TAB E**)

Select Type:  Purchase Contract

Expiration Date: 6/1/2020

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 VHDA. See QAP for further details.

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..... 12/20/2019 .

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: 1207 School Street, LLC

Address: 200 South 10th Street Suite 1010

City: Richmond St.: VA Zip: 23219

Contact Person: Peter Vick | Harrison Hall Phone: (804) 814-5299

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

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%



## 2019 Low-Income Housing Tax Credit Application For Reservation

### E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team. Provide Contact and Firm Name.

- |                          |   |                           |                       |
|--------------------------|---|---------------------------|-----------------------|
| 1. Tax Attorney:         | <u>Erik T. Hoffman</u>  | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Klein Hornig</u>   |                           |                       |
| Address:                 | <u>1325 G Street NW, Suit 770, Washington DC 20005</u>            |                           |                       |
| Email:                   | <u>ehoffman@kleinhornig.com</u>                                   | Phone:                    | <u>(202) 842-0125</u> |
| 2. Tax Accountant:       | <u>Steve Dauby</u>  | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Dauby, O'Connor &amp; Zelasky, LLC</u>                         |                           |                       |
| Address:                 | <u>501 Congressional Blvd., Carmel, IN 46032</u>                  |                           |                       |
| Email:                   | <u>sdauby@doz.net</u>   | Phone:                    | <u>(317) 819-6221</u> |
| 3. Consultant:           | <u></u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u></u>   | Role:                     | <u></u>               |
| Address:                 | <u></u>   |                           |                       |
| Email:                   | <u></u>   | Phone:                    | <u></u>               |
| 4. Management Entity:    | <u>Susan L. Glancy</u>  | This is a Related Entity. | <u>TRUE</u>           |
| Firm Name:               | <u>Lawson Realty Corporation</u>                                  |                           |                       |
| Address:                 | <u>373 Edwin Drive, Virginia Beach, VA 23462</u>                  |                           |                       |
| Email:                   | <u>sglancy@lawsoncompanies.com</u>                                | Phone:                    | <u>(757) 499-6161</u> |
| 5. Contractor:           | <u>Barton A. Dexter</u>   | This is a Related Entity. | <u>TRUE</u>           |
| Firm Name:               | <u>The R.A. Lawson Corporation</u>                                |                           |                       |
| Address:                 | <u>373 Edwin Drive, Virginia Beach, VA 23462</u>                  |                           |                       |
| Email:                   | <u>bdexter@lawsoncompanies.com</u>                                | Phone:                    | <u>(757) 499-6161</u> |
| 6. Architect:            | <u>Thomas F. Smith, III</u>                                       | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>TS3 Architects, PC</u>   |                           |                       |
| Address:                 | <u>1228 Perimeter Parkway Suite 101, Virginia Beach, VA 23454</u> |                           |                       |
| Email:                   | <u>thomas.smith@ts3architects.com</u>                             | Phone:                    | <u>(757) 689-2699</u> |
| 7. Real Estate Attorney: | <u>Howard E. Gordon</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Williams Mullen, P.C.</u>                                      |                           |                       |
| Address:                 | <u>999 Waterside Drive, Suite 1700, Norfolk, VA 23510</u>         |                           |                       |
| Email:                   | <u>hgordon@williamsmullen.com</u>                                 | Phone:                    | <u>(757) 629-0607</u> |
| 8. Mortgage Banker:      | <u>Aaron J. Phipps</u>  | This is a Related Entity. | <u>TRUE</u>           |
| Firm Name:               | <u>Multifamil Mortgage Lending, LLC</u>                           |                           |                       |
| Address:                 | <u>373 Edwin Drive, Virginia Beach, VA 23462</u>                  |                           |                       |
| Email:                   | <u>aphipps@lawsoncompanies.com</u>                                | Phone:                    | <u>(757) 499-6161</u> |
| 9. Other:                | <u></u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u></u>   | Role:                     | <u></u>               |
| Address:                 | <u></u>   |                           |                       |
| Email:                   | <u></u>   | Phone:                    | <u></u>               |

**F. REHAB INFORMATION**

**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development..... FALSE  
If no credits are being requested for existing buildings acquired for the development, skip this tab.
- b. This development has received a previous allocation of credits..... FALSE  
 If so, in what year did this development receive credits? .....
- c. The development is listed on the RD 515 Rehabilitation Priority List?..... 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 VHDA 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 VHDA prior to the application submission deadline..... FALSE

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

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

a. Credits are being requested for rehabilitation expenditures..... FALSE  
If no credits are being requested for rehabilitation expenditures, go on to Part 4

b. Minimum Expenditure Requirements

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

4. Request For Exception

- a. The proposed new construction development (including adaptive reuse and rehabilitation that creates additional rental space) is subject to an assessment of up to minus 20 points for being located in a pool identified by the Authority as a pool with little or no increase in rent burdened population..... FALSE
- b. Applicant seeks an exception to this restriction in accordance with one of the following provisions under 13VAC10-180-60:
  - i. Proposed development is specialized housing designed to meet special needs that cannot readily be addressed utilizing existing residential structures..... FALSE
  - ii. Proposed development is designed to serve as a replacement for housing being demolished through redevelopment..... FALSE
  - iii. Proposed development is housing that is an integral part of a neighborhood revitalization project sponsored by a local housing authority..... FALSE

**Action:** If any of 4(b) responses are true, provide documentation at Tab U.

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is:

Name:  (Please fit NP name within available space)

Contact Person:

Street Address:

City:  State:  Zip:

Phone:  Extension:  Contact Email:

**G. NONPROFIT INVOLVEMENT**

---

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

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

0.0%

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

A. FALSE

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

**Action:** Provide Option or Right of First Refusal in Recordable Form **(TAB V)**  
Provide Nonprofit Questionnaire (if applicable) **(TAB I)**

**Name of qualified nonprofit:**

\_\_\_\_\_

**or indicate true if Local Housing Authority**

FALSE

**Name of Local Housing Authority**

\_\_\_\_\_

2. FALSE

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

**Do not select if extended compliance is selected on Request Info Tab**

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

**NOTE:** Applicant waives the right to pursue a Qualified Contract.

**H. STRUCTURE AND UNITS INFORMATION**

**1. General Information**

a. Total number of <b>all</b> units in development	200	bedrooms	440
Total number of <b>rental</b> units in development	200	bedrooms	440
Number of low-income rental units	200	bedrooms	440
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	200	bedrooms	440
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....		250,946.92	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....		1,500.10	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....		0.00	
g. Total Usable Residential Heated Area.....		249,446.82	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....		100.00%	
i. Exact area of site in acres .....	4.950		
j. Locality has approved a final site plan or plan of development..... If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).		FALSE	
k. Requirement as of 2016: Site must be properly zoned for proposed development. <b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> )			
l. Development is eligible for Historic Rehab credits.....		FALSE	

**Definition:**

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

**H. STRUCTURE AND UNITS INFORMATION**

**2. UNIT MIX**

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	823.19	SF	36	36
2BR Garden	1236.76	SF	88	88
3BR Garden	1460.23	SF	76	76
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
			200	200

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

**3. Structures**

- a. Number of Buildings (containing rental units)..... 4
- b. Age of Structure:..... 0 years
- c. Number of stories:..... 5
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use: N/A
- f. Development consists primarily of : **(Only One Option Below Can Be True)**
  - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
  - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
  - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

**H. STRUCTURE AND UNITS INFORMATION**

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

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

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

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

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

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

l. Describe Community Facilities: Clubhouse, fitness center, bike storage, and playground. Property will include

m. Number of Proposed Parking Spaces.....	224
Parking is shared with another entity .....	FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing public bus stop. .... TRUE  
 If **True**, Provide required documentation (**TAB K3**).



**H. STRUCTURE AND UNITS INFORMATION**

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**5. Plans and Specifications**

- a. **Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
  - i. A location map with development clearly defined.
  - ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
  - iii. Sketch plans of all building(s) reflecting overall dimensions of:
    - a. Typical floor plan(s) showing apartment types and placement
    - b. Ground floor plan(s) showing common areas
    - c. Sketch floor plan(s) of typical dwelling unit(s)
    - d. Typical wall section(s) showing footing, foundation, wall and floor structure  
Notes must indicate basic materials in structure, floor and exterior finish.
  
- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
  - i. Phase I environmental assessment.
  - ii. Physical needs assessment for any rehab only development.

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

**6. Market Study Data:**

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

Project Wide Capture Rate - LIHTC Units	18.20%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	18.20%
Project Wide Absorption Period (Months)	12

**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 Architect Certification (**Mandatory**) and documents related to following items if applicable (**TAB F**)

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

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 23.17% b. Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations.
- TRUE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- TRUE d. Each bathroom contains only of WaterSense labeled faucets, toilets and showerheads.
- TRUE e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- TRUE f. Free WiFi access will be provided in community room for resident only usage.
- FALSE g. Each unit is provided free individual high speed internet access.
- or
- FALSE h. Each unit is provided free individual WiFi access.
- FALSE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- FALSE k. Cooking surfaces are equipped with fire prevention features
- or
- TRUE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- FALSE o. All interior doors within units are solid core.
- FALSE p. At minimum, one USB charging port in each kitchen, living room and all bedrooms.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- FALSE r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

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

J. ENHANCEMENTS

- FALSE a. All cooking ranges have front controls.
- FALSE b. Bathrooms have an independent or supplemental heat source.
- FALSE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.

2. Green Certification

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

The applicant will also obtain one of the following:

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

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

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

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

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

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

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

If not, please explain:

---

**I. UTILITIES**

1. Describe the Heating/AC System: Split-system air conditioning with electric heat pump

2. Services Included:

Utilities	Type of Utility (Gas, Electric, Oil, etc.)	Utilities ▶ Paid by:	Enter Allowances by Bedroom Size				
			0-bdr	1-bdr	2-bdr	3-bdr	4-br
Heating	Electric	Tenant	0	14	17	21	0
Air Conditioning	Electric	Tenant	0	7	8	10	0
Cooking	Electric	Tenant	0	5	7	8	0
Lighting	Electric	Tenant	0	21	25	30	0
Hot Water	Electric	Tenant	0	12	15	18	0
Water		Tenant	0	27	31	35	0
Sewer		Tenant	0	34	40	46	0
Trash		Owner	0	0	0	0	0
Total utility allowance for costs paid by tenant			\$0	\$120	\$143	\$168	\$0

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

- a. FALSE HUD
- b. FALSE Utility Company (Estimate)
- c. FALSE Utility Company (Actual Survey)
- d. FALSE Local PHA
- e. TRUE Other: 2RW\_Engineered UA's

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

**K. SPECIAL HOUSING NEEDS**

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

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

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

**FALSE**

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

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

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

(60 points)

**FALSE**

- b. Any development in which the greater of 5 units or 10% of the units (i) have rents within HUD's Housing Choice Voucher ("HCV") payment standard; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) 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 (30 points)

**TRUE**

- c. Any development in which 5% 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 this application for credits. (15 points)

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

K. SPECIAL HOUSING NEEDS

2. Special Housing Needs/Leasing Preference:

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

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

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

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

(If True, VHDA 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 (Mandatory if tenants are displaced - Tab J)

3. Leasing Preferences

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

Organization which holds such waiting list: Richmond Redevelopment and Housing Authority

Contact person: Kenyatta Green

Title: Director of Housing Choice Voucher Program and Tenant Selection

Phone Number (804) 780-4375

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

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

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

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 76

% of total Low Income Units 38%

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

**K. SPECIAL HOUSING NEEDS**

**4. Rental Assistance**

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

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

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

**FALSE** Section 8 New Construction Substantial Rehabilitation

**FALSE** Section 8 Moderate Rehabilitation

**FALSE** Section 8 Certificates

**FALSE** Section 8 Project Based Assistance

**FALSE** RD 515 Rental Assistance

**FALSE** Section 8 Vouchers

**FALSE** State Assistance

**FALSE** Other: \_\_\_\_\_

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

**FALSE**

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

d. Number of units receiving assistance: \_\_\_\_\_

How many years in rental assistance contract? \_\_\_\_\_

Expiration date of contract: \_\_\_\_\_

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

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

**L. UNIT DETAILS**

**1. Set-Aside Election:**

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

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

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

Income Levels			
# of Units	% of Units		
0	0.00%	20% Area Median	
0	0.00%	30% Area Median	
0	0.00%	40% Area Median	800%
0	0.00%	50% Area Median	1000%
200	100.00%	60% Area Median	2400%
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
200	100.00%	<b>Total</b>	

Rent Levels			
# of Units	% of Units		
0	0.00%	20% Area Median	
0	0.00%	30% Area Median	
0	0.00%	40% Area Median	
0	0.00%	50% Area Median	
200	100.00%	60% Area Median	
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
200	100.00%	<b>Total</b>	

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

**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.

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	Number of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	60% AMI	15		623.55	\$852.00	\$12,780
Mix 2	1 BR - 1 Bath	60% AMI	15		606.26	\$852.00	\$12,780
Mix 3	1 BR - 1 Bath	60% AMI	4	1	724.92	\$852.00	\$3,408
Mix 4	1 BR - 1 Bath	60% AMI	2		673.10	\$852.00	\$1,704
Mix 5	2 BR - 2 Bath	60% AMI	48	4	956.00	\$975.00	\$46,800
Mix 6	2 BR - 2 Bath	60% AMI	32	1	938.70	\$975.00	\$31,200
Mix 7	2 BR - 2 Bath	60% AMI	4		935.44	\$975.00	\$3,900
Mix 8	2 BR - 2 Bath	60% AMI	4		918.15	\$975.00	\$3,900
Mix 9	3 BR - 2 Bath	60% AMI	32	3	1117.95	\$1,180.00	\$37,760
Mix 10	3 BR - 2 Bath	60% AMI	24	1	1100.66	\$1,180.00	\$28,320
Mix 11	3 BR - 2 Bath	60% AMI	20		1139.56	\$1,180.00	\$23,600
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0



L. UNIT DETAILS

Mix 23							\$0
Mix 24							\$0
Mix 25							\$0
Mix 26							\$0
Mix 27							\$0
Mix 28							\$0
Mix 29							\$0
Mix 30							\$0
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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

2019 Low-Income Housing Tax Credit Application For Reservation

L. UNIT DETAILS

Mix 82							\$0
Mix 83							\$0
Mix 84							\$0
Mix 85							\$0
Mix 86							\$0
Mix 87							\$0
Mix 88							\$0
Mix 89							\$0
Mix 90							\$0
Mix 91							\$0
Mix 92							\$0
Mix 93							\$0
Mix 94							\$0
Mix 95							\$0
Mix 96							\$0
Mix 97							\$0
Mix 98							\$0
Mix 99							\$0
Mix 100							\$0
<b>TOTALS</b>			200	10	9,734.29	\$10,848	\$206,152

<b>Total Units</b>	<b>200</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>191,015.23</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>191,015.23</b>

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

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$9,000
2. Office Salaries			\$90,000
3. Office Supplies			\$6,600
4. Office/Model Apartment	(type _____ )		\$0
5. Management Fee			\$125,118
<u>5.00%</u> of EGI	<u>\$625.59</u>	Per Unit	
6. Manager Salaries			\$0
7. Staff Unit (s)	(type _____ )		\$0
8. Legal			\$10,200
9. Auditing			\$5,800
10. Bookkeeping/Accounting Fees			\$7,200
11. Telephone & Answering Service			\$4,600
12. Tax Credit Monitoring Fee			\$3,000
13. Miscellaneous Administrative			\$3,000
<b>Total Administrative</b>			<b>\$264,518</b>

**Utilities**

14. Fuel Oil			\$0
15. Electricity			\$63,000
16. Water			\$49,000
17. Gas			\$0
18. Sewer			\$64,400
<b>Total Utility</b>			<b>\$176,400</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$5,200
21. Janitor/Cleaning Contract			\$16,000
22. Exterminating			\$5,400
23. Trash Removal			\$15,000
24. Security Payroll/Contract			\$25,000
25. Grounds Payroll			\$0
26. Grounds Supplies			\$1,600
27. Grounds Contract			\$50,000
28. Maintenance/Repairs Payroll			\$90,000
29. Repairs/Material			\$20,000
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$12,000
32. Heating/Cooling Repairs & Maintenance			\$1,800
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$31,300
<b>Totals Operating &amp; Maintenance</b>			<b>\$273,300</b>

**M. OPERATING EXPENSES**

<b>Taxes &amp; Insurance</b>	
38. Real Estate Taxes	\$225,000
39. Payroll Taxes	\$16,600
40. Miscellaneous Taxes/Licenses/Permits	\$1,400
41. Property & Liability Insurance	\$50,600
42. Fidelity Bond	\$3,200
43. Workman's Compensation	\$2,400
44. Health Insurance & Employee Benefits	\$30,000
45. Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$329,200</b>

**Total Operating Expense** **\$1,043,418**

**Total Operating Expenses Per Unit** **\$5,217** **C. Total Operating Expenses as % of EGI** **41.68%**

**Replacement Reserves** (Total # Units X \$300 or \$250 New Const. Elderly Minimum) **\$60,000**

<b>Total Expenses</b>	<b>\$1,103,418</b>
-----------------------	--------------------

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

2019 Low-Income Housing Tax Credit Application For Reservation

**N. PROJECT SCHEDULE**

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract	8/25/2017	Steven E. Lawson
b. Site Acquisition	12/20/2019	Steven E. Lawson
c. Zoning Approval	6/18/2019	Kristopher L. Knepper
d. Site Plan Approval	6/18/2019	Kristopher L. Knepper
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
i. Loan Application	8/1/2019	Aaron J. Phipps
ii. Conditional Commitment	9/1/2019	Aaron J. Phipps
iii. Firm Commitment	10/1/2019	Aaron J. Phipps
<b>b. Permanent Loan - First Lien</b>		
i. Loan Application	8/1/2019	Aaron J. Phipps
ii. Conditional Commitment	9/1/2019	Aaron J. Phipps
iii. Firm Commitment	10/1/2019	Aaron J. Phipps
<b>c. Permanent Loan-Second Lien</b>		
i. Loan Application	N/A	N/A
ii. Conditional Commitment	N/A	N/A
iii. Firm Commitment	N/A	N/A
<b>d. Other Loans &amp; Grants</b>		
i. Type & Source, List	N/A	N/A
ii. Application	N/A	N/A
iii. Award/Commitment	N/A	N/A
<b>2. Formation of Owner</b>	10/12/2017	Aaron J. Phipps
<b>3. IRS Approval of Nonprofit Status</b>	N/A	N/A
<b>4. Closing and Transfer of Property to Owner</b>	12/20/2019	Aaron J. Phipps
<b>5. Plans and Specifications, Working Drawings</b>	8/1/2019	Barton A. Dexter
<b>6. Building Permit Issued by Local Government</b>	12/23/2019	Barton A. Dexter
<b>7. Start Construction</b>	1/2/2020	Barton A. Dexter
<b>8. Begin Lease-up</b>	3/1/2021	Susan L. Glancy
<b>9. Complete Construction</b>	9/1/2021	Barton A. Dexter
<b>10. Complete Lease-Up</b>	1/1/2022	Susan L. Glancy
<b>11. Credit Placed in Service Date</b>	9/1/2022	Aaron J. Phipps

2019 Low-Income Housing Tax Credit Application For Reservation

**O. PROJECT BUDGET - HARD COSTS**

**Cost/Basis/Maximum Allowable Credit**

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	23,211,155	0	23,211,155	0
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
<b>Total Structure</b>	23,211,155	0	23,211,155	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	0	0	0	0
i. Site Improvements	0	0	0	0
j. Lawns & Planting	0	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	265,000	0	0	0
o. Site Work	4,798,588	0	4,798,588	0
p. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	5,063,588	0	4,798,588	0
<b>Total Structure and Land</b>	28,274,743	0	28,009,743	0
q. General Requirements	1,696,485	0	1,696,485	0
r. Builder's Overhead ( 2.0% Contract)	565,494	0	565,494	0
s. Builder's Profit ( 6.0% Contract)	1,696,485	0	1,696,485	0
t. Bonds	0	0	0	0
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: _____	0	0	0	0
y. Other 2: _____	0	0	0	0
z. Other 3: _____	0	0	0	0
<b>Contractor Costs</b>	<b>\$32,233,207</b>	<b>\$0</b>	<b>\$31,968,207</b>	<b>\$0</b>

O. PROJECT BUDGET - OWNER COSTS

**MUST USE WHOLE NUMBERS ONLY!**

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>2. Owner Costs</b>				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$1,558 /Unit)	311,655	0	311,655	0
c. Architecture Supervision Fee \$125 /Unit)	25,000	0	25,000	0
d. Tap Fees	132,550	0	132,550	0
e. Environmental	210,000	0	100,000	0
f. Soil Borings	10,670	0	10,670	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	7,500	0	0	0
i. Market Study	22,899	0	22,899	0
j. Site Engineering / Survey	134,640	0	134,640	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	66,830	0	0	0
n. Construction Interest ( 3.5% for 20 months)	1,255,219	0	1,004,175	0
o. Taxes During Construction	18,880	0	15,104	0
p. Insurance During Construction	177,283	0	141,826	0
q. Permanent Loan Fee ( 1.4% )	365,255	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	62,233	0	32,233	0
t. Cost Certification Fee	15,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	185,000	0	0	0
w. Legal Fees for Closing	170,000	0	25,500	0
x. Mortgage Banker	255,227	0	127,613	0
y. Tax Credit Fee	114,250			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	89,300	0	66,975	0
ab. Organization Costs	5,000	0	0	0
ac. Operating Reserve	579,971	0	0	0
ad. Contingency	1,413,737	0	1,413,737	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
(1) Other* specify: Sewerline Investigation	4,550	0	4,550	0
(2) Other* specify: Utility Expense	100,000	0	100,000	0
(3) Other* specify: Marketing	110,000	0	0	0
(4) Other* specify:	0	0	0	0
(5) Other * specify:	0	0	0	0
(6) Other* specify:	0	0	0	0

**O. PROJECT BUDGET - OWNER COSTS**

(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$5,842,649	\$0	\$3,669,127	\$0
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	\$38,075,856	\$0	\$35,637,334	\$0
<b>3. Developer's Fees</b>	3,000,000	0	3,000,000	0
<b>4. Owner's Acquisition Costs</b>				
Land	2,700,000			
Existing Improvements	0	0		
Subtotal 4:	\$2,700,000	\$0		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	\$43,775,856	\$0	\$38,637,334	\$0

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

(Provide documentation at Tab E)

\$0	Land
\$0	Building

**Maximum Developer Fee:**

**\$3,692,068**

Proposed Development's Cost per Unit:  
per Sq Foot

\$218,879

**Meets Limits**

per Sq Foot

\$164

**Proposed Cost by Sq Ft exceeds limit**

Applicable Cost Limit per unit:

\$259,224



2019 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
<b>1. Total Development Costs</b>	43,775,856	0	38,637,334	0
<b>2. Reductions in Eligible Basis</b>				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	0
<b>3. Total Eligible Basis (1 - 2 above)</b>		0	38,637,334	0
<b>4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)</b>				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			11,591,200	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
<b>Total Adjusted Eligible basis</b>			50,228,534	0
<b>5. Applicable Fraction</b>		100.00000%	100.00000%	100.00000%
<b>6. Total Qualified Basis</b> (Eligible Basis x Applicable Fraction)		0	50,228,534	0
<b>7. Applicable Percentage</b> <i>(Beginning with 2016 Allocations, use the standard 9% rate.)</i> <i>(For tax exempt bonds, use the most recently published rates.)</i>		3.21%	3.21%	9.00%
<b>8. Maximum Allowable Credit under IRC §42</b> (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$0	\$1,612,336	\$0
			\$1,612,336 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.	VHDA	08/01/19	10/01/19	\$25,522,695	Mr. David Glassman
2.					
3.					
Total Construction Funding:				\$25,522,695	

**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 <i>(Whole Numbers only)</i>	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1.	VHDA Tax Exempt	8/1/2019	10/1/2019	\$8,022,695	\$414,228	3.79%	35.00	35.00
2.	VHDA SPARC/REACH	8/1/2019	10/1/2019	\$17,500,000	\$802,337	2.95%	35.00	35.00
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
Total Permanent Funding:				\$25,522,695	\$1,216,565			

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

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

**Q. SOURCES OF FUNDS**

**4. Subsidized Funding**

	Source of Funds	Date of Commitment	Amount of Funds
1.			
2.			
3.			\$0
4.			
5.			
Total Subsidized Funding			\$0

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

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$25,522,695
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$0
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

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

Grants\*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

**Q. SOURCES OF FUNDS**

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

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **61.74%**

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

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

\_\_\_\_\_  
\_\_\_\_\_

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

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

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

**2019 Low-Income Housing Tax Credit Application For Reservation**

**R. EQUITY**

**1. Equity**

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit				
Amount of Federal historic credits	\$0	x Equity \$	\$0.000	= \$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	= \$0
b. Equity that Sponsor will Fund:				
i. Cash Investment	\$0			
ii. Contributed Land/Building	\$0			
iii. Deferred Developer Fee	\$2,129,798			(Note: Deferred Developer Fee cannot be negative.)
iv. Other:	\$0			
<b>Equity Total</b>	<b>\$2,129,798</b>			

**2. Equity Gap Calculation**

a. Total Development Cost	\$43,775,856		
b. Total of Permanent Funding, Grants and Equity	-	\$27,652,493	
c. Equity Gap		\$16,123,363	
d. Developer Equity	-	\$1,613	
e. Equity gap to be funded with low-income tax credit proceeds		\$16,121,750	

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

a. Actual or Anticipated Name of Syndicator:	TBD		
Contact Person:		Phone:	
Street Address:			
City:		State:	
		Zip:	
b. Syndication Equity			
i. Anticipated Annual Credits		\$1,612,336.00	
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)		\$1.000	
iii. Percent of ownership entity (e.g., 99% or 99.9%)		99.99000%	
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)		\$0	
v. Net credit amount anticipated by user of credits		\$1,612,175	
vi. Total to be paid by anticipated users of credit (e.g., limited partners)		\$16,121,750	
c. Syndication:	Private		
d. Investors:	Corporate		

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs	\$16,121,750
---	--------------

**5. Net Equity Factor**

Must be equal to or greater than 85%	100.0000144897%
--------------------------------------	-----------------

**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 VHDA to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, VHDA at all times retains the right to substitute such information and assumptions as are determined by VHDA 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 VHDA for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$43,775,856</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$27,652,493</u>
3. Equals Equity Gap		<u>\$16,123,363</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>100.0000144897%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$16,123,360</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,612,336</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,612,336</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$1,612,336</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$8,061.6800</u>	<b>Combined 30% &amp; 70% PV Credit Requested</b>
Credit per LI Bedroom	<u>\$3,664.4000</u>	

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

**T. CASH FLOW**

**1. Revenue**

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

Total Monthly Rental Income for LIHTC Units		\$206,152
Plus Other Income Source (list): <u>Laundry, vending, utility reimbursement</u>		\$13,430
Equals Total Monthly Income:		\$219,582
Twelve Months		x12
Equals Annual Gross Potential Income		\$2,634,984
Less Vacancy Allowance <u>5.0%</u>		\$131,749
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>		<b>\$2,503,235</b>

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

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

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

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

a. Annual EGI Low-Income Units	\$2,503,235
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$2,503,235
d. Total Expenses	\$1,103,418
e. Net Operating Income	\$1,399,817
f. Total Annual Debt Service	\$1,216,565
g. Cash Flow Available for Distribution	\$183,252

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	2,503,235	2,553,299	2,604,365	2,656,453	2,709,582
Less Oper. Expenses	1,103,418	1,136,521	1,170,616	1,205,735	1,241,907
Net Income	1,399,817	1,416,779	1,433,749	1,450,718	1,467,675
Less Debt Service	1,216,565	1,216,565	1,216,565	1,216,565	1,216,565
Cash Flow	183,252	200,214	217,184	234,153	251,110
Debt Coverage Ratio	1.15	1.16	1.18	1.19	1.21

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	2,763,773	2,819,049	2,875,430	2,932,939	2,991,597
Less Oper. Expenses	1,279,164	1,317,539	1,357,065	1,397,777	1,439,710
Net Income	1,484,610	1,501,510	1,518,365	1,535,162	1,551,887
Less Debt Service	1,216,565	1,216,565	1,216,565	1,216,565	1,216,565
Cash Flow	268,045	284,945	301,800	318,597	335,322
Debt Coverage Ratio	1.22	1.23	1.25	1.26	1.28

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	3,051,429	3,112,458	3,174,707	3,238,201	3,302,965
Less Oper. Expenses	1,482,902	1,527,389	1,573,210	1,620,407	1,669,019
Net Income	1,568,528	1,585,069	1,601,497	1,617,795	1,633,946
Less Debt Service	1,216,565	1,216,565	1,216,565	1,216,565	1,216,565
Cash Flow	351,963	368,504	384,932	401,230	417,381
Debt Coverage Ratio	1.29	1.30	1.32	1.33	1.34

Estimated Annual Percentage Increase in Revenue 2.00% (Must be  $\leq$  2%)  
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be  $\geq$  3%)



U. Building-by-Building Information

Must Complete

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

Number of BINS: 20

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

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.	8	0		TBD - Bldg 1A - First Floor	Richmond	VA	23220				\$0	\$2,009,143	09/01/22	3.21%	\$64,493				\$0
2.	8	0		TBD - Bldg 1A - Second Floor	Richmond	VA	23220				\$0	\$2,009,143	09/01/22	3.21%	\$64,493				\$0
3.	8	0		TBD - Bldg 1A - Third Floor	Richmond	VA	23220				\$0	\$2,009,143	09/01/22	3.21%	\$64,493				\$0
4.	8	0		TBD - Bldg 1A - Fourth Floor	Richmond	VA	23220				\$0	\$2,009,143	09/01/22	3.21%	\$64,493				\$0
5.	8	0		TBD - Bldg 1A - Fifth Floor	Richmond	VA	23220				\$0	\$2,009,142	09/01/22	3.21%	\$64,493				\$0
6.	12	0		TBD - Bldg 1B - First Floor	Richmond	VA	23220				\$0	\$3,013,712	09/01/22	3.21%	\$96,740				\$0
7.	12	0		TBD - Bldg 1B - Second Floor	Richmond	VA	23220				\$0	\$3,013,712	09/01/22	3.21%	\$96,740				\$0
8.	12	0		TBD - Bldg 1B - Third Floor	Richmond	VA	23220				\$0	\$3,013,712	09/01/22	3.21%	\$96,740				\$0
9.	12	0		TBD - Bldg 1B - Fourth Floor	Richmond	VA	23220				\$0	\$3,013,712	09/01/22	3.21%	\$96,740				\$0
10.	12	0		TBD - Bldg 1B - Fifth Floor	Richmond	VA	23220				\$0	\$3,013,712	09/01/22	3.21%	\$96,740				\$0
11.	10	0		TBD - Bldg 2A - First Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
12.	10	0		TBD - Bldg 2A - Second Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
13.	10	0		TBD - Bldg 2A - Third Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
14.	10	0		TBD - Bldg 2A - Fourth Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
15.	10	0		TBD - Bldg 2A - Fifth Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
16.	10	0		TBD - Bldg 2B - First Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
17.	10	0		TBD - Bldg 2B - Second Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
18.	10	0		TBD - Bldg 2B - Third Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
19.	10	0		TBD - Bldg 2B - Fourth Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
20.	10	0		TBD - Bldg 2B - Fifth Floor	Richmond	VA	23220				\$0	\$2,511,426	09/01/22	3.21%	\$80,617				\$0
21.											\$0								\$0
22.											\$0								\$0
23.											\$0								\$0
24.											\$0								\$0
25.											\$0								\$0
26.											\$0								\$0
27.											\$0								\$0
28.											\$0								\$0
29.											\$0								\$0
30.											\$0								\$0
31.											\$0								\$0
32.											\$0								\$0
33.											\$0								\$0
34.											\$0								\$0
35.											\$0								\$0

200 0

Totals from all buildings

\$0

\$50,228,534

\$0

\$0

\$1,612,336

\$0

Number of BINS: 20

**V. STATEMENT OF OWNER**

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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 VHDA and its assigns against all losses, costs, damages, VHDA's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to VHDA'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 VHDA 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 VHDA 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 VHDA prior to allocation, should one be issued.
6. that the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. that, for the purposes of reviewing this application, VHDA 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 VHDA 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 VHDA at its sole discretion.


V. STATEMENT OF OWNER

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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 VHDA 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 waives the right to pursue a Qualified Contract on this development.
16. 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 VHDA's inability to process the application. The original or copy of this application may be retained by VHDA, 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: The Foundry Apartments, L.P.  
By: The Foundry Apartments GP, LLC  
Its General Partner

By:   
Its: Manager of General Partner  
(Title)

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 VHDA'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. Item 5f requires a numeric value to be entered.

Please remember that this score is only an estimate. VHDA 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. Architect's Certification	Y	Y or N	0
h. Attorney's opinion	Y	Y or N	0
i. Nonprofit questionnaire (if applicable)	Y	Y, N, N/A	0
j. Appraisal	Y	Y or N	0
k. Zoning document	Y	Y or N	0
l. Universal Design Plans	Y	Y or N	0
m. List of LIHTC Developments (Schedule A)	Y	Y or N	0
<b>Total:</b>			<b>0.00</b>

**1. READINESS:**

a. VHDA notification letter to CEO (via Locality Notification Information Application)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 or 40	0.00
d. Location in a revitalization area based on Qualified Census Tract	Y	0 or 10	10.00
e. Location in a revitalization area with resolution	N	0 or 15	0.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
<b>Total:</b>			<b>10.00</b>

**2. HOUSING NEEDS CHARACTERISTICS:**

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	5.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	0.00%	Up to 40	0.00
d. Tax abatement on increase of property's value	N	0 or 5	0.00
e. New project based rental subsidy (HUD or RD)	N	0 or 10	0.00
f. Census tract with <12% poverty rate	0%	0, 20, 25 or 30	0.00
g. Development listed on the Rural Development Rehab Priority List	N	0 or 15	0.00
h. Dev. located in area with little or no increase in rent burdened population	N	Up to -20	0.00
i. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
<b>Total:</b>			<b>25.00</b>

**2019 Low-Income Housing Tax Credit Application For Reservation**

**3. DEVELOPMENT CHARACTERISTICS:**

a. Amenities (See calculations below)			22.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	N	0 or 60	0.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	Y	0 or 15	15.00
e. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
f. Development will be Green Certified	N	0 or 10	0.00
g. Units constructed to meet VHDA's Universal Design standards	0%	Up to 15	0.00
h. Developments with less than 100 units	N	up to 20	0.00
i. Historic Structure	N	0 or 5	0.00
Total:			<u>47.00</u>

**4. TENANT POPULATION CHARACTERISTICS:**

Locality AMI	State AMI
\$83,200	\$55,900

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	38.00%	Up to 15	15.00
c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			<u>30.00</u>

**5. SPONSOR CHARACTERISTICS:**

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	Y	0 or 50	50.00
or b. Developer experience - 3 developments and at least 500,000 in liquid assets	N	0 or 50	0.00
or c. Developer experience - 1 development with 1 x units	N	0 or 10	0.00
d. Developer experience - life threatening hazard	N	0 or -50	0.00
e. Developer experience - noncompliance	N	0 or -15	0.00
f. Developer experience - did not build as represented	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements	N	0 or -20	0.00
h. Developer experience - termination of credits by VHDA	N	0 or -10	0.00
i. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
Total:			<u>50.00</u>

**6. EFFICIENT USE OF RESOURCES:**

a. Credit per unit		Up to 200	125.27
b. Cost per unit		Up to 100	20.74
Total:			<u>146.01</u>

**7. BONUS POINTS:**

a. Extended compliance	25 Years	40 or 50	40.00
or b. Nonprofit or LHA purchase option	N	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 45	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
Total:			<u>40.00</u>

425 Point Threshold - all 9% Tax Credits  
 325 Point Threshold - Tax Exempt Bonds

**TOTAL SCORE:** 348.01

**2019 Low-Income Housing Tax Credit Application For Reservation**

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**Amenities:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	0.00
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	4.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. Shelf or Ledge at entrance within interior hallway	2	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>22.00</u>
 All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>0.00</u>
	<b>Total amenities:</b>	<b><u>22.00</u></b>

X. Development Summary

Summary Information

2019 Low-Income Housing Tax Credit Application For Reservation

**Deal Name:** The Foundry Apartments

**Cycle Type:** 4% Tax Exempt Bonds Credits  
**Allocation Type:** 0  
**Total Units:** 200  
**Total LI Units:** 200  
**Project Gross Sq Ft:** 250,946.92  
**Green Certified?:** FALSE

**Requested Credit Amount:** \$1,612,336  
**Jurisdiction:** Richmond City  
**Population Target:** General  
**Owner Contact:** Austin Pittman

**Total Score**  
348.01

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$25,522,695	\$127,613	\$102	\$1,216,565

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$28,274,743	\$141,374	\$113	64.59%
General Req/Overhead/Profit	\$3,958,464	\$19,792	\$16	9.04%
Other Contract Costs	\$0	\$0	\$0	0.00%
Owner Costs	\$5,842,649	\$29,213	\$23	13.35%
Acquisition	\$2,700,000	\$13,500	\$11	6.17%
Developer Fee	\$3,000,000	\$15,000	\$12	6.85%
<b>Total Uses</b>	<b>\$43,775,856</b>	<b>\$218,879</b>		

Total Development Costs	
Total Improvements	\$38,075,856
Land Acquisition	\$2,700,000
Developer Fee	\$3,000,000
<b>Total Development Costs</b>	<b>\$43,775,856</b>

Income		
Gross Potential Income - LI Units		\$2,634,984
Gross Potential Income - Mkt Units		\$0
Subtotal		\$2,634,984
Less Vacancy %	5.00%	\$131,749
<b>Effective Gross Income</b>		<b>\$2,503,235</b>

Rental Assistance? FALSE

Expenses		
Category	Total	Per Unit
Administrative	\$264,518	\$1,323
Utilities	\$176,400	\$882
Operating & Maintenance	\$273,300	\$1,367
Taxes & Insurance	\$329,200	\$1,646
<b>Total Operating Expenses</b>	<b>\$1,043,418</b>	<b>\$5,217</b>
Replacement Reserves	\$60,000	\$300
<b>Total Expenses</b>	<b>\$1,103,418</b>	<b>\$5,517</b>

Cash Flow	
EGI	\$2,503,235
Total Expenses	\$1,103,418
<b>Net Income</b>	<b>\$1,399,817</b>
Debt Service	\$1,216,565
<b>Debt Coverage Ratio (YR1):</b>	<b>1.15</b>

**Proposed Cost Limit/Unit:** \$218,879  
**Applicable Cost Limit/Unit:** \$259,224  
**Proposed Cost Limit/Sq Ft:** \$164  
**Applicable Cost Limit/Sq Ft:** \$218

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	36
# of 2BR	88
# of 3BR	76
# of 4+ BR	0
<b>Total Units</b>	<b>200</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	200	200
>60% AMI	0	0
Market	0	0

Income Averaging? TRUE

Extended Use Restriction? 40

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$161.81** Credits/SF = **6.463636** Const \$/unit = **\$161,166.0350**

TYPE OF PROJECT GENERAL = 11000; ELDERLY = 12000  
 LOCATION Inner-NVA=100; Outer-NV=200; NWNC=300; Rich=400; Tid=500; Balance=600  
 TYPE OF CONSTRUCTION N C=1; ADPT=2; REHAB(35,000+)=3; REHAB\*(15,000-35,000)=4

**11000**  
**400**  
**1**

**400**  
**1**

\*REHABS LOCATED IN BELTWAY (\$15,000-\$50,000) See Below

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

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	823.19	1,236.76	1,460.23	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	36	88	76	0	0	0	0
PARAMETER-(COSTS>=35,000)	0	185,873	247,830	291,200	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	185,873	247,830	291,200	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	185,873	247,830	291,200	0	0	0	0
PROJECT COST PER UNIT	0	133,202	200,122	236,282	0	0	0	0
PARAMETER-(CREDITS>=35,000)	0	15,750	21,000	24,675	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	15,750	21,000	24,675	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	15,750	21,000	24,675	0	0	0	0
PROJECT CREDIT PER UNIT	0	5,321	7,994	9,438	0	0	0	0
COST PER UNIT POINTS	0.00	5.10	8.47	7.17	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	23.84	54.50	46.93	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **20.74**

TOTAL CREDIT PER UNIT POINTS **125.27**



**Cost Parameters - Elderly**

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

**Credit Parameters - Elderly**

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

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Parameter - low rise	0	185,873	247,830	291,200	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>185,873</b>	<b>247,830</b>	<b>291,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	15,750	21,000	24,675	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>15,750</b>	<b>21,000</b>	<b>24,675</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Northern Virginia Beltway** (Rehab costs \$15,000-\$50,000)

**Cost Parameters - Elderly**

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

**Credit Parameters - Elderly**

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

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	185,873	247,830	291,200	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>185,873</b>	<b>247,830</b>	<b>291,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	15,750	21,000	24,675	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>15,750</b>	<b>21,000</b>	<b>24,675</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$161.81** Credits/SF = **6.463636** Const \$/unit = **\$161,166.04**

TYPE OF PROJECT  
LOCATION  
TYPE OF CONSTRUCTION

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

**11000**  
**400**  
**1**

**400**  
**1**

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

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

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	823.19	1,236.76	1,460.23	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	36	88	76	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	185,873	247,830	291,200	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	185,873	247,830	291,200	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	185,873	247,830	291,200	0	0	0	0
PROJECT COST PER UNIT	0	133,202	200,122	236,282	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	15,750	21,000	24,675	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	15,750	21,000	24,675	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	15,750	21,000	24,675	0	0	0	0
PROJECT CREDIT PER UNIT	0	5,321	7,994	9,438	0	0	0	0
COST PER UNIT POINTS	0.00	5.10	8.47	7.17	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	23.84	54.50	46.93	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **20.74**

TOTAL CREDIT PER UNIT POINTS **125.27**

**Cost Parameters - Elderly**

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

**Credit Parameters - Elderly**

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

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Parameter - low rise	0	185,873	247,830	291,200	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>185,873</b>	<b>247,830</b>	<b>291,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	15,750	21,000	24,675	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>15,750</b>	<b>21,000</b>	<b>24,675</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

**Cost Parameters - Elderly**

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

**Credit Parameters - Elderly**

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

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	185,873	247,830	291,200	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>185,873</b>	<b>247,830</b>	<b>291,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	15,750	21,000	24,675	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>15,750</b>	<b>21,000</b>	<b>24,675</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

A

# Partnership or Operating Agreement

Including chart of ownership structure with percentage of  
interests **(MANDATORY)**

LIMITED PARTNERSHIP AGREEMENT OF  
THE FOUNDRY APARTMENTS, LP

## LIMITED PARTNERSHIP AGREEMENT

THIS AGREEMENT, made this 1st day of May, 2019, by and between THE FOUNDRY APARTMENTS GP, LLC, the General Partner, and STEVEN E. LAWSON, the Limited Partner, the General Partner and the Limited Partner being referred to collectively herein as the “Partners” for the organization and operation of the Foundry Apartments, LP (the “Partnership”).

### RECITALS:

A. The General Partner was formed by Articles of Organization filed on October 9, 2017, under the name of School Street Apartments GP, LLC.

B. By Articles of Amendment filed on April 5, 2019, the name of the General Partner was changed by its Organizer to The Foundry Apartments GP, LLC.

C. The Partnership was formed by the Certificate of Limited Partnership filed on October 12, 2017, under the name of School Street Apartments, LP.

D. By Certificate of Amendment filed on April 5, 2019, the name of the Partnership was changed to The Foundry Apartments, LP.

E. Prior to the date hereof, the General Partner and the Limited Partner had not entered into a Limited Partnership Agreement and now desire to enter into a limited partnership agreement (the “Agreement”) to govern the Partnership in connection with its acquisition, development, ownership and operation of a multi-family housing project as described herein.

### Article 1. Name

The Partnership’s name is THE FOUNDRY APARTMENTS, LP

### Article 2. Place of Business, Etc.

2.1 Place of Business. The Partnership’s principal place of business shall be that location specified in the Certificate of Limited Partnership (the “Certificate”). All records that the Partnership is required to keep at a specified office shall be kept at the Partnership’s principal place of business. The General Partner may change the Partnership’s principal place of business to another location and add additional places of business.

2.2 Agent. The Partnership’s registered agent for service of process and its registered office shall be that person and location specified in the Certificate. The General Partner may change the Partnership’s registered agent or office.

### **Article 3. Business**

3.1 Purpose. The Partnership is formed for the following purposes and no others:

3.1.1 To acquire a parcel of land, develop the land, own, manage, lease and eventually sell the multi-family housing project constructed on the land to be known as The Foundry Apartments located on School Street in the City of Richmond, Virginia (the “Project”), and to engage only in such business as is related to the Project.

3.2 Limitation. The Partnership shall not engage in any other business or activity, including the operation of any other rental project or incur any liability or obligation not in connection with the Project.

### **Article 4. Term**

4.1 Initial Term. The Partnership began on the date the Partnership’s Certificate become effective with the Virginia State Corporation Commission and ends on December 31, 2070, unless terminated earlier or later extended. At no time prior to the scheduled termination date shall any Partner be entitled to withdraw its Capital Account, except as specified in Section 5.9. This Agreement is effective as of April 5, 2019, the effective date of the Partnership’s Amended Certificate of Limited Partnership.

4.2 Extension. The Partnership may be continued beyond its scheduled termination date by an affirmative vote of a majority in Interest of the Partners.

### **Article 5. Capital and Partnership Interests**

5.1 Partnership Interests. Each Partner’s ownership interest in the Partnership (“Partnership Interest”) shall be expressed as a percentage equal to each Partner’s Capital Account divided by the aggregate Capital Accounts of all the Partners of the Partnership and is shown on Schedule A to this Agreement.

5.2 Initial Capital. The Partners shall contribute to the Partnership that property or cash identified on Schedule A and shall receive, in exchange, those Partnership Interests, whether as Limited Partners or General Partners or both, identified on Schedule A.

5.3 Additional Capital. The Partners shall not be compelled to make any additional capital contributions except as provided in this Section. The General Partner may decide that additional Capital Contributions to the Partnership are desirable to fund the development of the Project and the Partnership business. Upon thirty (30) days’ written notice from the General Partner, the Partnership may call for additional Capital Contributions. Should any Partner fail to make an additional Capital Contribution within thirty (30) days of the notice of the call for the additional Capital Contribution, then that Partner’s Partnership Interest will be diluted and his or her distributions shall be suspended until either the additional Capital Contribution has been made or the Partners who have made the additional Capital Contributions have received distributions equal to the additional Capital

Contributions which they made, plus interest thereon at the rate of Twelve Percent (12%) per annum.

5.4 Capital Accounts. Each Partner's Capital Account shall be adjusted as necessary to reflect the economic conditions of the Partners. These adjustments shall include, but are not limited to, the following:

5.4.1 Adjustments to reflect each Partner's distributive share of Partnership profits losses and credits, including capital gains and losses, and tax-exempt income;

5.4.2 Adjustments to reflect each Partner's additional Capital Contributions to the Partnership;

5.4.3 Adjustments to reflect distributions made by the Partnership to each Partner;

5.4.4 Tax Sensitive Adjustments (as defined in Section 19.17 below).

5.5 Loans. No Partner shall be required to make a loan or loans to the Partnership. However, any Partner may make a loan or loans to the Partnership. Any loan by a Partner to the Partnership shall be made on the same terms as the Partnership could obtain a loan from a bank or other financial institution and the principal amount of any loans and interest accrued thereon, shall not be added to his or her Capital Account.

5.6 Amount of Contributions. The amount of a Partner's contributions of property to the Partnership and of the Partnership's distributions of property to a Partner, shall be reflected in the Partner's Capital Account at the agreed fair market value of the property on the date of the contribution or distribution, reduced by any liabilities secured by that property, if those liabilities are treated under applicable Federal income tax laws as being assumed by or taken subject to by the transferee.

5.7 No Interest Paid. A Partner shall receive no interest on his or her Capital Account or Partnership Interest.

5.8 Limitations on Liability. No Limited Partner (in his or her capacity as a limited partner) shall be personally liable for losses, costs, expenses, liabilities or obligations of the Partnership in excess of his or her contributions of Capital or other obligations required under this Article 5, without that Limited Partner's prior written consent. No Partner shall, solely by reason of being a partner, be liable, directly or indirectly, for debts, obligations or liabilities of, or chargeable to, the Partnership that are incurred, created or assumed by the Partnership while it is a limited partnership.

5.9 No Third Party Beneficiaries. The provisions of this Article 5 are not intended to be for the benefit of any creditor or other Person (other than a Partner in his or her capacity as a partner) to whom or which any debts, liabilities or obligations are owed by (or who otherwise has any claim against) the Partnership or any of the Partners; and no such creditor or other Person shall obtain any rights under any of the foregoing provisions or shall by reason of any of the foregoing provisions



make any claim in respect of any debt, liability or obligation (or otherwise) against the Partnership or any of the Partners.

## **Article 6. Profits, Losses, and Cash Flow**

6.1 Profits and Losses. Except as provided in Article 17, the Partnership's net profits and losses (and each item of income, deduction, gain, loss and credit that makes up net profits and losses) shall be computed in accordance with generally accepted accounting principles, consistently applied, and shall be allocated among the Partners solely according to their respective Partnership Interests as shown on Schedule A.

6.2 Assignment or Death. When a Partner dies, retires or assigns his, her or its Partnership Interest, profits and losses shall be allocated based on the number of days in that year during which each Partner owned a Partnership Interest, or on any other reasonable basis selected by the General Partner, as long as it is consistent with applicable Federal income tax laws and regulations.

6.3 Cash Flow. The General Partner shall cause the Partnership to distribute its Net Cash Flow (which includes the net proceeds from a refinancing) at least annually, in proportion to Partnership Interests; provided, however, that upon the decision of the General Partner, the Partnership may make non-pro-rata distributions of Net Cash Flow and the Capital Accounts of the Partners shall be adjusted accordingly. Upon the winding up of the Partnership, the assets of the Partnership available for distribution to the Partners shall be distributed as provided in Section 14.2. Except as provided in this Article 6, until termination and liquidation of the Partnership, no distributions shall be made to any Partner.

## **Article 7. Management**

7.1 Management of the Partnership. The conduct and management of the Partnership's business shall be vested solely in the General Partner of the Partnership.

7.1.1 The initial General Partner of the Partnership shall be THE FOUNDRY APARTMENTS GP, LLC.

7.1.2 Should for any reason THE FOUNDRY APARTMENTS GP, LLC, resign as the General Partner or be unable for any reason to continue as the General Partner, then, in that event, Steven E. Lawson, or an entity formed and majority owned by Steven E. Lawson, shall serve as the General Partner.

7.1.3 General Partners may be removed and additional General Partners may be elected, only upon the unanimous written consent of the Limited Partners and in accordance with the applicable requirements of VHDA, so long as VHDA is the holder of a note secured by the Project.

7.2 Authority of General Partner. The General Partner shall have the full and exclusive power on the Partnership's behalf to manage its business and affairs and to do or cause to be done

anything deemed necessary or appropriate for the Partnership's business, including without limitation, the authority to do the following:

7.2.1 buy the land in accordance with the terms of the purchase agreement, develop the Project and buy, lease or otherwise acquire real or personal property to carry on and conduct the Partnership's business;

7.2.2 sell real or personal property to any person, giving any warranties or assurances deemed appropriate (including the Project);

7.2.3 borrow money for the Partnership's business;

7.2.4 issue promissory notes and other debt instruments (negotiable or nonnegotiable), in any amounts and secured by an encumbrance on the Project or on any other of the Partnership's assets (if VHDA permits the use of the Project or other assets of the Partnership to be encumbered);

7.2.5 assign any debts owing to the Partnership;

7.2.6 engage in any other means of financing;

7.2.7 guarantee the debts of the Partnership;

7.2.8 manage, administer, conserve, improve, develop, operate, lease, utilize and defend the Partnership's assets, directly or through third parties;

7.2.9 execute any type of agreement, deed or other instrument in connection with any Partnership power;

7.2.10 employ all types of agents and employees (including lawyers and accountants), even if they are related by blood, marriage or business relationship with the General Partner, and to pay them reasonable compensation for their services;

7.2.11 buy or otherwise obtain the use of any type of equipment or other property that may be convenient or advisable in connection with the Partnership business and the Project;

7.2.12 incur any reasonable expense for travel, telephone, insurance, taxes and other items necessary to carry on the Partnership's business;

7.2.13 sue, complain and defend in the Partnership's name and on its behalf; and

7.2.14 change the Partnership's registered agent or office or its principal place of business (including by executing and making any appropriate filings with the Virginia State Corporation Commission) or add additional places of business of the Partnership.

7.3 Approval Rights of Partners. Notwithstanding Section 7.2, the following decisions shall require the prior written consent of Partners holding at least seventy-five percent (75%) of the Partnership Interests:

7.3.1 selling or contracting to sell (including the method of sale) or otherwise disposing of all or substantially all of the Partnership's assets;

7.3.2 causing or permitting the Project or all or substantially all of the Partnership's other assets to be subjected to any mortgage, deed of trust or other security interest or refinancing any such indebtedness;

7.3.3 amending this Agreement as provided in Article 15; and

7.3.4 doing any act which would make the continued existence of the Partnership impossible.

7.4 Multiple General Partners. Should there be multiple General Partners:

7.4.1 The General Partners shall make decisions and act by a majority in number of the General Partners then in office.

7.4.2 Notwithstanding anything in this Agreement to the contrary, each General Partner, acting alone, shall have the power and authority to perform any and all acts which the General Partners are empowered to perform hereunder, including without limitation the execution and delivery of any documents and performance of all ministerial duties on behalf of the Partnership.

7.5 General Partner Accountable as a Fiduciary. Each General Partner owes duties of good faith and loyalty to the Partnership and must account to the Partnership for any benefit, and hold as trustee for the Partnership any profits derived by it from any transaction connected with the formation, operation or liquidation of the Partnership or from any use by him or her of its property, provided however that each General Partner may receive compensation and/or reimbursement from the Partnership pursuant to Section 7.6 and Section 7.7 and may enter into certain transactions pursuant to Section 7.8.

7.6 Compensation. No General Partner shall receive compensation for his, her or its services rendered in the management of the Partnership without the approval of Partners holding not less than fifty-five percent (55%) of the Partnership Interests.

7.7 Expenses. All reasonable expenses incurred by the General Partner in managing and conducting the Partnership's business, including (but not limited to) overhead, administrative and travel expenses, and professional, technical and other services rendered for the benefit of the Partnership, shall be reimbursed by the Partnership.

7.8 Transactions with Affiliates. The General Partner shall have the authority to enter into any transaction with, or to hire, employ or contract with, any individual, partnership, corporation or entity that is an affiliate of the General Partner if the terms or conditions of any agreement, contract or understanding entered into between the Partnership and an affiliate of the General Partner are commercially reasonable at the time the agreement, contract or understanding is entered into. In furtherance hereof, the Partners hereby authorize the General Partner to enter into a Property

Management Agreement with LOC-Lawson Realty and a contract for the construction of the Project with LOC-R. A. Lawson Company.

7.9 Limited Partners. A Limited Partner (other than one who is also a General Partner) shall take no part in the management of the Partnership, other than as specifically set forth in this Agreement.

7.10 Tax Matters Partner; Tax Proceedings.

7.10.1 Designation and Authority of the Tax Matters Partner.

(i) Generally. The Partnership and the Partners hereby acknowledge and agree that Steven E. Lawson is authorized to act as the Tax Matters Partner of the Partnership pursuant to this Agreement. The Tax Matters Partner is authorized to represent the Partnership in connection with all examinations of the Partnership's affairs by tax authorities or any administrative or judicial tax proceedings with respect to the Partnership, and to expend Partnership funds for professional services and costs associated therewith, and the Partnership will reimburse the Tax Matters Partner for any such costs or other costs associated with carrying out his role as Tax Matters Partner that he incurs directly. The Tax Matters Partner will have sole discretion to determine whether the Partnership (either on its own behalf or on behalf of the Partners) will contest or continue to contest any tax deficiencies assessed or proposed to be assessed by any tax authority with respect to the Partnership and whether the Partnership will make any elections with respect to any tax assessment or proceeding; provided, however, that the Tax Matters Partner shall keep the Partners reasonably informed of any material tax proceedings and any material action required to be taken, or which may be taken, by the Partnership or the Tax Matters Partner on behalf of the Partnership with respect to any tax proceeding for the Partnership. To the extent applicable, the Tax Matters Partner shall serve as the Partnership's "tax matters partner" (as such term is defined in Code Section 6231 and any corresponding or similar designation under any applicable foreign, state or local tax law applicable to the Partnership) with respect to any taxable year of the Partnership to which such laws apply.

(ii) New Partnership Audit Procedures. For each taxable year of the Partnership, the Partnership shall designate, pursuant to Proposed Regulations Section 301.6223-1 (and any successor Regulations and other applicable guidance) on its United States federal income tax return for each such taxable year of the Partnership, the Tax Matters Partner as the "partnership representative" for purposes of the laws and procedures set forth in Subchapter C of Chapter 63 of Subtitle F of the Code, as modified by Section 1101 of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, and including any successor statutes thereto or Regulations promulgated or official guidance issued thereunder (the "New Partnership Audit Procedures") and shall make such corresponding designations under any corresponding provisions of applicable foreign, state or local tax laws. The Tax Matters Partner, in his capacity as the "partnership representative," shall (i) determine all matters with respect to any

examination of the Partnership by any taxing authority (including, without limitation, the allocation of any resulting taxes, penalties and interest among the Partners and whether to make an election under Section 6226 of the Code (and any similar provision under applicable foreign, state or local tax law) with respect to any audit or other examination of the Partnership), and (ii) notwithstanding anything herein to the contrary, make such elections as he deems appropriate pursuant to the provisions of the New Partnership Audit Procedures.

#### 7.10.2 Obligations of Partners.

(i) Generally. Each Partner and former Partner agrees to cooperate, and to cause its direct and indirect owners to cooperate with the Tax Matters Partner and to do or refrain from doing any or all things reasonably requested by the Tax Matters Partner with respect to the conduct of any tax proceedings, in each case regardless whether then a Partner or after ceasing to be a Partner. Any deficiency for taxes imposed on any Partner or former Partner or its direct or indirect owners (including penalties, additions to tax or interest imposed with respect to such taxes) will be paid by such Partner or former Partner or its direct or indirect owners as applicable, and if required to be paid (and actually paid) by the Partnership, such Partner or former Partner shall indemnify the Partnership for such amounts within thirty (30) days of such payment by the Partnership, in each case regardless of whether then a Partner or after ceasing to be a Partner.

(ii) Partnership Audit Procedures. At the request of the Tax Matters Partner, in connection with an adjustment of any item of income, gain, loss, deduction or credit of the Partnership or any subsidiary entity in which the Partnership has an interest, directly or indirectly, each Partner and former Partner shall, and shall cause its direct and indirect owners, as applicable, to promptly file one or more amended tax returns in the manner contemplated by Section 6225(c) of the Code (and any Regulations or official guidance relating thereto, and, if applicable, any corresponding or similar provisions under state or local law) and pay any tax due with respect to such returns. If the Tax Matters Partner makes an election for the Partnership pursuant to Section 6226 of the Code with respect to an imputed underpayment, each Partner and former Partner shall, and shall cause its direct and indirect owners, as applicable, to comply with the requirements under such section (and any Regulations or official guidance relating thereto). At the request of the Tax Matters Partner, each Partner and former Partner shall, and shall cause its direct and indirect owners, as applicable, to provide the Tax Matters Partner and the Partnership with any information available to such Partner or former Partner (or its direct or indirect owners or representatives) and with such representations, certificates, or forms relating to such Partner or former Partner (or its direct or indirect owners or representatives) and any other documentation, in each case, that the Tax Matters Partner determines, in its reasonable discretion, are necessary to modify an imputed underpayment under Section 6225(c) of the Code or the Regulations or other official guidance thereunder. In the event that any imputed underpayment is paid or payable by the Partnership under Section 6225(a)(1) of the Code, each Partner and former

Partner shall indemnify the Partnership in an amount equal to that Partner's or former Partner's share (as determined by the Tax Matters Partner with the advice of the Partnership's tax counsel) of the imputed underpayment and any associated interest and penalties) paid or payable by the Partnership; provided, however, that the Tax Matters Partner may determine, in his discretion, to allocate the burden of such amount to such Partner without requiring payment by such Partner to the Partnership.

(iii) Survival of Obligations. Each Partner's obligations to comply with the requirements of this Section 7.10 shall survive the Partner's transfer of all or any portion of its interest in the Partnership, otherwise ceasing to be a Partner of the Partnership and/or the termination, dissolution, liquidation and winding up of the Partnership, to the extent applicable.

(iv) Exculpation and Indemnification of Tax Matters Partners, Partnership Representatives and Designated Individual. Any Tax Matters Partner or any Person acting as a "partnership representative" or "designated individual" pursuant to this Section 7.10 shall, when acting in that capacity (a "Tax Matters Person"), be deemed to be a Managing Partner. The liability of any Tax Matters Person shall be eliminated to the maximum extent the liability of a Managing Partner may be eliminated under any applicable law or the provisions of this Agreement.

## **Article 8. Meetings**

8.1 Meetings. The Partners of the Partnership shall meet at least annually. Special meetings of the Partners shall be held on call of the General Partner or Partners holding not less than twenty-five percent (25%) of all Partnership Interests. At each annual meeting, the General Partner shall lead a general discussion of at least the following matters: (a) a report to the Partners regarding the business of the Partnership and (b) the operation of the Project.

8.2 Procedures. The Partners shall decide issues submitted to them by a vote at meetings of the Partners at which a quorum is present. Partners may participate in a meeting and be deemed present for all purposes if such meeting makes use of any means of communication by which all Partners participating may simultaneously hear each other during the meeting. A quorum at any meeting shall exist if Partners holding a majority of the outstanding Partnership Interests entitled to vote are present or voting by proxy or written instruction. Any Partner not present at a meeting and entitled to vote may vote on any matter by general or specific proxy and/or by power of attorney directed to a Partner present or by specific instructions in writing. Once a Partner's Partnership Interest is represented for any purpose at a meeting of Partners, it shall be deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is, or shall be, set for the adjourned meeting. If less than a quorum shall be in attendance at the time for which a meeting shall have been called, the meeting may be adjourned from time to time, without notice other than by announcement at the meeting until a quorum shall be present, either in person or by proxy.

8.3 Notice of Meetings. Written or oral notice stating the place, day and hour of every meeting of the Partners shall be given not less than five (5) nor more than thirty (30) days before the date of the meeting to each Partner entitled to vote at such meetings, at his, her or its address which appears on the records of the Partnership, except that the notice of a Partners' meeting to act on a proposed sale of substantially all the assets of the Partnership or the dissolution of the Partnership shall be given in writing not less than ten (10) days nor more than sixty (60) days before the meeting date. Meetings may be held at any time without notice, if a quorum of the Partners are present and those present waive notice.

8.4 Approval. Any approval or action that, under this Agreement, may be given or taken by Partners holding a specified percentage of Partnership Interests may be given or taken with the written consent or approval of Partners holding that specified percentage of Partnership Interests.

### **Article 9. Financial Statements**

Within ninety (90) days after the close of each fiscal year, the General Partner shall, at the Partnership's expense, give each Partner a copy of the Partnership's Federal Income Tax Return (including Form K-1), the balance sheet of the Partnership, a statement of operations for the preceding year and a report to each Partner indicating each Partner's share of the Partnership income or loss and any changes in each Partner's Capital Account, all of which shall be prepared by the Partnership's Certified Public Accountant.

### **Article 10. Banking**

All Partnership funds shall be deposited in its name in such accounts as the General Partner may designate. The General Partner shall designate the persons who are authorized to draw checks on Partnership bank accounts, but such authority must be in writing. Each bank, financial institution or stock brokerage firm in which a Partnership account is maintained is relieved of any responsibility to inquire into a Partner's authority to deal with such funds and is absolved of all liability with respect to withdrawals from Partnership accounts by any person duly authorized by the General Partner.

### **Article 11. Transfer of Partnership Interests**

11.1 Generally. A Partner shall not Transfer any Partnership Interest except in accordance with the terms of this Article 11 or with the prior written consent of all of the other Partners. An attempted Transfer of any Partnership Interest not in accordance with the terms of this Article shall not be valid and shall not be reflected on the Partnership's books.

11.2 No Encumbrance. No Partner shall subject his, her or its Partnership Interest to any lien, charge, encumbrance, mortgage, security interest or similar rights of others.

11.3 Transfers by General Partner. In addition to the other restrictions on Transfer contained in this Article 11 and as may be imposed by VHDA, no General Partner may Transfer one hundred percent (100%) of the General Partner's Partnership Interest, except with the unanimous

written consent of the Limited Partners, which consent may be granted or withheld in the sole and absolute discretion of the Limited Partners. In the event that such consent is granted, the assignee of the General Partner shall not become a substituted General Partner except through compliance with Section 11.7. Provided the requirements of Section 11.7 are met, any assignee shall be deemed admitted as a Limited Partner only, unless the Limited Partners unanimously agree to the assignee's admission as a General Partner and the assigning General Partner, the assignee, the Limited Partners and any other required signatory parties execute an amendment to this Agreement and execute and record an amendment to the Certificate, each of which shall reflect, among other things, the admission of the assignee as a General Partner. In any event, upon any attempted Transfer by a General Partner of one hundred percent (100%) of a General Partner's Partnership Interest, the withdrawal of the assigning General Partner from the Partnership shall be reflected on an amendment to the Certificate which shall be duly executed and filed with the Virginia State Corporation Commission.

#### 11.4 Intrafamilial Transfers; Assignments.

11.4.1 A Limited Partner may Transfer his or her Partnership Interest, in whole or in part, to any person who has already been admitted as a Partner, to any family member, or to any trust for the benefit of the Partner or a family member by giving written notice to the General Partner.

11.4.2 A Partner may assign his or her rights to receive Partnership distributions (including any liquidating distribution) by giving written notice to the General Partner. However, any assignment to a person under the age of 18 shall be invalid and of no force or effect, unless made to a custodian under the applicable Uniform Transfers to Minors Act. Assignments to a person previously adjudged incompetent shall be invalid and of no force or effect. In connection with the assignment, the General Partner may require the assignor and assignee to pay the Partnership's reasonable expenses incurred in connection with the assignment and to execute any reasonable instruments or releases, and no assignment will be valid until such documents are executed.

11.5 Right of First Refusal. Any Partner who wishes to Transfer his or her Partnership Interest, in whole or in part, to a person who is not already a Partner, or who has reason to believe that an involuntary Transfer or a Transfer by operation of law is reasonably foreseeable (an "Offering Partner"), shall first offer such Partnership Interest (the "Offered Interest") to the Partnership and the other Partners on the terms set forth below.

11.5.1 The Offering Partner shall give the Partnership and each other Partner written notice of the intent to Transfer the Offered Interest or of the knowledge that an involuntary Transfer or Transfer by operation of law is reasonably foreseeable. This notice must contain a description of the portion of Partnership Interest to be Transferred, the consideration (if any) to be paid, the terms of Transfer and of the payment or consideration (including, but not limited to, the relative percentages of cash and debt, and the terms of any debt instruments), and the name, address (both home and office), business or occupation of the person to whom the Partnership Interest would be transferred and any other facts which are or would reasonably be deemed material to the proposed Transfer. The date on which all the other Partners have received written notice of the proposed Transfer is the "Offering Date."



11.5.2 For a period of ten (10) days following the Offering Date, the Partnership shall have the sole right to redeem the Offered Interest. If the Partnership has not given notice to the Partners before the 10-day period expires, then the other Partners shall also have the right to purchase the Offered Interest for a period of twenty (20) days by notice to the Partnership and each of the other Partners. If more than one other Partner chooses to purchase the Offered Interest, each may purchase in the same proportion as his, her or its own Partnership Interest bears to the total Partnership Interests of Partners purchasing the Offered Interest or in such other percentages as the purchasing Partners may agree. The Partnership may also redeem a portion of any Offered Interest in combination with one or more other Partners.

11.5.3 The Partnership or any Partner exercising this purchase option shall give the Offering Partner written notice within thirty (30) days after the Offering Date.

11.5.4 If the Partnership or the other Partners do not agree to buy all of the Offered Interest within thirty (30) days after the Offering Date, the Offering Partner may complete the intended Transfer. Such completed Transfer shall not result in the admission of the transferee unless and until the conditions of Section 11.7 are met. If the Transfer described in the Offering Partner's notice is not completed within (60) sixty days after the Offering Date, any attempted Transfer shall be deemed pursuant to a new offer and this Section shall again apply.

11.6 Purchase Price and Terms. The purchase price that the Partnership or the Partners must pay for the Offered Interest under this Article shall be the lower of:

11.6.1 the price agreed upon in connection with the proposed Transfer for which notice is given if such proposed Transfer is to be made for valuable consideration in money or money's worth of property; or

11.6.2 the Redemption Value (as defined in Article 13 below) of the Offered Interest.

However, if the proposed Transfer is not to be made for valuable consideration in money or money's worth of property, then the purchase price shall be the Redemption Value of the Offered Interest. Article 13 contains additional terms and conditions of the purchase or redemption of an Offered Interest.

11.7 Admission of Substitute Partners. Notwithstanding any provision permitting the Transfer of a Partnership Interest, no person to whom a Partnership Interest has been transferred shall be admitted to the Partnership as a substituted Partner unless the following conditions are satisfied:

11.7.1 the transferee consents in writing to be bound by this Agreement;

11.7.2 the transferee pays the Partnership a reasonable fee to cover costs of preparing, executing and recording all pertinent documents; and

11.7.3 the transferee obtains the written consent of the transferor (except in the case of a Transfer by operation of law or to the personal representative of a deceased or incompetent Partner) and the written consent of the General Partner.

A transferee who does not become a substituted Partner has no right to require any information or account of the Partnership or to inspect the Partnership books. He or she is only entitled to receive a share of distributions or a return of contributions to which the transferring Partner would otherwise be entitled under this Agreement.

11.8 Injunction; Remedies. The Partners agree that irreparable injury will result to the other Partners in the event an Offering Partner violates or breaches the covenants, agreements or restrictions contained in this Article 11. Therefore, it is hereby agreed that upon any breach of any of these covenants, agreements or restrictions, the Partners shall be entitled, in addition to any other remedies available, to an injunction to restrain the violation or breach of or to specifically enforce compliance with any of the terms or the covenants, agreements or restrictions by a breaching Partner, that no bond shall be required in procuring any such injunction and that irreparable injury to the other Partners shall be deemed confessed. In addition, if any party files suit to enforce its rights under this Section 11.8 and prevails, the non-prevailing party shall reimburse the prevailing party for all reasonable costs and fees, including reasonable attorney's fees the prevailing party incurs. The court shall determine who is the prevailing party for purposes of the preceding sentence. The foregoing remedies for breach of this Agreement are cumulative and not exclusive of any other remedies the Partners may have, at law or in equity, in the event of a breach.

## **Article 12. Admission, Death, Etc. of Limited Partners**

12.1 Admission. A person may be admitted as an additional Limited Partner by the written decision of the General Partner, if the new Partner consents in writing to be bound by this Agreement.

12.2 Limited Partner's Death, Etc. The death, insanity, bankruptcy or incapacity of any Limited Partner shall not dissolve the Partnership. A deceased Limited Partner's personal representative, the legal representative of an insane or incompetent Limited Partner, and the trustee of a bankrupt Limited Partner shall have the same rights and be subject to the same limitations as an assignee of the Partner that they represent. No personal or legal representative or trustee in bankruptcy shall become a substituted Limited Partner without the written consent of the General Partner.

## **Article 13. Redemption Terms**

This Article applies to certain Offering Partners whose Offered Interest is purchased by the Partnership or other Partners under Article 11 (any one of which is referred to in this Article as a "Redeemed Partner").

13.1 Redemption Value. The value of a Redeemed Partner's Partnership Interest ("Redemption Value") shall be the fair market value of such Interest based upon the value of the Project. If the Partners cannot agree, the fair market value of the Partnership Interest shall be determined by an independent appraisal performed by a professional appraiser with at least ten (10) years experience in the appraisal of multi-family housing projects owned by limited liability entities located in the Richmond, Virginia metropolitan area, selected by the General Partner, whose decision

in this matter shall be conclusive. The appraiser shall make his or her valuation as of the Offering Date.

13.2 Payment Terms. If the Redeemed Partner and the Partnership and/or the purchasing Partners can agree on terms governing payment for the Interest being sold or redeemed, then that agreement will control. If no agreement is reached within a reasonable time, then one-quarter of the purchase price shall be paid in cash or by immediately available funds at the closing for the sale or redemption of the Partnership Interest, and the balance shall be paid in twelve (12) equal quarterly principal payments beginning three (3) months after the date of closing. Simple interest shall be added to each installment, computed against the outstanding principal balance at the Applicable Federal Rate determined for federal income tax purposes on the date of the closing. Each buyer shall give the Redeemed Partner a promissory note as evidence of this debt, and such buyer may prepay all or any part of the principal balance of the note at any time without penalty or premium.

13.3 The Closing. The sale or redemption of a Partnership Interest under this Article shall take place at a closing to be held not later than sixty (60) days after the Offering Date. The closing shall be held during normal business hours at the Partnership's principal office or at any other place to which the parties agree. If the Redeemed Partner is not present at the closing, then each buyer shall deposit the purchase price by cash, note or both, as this Article requires, with legal counsel for the Partnership, as escrow agent, to be paid to the Redeemed Partner as soon as is reasonably practicable, less an appropriate fee to the Partnership to cover additional administrative costs, and the Partnership shall adjust its books to reflect the transfer of these Partnership Interests.

**Article 14. Dissolution**

14.1 Causes. The Partnership shall be dissolved upon the first to occur of the following:

- (a) the expiration of its stated term,
- (b) the written determination of all of the Partners,
- (c) the sale of all of the Partnership's property, or
- (d) the withdrawal of a General Partner, unless at the time of withdrawal there is at least one other General Partner and the remaining Partner(s) owning two-thirds of the Partnership Interests agree to continue the business of the Partnership.

No other event shall cause the dissolution of the Partnership. However, notwithstanding Section 14.1(d), if within ninety (90) days after the withdrawal of the sole remaining General Partner, Limited Partners owning two-thirds of the Partnership Interests agree in writing to continue the business of the Partnership and to the appointment of one or more replacement General Partners, then the Partnership shall not be dissolved but shall be reconstituted and continue the business of the Partnership.

14.2 Upon Dissolution. Upon its dissolution, the Partnership shall commence to wind up its affairs. The Partners shall continue to share in profits and losses during liquidation as they did before dissolution. The Partnership's assets shall be sold, if a price deemed reasonable by the General Partner can be obtained. The proceeds from liquidation of the Partnership's assets shall be applied as follows:

14.2.1 First, all of the Partnership's debts and liabilities to persons other than Partners shall be paid and discharged in the order of priority as provided by law;

14.2.2 Second, all debts and liabilities to Partners shall be paid and discharged in the order of priority as provided by law;

14.2.3 Third, all remaining assets shall be distributed proportionately among the Partners based on their respective Capital Accounts.

14.3 Gain or Loss. Any gain or loss on the disposition of Partnership properties in the process of liquidation shall be credited or charged to the Partners in proportion to their Capital Accounts; except that gain or loss with respect to property contributed to the Partnership by a Partner shall be shared among the Partners so as to take account of any variation between the basis of the property so contributed and its fair market value at the time of contribution, in accordance with any applicable U.S. Treasury regulations (including, but not limited to, those promulgated under Section 704(c) of the Code. Any property distributed in kind in the liquidation shall be valued and treated as though it were sold and the cash proceeds distributed. The difference between the value of property distributed in kind and its book value shall be treated as a gain or loss on the sale of property and shall be credited or charged to the Partners accordingly.

14.4 Partnership Assets Sole Source. The Partners shall look solely to the Partnership's assets for the payment of any debts or liabilities owed by the Partnership to the Partners and for the return of their Capital Contributions and liquidation amounts. If the Partnership property remaining after the payment or discharge of all of its debts and liabilities to persons other than Partners is insufficient to return the Partners' Capital Contributions in full, they shall have no recourse therefor against the Partnership or any other Partners, except to the extent that such other Partners may have outstanding debts or obligations owing to the Partnership.

## **Article 15. Amendments**

This Agreement shall be amended automatically to reflect any valid Transfers of Partnership Interests. Otherwise, this Agreement shall be amended only upon the consent of Partners holding seventy-five percent (75%) or more of the Partnership Interests, including Partners acting through their attorneys-in-fact.

## **Article 16. Power of Attorney**

16.1 Appointment. Each of the Limited Partners irrevocably constitutes and appoints, with full power of substitution, the Manager(s) of the General Partner, as his, her or its true and lawful attorney-in-fact with full power and authority in his, her or its name, place and stead to execute, certify, acknowledge, deliver, file and record at the appropriate public offices:

16.1.1 All certificates and other instruments and any amendment thereof, which the General Partner deems appropriate to form, qualify or continue the Partnership as a limited partnership;

16.1.2 Any other instrument which may be required to be filed by the Partnership under the laws of any state or which the General Partner deems advisable to file; and

16.1.3 Any instrument, including amendments to this Agreement, which may be required to effect the continuation of the Partnership, the admission of a General Partner or successor to a General Partner, or the dissolution and termination of the Partnership (provided such continuation, admission or dissolution and termination are in accordance with this Agreement), and to reflect any reductions in the amount of capital of Partners.

16.2 Duration. The appointment by each Limited Partner of the Manager of the General Partner, as his, her or its attorney-in-fact is irrevocable and shall be deemed to be a power coupled with an interest and shall survive the incompetency, bankruptcy or dissolution of any person giving such power, except, that in the event of the Transfer by a Partner of all or any part of his, her or its Partnership Interest, this power of attorney shall survive such Transfer only until such time, if any, as the transferee shall have been admitted to the Partnership as a Substituted Partner and all required documents and instruments shall have been duly executed, filed and recorded to effect such substitution.

16.3 Effect. This power of attorney may be exercised by the Manager of the General Partner by a facsimile or electronically transmitted signature or by listing all of the Partners with a signature of the Manager of the General Partner as the attorney-in-fact for all of them. This power of attorney survives the assignment of a Limited Partner's Partnership Interest and empowers the Manager of the General Partner to act to the same extent for any successor Partner.

## **Article 17. Tax Allocations**

To the extent required to comply with the Internal Revenue Code of 1986, as amended, and the rules and regulations related to the allocation of income gain and loss among the Partners, the following provisions shall apply:

17.1 Minimum Gain Chargeback. Notwithstanding anything to the contrary in this Agreement:

17.1.1 If there is a net decrease in the Partnership minimum gain (as determined in U.S. Treasury regulations § 1.704-2(b)(2) and § 1.704-2(d)) during a year, then there shall be allocated to the Partners items of Partnership income and gain in accordance with the minimum gain chargeback requirements of U.S. Treasury regulations § 1.704-2(f).

17.1.2 Notwithstanding anything to the contrary in this Agreement except Section 17.1.1, if there is a net decrease in Partner nonrecourse debt minimum gain (as determined in U.S. Treasury regulations § 1.704-2(i)(3)) during a Fiscal Year, there shall be allocated to any Partner with a share of that Partner nonrecourse debt minimum gain items of income and gain in accordance with the requirements of U.S. Treasury regulations § 1.704-2(i)(4).

17.2 Allocations to Reflect Book Value/Tax Disparity. In accordance with Section 704(c) of the Internal Revenue Code and the U.S. Treasury regulations thereunder, income, gain, loss and

deduction with respect to any property contributed to the capital of the Partnership shall, solely for tax purposes, be allocated among the Partners so as to take into account any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its agreed upon fair market value at the time of contribution. In addition, if Partnership property is revalued and Capital Accounts are adjusted, then subsequent allocations of income, gain, loss and deduction for tax purposes with respect to the revalued property shall take into account the variation between the property's adjusted tax basis and book value in the same manner as under Section 704(c) of the Internal Revenue Code and U.S. Treasury regulations.

17.3 Qualified Income Offset. If a Partner unexpectedly receives an adjustment, allocation, or distribution described in U.S. Treasury regulations §§ 1.704-1(b)(2)(ii)(d)(4), (5) or (6) that creates or increases the deficit balance of a Capital Account in excess of the amount of the deficit, if any, the Partner is obligated to restore, then items of income or gain (consisting of a pro rata portion of each item of Partnership income, including gross income and gain for such year) shall be allocated to that Partner in an amount and manner sufficient to eliminate, to the extent required by the U.S. Treasury regulations, the deficit Capital Account as quickly as possible. For purposes of this section, in determining whether a Partner has a deficit balance in his or her Capital Account, there shall be taken into account those adjustments, allocations and distributions that, as of the end of the year, are reasonably expected to be made. This section provides for a "Qualified Income Offset" and shall be interpreted and applied in accordance with U.S. Treasury regulations § 1.704-1(b)(2)(ii)(d), as amended.

17.4 Partner Nonrecourse Deductions. Any Partner nonrecourse deductions shall be specially allocated to the Partner that bears the economic risk of loss with respect to the Partner nonrecourse debt to which the Partner nonrecourse deductions are attributable in accordance with U.S. Treasury regulations § 1.704-2(i)(1). Partner nonrecourse deductions are items of loss, deduction and expenditure attributable to Partner nonrecourse debt under U.S. Treasury regulations § 1.704-2(i)(2). Partner nonrecourse debt is a nonrecourse debt of the Partnership as defined in U.S. Treasury regulations § 1.704-2(b)(4).

17.5 Partnership Nonrecourse Deductions. Partnership nonrecourse deductions shall be specially allocated among the Partners in accordance with their Partnership Interests. Partnership nonrecourse deductions are the deductions of the Partnership calculated under U.S. Treasury regulations § 1.704-2(c).

## **Article 18. Miscellaneous**

18.1 Notices. Any notice under this Agreement shall be given and served either by personal delivery to the party to whom it is directed, by overnight delivery service, charges prepaid, or by certified mail, postage and charges prepaid, and if it is sent to a Partner, addressed to his, her or its address as it appears on the records of the Partnership.

18.1.1 Any notice shall be deemed given when it is personally delivered or, if sent by overnight delivery on the next business day or, if mailed, on the third business day after the date it is postmarked by the United States Postal Service, if it was addressed as required in this Section.

18.1.2 Any Partner may change his, her or its address for purposes of this Agreement by written notice to the General Partner, stating the new address. A change of address shall be effective fifteen (15) days' after the notice is received by the General Partner.

18.2 Non-Waiver. Any party's failure to seek redress for violation of or to insist upon the strict performance of any provision of this Agreement shall not prevent a subsequent act which would have originally constituted a violation from having the effect of an original violation.

18.3 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is invalid for any reason whatsoever, its invalidity shall not affect the validity of the remainder of the Agreement.

18.4 Schedules. The Schedules to this Agreement, as they may be amended from time to time, are incorporated herein in their entirety and form an integral part of this Agreement, as it may be amended from time to time.

18.5 Good Faith. The doing of any act or the failure to do any act by a Partner or the Partnership, the effect of which causes any loss or damage to the Partnership, shall not subject such Partner or the Partnership to any liability, if done pursuant to advice of the Partnership's legal counsel or in good faith to promote the Partnership's best interest.

18.6 Governing Law. This Agreement is governed by and to be construed according to the internal substantive laws of the Commonwealth of Virginia without giving effect to any choice-of-laws or conflict-of-law rule which would cause the laws of any other jurisdiction to govern.

18.7 Cumulative Rights. The rights and remedies provided in this Agreement are cumulative and the use of any right or remedy does not limit a party's right to use any or all other remedies. All rights and remedies in this Agreement are in addition to any other legal rights the parties may have.

18.8 Other Activities. Every Partner may engage in whatever activities he, she or it chooses without any obligation to offer any interest in such activities to any party hereof.

18.9 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. All counterparts shall be construed together and shall constitute one agreement.

18.10 Waiver of Partition. Each Partner waives any right to maintain any action for partition with respect to the Partnership's property or assets during the Partnership's term.

18.11 Binding Terms. The terms of this Agreement are binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their heirs, executors, administrators, legal representatives, successors and assigns.

18.12 Gender and Number; Headings. Unless the context requires otherwise, the use of a masculine pronoun includes the feminine and the neuter, and vice versa, and the use of the singular

includes the plural, and vice versa. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

## **Article 19. Definitions**

19.1 Agreement. The “Agreement” is THE FOUNDRY APARTMENTS, LP, LIMITED PARTNERSHIP AGREEMENT, as amended from time to time. The Agreement shall include all schedules, as they may be amended from time to time.

19.2 Capital Account. “Capital Account” shall mean, as of any given date, the amount calculated and maintained by the Partnership for each Partner as provided in Section 5.4.

19.3 Certificate. The “Certificate” is the Partnership’s Certificate of Limited Partnership filed with the Virginia State Corporation Commission, as it may be amended from time to time.

19.4 Days. “Day” or “days” refers to a calendar day, including any days which fall on legal holidays or weekends.

19.5 General Partner. A “General Partner” is a general partner and “General Partners” are the general partners of the Partnership. Such terms shall refer initially to The Foundry Apartments GP, LLC, and then to any additional or successor General Partner. A General Partner may also be, simultaneously, a Limited Partner, to the extent a portion of that General Partner’s Partnership Interest is denominated as that of a Limited Partner.

19.6 Limited Partner. A “Limited Partner” is a limited partner and “Limited Partners” are the limited partners of the Partnership. Such terms shall refer to the Limited Partners signatory hereto and any additional or successor Limited Partners. A Limited Partner may also be, simultaneously, General Partners to the extent a portion of that Limited Partner’s Partnership Interest is denominated as that of a General Partner.

19.7 Net Cash Flow. Net cash flow is the Partnership’s total net income, computed for Federal income tax purposes, increased by any depreciation or depletion deductions taken into account in computing taxable income and any nontaxable income or receipts (other than Capital Contributions); and reduced by any principal payments on any Partnership debts, capital expenditures to acquire or improve Partnership assets and such reasonable reserves and additions thereto as the General Partner shall, in its sole discretion, determine to be advisable and in the best interest of the Partnership having due regard to the interests of the Partners.

19.8 Offered Interest. The Partnership Interest offered by the Offering Partner under Section 11.5.

19.9 Offering Date. The date on which all the other Partners have received written notice of the proposed Transfer from the Offering Partner.



19.10 Offering Partner. A Partner who wishes to Transfer his, her or its Partnership Interest, in whole or in part, to a person who is not already a Partner or who has reason to believe that an involuntary Transfer or a Transfer by operation of law is reasonably foreseeable.

19.11 Partner. The “Partner” and “Partners” shall refer to all persons signing this Agreement and any persons who later become Partners, whether as General Partners or Limited Partners, or both.

19.12 Partnership. The “Partnership” is THE FOUNDRY APARTMENTS, LP, a Virginia limited partnership.

19.13 Partnership Capital. The “Partnership Capital” is the total of the Partners’ Capital Contributions.

19.14 Partnership Interests. The “Partnership Interests” are the ownership interests of the individual Partners in the Partnership, as expressed according to Section 5.1. Partnership Interests shall be denominated as either that of a General Partner or that of a Limited Partner. A single Partner may hold both kinds of Partnership Interests.

19.15 Redeemed Partner. A “Redeemed Partner” is an Offering Partner whose Offered Interest is purchased by the Partnership or other Partners under Article 11.

19.16 Redemption Value. The value of Redeemed Partner’s Partnership Interest (“Redemption Value”).

19.17 Tax Sensitive Adjustments. The “Tax Sensitive Adjustments” are all adjustments to a Partner’s Capital Account that are not otherwise specifically required under the terms of Article 17 of this Agreement, but that are required by U.S. Treasury Regulations § 1.704-1(b)(2)(iv) (“Maintenance of Capital Accounts”), as amended. These adjustments shall be made annually, unless the Regulations require a more frequent adjustment.

19.18 Transfer. A “Transfer” of a Partnership Interest includes any selling, pledging, encumbering, giving, bequeathing or other transferring or disposing of, or permitting to be sold, encumbered, attached or otherwise disposed of or have ownership changed in any manner, whether voluntarily, involuntarily or by operation of law.

19.19 VHDA. “VHDA” means the Virginia Housing Development Authority, or any successor thereto.

## **Article 20. VHDA Requirements**

It is understood that financing of the Project is likely to be obtained by the Partnership from VHDA. Accordingly, notwithstanding any other provision of this Agreement, the Partnership and the Partners shall be subject to regulation and supervision by VHDA in accordance with the Virginia Housing Development Authority Act, the Rules and Regulations of the Authority and the Regulatory Agreement required by VHDA and shall be further subject to the exercise by VHDA of the rights

and powers conferred on VHDA thereby. Notwithstanding any other provision of this Agreement, VHDA may rely upon the continuing effect of this provision which shall not be amended, altered, waived, supplemented or otherwise changed without the prior written consent of VHDA.

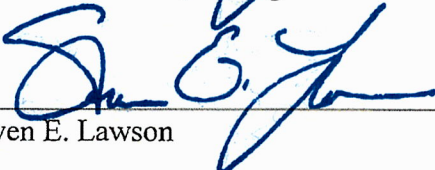
AGREED TO under hand and seal as of the date indicated above.

GENERAL PARTNER:

THE FOUNDRY APARTMENTS GP, LLC

By:  (SEAL)  
Steven E. Lawson, Manager

LIMITED PARTNER:

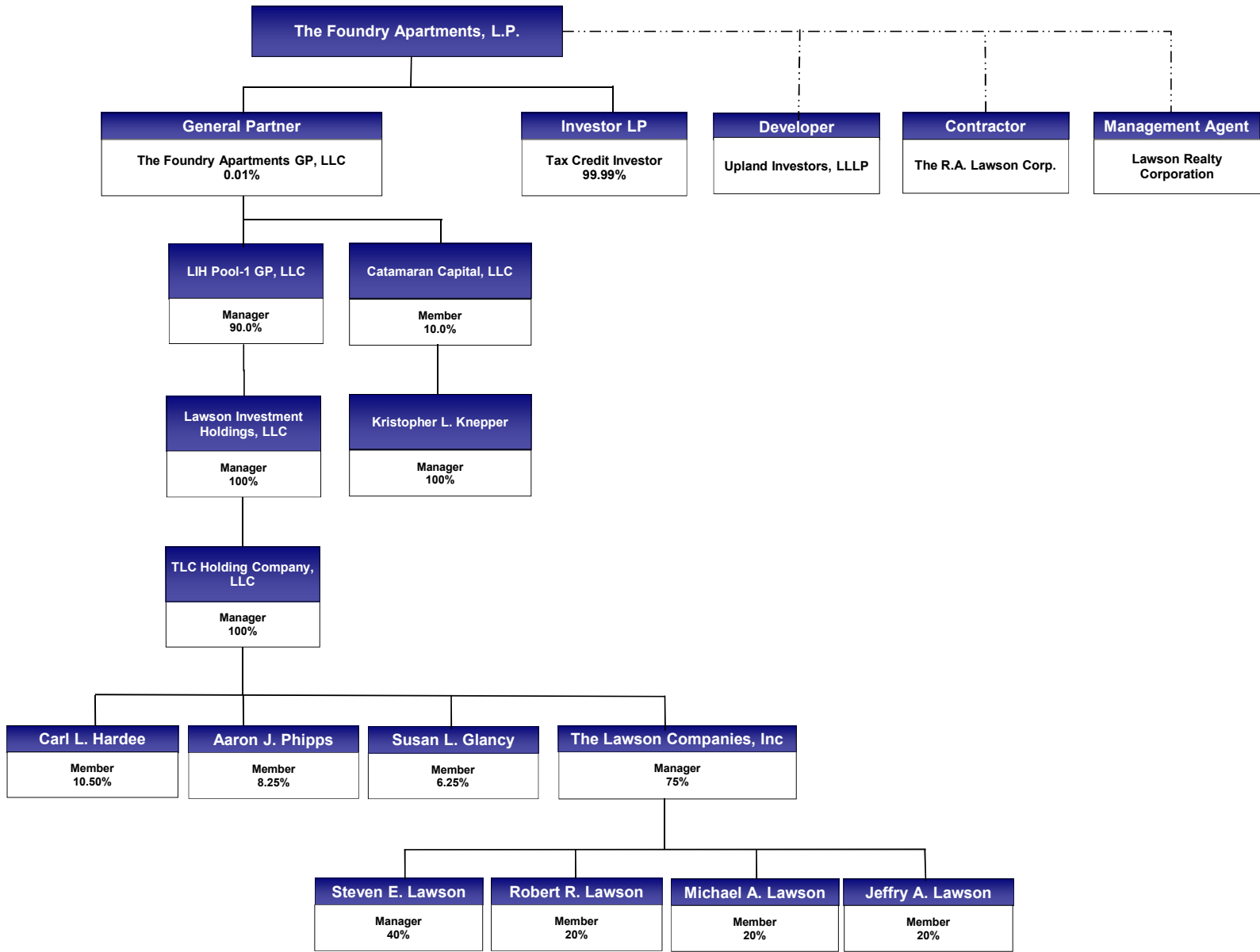
 (SEAL)  
Steven E. Lawson

**THE FOUNDRY APARTMENTS, L.P.**

**SCHEDULE A**

<i>Name and Address of Partner</i>	<i>Initial Capital Contribution</i>	<i>Partnership Interest</i>
<b>General Partner:</b> The Foundry Apartments GP, LLC 373 Edwin Drive Virginia Beach, Virginia 23462	\$1.00	0.01%
<b>Limited Partner:</b> Steven E. Lawson 1015 S. Bayshore Drive Virginia Beach, VA 23451	\$9,999.00	99.99%
	<b>\$10,000.00</b>	<b>100.0%</b>

# The Foundry Apartments - Closing Org Chart



## 1. DRAFT DEVELOPMENT FEE AGREEMENT

**THIS DEVELOPMENT FEE AGREEMENT** (this “Agreement”) is made and entered into effective as of August 1<sup>st</sup>, 2019, by and between **UPLAND INVESTORS, LLLP**, a Virginia limited liability limited partnership (the “Developer”), and **The Foundry Apartments, L.P.**, a Virginia limited partnership (the “Partnership”).

### WITNESSETH:

WHEREAS, the Partnership has been formed for the purposes, *inter alia*, of acquiring, financing, owning, constructing, rehabilitating, developing, maintaining, improving, operating, leasing and selling or otherwise disposing of certain real property located in the City of Norfolk, Virginia together with all improvements, furnishings, equipment and personal property to be located thereon (together, the land and improvements are known as The Foundry Apartments and will be collectively referred to as the “Apartment Complex”), which Apartment Complex upon completion will consist of two hundred (200) units and is intended to be rented and managed in order that it will qualify for the low-income housing tax credit provided in Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”);

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

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

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

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

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

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

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



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

(e) to cooperate with and coordinate the activities of the construction contractors appointed by the Partnership;

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

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

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

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

**Section 2. Services Not Contemplated By This Agreement.** The Developer is not responsible for in any manner or form and shall not perform any of the following services, it being the understanding between the parties hereto that all such listed activities and services are the exclusive responsibility of the Partnership, the General Partner and/or consultants or others engaged by the Partnership:

(a) any services with respect to the acquisition of the land or building included in the Apartment Complex or development of nonresidential improvements;

(b) services in connection with obtaining an allocation of Credits;

(c) any services in connection with obtaining commitments from and negotiating with any permanent lender to the Apartment Complex;

(d) any services in connection with the syndication of the Partnership or placement of the equity from investor limited partners;

(e) any services with respect to the lease-up of the units in the Apartment Complex (such services already having been contemplated in the Management Agreement);

(f) any services in connection with the organizational structure of the Apartment Complex and any entity with respect thereto or the organization of the Partnership; and

(g) any services in connection with obtaining any rental subsidies for the Apartment Complex.

The Developer understands that it will not be paid and at no time will be due any amounts under this Agreement if and to the extent the Developer should perform any such services. In

connection hereto, the Developer represents, warrants and covenants that, to the best of its knowledge, it has not performed and will not perform any of such services in connection with this Agreement and, in the event the Developer has performed or does perform any such services, it agrees that no compensation at any time payable to the Developer pursuant to this Agreement will be attributable to any such services.

**Section 3. Development Fee.** In consideration of the performance by the Developer of the development services described herein, the Partnership shall pay to the Developer a development fee (the "Development Fee") in the amount set forth on Exhibit A attached hereto. The Partnership and the Developer acknowledge that specific portions of the Development Fee shall be earned by Developer as certain benchmarks are satisfied as more particularly described on Exhibit A, but in any event all of the Development Fee shall be earned upon the receipt by the Partnership of the final certificate of occupancy for the Apartment Complex (or, if earlier, as of the end of the first year of the credit period (as such term is defined in Section 42(f)(1) of the Code). All amounts due and payable hereunder shall be paid in accordance with Section 7.02 of the Amended and Restated Agreement of Limited Partnership of the Partnership dated as of the date hereof (the "Partnership Agreement"). In addition, any amount of Development Fee that remains unpaid after Construction Completion of the Apartment Complex shall constitute a loan bearing an interest rate equal to the long-term Applicable Federal Rate for the month in which the Apartment Complex achieves Construction Completion, from the Developer to the Partnership.

**Section 4. Termination of Duties and Responsibilities of Developer.** The Developer shall have no further duties or obligations hereunder after receipt of a final certificate of occupancy for the Apartment Complex and completion of all punch list items. The Developer's duties, responsibilities and rights hereunder shall not be terminated by the Partnership except for "cause" as finally determined by a court of competent jurisdiction. For purposes hereof, "cause" shall mean fraud, dishonesty, reckless disregard for customary practices and intentional misconduct after at least thirty (30) days' prior notice and opportunity to cure.

**Section 5. Miscellaneous.**

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

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

(c) This Agreement and the rights and obligations of the parties hereto shall be governed and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to principles of conflicts of laws. The parties agree and consent that venue for purposes of resolving any dispute or controversy relating to this Agreement shall be Virginia Beach, Virginia.

(d) This Agreement embodies the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings related



to such subject matter, and it is agreed that there are no terms, understandings, representations or warranties, express or implied, other than those set forth herein.

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

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

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

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

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

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

**Section 6. Notice.** Any notice required to be given hereunder shall be in writing and mailed by certified mail, postage prepaid, or hand delivered with receipt of service simultaneously to all parties at the addresses set forth in the Partnership Agreement. Each party shall have the right to change its address for the receipt of notices, upon the giving of proper notice to all other parties hereto. Whenever a period of time is to be computed from the date of receipt of an item of certified mail, such period shall be computed from the fifth day following the date of mailing if delivery of the certified mail item is refused by the party to whom it was directed.

**Section 7. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

**Section 8. Responsibilities of the Partnership.** In order for the Developer to perform duties described herein, the Partnership shall:

(a) provide full information regarding its requirements for the Apartment Complex;

(b) designate a representative who shall be fully acquainted with the scope of the work and has authority to render decisions promptly and furnish information expeditiously; and

(c) if the Partnership becomes aware of any fault or defect in the Apartment Complex or nonconformance with any contract or other documents, it shall give prompt written notice thereof to the Developer.



**Section 9. Independent Contractor.** The parties hereto do not intend to create a partnership or any similar association for any purpose pursuant to this Agreement. The Developer shall be an independent contractor for all purposes.

**Section 10. Waiver of Jury Trial and Arbitration.** (a) Each of the parties hereto hereby knowingly, voluntarily and intentionally, after opportunity for consultation with independent counsel, waives its right to trial by jury in any action or proceeding to enforce or defend any rights or obligations (i) under this Agreement, (ii) arising from the financial relationship between the parties existing in connection with this Agreement or (iii) arising from any course of dealing, course of conduct, statement (verbal or written) or action of the parties in connection with such financial relationship. (b) No party hereto will seek to consolidate any such action in which a jury trial has been waived with any other action in which a jury trial has not been or cannot be waived, unless consolidation is mandatory under any applicable law. (c) The provisions of this Section have been fully negotiated by the parties hereto, and these provisions shall be subject to no exceptions. (d) No party hereto has in any way agreed with or represented to any other party that the provisions of this Section will not be fully enforced in all instances. (e) This Section is a material inducement for the Partnership to enter into this Agreement.

The parties agree to take all reasonable steps to resolve disputes between them without resorting to arbitration. However, upon demand of any party, such dispute shall be resolved by binding arbitration in accordance with the terms of Section 14.14 of the Partnership Agreement, which are hereby incorporated herein by reference. Each party shall pay its own costs and expenses of the arbitration proceeding and the cost of the arbitrator shall be divided equally between the parties.

[End of text; signatures begin on following page]

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

**DEVELOPER:**

UPLAND INVESTORS, LLLP, a Virginia limited liability limited partnership

By:

Name: Steven E. Lawson

Title: Managing Partner



**PARTNERSHIP:**

The Foundry Apartments, L.P.,  
a Virginia limited partnership

By: The Foundry Apartments GP, LLC,  
a Virginia limited liability company,  
its General Partner

By:

Name: Steven E. Lawson

Title: Manager



B

Virginia State Corporation  
Commission Certification  
(MANDATORY)

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, October 12, 2017*

*This is to certify that the certificate of limited partnership of*

**School Street Partners, L.P.**

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



*State Corporation Commission*

*Attest:*

*Joel H. Peck*  
Clerk of the Commission



COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

Office of the Clerk

April 5, 2019

SHEREE P MYERS  
THE LAWSON COMPANIES  
373 EDWIN DR  
VIRGINIA BEACH, VA 23462

APR 12 2019

RECEIPT

RE: The Foundry Apartments, LP

ID: L021562 - 6

DCN: 19-03-25-0184

Dear Customer:

This receipt acknowledges payment of \$25.00 to cover the fee for filing a certificate of amendment for a limited partnership with this office.

Note: Prior to the effective date of this filing, the name of the above-referenced limited partnership was School Street Partners, L.P..

The effective date of the amendment is April 5, 2019.

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

Sincerely,

Joel H. Peck  
Clerk of the Commission

RECEIPT  
LPAND  
CISLFD

C

Principal's Previous  
Participation Certification  
(MANDATORY)





## Previous Participation Certification Instructions

### General Instructions:

The following certification:

- Must be completed, regardless of any principal's inclusion on the Developer Experience List.
- Must be signed by an individual who is, or is authorized to act on behalf of, the Controlling General Partner (if LP) or Managing Member (if LLC) of the Applicant, as designated in the partnership agreement. VHDA will accept an authorization document, which gives signatory authorization to sign on behalf of the principals.
- Must be dated no more than 30 days prior to submission of the LIHTC Application.

### Definitions:

*Development* - the proposed multifamily rental housing development

*Participants* - the principals who will participate in the ownership of the development

*Principal* - any person (including any individual, joint venture, partnership, limited liability company, corporation, nonprofit organization, trust, or any other public or private entity) that (i) with respect to the proposed development, will own or participate in the ownership of the proposed development or (ii) with respect to an existing multifamily rental property, has owned or participated in the ownership of such property, all as more fully described herein below. The person who is the owner of the proposed development or multifamily rental property is considered a principal. In determining whether any other person is a principal, the following guidelines shall govern:

- In the case of a partnership which is a principal (whether as the owner or otherwise), all general partners are also considered principals, regardless of the percentage interest of the general partner;
- In the case of a public or private corporation or organization or governmental entity that is a principal (whether as the owner or otherwise), principals also include the president, vice president, secretary, and treasurer and other officers who are directly responsible to the board of directors or any equivalent governing body, as well as all directors or other members of the governing body and any stockholder having a 25% or more interest;
- In the case of a limited liability company (LLC) that is a principal (whether as the owner or otherwise), all members are also considered principals, regardless of the percentage interest of the member;
- In the case of a trust that is a principal (whether as the owner or otherwise), all persons having a 25% or more beneficial ownership interest in the assets of such trust;
- In the case of any other person that is a principal (whether as the owner or otherwise), all persons having a 25% or more ownership interest in such other person are also considered principals; and

## Instructions, cont'd

- Any person that directly or indirectly controls, or has the power to control, a principal shall also be considered a principal.

Please follow guidelines below for listing principals.

- If the owner is a partnership, list the names of all GPs, regardless of % interest in the General Partnership
- If the owner is an LLC, list the names of all members regardless of % interest
- If the owner is a Corporation (public or private), Organization or Governmental Entity, list the names of officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder having a 25% or more interest
- If the owner is a Trust, list the names of all persons having a 25% or more beneficial ownership interest in the assets of the trust
- If the owner is an Individual, list the name of anyone having a 25% or more ownership interest of the named individual

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

If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.





## Previous Participation Certification

Development Name: The Foundry Apartments  
Name of Applicant (entity): The Foundry Apartments, L.P.

I hereby certify that:

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

**Previous Participation Certification, cont'd**

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

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

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

  
\_\_\_\_\_  
Signature

**Steven E. Lawson**  
\_\_\_\_\_  
Printed Name

**7/29/2019**  
\_\_\_\_\_  
Date

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

**Principal Information**

Steven E. Lawson  
373 Edwin Drive  
Virginia Beach, VA 23462

**Property Information**

Lexington Park Apartments  
900 E. Princess Road  
Norfolk, VA 23504

**Owner Information**

Huntersville Apartments, LLLP  
373 Edwin Drive  
Virginia Beach, VA 23462

**Detailed explanation**

Uncorrected 8823 - BIN VA0353046 - On April 28, 2019 a fire damaged this building causing one unit to be affected.

**Status Statement**

Ownership is in the process of fixing all damages. It is anticipated that the unit be ready for occupancy the week of August 12, 2019.

D

# List of LIHTC Developments

(Schedule A)  
**(MANDATORY)**

# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Steven E. Lawson Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Yes Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Greenlakes Apartments Virginia Beach, VA	Western Atlantic Management Consulting, LLC (757) 499-6161	Yes	150	150	12/15/2003	5/3/2004	No
2 Crosswinds Apartments Chesapeake, VA	Goldmill Apartments, LLLP (757) 499-6161	Yes	109	109	10/3/2004	6/17/2005	No
3 Lexington Park Apartments Norfolk, VA	Huntsville Apartments, LLLP (757) 499-6161	Yes	180	180	12/31/2004	8/15/2005	Yes
4 Forest Cove I Apartments Chesapeake, VA	Pleasant Park I Apartments, LLLP (757) 499-6161	Yes	101	101	12/31/2004	7/20/2005	No
5 Forest Cove II Apartments Chesapeake, VA	Pleasant Park II Apartments, LLLP (757) 499-6161	Yes	100	100	12/30/2004	7/20/2005	No
6 Forest Cove III Apartments Chesapeake, VA	Pleasant Park III Apartments, LLLP (757) 499-6161	Yes	101	101	12/30/2004	7/20/2005	No
7 Oak Park Apartments Norfolk, VA	Prestige Arms Apartments, LLLP (757) 499-6161	Yes	40	40	12/9/2004	8/12/2005	No
8 Hunters Point I Apartments Chesapeake, VA	Wilmund Park Apartments, LLLP (757) 499-6161	Yes	124	124	12/17/2004	8/19/2005	No
9 Hunters Point II Apartments Chesapeake, VA	Wilmund Court Apartments, LLLP (757) 499-6161	Yes	32	32	11/22/2004	8/12/2005	No
10 Canebreak Apartments Summerville, SC	Canebreak Apartments, LP (757) 499-6161	Yes	120	120	12/1/2005	8/28/2006	No
11 Osprey Place Apartments North Charleston, SC	Osprey Place Apartments, LP (757) 499-6161	Yes	108	72	12/10/2004	2/23/2005	No
12 Belle Hall Apartments Portsmouth, VA	Belle Hall Apartments, LP (757) 499-6161	Yes	120	120	5/14/2009	10/15/2009	No
13 The Rivers Apartments Chesapeake, VA	Lawson Development Associates 2009A, LP - (757) 499-6161	Yes	240	240	6/1/2011	2/9/2012	No
14 Campostella Commons Apartments Chesapeake, VA	Campostella Commons II, LP (757) 499-6161	Yes	132	132	9/26/2012	6/18/2013	No
15 Tidewater Fair Apartments, LP dba The Residences of October Suffolk, VA	Tidewater Fair Apartments, LP (757) 499-6161	Yes	72	72	11/26/2013	9/11/2014	No
16 Baker Woods Apartments Virginia Beach, VA	Baker Woods Apartments, LP (757) 499-6161	Yes	96	96	10/20/2015	5/3/2016	No
17 Baker II Apartments, LP dba Summer Haven Apartments Virginia Beach, VA	Baker II Apartments, LP (757) 499-6161	Yes	57	57	3/30/2017	12/14/2017	No
18 Seaside Harbor Apartments Virginia Beach, VA	Seaside Harbor Apartments, LP (757) 499-6161	Yes	76	76	8/16/2018	4/18/2019	No
19 Tidewater Fair Apartments II, LP dba October Station Apartments Suffolk, VA	Tidewater Fair Apartments II, LP (757) 499-6161	Yes	48	48	12/1/2018	TBD	No
20 Tidewater Fair Apartments III, LP dba The Villas at October Suffolk, VA	Tidewater Fair Apartments III, LP (757) 499-6161	Yes	39	39	12/28/2017	6/6/2019	No
21 Alexander at 1090 Apartments Richmond, VA	Alexander at 1090 Apartments, LP (757) 499-6161	Yes	48	48	TBD	TBD	No
22 Alexander at 1090 - 4% Richmond, VA	Alexander at 1090 - 4%, LP (757) 499-6161	Yes	48	48	TBD	TBD	No
23 The Retreat at Harbor Pointe Apartments - Norfolk, VA	The Retreat at Harbor Pointe, LP (757) 499-6161	Yes	246	246	TBD	TBD	No
24 Market Heights Apartments - Norfolk, VA	Market Heights Apartments, LP (757) 499-6161	Yes	80	80	TBD	TBD	No
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE  
 TOTAL: 2,467 2,431

LIHTC as % of  
 99% Total Units

**Property Information**

Lexington Park Apartments  
900 E. Princess Road  
Norfolk, VA 23504

**Owner Information**

Huntersville Apartments, LLLP  
373 Edwin Drive  
Virginia Beach, VA 23462

**Detailed explanation**

BIN VA0353046 - On April 28, 2019 a fire damaged this building causing one unit to be affected.

**Status Statement**

Ownership is in the process of fixing all damages. It is anticipated that the unit be ready for occupancy the week of August 12, 2019.

# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Carl L. Hordee Controlling GP (CGP) or 'Named' Managing Member of Proposed property? No Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Belle Hall Apartments Portsmouth, VA	Belle Hall Apartments, LP (757) 499-6161	No	120	120	5/14/2009	10/15/2009	No
2	The Rivers Apartments Chesapeake, VA	Lawson Development Associates 2009A, LP - (757) 499-6161	No	240	240	6/1/2011	2/9/2012	No
3	Campostella Commons Apartments Chesapeake, VA	Campostella Commons II, LP (757) 499-6161	No	132	132	9/26/2012	6/18/2013	No
4	Tidewater Fair Apartments, LP dba The Residences of October Suffolk, VA	Tidewater Fair Apartments, LP (757) 499-6161	No	72	72	11/26/2013	9/11/2014	No
5	Baker Woods Apartments Virginia Beach, VA	Baker Woods Apartments, LP (757) 499-6161	No	96	96	10/20/2015	5/3/2016	No
6	Baker II Apartments, LP dba Summer Haven Apartments Virginia Beach, VA	Baker II Apartments, LP (757) 499-6161	No	57	57	3/30/2017	12/14/2017	No
7	Seaside Harbor Apartments Virginia Beach, VA	Seaside Harbor Apartments, LP (757) 499-6161	No	76	76	8/16/2018	4/18/2019	No
8	Tidewater Fair Apartments II, LP dba October Station Apartments Suffolk, VA	Tidewater Fair Apartments II, LP (757) 499-6161	No	48	48	12/1/2018	TBD	No
9	Tidewater Fair Apartments III, LP dba The Villas at October Suffolk, VA	Tidewater Fair Apartments III, LP (757) 499-6161	No	39	39	12/28/2017	6/6/2019	No
10	Alexander at 1090 Apartments Richmond, VA	Alexander at 1090 Apartments, LP (757) 499-6161	No	48	48	TBD	TBD	No
11	Alexander at 1090 - 4% Richmond, VA	Alexander at 1090 - 4%, LP (757) 499-6161	No	48	48	TBD	TBD	No
12	The Retreat at Harbor Pointe Apartments - Norfolk, VA	The Retreat at Harbor Pointe, LP (757) 499-6161	No	246	246	TBD	TBD	No
13	Market Heights Apartments - Norfolk, VA	Market Heights Apartments, LP (757) 499-6161	No	80	80	TBD	TBD	No
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 1,302 1,302 LIHTC as % of Total Units 100%

ADD ADDITIONAL PROPERTIES USING NEXT TAB



# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an **uncorrected** 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Aaron J. Phipps

**Controlling GP (CGP) or 'Named' Managing Member of Proposed property?\*** No  
 Y or N

**Principal's Name:**

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Seaside Harbor Apartments Virginia Beach, VA	Seaside Harbor Apartments, LP (757) 499-6161	No	76	76	8/16/2018	4/18/2019	No
2 Tidewater Fair Apartments II, LP dba October Station Apartments Suffolk, VA	Tidewater Fair Apartments II, LP (757) 499-6161	No	48	48	12/1/2018	TBD	No
3 Tidewater Fair Apartments III, LP dba The Villas at October Suffolk, VA	Tidewater Fair Apartments III, LP (757) 499-6161	No	39	39	12/28/2017	6/6/2019	No
4 Alexander at 1090 Apartments Richmond, VA	Alexander at 1090 Apartments, LP (757) 499-6161	No	48	48	TBD	TBD	No
5 Alexander at 1090 - 4% Richmond, VA	Alexander at 1090 - 4%, LP (757) 499-6161	No	48	48	TBD	TBD	No
6 The Retreat at Harbor Pointe Apartments - Norfolk, VA	The Retreat at Harbor Pointe, LP (757) 499-6161	No	246	246	TBD	TBD	No
7 Market Heights Apartments - Norfolk, VA	Market Heights Apartments, LP (757) 499-6161	No	80	80	TBD	TBD	No
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**1st PAGE TOTAL:** 585 585

**LIHTC as % of Total Units**  
100%



# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an **uncorrected** 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Susan L. Glancy

Controlling GP (CGP) or 'Named' Managing Member of Proposed property? No  
 Y or N

Principal's Name:

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Seaside Harbor Apartments Virginia Beach, VA	Seaside Harbor Apartments, LP (757) 499-6161	No	76	76	8/16/2018	4/18/2019	No
2 Tidewater Fair Apartments II, LP dba October Station Apartments Suffolk, VA	Tidewater Fair Apartments II, LP (757) 499-6161	No	48	48	12/1/2018	TBD	No
3 Tidewater Fair Apartments III, LP dba The Villas at October Suffolk, VA	Tidewater Fair Apartments III, LP (757) 499-6161	No	39	39	12/28/2017	6/6/2019	No
4 Alexander at 1090 Apartments Richmond, VA	Alexander at 1090 Apartments, LP (757) 499-6161	No	48	48	TBD	TBD	No
5 Alexander at 1090 - 4% Richmond, VA	Alexander at 1090 - 4%, LP (757) 499-6161	No	48	48	TBD	TBD	No
6 The Retreat at Harbor Pointe Apartments - Norfolk, VA	The Retreat at Harbor Pointe, LP (757) 499-6161	No	246	246	TBD	TBD	No
7 Market Heights Apartments - Norfolk, VA	Market Heights Apartments, LP (757) 499-6161	No	80	80	TBD	TBD	No
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1st PAGE  
 TOTAL: 585 585

LIHTC as % of  
 100% Total Units

# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Kristopher L. Knepper **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?\*** No  
 Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Alexander at 1090 Apartments Richmond, VA	Alexander at 1090 Apartments, LP (757) 499-6161	No	48	48	TBD	TBD	No
2	Alexander at 1090 - 4% Richmond, VA	Alexander at 1090 - 4%, LP (757) 499-6161	No	48	48	TBD	TBD	No
3	The Retreat at Harbor Pointe Apartments - Norfolk, VA	The Retreat at Harbor Pointe, LP (757) 499-6161	No	246	246	TBD	TBD	No
4	Market Heights Apartments - Norfolk, VA	Market Heights Apartments, LP (757) 499-6161	No	80	80	TBD	TBD	No
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1st PAGE  
 TOTAL: 422 422

LIHTC as % of  
 100% Total Units

# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Robert R. Lawson

Controlling GP (CGP) or 'Named' Managing Member of Proposed property? No  
 Y or N

Principal's Name:

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Greenlakes Apartments Virginia Beach, VA	Western Atlantic Management Consulting, LLC - (757) 499-6161	No	150	150	12/15/2003	5/3/2004	No
2 Canebreak Apartments Summerville, SC	Canebreak Apartments, LP (757) 499-6161	No	120	120	12/1/2005	8/28/2006	No
3 Osprey Place Apartments North Charleston, SC	Osprey Place Apartments, LP (757) 499-6161	No	108	72	12/10/2004	2/23/2005	No
4 Seaside Harbor Apartments Virginia Beach, VA	Seaside Harbor Apartments, LP (757) 499-6161	No	76	76	8/16/2018	4/18/2019	No
5 Tidewater Fair Apartments II, LP dba October Station Apartments Suffolk, VA	Tidewater Fair Apartments II, LP (757) 499-6161	No	48	48	12/1/2018	TBD	No
6 Tidewater Fair Apartments III, LP dba The Villas at October Suffolk, VA	Tidewater Fair Apartments III, LP (757) 499-6161	No	39	39	12/28/2017	6/6/2019	No
7 Alexander at 1090 Apartments Richmond, VA	Alexander at 1090 Apartments, LP (757) 499-6161	No	48	48	TBD	TBD	No
8 Alexander at 1090 - 4% Richmond, VA	Alexander at 1090 - 4%, LP (757) 499-6161	No	48	48	TBD	TBD	No
9 The Retreat at Harbor Pointe Apartments - Norfolk, VA	The Retreat at Harbor Pointe, LP (757) 499-6161	No	246	246	TBD	TBD	No
10 Market Heights Apartments - Norfolk, VA	Market Heights Apartments, LP (757) 499-6161	No	80	80	TBD	TBD	No
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE  
 TOTAL: 963 927

LIHTC as % of  
 Total Units 96%

# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Michael A. Lawson

Controlling GP (CGP) or 'Named' Managing Member of Proposed property? No  
 Y or N

Principal's Name:

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Greenlakes Apartments Virginia Beach, VA	Western Atlantic Management Consulting, LLC - (757) 499-6161	No	150	150	12/15/2003	5/3/2004	No
2 Canebreak Apartments Summerville, SC	Canebreak Apartments, LP (757) 499-6161	No	120	120	12/1/2005	8/28/2006	No
3 Osprey Place Apartments North Charleston, SC	Osprey Place Apartments, LP (757) 499-6161	No	108	72	12/10/2004	2/23/2005	No
4 Seaside Harbor Apartments Virginia Beach, VA	Seaside Harbor Apartments, LP (757) 499-6161	No	76	76	8/16/2018	4/18/2019	No
5 Tidewater Fair Apartments II, LP dba October Station Apartments Suffolk, VA	Tidewater Fair Apartments II, LP (757) 499-6161	No	48	48	12/1/2017	TBD	No
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\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE  
 TOTAL: 963 927

LIHTC as % of  
 Total Units 96%

# List of LIHTC Developments (Schedule A)



Development Name: The Foundry Apartments  
 Name of Applicant: The Foundry Apartments, L.P.

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Jeffrey A. Lawson

Controlling GP (CGP) or 'Named' Managing Member of Proposed property? No Y or N

Principal's Name:

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Greenlakes Apartments Virginia Beach, VA	Western Atlantic Management Consulting, LLC - (757) 499-6161	No	150	150	12/15/2003	5/3/2004	No
2	Canebreak Apartments Summerville, SC	Canebreak Apartments, LP (757) 499-6161	No	120	120	12/1/2005	8/28/2006	No
3	Osprey Place Apartments North Charleston, SC	Osprey Place Apartments, LP (757) 499-6161	No	108	72	12/10/2004	2/23/2005	No
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8	Alexander at 1090 - 4% Richmond, VA	Alexander at 1090 - 4%, LP (757) 499-6161	No	48	48	TBD	TBD	No
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1st PAGE  
 TOTAL: 963 927

LIHTC as % of  
 Total Units 96%

E

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

## ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement ("Assignment") is entered into as of July 12, 2019, by and between THE LAWSON COMPANIES, INC., a Virginia corporation ("Assignor") and THE FOUNDRY APARTMENTS, LP, a Virginia limited partnership ("Assignee") with reference to the following:

A. Assignor, as Purchaser, is a party to that certain Purchase Agreement dated August 25, 2017, with 1207 School Street, LLC, a Virginia limited liability company, as Seller, as amended ("Purchase Agreement"). Except as otherwise defined herein, all capitalized terms used herein have the meanings defined in the Purchase Agreement.

B. Assignor wishes to assign to Assignee and Assignee wishes to assume, all of Assignor's right, title, interest and obligations under the Purchase Agreement, as to the Property described on Exhibit "A" attached hereto, on the terms and conditions set forth herein.

NOW, THEREFORE, for a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignor hereby assigns to Assignee all of Assignor's right, title, interest and obligations as Buyer under the Purchase Agreement as to the Property described in Exhibit "A", attached hereto and made a part hereof.

2. Assignee accepts the foregoing assignment and hereby assumes all of Assignor's rights, title, interest and obligations as Buyer under the Purchase Agreement as to the Property described in Exhibit "A".

3. Assignor hereby indemnifies, agrees to defend and to hold Assignee harmless from and against any and all claims, losses, expenses (including without limitation reasonable attorney's fees and costs), obligations and liabilities arising from or accruing under the Purchase Agreement prior to the date of this Assignment. Assignee hereby indemnifies, agrees to defend and to hold Assignor harmless from and against any and all claims, losses, expenses (including without limitation reasonable attorneys' fees and costs), obligations and liabilities arising from or accruing under the Purchase Agreement subsequent to the date of this Assignment.

4. This Assignment is made and delivered in the Commonwealth of Virginia and shall be construed under and governed by Virginia law. Assignor and Assignee accept personal jurisdiction of the state and federal courts in the City of Norfolk Commonwealth of Virginia.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first set forth above.

“ASSIGNOR”

THE LAWSON COMPANIES, INC.,  
a Virginia corporation

By: 

\_\_\_\_\_  
Carl L. Hardee, President

“ASSIGNEE”

THE FOUNDRY APARTMENTS, LP  
a Virginia limited partnership

By: The Foundry Apartments GP, LLC  
a Virginia limited liability company  
its General Partner

By: 

\_\_\_\_\_  
Manager

39786885\_1



EXHIBIT "A"  
LEGAL DESCRIPTION

Parcel 1

ALL that certain lot, piece or parcel of land, with improvements thereon, lying and being in the City of Richmond, Virginia, containing 4.735 acres, all as more particularly shown on plat by LaPrade Bros, dated August 26, 1958, revised October 2, 1958, recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, attached to deed recorded in Deed Book 590A, page 437, and more particularly described as follows:

BEGINNING at an iron pin in the northern line of Sledd Street, said iron pin being located N.56°15'30"E., 75 feet to the intersection of the northern line of Sledd Street with the eastern line of the right of way of Seaboard Airline Railway; thence from point of beginning N.33°44'30"W., 115 feet to a rod; thence N.59°47'10"W., 311.60 feet to an iron pin in the eastern line of the right of way of the Seaboard Airline Railway; thence along and with the eastern line of said right of way along a curve to the left with the radius of 2914.93 feet, an arc distance of 161.98 feet to an iron pin; thence along and with a line dividing the property herein conveyed and Currie Street, N.88°40'50"E., 37.47 feet to an iron pin; thence continuing along a line dividing the property herein conveyed and Currie Street, N.35°07'30"W., 160.34 feet to an iron pin in the southern line of a 40 foot right of way; thence along and with said southern line of the right of way N.88°40'50"E., 566.39 feet to an iron pin in the western line of the right of way of the Richmond Ashland Railway, now abandoned; thence along and with a line dividing the property herein conveyed and the said property formerly of Richmond Ashland Railway, now abandoned, S.23°14'20"E., 378.54 feet to an iron pin; thence along and with the same dividing line S.17°35'10"E., 39.96 feet to an iron pin located in the northern line of Sledd Street; thence along and with said northern line of Sledd Street, S.73°52'50"W., 72.95 feet to an iron pipe; thence continuing with said northern line of Sledd Street, S.56°15'30"W., 179.73 feet to an iron pin marking the point of beginning.

TOGETHER WITH the right of ingress and egress in, over, along and across both the 40 foot right of way shown in green on the above-mentioned plat and the 25 foot right of way shown in red on the above mentioned plat.

Parcel 2

ALL that certain lot, piece or parcel of land, with improvements thereon, lying and being in the City of Richmond, Virginia, designated as Parcel 3, all as more particularly shown on plat dated June 22, 1960, revised November 22, 1960, entitled "Map of 3 Parcels of Land in Richmond, Virginia being the Property of E. G. Bowles" a copy of which plat is attached to and recorded with the deed recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, in Deed Book 606A, page 241, and more particularly described as follows:

BEGINNING at a point in the eastern line of the right of way of Seaboard Airline Railway and thence from said point of beginning along and with the said eastern line of the right of way of Seaboard Airline right of way along a curve to the left, the radius of which is 2914.93 feet, an arc

distance of 208.62 feet to a point; thence along a line marking the southern line of a 40 foot right of way N.88°40'50"E., 108.71 feet to a point; thence along a line dividing the property herein conveyed and property of the Grantee, S.35°07'30"E., 160.34 feet to a point; thence along a line dividing the property herein conveyed and other property of the Grantee, S.88°40'50"W., 37.47 feet to the point of beginning.

IT BEING the same real estate conveyed to 1207 School Street, L.L.C., by deed from Kidd and Company, Inc., dated April 30, 2008, recorded May 6, 2008, in the aforesaid Clerk's Office as Inst. No. 08-12320.

39786885\_1

PURCHASE AGREEMENT

THIS AGREEMENT, made this 25<sup>th</sup> day of AUGUST, 2017 ("Effective Date"), by and between 1207 SCHOOL STREET, LLC, a Virginia limited liability company, herein referred to as "Seller"; and THE LAWSON COMPANIES, a Virginia corporation, or assigns, herein referred to as "Buyer".

WITNESSETH:

1. **Property.** Seller agrees to sell and Buyer agrees to buy at the price and upon the terms and conditions herein set forth those certain parcels of land, together with the improvements thereon and appurtenances thereunto belonging, located at 1207 School Street (PID #N0000475020T, #N0000475020, and #N0000475022), located in the City of Richmond, Virginia (collectively referred to herein as the "Property").

2. **Purchase Price.** The purchase price (the "Purchase Price") for the Property shall be Three Million Two Hundred Fifty Thousand and No/100 Dollars (\$3,250,000.00), payable as follows:

(a) The sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) shall be deposited with Williams Mullen as Escrow Agent (herein referred to as "Escrow Agent") within five (5) business days of the execution of this Agreement by both parties. Said money shall be held by Escrow Agent in accordance with the terms hereof as an earnest money deposit (the "Deposit"). The Deposit shall be held in an interest-bearing account, with the proceeds to be credited to Buyer at Closing.

(b) The balance of the Purchase Price, minus the Deposit and less any costs incurred by Buyer in connection with the preparation and execution of the Environmental Remediation Plan (as defined in Section 7(b)) for which Buyer is entitled to receive a credit pursuant to Section 7(d) below, shall be paid by Buyer to Seller by wire transfer of immediately available funds at Closing hereunder. Likewise, Escrow Agent shall release to Seller the Deposit at Closing hereunder.

3. **Closing.** The closing of the sale and purchase of the Property (the "Closing") shall be held at the offices of Williams Mullen, 1700 Dominion Tower, Norfolk, Virginia, or a mutually acceptable place of business on or before forty-five (45) days from the satisfaction of the conditions as stated in Paragraph 12 of this Agreement. Seller agrees to deliver title and possession of the Property to Buyer, in accordance with the terms of this Agreement, at Closing by General Warranty Deed.

4. **Title.**

(a) Buyer shall examine title to the Property during the Due Diligence Inspection Period (defined below) and determine whether the same is good and marketable and can be insured by a recognized title insurance company of its choice at standard rates for the

amount of the Purchase Price, subject only to title exceptions that do not materially and adversely affect Buyer's intended use of the Property for the development of a multi-family housing project. Buyer shall obtain a survey of the Property to determine that neither the title exceptions nor matters shown on the survey adversely affect Buyer's intended use of the Property (the "Permitted Title Exceptions").

(b) In the event that Buyer will not, because of a cloud on or deficiency in the title to the Property, be able to obtain title insurance in accordance with the provisions of subparagraph 4(a) above, it shall, not later than forty-five (45) days from execution of this Agreement send written notice to Seller stating that title insurance cannot be obtained in accordance with subparagraph 4(a) and specifying the unacceptable title exceptions as to which insurance cannot be obtained (the "Other Title Exceptions").

(c) Seller shall within five (5) days after receipt from Buyer of the Other Title Exceptions give notice to Buyer as to which of the Other Title Exceptions Seller is willing to cure or correct. If Seller fails or elects not to attempt to remove or otherwise resolve the Other Title Exceptions within ten (10) days after receipt of the notice from Buyer, then Buyer, prior to the expiration of the Due Diligence Inspection Period, shall either (i) terminate this Agreement by giving written notice of termination to Seller, in which event the Deposit made by Buyer shall be forthwith returned by Escrow Agent to Buyer, and thereafter neither party hereto shall have any further rights against, or obligations to, the other party hereto, except as expressly set forth herein, or (ii) waive Buyer's objections to the Other Title Exceptions and proceed with Closing without any adjustment or abatement in the Purchase Price, in which event, Seller shall have no liability whatsoever to Buyer for the Other Title Exceptions. Nothing contained herein shall absolve Seller from the obligation to pay at or before Closing any past-due or accrued real estate taxes constituting a lien upon the Property or any other indebtedness constituting a valid and enforceable lien thereon recorded in the chain of title. However, the antenna lease with Sprintcom, Inc. shall be a Permitted Title Exception.

5. **Risk of Loss.** In the event that at any time prior to Closing all or a portion of the Property is acquired by authority of any governmental agency in the exercise of its power of eminent domain or by private purchase in lieu thereof, Buyer shall have the right to terminate this Agreement and Escrow Agent shall forthwith return to Buyer the Deposit made by Buyer. Seller agrees not to solicit condemnation. If Buyer accepts the Property following a condemnation, then Seller shall assign to Buyer all of Seller's rights in and to the proceeds of the condemnation and the Purchase Price shall be reduced by the amount of any awards or damages owed to or received by Seller.

6. **Due Diligence Inspection.**

(a) Buyer shall have until the later of (i) sixty (60) days from the Effective Date or (ii) receipt by Buyer of confirmation of eligibility to participate in the Commonwealth of Virginia's Department of Environmental Quality ("DEQ") Voluntary Remediation Program ("VRP") to conduct its due diligence investigation of the Property (the "Due Diligence Inspection Period"). The items listed on Exhibit B shall be delivered to Buyer within five (5) days if the information exists and within a reasonable time if necessary to order, create or otherwise

effectuate, after the Effective Date. Buyer shall have the right to extend the Due Diligence Inspection Period for one (1) additional period of thirty (30) days by delivering written notice of such extension to Seller prior to the expiration of the initial Due Diligence Inspection Period.

(b) Buyer, its employees and agents shall have the right to go upon the Property from time to time during the Due Diligence Inspection Period for the purpose of making surveys, site plans, examinations, inspections, appraisals, environmental assessments, wetlands delineations, soil tests, borings and such other tests as Buyer may determine to be necessary and desirable, so long as such studies do not result in a material change in the present character of the Property. Buyer shall indemnify and defend Seller from all claims and liability for personal injury, death and property damage to third parties arising from any of the activities described herein, which indemnity shall specifically survive either termination of this Agreement or Closing hereunder. The foregoing indemnity shall not apply to any diminution in the value of the Property based upon the reports obtained by Buyer. In the event that Buyer determines, in Buyer's sole discretion, that the Property is not suitable for Buyer's intended use of the Property as a multi-family housing project, then Buyer on or before the expiration of the Due Diligence Inspection Period, as it may be extended, may terminate this Agreement by written notice to Seller and Escrow Agent, in which event Escrow Agent shall refund the Deposit to Buyer, and neither party shall have any further liability hereunder, except as specifically set forth herein. Failure by Buyer to deliver the notice of termination described above prior to the expiration of the Due Diligence Inspection Period, as it may be extended, shall constitute a waiver of this Section 6(b), whereupon the Initial Deposit shall become nonrefundable to Buyer, except as otherwise expressly set forth herein.

## 7. **Environmental and Geotechnical Remediation.**

(a) Acceptance into VRP. Seller has obtained and provided to Buyer recent Phase I and Phase II Environmental Site Assessments ("ESAs"). Based on those ESAs, Seller shall obtain, at Seller's sole cost and expense, all tests, inspections and information as directed by Buyer and as will be required by Buyer for Buyer to obtain an Environmental Remediation Plan (as defined in Section 7(b) hereof). The tests, inspections and information to be obtained by Seller include, but are not limited to, soil borings, groundwater wells, laboratory analysis of results of any tests and inspections, the fees and costs of engineers, consultants and attorneys to prepare a site characterization study and such other items as may be required by DEQ for acceptance of the Property into the DEQ VRP. Buyer shall have the right to approve any consultants retained by Seller to conduct such tests, reports, and inspections, with such approval not to be unreasonably withheld, conditioned or delayed. Seller shall make application to the DEQ for acceptance into the VRP and shall be solely responsible for payment of any fees associated with application to and enrollment in the VRP.

(b) Environmental Remediation Plan. Within thirty (30) days after the receipt by Buyer of confirmation that the Property has been accepted into the VRP, Buyer shall obtain and deliver to Seller a written plan setting forth the means and methods for the clean-up of the Property, based on the Phase I and Phase II environmental site assessments and all other information, obtained by Seller and provided to Buyer (the "Environmental Remediation Plan"). The Environmental Remediation Plan shall include a description of any further investigation and the

proposed activities required to remediate the hazardous substances, hazardous wastes, petroleum or other contaminants ("Contamination") in, on, under or migrating to or from the Property sufficient to obtain a Certificate of Satisfactory Completion (a "Certificate") for the Property from the DEQ pursuant to the VRP, or such other approval from that agency as may be appropriate and satisfactory to Buyer. The Environmental Remediation Plan obtained by Buyer shall include the estimated cost of the work specified in said plan. Upon Buyer's receipt of the Environmental Remediation Plan and the estimate of the costs of remediation, Buyer shall provide the Plan and estimate of costs to Seller. In the event the estimated cost to execute the Plan exceeds Three Hundred Thousand Dollars (\$300,000.00), Seller shall have the right to terminate this Agreement by notice to Buyer in which event the Deposit shall be refunded to Buyer and the parties hereto shall have no further rights or obligations hereunder, except as expressly set forth herein. In the event Seller opts to terminate this Agreement, Buyer may cancel Seller's notice by agreeing to pay the costs in excess of Three Hundred Thousand Dollars (\$300,000.00) or such other amount as may be agreeable to Seller and Buyer. The parties understand and agree that Buyer may be required to amend the Environmental Remediation Plan from time to time if it is determined, among other things, that conditions exist requiring additional investigation or remediation, DEQ or other regulatory agencies determine that additional studies should be conducted, additional or different remediation methods should be employed, more remediation should be performed or the nature and extent of Contamination is determined to be different than was known or expected. To the extent the required amendments to said Plan increase the costs thereof, the increased costs shall be included under Section 7(d) hereof.

(c) Buyer's authority to conduct environmental investigation, tests and inspections. Beginning on the Effective Date, Seller agrees that Buyer may enter the Property to carry out, coordinate with consultants (whether retained by Seller or Buyer) and DEQ, and direct any and all activities related to the preparation of the Environmental Remediation Plan, including without limitation, the selection and use of consultants, engineers, contractors or other service providers and the preparation for the implementation of the Environmental Remediation Plan. The parties hereto acknowledge and agree that by authorizing Buyer to carry out, coordinate with DEQ, and direct any and all activities related to the Environmental Remediation Plan, Buyer does not take, accept or succeed to, and hereby disclaims, any and all liability that may exist under federal or state statutory or common law for Contamination in, on, under or migrating from the Property, unless it is determined that Buyer has in fact contaminated the soil during the preparation or execution of the Environmental Remediation Plan. Seller and Buyer shall cooperate to ensure that the Certificate issued by DEQ in connection with the VRP, or other document satisfactory to Buyer issued by DEQ or other applicable regulatory agency signifying satisfactory completion of the Environmental Remediation Plan, (i) extends its protections to Buyer, its successors and assigns, and (ii) does not impose any limits or restrictions on the use of the Property that, in Buyer's reasonable judgment, prohibits, makes impracticable, or imposes or requires unreasonable costs in connection with use of the Property for Buyer's intended use as multifamily residential apartments.

(d) Buyer to receive credit for costs and expenses related to the preparation and execution of the Environmental Remediation Plan. Buyer shall pay all costs and expenses associated with the preparation and execution of the Environmental Remediation Plan. Notwithstanding the foregoing, at Closing, Buyer shall receive a credit against the Purchase Price



for all funds expended by Buyer in connection with the preparation and execution of the Environmental Remediation Plan (or such lesser sum as agreed to in Section 7(b) above).

(e) Contaminated Soil Removal/Replacement. Seller shall, at Seller's sole cost and expense, replace any soil as determined by the Environmental Remediation Plan as contaminated and replace the same as necessary to bring the Property back to the soil compaction rate required by the City of Richmond, Virginia, or to be satisfactory to Buyer for the construction of permitted uses under B-7 zoning of the Property. If any contaminated soil is removed and replaced, then any fill used shall be structurally suitable clean fill and shall not contain any organic material, clay or ash. If contaminated soil is replaced, then Seller shall deliver to Buyer a letter of certification ("Geotechnical Certification") from a licensed engineer satisfactory to Buyer certifying that the engineer is licensed in the Commonwealth of Virginia, that the fill was compacted to the required rate and that the fill is structurally suitable and clean without organic materials or debris present therein.

**8. Pro-rations and Closing Costs.**

(a) Tax Prorations. Ad valorem taxes and assessments shall be prorated as of midnight on the date of Closing. If the amount of the Closing tax year's property taxes are not available on the Closing Date, such taxes will be prorated based upon the prior tax year's assessment; however, said taxes shall thereafter be re-prorated by and between Seller and Buyer upon receipt by Seller or Buyer from the taxing authorities of the statement or statements therefor for the year in which Closing occurs.

(b) Other Prorations. Other apportionable items, including rental income and expenses, are to be pro-rated at the date of Closing. Each party shall be responsible for its own legal fees in connection with this Agreement and the Closing.

(c) Closing Costs. In addition to the costs to be incurred by Seller pursuant to Paragraph 7, Seller shall only pay the cost of preparation of the deed and the Virginia grantor's tax thereon, and Buyer shall pay all other costs and fees which may be required relating to the transfer of title, title insurance premiums, costs of surveys, due diligence and other fees and costs.

**9. Deliveries at Closing.** Seller shall deliver to Buyer at or before the Closing the following:

- (a) A General Warranty deed;
- (b) A Seller's affidavit as to mechanic's liens and Seller having no knowledge of any entity entitled to possession, as required by Buyer's title insurance company;
- (c) A non-foreign affidavit;
- (d) The information required to file a Form 1099 with the Internal Revenue Service, if one is required;

(e) The information required to file a Virginia Form R-5 or R-5E with the Virginia Department of Taxation, if one is required;

(f) Assignment to Buyer of all surveys, plats, studies, reports and other information related to the Property and provided to Buyer by Seller;

(g) An assignment of any permits or approvals obtained by Seller in connection with Seller's ownership of the Property;

(h) An assignment of the leases for any billboards which will remain in effect after Closing or a termination of said leases;

(i) A settlement or closing statement;

(j) An assignment of the lease with Materials Management Recycling, LLC, formerly River City Recycling (as amended, the "Scrap Metal Lease") and that certain PCS Site Agreement dated May 8, 1998 by and between Seller and Sprintcom, Inc. (as amended, the "Cell Tower Lease");

(k) A resolution of Seller's managers or members (as applicable) authorizing the sale;

(l) Possession of the Property; and

(m) Such other documents, instruments, certifications and confirmations as may be reasonably required and customary to fully effect and consummate the transactions contemplated hereby.

Buyer shall deliver the Purchase Price to Seller together with the settlement or closing statement at Closing.

10. **Seller's Representations and Warranties.** Seller warrants and represents as of the date of this Agreement and as of the Closing and, where indicated, agrees as follows:

(a) Organization; Authority. Seller is duly organized and validly existing under the laws of the Commonwealth of Virginia. Seller is authorized to transact business in the Commonwealth of Virginia, and has full power and authority to enter into and perform this Agreement in accordance with its terms. The person executing this Agreement has been duly authorized to do so on behalf of Seller.

(b) Authorization; Validity. The execution and delivery of this Agreement by Seller and Seller's consummation of the transactions contemplated by this Agreement have been duly and validly authorized. Assuming the valid execution and delivery of this Agreement by Buyer, this Agreement constitutes a legal, valid and binding agreement of Seller enforceable against it in accordance with its terms.

(c) Title. Seller is the owner in fee simple of the Property.



(d) Sale Agreements. The Property is not subject to any outstanding agreement of sale, option or other right of any third party to acquire any interest therein, except this Agreement.

(e) Litigation. There is no litigation or proceeding pending, or to the best of Seller's knowledge, threatened against Seller relating to the Property or which would adversely affect Seller's ability to close on the sale of the Property.

(f) Leases and Agreements. Other than the Scrap Metal Lease, the Cell Tower Lease, and the Billboard Leases, there are no leases affecting the Property, oral or written, and Seller has not entered into any contracts, subcontracts or agreements affecting the Property which will be binding upon Buyer after Closing.

(g) Zoning. The Property is zoned B-7, which permits the development of up to two hundred (200) multi-family residential apartment units with the required parking on the Property.

(h) Condemnation. Seller has no knowledge that either the whole or any portion of the Property, including access thereto or any easement benefitting the Property, is subject to temporary requisition of use by any governmental authority or has been condemned, or taken in any proceeding similar to a condemnation proceeding, nor is there now pending or threatened any condemnation or similar proceeding against the Property or any portion thereof. Seller has received no notice nor has any knowledge that any such proceeding is contemplated.

(i) Governmental Matters. Seller has received no notice of and has no knowledge of any violation at the Property of any law, ordinance, order, requirement or regulation affecting the Property, including but not limited to zoning, environmental regulations and other ordinances or any environmental defects and hazards from any governmental authorities or agencies charged with enforcement of said laws, ordinances, orders or regulations.

(j) Binding Commitments. Seller has made no commitments to any governmental authority, utility company or to any organization, group or individual relating to the Property which would impose an obligation on Buyer or its successors or assigns to make any contribution of money or dedication of land or to construct, install or maintain any improvements of a public or private nature on or off of the Property.

(k) Inaccuracies and Corrections. Should any of the foregoing representations and warranties be or become inaccurate in any material respect between the date hereof and Closing, then Buyer shall give written notice to Seller specifying which representations and warranties are or have become inaccurate and Seller shall have thirty (30) days within which to take all actions necessary to correct said inaccuracies; provided, that if said inaccuracies cannot be corrected within thirty (30) days and Seller is proceeding diligently to correct the inaccuracies, Seller may have an additional sixty (60) days to correct the inaccuracies. If Seller is unable to correct all the inaccuracies within the period specified herein, or Seller refuses to take the actions necessary to correct all inaccuracies, then Buyer may either (i) cancel this Agreement whereupon

this Agreement shall terminate, the Deposit shall be refunded to Buyer and neither party shall have any further rights or obligations hereunder except those rights and obligations which expressly survive Closing or earlier termination of this Agreement, or (ii) close on the Property, waive such inaccuracy and the Purchase Price shall be reduced by the actual costs incurred by Buyer in correcting the inaccuracies.

11. **Buyer's Warranties.** Buyer hereby warrants and represents as of the date of this Agreement and as of the Closing and agrees as follows:

(a) Organization; Authority. Buyer is a corporation duly organized, validly existing and in good standing in the Commonwealth of Virginia. Buyer has full power and authority to enter into and perform this Agreement in accordance with its terms, and the person executing this Agreement on behalf of Buyer has been duly authorized to do so.

12. **Conditions to Closing.** Buyer's obligations to close on the purchase of the Property in accordance with the terms hereof is expressly conditioned upon the occurrence of the following:

(a) Receipt by Buyer of commitments for construction and/or permanent financing on terms and conditions satisfactory to Buyer.

(b) Receipt by Buyer of the Certificate for the Property from the DEQ, or such other approval from that agency as may be appropriate and satisfactory to Buyer.

(c) Receipt by Buyer of the Geotechnical Certification for the Property.

(d) Receipt by Buyer of a commitment for an owner's policy of title insurance confirming that the Property can be conveyed free and clear of all defects, clouds or any other restrictions or matters, subject only to the Permitted Title Exceptions.

If said conditions have not been satisfied prior to Closing, then Buyer may either (i) terminate this Agreement by written notice to Seller and Escrow Agent, in which event the Deposit shall be returned to Buyer and thereafter neither party shall have any further rights against or obligations to the other party, except as expressly set forth herein or (ii) waive the unsatisfied condition or conditions and proceed to Closing without any adjustment in the Purchase Price.

13. **Agency and Commissions.** Buyer and Seller warrant that they have had no dealings with any real estate brokers in connection with the transaction set forth herein other than Tuckahoe Realty Partners, LLC. Seller shall pay Tuckahoe Realty Partners, LLC, a commission pursuant to a separate written agreement. Buyer shall indemnify and hold Seller harmless from and against any claims for commissions arising from the actions of Buyer in connection with this purchase and sale, and Seller shall indemnify and hold Buyer harmless from and against any claims for commissions arising from the actions of Seller in connection with this purchase and sale. It is understood by all parties that Carl L. Hardee, President of The Lawson Companies and Lawson Realty Corporation is a Real Estate Broker in Virginia, North Carolina, South Carolina and Mississippi, but he will not receive a commission on this sale.



14. **Defaults.**

(a) In the event that Buyer shall fail to purchase the Property in violation of the terms and conditions of this Agreement or otherwise default in the performance of Buyer's obligations pursuant to this Agreement, then Escrow Agent shall deliver the Deposit to Seller, including any interest accrued thereon, as liquidated damages as Seller's sole and absolute remedy hereunder.

(b) In the event that Seller shall default in the performance of Seller's obligations hereunder for any reason whatsoever other than Buyer's default, then Buyer shall be entitled to exercise either of the following remedies, at Buyer's election, and no others: (i) to bring a suit for specific performance of the terms and conditions of this Agreement and purchase the Property; or (ii) to terminate this Agreement, in which event Buyer shall be entitled to the return of the Deposit, and neither Seller nor Buyer shall have any further obligations hereunder.

(c) In the event of a default hereunder, the defaulting party shall pay the reasonable attorney's fees and court costs incurred by the non-defaulting party in enforcing the terms of this Agreement.

15. **Notices.** All notices and communications hereunder, including change of address, shall be in writing and shall be deemed to have been duly given when delivered by hand, three (3) business days after being deposited at the U. S. Postal Service by certified mail, first class, postage prepaid, return receipt requested, or one (1) business day after delivery to a reputable overnight delivery service with charges prepaid, addressed as follows:

(a) If to Seller: 1207 School Street, LLC  
200 South 10<sup>th</sup> Street Suite 1010  
Richmond, VA. 23219  
Attention: Peter Vick & Harrison Hall

With copy to: Aubrey W. Fountain, III. Esq.  
Harrell & Chambliss, LLP  
707 E. Main Street, Suite 1000  
Richmond, Virginia 23219  
Email: [afountain@hclawfirm.com](mailto:afountain@hclawfirm.com)

(b) If to Buyer: The Lawson Companies  
373 Edwin Drive  
Virginia Beach, Virginia 23462  
Attention: Mr. Carl Hardee

With copy to: Howard E. Gordon, Esq.  
Williams Mullen  
999 Waterside Drive, Suite 1700  
Norfolk, Virginia 23510

(c) If to Escrow Agent: Williams Mullen  
999 Waterside Drive, Suite 1700  
Norfolk, Virginia 23510  
Attention: Mr. Howard E. Gordon

16. **Successors.** The parties to this Agreement mutually agree that it shall be binding upon them and each of their successors, heirs, personal representatives and permitted assigns. This Agreement contains the final and entire agreement between the parties hereto, and neither they nor their agents shall be bound by any terms, conditions, warranties or representations, oral or written, not herein contained. This Agreement may not be amended except by written agreement between the parties hereto.

17. **Survival.** It is understood and agreed that any provision of this Agreement which by its nature and effect is required to be kept, observed or performed after the settlement, delivery and recording of the deed conveying title to Buyer shall survive the Closing, delivery and recording of the said deed hereunder and shall not be merged therein.

18. **Assignment.** This Agreement may be assigned by Buyer to an entity which is owned, controlled or managed by principals of Buyer without the consent of Seller. Written notice of any assignment shall be given by Buyer to Seller. The assignee shall be liable for the performance of Buyer's obligations hereunder.

19. **Law Applicable.** This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia.

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


21. **Escrow Agent.** The duties of Escrow Agent in its capacity as an escrow agent for the Deposit are only those as are herein specifically provided and Escrow Agent shall incur no liability whatsoever in the performance of said duties. Seller and Buyer hereby release Escrow Agent from any act done or omitted to be done by Escrow Agent in good faith in the performance of its duties hereunder. Seller and Buyer, and each of them, shall indemnify and hold Escrow Agent harmless against all costs, damages, fees, expenses and liabilities which, in good faith, Escrow Agent may incur or sustain in connection with its duties as escrow agent under this Agreement. Seller acknowledges that Escrow Agent represents Buyer in connection with this transaction. In the event of any disagreement or litigation between Seller and Buyer, Seller hereby consents to Escrow Agent's continued representation of Buyer and waives any right which Seller may have to remove Escrow Agent as counsel for Buyer based upon a conflict of interest.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement and have caused their names to be hereunto subscribed on the day and year written below.

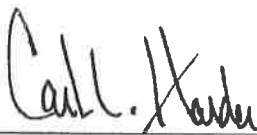
SELLER: 1207 SCHOOL STREET, LLC  
a Virginia limited liability company

Date: 8/25/17

By:   
Name: Brian Burnette  
Title: Managing Member

BUYER: THE LAWSON COMPANIES, INC.  
a Virginia corporation

Date: 8/25/17

By:   
Name: Carl L. Hardee  
Title: President

ESCROW AGENT: WILLIAMS MULLEN


By:   
Name: Howard E. Gordon  
Title: Shareholder

EXHIBIT A

PROPERTY DESCRIPTION

PARCEL I.

All that certain lot, piece or parcel of land with improvements thereon, lying and being in the City of Richmond, Virginia, containing 4.735 acres and more particularly shown on a Plat of Survey by LaPrade Bros dated August 26, 1958, revised October 2, 1958, recorded in the Clerk's Office, Circuit Court City of Richmond, Virginia, attached to a deed recorded in Deed Book 590A, page 437 and more particularly described as follows:

BEGINNING at an iron pin in the northern line of Sledd Street, said iron pin being located N. 56 degrees 15' 30" E 75 feet to the intersection of the said northern line of Sledd Street with the eastern line of the right-of-way of Seaboard Airline Railway and thence from said point of beginning N. 33 degrees 44' 30" W. 115.00 feet to a rod; thence N. 59 degrees 47' 10" W 311.60 feet to an iron pin in the eastern line of the right-of-way of the Seaboard Airline Railway; thence along and with said eastern line of said right-of-way along a curve to the left, the radius of which is 2914.93 feet, an arc distance of 161.98 feet to an iron pin; thence along and with a line dividing the property herein conveyed and Currie Street, N. 88 degrees 40' 50" E. 37.47 feet to an iron pin; thence continuing along a line dividing the property herein conveyed and Currie Street N. 35 degrees 07' 30" W. 160.34 feet to an iron pin in the southern line of a 40 foot right-of-way; thence along and with said southern line of the right-of-way N. 88 degrees 40' 50" E 566.39 feet to an iron pin in the western line of the right-of-way of the Richmond Ashland Railway, now abandoned, thence along and with a line dividing the property herein conveyed and the said property formerly of Richmond Ashland Railway, now abandoned S. 23 degrees 14' 20" E 378.54 feet to an iron pin; thence along and with the same dividing line S 17 degrees 35' 10" E. 39.96 feet to an iron pin located in the northern line of Sledd Street, thence along and with said northern line of Sledd Street, S 73 degrees 52' 50" W. 72.95 feet to an iron pipe; thence continuing with said northern line of Sledd Street, S 56 degrees 15' 30" W. 179.73 feet to an iron pin marking the point of beginning

TOGETHER WITH the right of ingress and egress in, over along and across both the 40-foot right-of-way shown in green on the above mentioned plat and the 25 foot right-of-way shown in red on the above mentioned plat

ALSO TOGETHER WITH the right to the use of the Industrial Track extending from the right-of-way of the Seaboard Airline Railway to and across the above-described premises, for the period hereinafter reserved by the grantor, said Industrial Track being shown in red on the aforesaid plat; and, the permanent right to the use with others of the Industrial Track extending from the right-of-way of the Seaboard Airline Railway to and across the 40-foot right of way referred to above, said Industrial Track being shown in yellow on the aforesaid plat, subject, however, to the right of the Seaboard Airline Railway in and to the use of both said Industrial Tracks.

**PARCEL II:**

All that certain lot, piece or parcel of land with appurtenances thereto belonging, lying and being in the City of Richmond, Virginia, and more particularly shown as Parcel 3 on a plat entitled "Map of 3 Parcels of Land in Richmond, Virginia being the Property of E. G. Bowles", dated June 22, 1960, revised November 22, 1960, a copy of which plat is attached to and recorded with the deed recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, in Deed Book 808A, page 241, and more particularly described as follows:

**BEGINNING** at a point in the eastern line of the right-of-way of Seaboard Air Line Railway and thence from said point of beginning along and with the said eastern line of the right-of-way of Seaboard Air Line right-of-way along a curve to the left, the radius of which is 2914.93 feet, an arc distance of 208.62 feet to a point; thence along a line marking the southern line of a 40-foot right-of-way N. 88 degrees 40' 50" E. 108.71 feet to a point; thence along a line dividing the property herein conveyed and property of the Grantee, S. 35 degrees 07' 30" E. 160.34 feet to a point, thence along a line dividing the property herein conveyed and other property of the Grantee, S. 88 degrees 40' 50" W. 37.47 feet to the point of beginning

BEING the same real estate conveyed to Kidd and Company, Inc., a Virginia corporation, by deed from Hanson Pipe & Products, Inc., a Virginia corporation, I/K/A Concrete Pipe and Products Company, Incorporated, a Virginia corporation, dated November 10, 2005, recorded November 17, 2007, in the aforesaid Clerk's Office as Instrument No. 05-40383

*R*

EXHIBIT B

DUE DILIGENCE ITEMS TO BE  
DELIVERED BY SELLER TO BUYER

Copies of the following items, data, information, tests and tests results shall be delivered by Seller to Buyer within 5 days if the information exists and within a reasonable time if necessary to order, create or otherwise effectuate of the execution by both parties of this Agreement:

1. Property legal description
2. Most recent survey (ALTA, if available)
3. Most recent title commitment and policies
4. Most recent geotechnical reports
5. Most recent Phase I and Phase II environmental site assessments
6. Most recent traffic study
7. Any other studies/reports concerning the Property
8. Any in-place service or maintenance contracts
9. Current year and previous three (3) years' real estate tax assessments
10. Any planning and/or zoning resolutions pertaining to the Property
11. Any other relevant documents affecting the Property, including but not limited to reciprocal easement agreements, access agreements and ground leases
12. All leases and letter agreements including, but not limited to, tenant leases, cell tower leases and billboard leases
13. If applicable, any notices that Seller has received from governing authorities concerning the Property's compliance or noncompliance with any applicable laws
14. All development contracts, engineering contracts, and filings with applicable authorities regarding platting, zoning or other permitting or zoning issues.
15. Tax credit reservation application and all related attachments
16. 4% and 9% pro forma and attachments in Excel format
17. Most recent Plans and Specs for the Property
18. Most recent Market Study for the Property

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FIRST AMENDMENT TO  
PURCHASE AGREEMENT

THIS FIRST AMENDMENT, made this 15<sup>th</sup> day of December, 2017, by and between 1207 SCHOOL STREET, LLC, a Virginia limited liability company ("Seller") and THE LAWSON COMPANIES, a Virginia corporation, or assigns ("Buyer") provides as follows:

WHEREAS, Seller and Buyer entered into a Purchase Agreement dated August 25, 2017 (the "Agreement") covering the purchase and sale of the property more particularly described therein and generally known as 1207 School Street, Richmond, Virginia (the "Property"); and

WHEREAS, by letter dated November 16, 2017, Buyer exercised its right to extend the Due Diligence Inspection Period (as defined in the Agreement) for a period of thirty (30) days; and

WHEREAS, Buyer has conducted extensive due diligence on the Property, explored sources of financing and enrolled the Property in the DEQ's VRP, but needs additional time to determine whether the Property can be developed into a viable affordable multi-family housing complex; and

WHEREAS, Buyer has requested an extension of the Due Diligence Inspection Period and Seller is willing to grant said extension on and subject to the terms hereof;

NOW, THEREFORE, for and in consideration of the premises, the Agreement and the mutual benefits to ensue herefrom, Seller and Buyer hereby agree to amend the Agreement as follows:

1. The recitals set forth above are hereby incorporated into and made part of the Agreement. Capitalized terms used in this Amendment, but not defined herein shall have the meanings ascribed to them in the Agreement.

2. Paragraph 3 of the Agreement is hereby amended to read as follows:

3. Closing. The closing on the sale and purchase of the Property (the "Closing") shall be held at the offices of Williams Mullen, 1700 Dominion Tower, Norfolk, Virginia, or a mutually acceptable place of business, forty-five (45) days from the later to occur of (i) the expiration of the Due Diligence Inspection Period or (ii) the satisfaction of the conditions as stated in Paragraph 12 of this Agreement. Seller agrees to deliver title and possession of the Property to Buyer, in accordance with the terms of this Agreement, at Closing by General Warranty Deed.

3. Seller and Buyer acknowledge that there are Other Title Exceptions which have not been resolved. Accordingly, Paragraph 4(b) is hereby amended to read as follows:

(b) In the event that Buyer will not, because of a cloud on or a deficiency in the title to the Property, be able to obtain title insurance in accordance with the provisions of subparagraph 4(a) above, Buyer shall, not later than January 25, 2018, send written notice to Seller stating that title insurance cannot be

obtained in accordance with subparagraph 4(a) and specifying the unacceptable title exceptions as to which title insurance cannot be obtained (the "Other Title Exceptions").

4. The first two (2) sentences of subparagraph 4(c) of the Agreement are hereby amended to read as follows:

- (c) Seller and Buyer shall use good faith efforts to resolve the Other Title Exceptions prior to the expiration of the Due Diligence Inspection Period. If Seller and Buyer are unable to resolve the Other Title Exceptions, then Buyer, prior to the expiration of the Due Diligence Inspection Period, shall either (i) terminate this Agreement by giving written notice of termination to Seller, in which event the Deposit made by Buyer shall be forthwith returned by Escrow Agent to Buyer, and thereafter neither party hereto shall have any further rights against, or obligations to, the other party hereto, except as expressly set forth herein, or (ii) waive Buyer's objections to the Other Title Exceptions and proceed with Closing without any adjustment or abatement in the Purchase Price, in which event, Seller shall have no liability whatsoever to Buyer for the Other Title Exceptions.

5. The first sentence of subparagraph 6(a) of the Agreement is hereby amended to read as follows:

- (a) Buyer shall have until the later of (1) May 1, 2018, or (ii) the satisfaction of the conditions to Closing, as set forth in Paragraph 12 hereof, which shall include resolution to Buyer's satisfaction of the items set forth in subparagraph (c) of this Paragraph 6 which items may be referred to herein as "Milestones."

6. The last sentence of subparagraph 6(a) of the Agreement is hereby deleted.

7. The following subparagraph designated as (c) is hereby inserted at the end of Paragraph 6 of the Agreement:

- (c) In accordance with subparagraph 6(a), the following investigations, applications, approvals and other prerequisites to development of the Property as a multi-family housing complex shall be completed or obtained:
  - (i) On December 14, 2017, Buyer submitted a preliminary application for tax exempt bond financing to the Virginia Housing Development Authority ("VHDA") and made a non-refundable deposit to VHDA in the amount of \$35,000. In the event Buyer terminates this Agreement in accordance with its terms, Buyer will assign its application to VHDA to Seller on a gratis basis.

- (ii) Buyer shall develop an alternate concept plan. In connection with the re-design, Buyer shall provide the revised concept plan to ECS and Seller will authorize ECS to perform additional soil tests and studies of the Property and provide reports of those studies to Buyer.
- (iii) Buyer and Seller shall collaborate on the preparation and filing of an application to amend the current zoning and proffers which were obtained by Seller. Buyer, with the consent of Seller, shall submit the required zoning applications which shall incorporate the proposed re-design of the project to be constructed on the Property. During the rezoning process, Buyer shall obtain the pricing for the re-designed project, including the retaining of design consultants to prepare schematic drawings and assist with the pricing. Final approval of the rezoning of the Property to accommodate the re-design of the project shall be obtained prior to the expiration of the Due Diligence Inspection Period.

8. The following subparagraph designated as (e) is hereby inserted after subparagraph (d) in Paragraph 12 of the Agreement.

- (e) Resolution of the Milestones set forth in Paragraph 6(c) hereof including, but not limited to, approval of the rezoning of the Property by the Richmond City Council in accordance with the application submitted by Buyer which incorporates the re-design of the project to be constructed on the Property.


9. Except as expressly amended herein, all of the terms, covenants and conditions set forth in the Agreement are hereby ratified and confirmed and shall be and remain in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment and have caused their names to be hereunto subscribed on the day and year written below.

SELLER: 1207 SCHOOL STREET, LLC  
a Virginia limited liability company

Date: \_\_\_\_\_

By:   
Name: Brian Ivantje  
Title: Managing Member

BUYER: THE LAWSON COMPANIES, INC.  
a Virginia corporation

Date: 12/15/2017

By:   
Name: Steven E. Lawson  
Title: Chairman

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SECOND AMENDMENT TO  
PURCHASE AGREEMENT

THIS SECOND AMENDMENT, made this 19th day of October, 2018, by and between 1207 SCHOOL STREET, LLC, a Virginia limited liability company ("Seller") and THE LAWSON COMPANIES, a Virginia corporation, or assigns ("Buyer") provides as follows:

WHEREAS, Seller and Buyer entered into a Purchase Agreement dated August 25, 2017 (the "Original Agreement"), covering the purchase and sale of the Property more particularly described therein and generally known as 1207 School Street, Richmond, Virginia (the "Property"); and

WHEREAS, Seller and Buyer entered into a First Amendment to Purchase Agreement dated December 15, 2017 (the "First Amendment"), in which certain dates set forth in the Original Agreement were adjusted (the Original Agreement, together with the First Amendment, are referred to collectively herein as "The Agreement"); and

WHEREAS, Seller and Buyer have negotiated revisions to several of the basic terms of The Agreement and desire to confirm those agreements by amending The Agreement as set forth herein;

NOW, THEREFORE, for and in consideration of the premises, The Agreement and the mutual benefits to ensue herefrom, Seller and Buyer hereby agree to amend The Agreement as follows:

1. The recitals set forth above are hereby incorporated into and made a part of The Agreement. Capitalized terms used in this Amendment, but not defined herein, shall have the same meanings ascribed to them in The Agreement.

2. The first sentence of Paragraph 2 of The Agreement is hereby amended to read as follows:

The purchase price (the "Purchase Price") for the Property shall be Two Million Seven Hundred Thousand and No/100 Dollars (\$2,700,000.00), payable as follows:

3. Paragraph 2(b) of The Agreement is hereby amended to read as follows:

(b) The balance of the Purchase Price, minus the Deposit, shall be paid by Buyer to Seller by wire transfer of immediately available funds at Closing hereunder. Likewise, Escrow Agent shall release to Seller the Deposit at Closing hereunder.

4. Paragraph 3 of The Agreement is hereby amended to read as follows:

Closing. The Closing on the sale and purchase of the Property (the "Closing") shall be held at the offices of Williams Mullen in either Norfolk or Richmond, Virginia, or a mutually acceptable place of business, forty five (45) days from the later to occur of (i) July 12, 2019, or (ii) the satisfaction of the conditions as stated in Paragraph 12 of this Agreement. Buyer shall have the right to extend the Closing for two (2) successive periods of ninety (90) days each, for the purposes of

satisfying "Condition (a)" (as hereinafter defined) upon notice to Seller and the deposit with Escrow Agent of the additional sum of Twenty-five Thousand and No/100 Dollars (\$25,000.00) for each extension. These additional deposits shall be added to and held with the Deposit and disbursed in accordance with the terms of this Agreement. References hereinafter to the "Deposit" shall mean the "Deposit" as defined in Section 2(a) and any additional deposits under the terms of this Section 3. Seller agrees to deliver title and possession of the Property to Buyer, in accordance with the terms of this Agreement, at Closing by General Warranty Deed.

5. The following sentence is hereby added to the end of Paragraph 4(a) of The Agreement:

The antenna lease with Sprintcom, Inc. shall be a Permitted Title Exception.

6. Seller and Buyer acknowledge that there are no unacceptable title exceptions as to which title insurance cannot be obtained in accordance with Paragraph 4(a) of The Agreement. Accordingly, subparagraphs 4(b) and 4(c) of The Agreement are hereby deleted.

7. Paragraph 6(a) of The Agreement is hereby amended to read as follows:

(a) The period for Buyer to conduct its due diligence investigation of the Property (the "Due Diligence Inspection Period") has expired.

8. Paragraph 6(c) of The Agreement is hereby deleted.

9. Paragraph 7(a) of The Agreement is hereby amended to read as follows:

(a) Acceptance into VRP. Seller has obtained and provided to Buyer recent Phase I and Phase II Environmental Site Assessments ("ESAs"). Based on those ESA's, Seller shall obtain, at Seller's sole cost and expense, all tests, inspections and information as directed by either Buyer or ECS Midatlantic LLC ("ECS") to have ECS prepare a site characterization report (the "Site Characterization Report") and a remedial action plan setting forth the means and methods for the clean-up of the Property, based on the Phase I and Phase II environmental site assessments and all other information obtained by Seller and provided to Buyer (the "Environmental Remediation Plan"). The Site Characterization Report and Environmental Remediation Plan will contain all data and information for Virginia's Department of Environmental Quality ("DEQ") both to accept the Property into the DEQ Voluntary Remediation Program ("VRP") and to approve the Environmental Remediation Plan. Seller shall make application to the DEQ for acceptance into the VRP and, once accepted, to have DEQ approve the Environmental Remediation Plan. All fees and costs related to acceptance into the VRP and approval of the Environmental Remediation Plan shall be borne by Seller.

10. Paragraph 7(b) of The Agreement is hereby amended to read as follows:

(b) Environmental Remediation Plan. Upon the approval of the Environmental Remediation Plan and assuming Buyer closes on the

Property, then Buyer shall be solely responsible for all costs and expenses required to implement the Environmental Remediation Plan and to obtain the Certificate of Satisfactory Completion (the "Certificate") for the Property from the DEQ pursuant to the VRP approval process.

11. Paragraph 7(d) of The Agreement is hereby amended to read as follows:

- (d) Costs for Testing, Reports and Plans. Pursuant to Sections 7(a) and 7(b), Seller shall be solely responsible for all costs of testing, inspections and information, including, but not limited to, soil borings, groundwater wells, laboratory analysis of any tests and inspections and the fees and costs of ECS and any engineers, consultants and attorneys required to prepare the Site Characterization Report and the Environmental Remediation Plan and to have them submitted to and approved by DEQ. Buyer shall be solely responsible for all costs of implementing the Environmental Remediation Plan and obtaining the Certificate from the DEQ.

12. Paragraph 12 of The Agreement is hereby amended to read as follows:

12. Conditions to Closing. Buyer's obligation to close on the purchase of the Property in accordance with the terms hereof is expressly conditioned upon the occurrence of the following:

- (a) Receipt by Buyer of a reservation or Section 42(m) letter from the Virginia Housing Development Authority confirming that Buyer's proposed development of the Property has obtained an allocation of 4% Low Income Housing Tax Credits ("Condition (a)"); provided however, that Buyer at all times during The Agreement shall have diligently pursued the satisfaction of this Condition (a).
- (b) Receipt by Buyer of the final approval of the DEQ of the Site Characterization Report and the Environmental Remediation Plan.
- (c) Receipt by Buyer of final approval from the Richmond City Council of a revised plan of development, which approval shall not include a rezoning or an attempt to rezone the Property; provided, however, that an administrative modification of the current proffers shall not constitute a rezoning of the Property.

If Condition (a) (the allocation of Low Income Housing Tax Credits) has not been satisfied prior to Closing, then Buyer may either (i) terminate this Agreement by written notice to Seller and Escrow Agent, in which event the Deposit shall be returned to Buyer and thereafter neither party shall have any further rights against or obligations to the other party, except as expressly set forth herein or (ii) waive condition (a) and proceed to Closing without any adjustment in the Purchase Price. If Condition (a) has been satisfied but either of the other conditions has not been satisfied prior to Closing, then Buyer may either (i) terminate this

Agreement and Escrow Agent shall disburse the Deposit to Seller and thereafter neither party shall have any further rights against or obligations to the other party, except as expressly set forth herein or (ii) waive the unsatisfied conditions and proceed to Closing without any adjustment to the Purchase Price. Buyer shall provide updates as to the status of the foregoing conditions no less than monthly. In the event Buyer terminates this Agreement pursuant to the provisions of this Paragraph 12, Buyer shall turn over to Seller, contemporaneously with such termination, on a gratis basis, copies of all reports, studies, surveys, drawings, renderings, plans, specifications, applications, correspondence, investigations, title information and any other documents created or obtained by Buyer in preparation for the purchase of the Property. Buyer makes no representations or warranties to Seller with regard to the accuracy of this information.

13. Paragraph 15(a) of The Agreement is hereby amended to read as follows:

(a) If to Seller: 1207 School Street, LLC  
200 South 10th Street, Suite 1010  
Richmond, VA 23219  
Attention: Peter Vick & Harrison Hall

With a copy to: Christopher M. Gill, Esq.  
Christian & Barton, L.L.P.  
909 E. Main Street, Suite 1200  
Richmond, Virginia 23219  
Email: cgill@cblaw.com

14. The following paragraph designated as 22 is hereby inserted into The Agreement:


22. Offers to Purchase. During the term of this Agreement and until either Closing hereunder or a termination of this Agreement, Seller shall provide copies of any proposals, letters of intent, terms sheets or contracts containing offers to purchase the Property received by Seller. Said items will be provided to Buyer within five (5) business days of receipt by Seller.

15. Except as expressly amended herein, all of the terms, covenants and conditions set forth in The Agreement are hereby ratified and confirmed and shall be and remain in full force and effect.

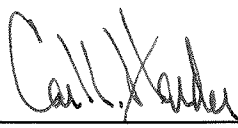


IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment and have caused their names to be hereunto subscribed on the day and year written below.

SELLER: 1207 SCHOOL STREET, LLC  
a Virginia limited liability company

Date: \_\_\_\_\_ By:  \_\_\_\_\_  
Name:  
Title:

BUYER: THE LAWSON COMPANIES, INC.  
a Virginia corporation

Date: 10/19/18 By:  \_\_\_\_\_  
Name: Carl L. Hardee  
Title: President

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[Print](#)**Property:** 1207 A School St **Parcel ID:** N0000475022

Detail

**Parcel**

**Street Address:** 1207 A School St Richmond, VA 23220-  
**Owner:** 1207 SCHOOL STREET LLC  
**Mailing Address:** 204 RIVERS BEND BLVD STE A, CHESTERFIELD, VA 23836  
**Subdivision Name :** NONE  
**Parent Parcel ID:**  
**Assessment Area:** 430 - North Side  
**Property Class:** 501 - B Industrial Vacant Land  
**Zoning District:** B-7 -  
**Exemption Code:** -

**Current Assessment**

**Effective Date:** 01/01/2019  
**Land Value:** \$23,000  
**Improvement Value:**  
**Total Value:** \$23,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 11354.88  
**Acreage:** 0.261  
**Property Description 1:** 0108.71X0208.62 IRG0000.000  
**State Plane Coords( ?):** X= 11787569.500016 Y= 3728475.888266  
**Latitude:** 37.55810255 , **Longitude:** -77.44892218

[Print](#)**Property:** 1207 School St **Parcel ID:** N0000475020T

Detail

**Parcel**

**Street Address:** 1207 School St Richmond, VA 23220-  
**Alternate Street Addresses:** 950 Sledd St  
**Owner:** 1207 SCHOOL STREET LLC C/O CROWN@PMB331  
**Mailing Address:** 4017 WASHINGTON RD, MCMURRAY, PA 15317  
**Subdivision Name :** NONE  
**Parent Parcel ID:** N0000475020  
**Assessment Area:** 701 - BillBoards-Towers  
**Property Class:** 482 - B Towers & Equipment  
**Zoning District:** B-7 -  
**Exemption Code:** -

**Current Assessment**

**Effective Date:** 01/01/2019  
**Land Value:** \$149,000  
**Improvement Value:** \$4,000  
**Total Value:** \$153,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 0  
**Acreage:** 0  
**Property Description 1:** TOWER PARCEL FOR N0000475020  
**State Plane Coords( ?):** X= 11787952.000004 Y= 3728335.498678  
**Latitude:** 37.55821611 , **Longitude:** -77.44759021

[Print](#)**Property:** 1207 School St **Parcel ID:** N0000475020

Detail

**Parcel**

**Street Address:** 1207 School St Richmond, VA 23220-  
**Alternate Street Addresses:** 950 Sledd St  
**Owner:** 1207 SCHOOL STREET LLC  
**Mailing Address:** 204 RIVERS BEND BLVD STE A, CHESTERFIELD, VA 23836  
**Subdivision Name :** NONE  
**Parent Parcel ID:**  
**Assessment Area:** 430 - North Side  
**Property Class:** 511 - B Light Industrial  
**Zoning District:** B-7 -  
**Exemption Code:** -

**Current Assessment**

**Effective Date:** 01/01/2019  
**Land Value:** \$438,000  
**Improvement Value:** \$521,000  
**Total Value:** \$959,000  
**Area Tax:** \$0  
**Special Assessment District:** None

**Land Description**

**Parcel Square Feet:** 206038.8  
**Acreage:** 4.73  
**Property Description 1:** 0252.68X0418.54 IRG0004.735 AC  
**State Plane Coords( ?):** X= 11787952.000004 Y= 3728335.498678  
**Latitude:** 37.55821611 , **Longitude:** -77.44759021

F

Architect's Certification  
and Third-Party RESNET  
Rater Certification  
(MANDATORY)



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## INSTRUCTIONS FOR THE COMPLETION OF APPENDIX F ARCHITECT'S CERTIFICATION

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(This form must be included in the Application – Tab F)

**NOTE:** If the development includes any combination of **New Construction, Rehabilitation** or **Adaptive Reuse**, then separate Architect Certifications must be provided for each construction type.

The proper completion of this certification is critical to calculate the average unit square feet and net rentable square feet of each unit type, to document amenity items for which will be awarded, and to calculate certain elements of the efficient use of resources points.

If this certification is not completed correctly there may be loss of points or disqualification of the application to compete for tax credits. **If this development receives an allocation of tax credits and items are not provided as indicated on this certification then VHDA may, at its sole option, require the payment by the Owner of an amount up to 10% of the Total Development Cost (as set forth in the Application) of the development as liquidated damages for such violation or the total loss of credits may result.** Therefore, it is imperative that this certification reflect the true and accurate intent of what will be provided in return for an allocation of tax credits.

Each section of this certification contains instructions on how the information should be provided. For Unit Size Calculations, the Average Unit Square Feet and Net Rentable Square Feet should be listed to two (2) decimal places. The number of units indicated should be only the units for which rent will be collected. For Average Unit Square Feet calculations, the Total Square Feet should equal the Average Unit Square Feet multiplied by the Number of Units/Type. The total at the bottom of the Total Square Feet column should equal item (D) on the same page of the certification, or be within 1 digit due to rounding.

Accessibility certifications on page 6 are for tax credit point categories only and are not to be confused with minimum code requirements.



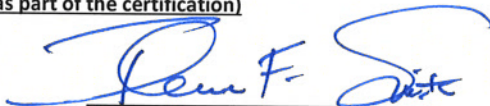


Name of Development: The Foundry  
Address of Development: 950 Sledd Street | Richmond, VA 23220  
Name of Owner: The Foundry Apartments, L.P.

The architect signing this document is certifying that all unit and site amenities indicated in this certification are incorporated into the development plans and specifications, and that all products necessary to fulfill these representations are available for these purposes. The architect signing this document also certifies their understanding that both the excel application and the information in the architect certification must be the same and discrepancies between the excel application and architect's certification can result in penalties or even disqualification.

The individual who certifies this information must initial the pages where indicated, provide the personal information requested and sign on the last page. This certification should not be mailed separately to VHDA but returned to the developer for inclusion in the tax credit application.

**(Acknowledge and include this instruction sheet as part of the certification)**

Acknowledged:   
Printed Name: Thomas F. Smith


All developments seeking Virginia Low Income Housing Tax Credits are required to meet one of the following as certified by a RESNET Rater:

- 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
- Adaptive Reuse - Must evidence a HERS Index of 95 or better.

Plans and Specifications: Required documentation for all properties (new construction, rehabilitation and adaptive reuse)

- 1 A location map with property(ies) clearly defined.
- 2 A site plan showing overall dimensions of main 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. For combination 4% and 9% properties, site plan must show all elements of both properties labeled so that the elements are distinguishable as to 4% and 9%.
- 3 Sketch plans of main 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);

A Unit by Unit write up is required for all Rehabilitation properties

INITIALS 



**This certification includes two (2) separate calculations of square footage:**

1. **Average Gross Unit Square Feet:** Measurements Include A Prorata Share of Heated Residential Common Area
2. **Net Rentable Square Feet:** Measurements *Do Not* Include A Prorata Share of Any Common Area and Reflect All Floor Plans of Each Unit Type (1-BR, 2-BR, etc.) measured from the interior face of the unit perimeter walls

**1. Average Gross Unit Square Feet:**

(These measurements impact the scoring of tax credit applications)

For purposes of determining the total residential heated square feet (D), the building(s) were measured from the outside face of exterior walls and the centerline of any party walls. All unheated spaces (B) and nonresidential, (income producing commercial spaces) (C) were subtracted from this measurement. Community rooms, laundry rooms, property management offices and apartments, heated maintenance facilities, and other common space designed to serve residential tenants were not deducted. Based on this procedure, I certify the following calculations in determining the usable heated square feet for the above referenced development:

250,946.92	(A) Total gross floor area in (sq. ft.) for the entire development
1,500.10	- (B) Unheated floor area (breezeways, balconies, storage)
0.00	- (C) Nonresidential, (commercial income producing) area
249,446.82	= (D) Total residential heated area (sq. ft.) for the development

**INSTRUCTIONS FOR AVERAGE UNIT SQUARE FEET CALCULATIONS:**

Provide the average unit size for each bedroom type, (1 bedroom elderly, 2 bedroom garden, 3 bedroom townhouse, etc.) by adding the total square feet of all the same bedroom types (2 bedroom garden with 1 bath and 2 bedroom garden with 2 baths) and adding the prorated share of heated common residential space and divide by the total number of the same bedroom types (2 bedroom garden). Do not alter any items below.

Unit Types	Average Unit Sq. Ft.*	x	Number of Units/Type	=	Total Square Feet
Supportive Housing	0.00		0		0.00
1 Story/EFF-Elderly	0.00		0		0.00
1 Story/1 BR-Elderly	0.00		0		0.00
1 Story/2 BR-Elderly	0.00		0		0.00
Efficiency Elderly	0.00		0		0.00
1 Bedroom Elderly	0.00		0		0.00
2 Bedrooms Elderly	0.00		0		0.00
Efficiency Garden	0.00		0		0.00
1 Bedroom Garden	823.19		36		29,634.83
2 Bedrooms Garden	1,236.76		88		108,834.71
3 Bedrooms Garden	1,460.23		76		110,977.28
4 Bedrooms Garden	0.00		0		0.00
2+ Story 2 BR Townhouse	0.00		0		0.00
2+ Story 3 BR Townhouse	0.00		0		0.00
2+ Story 4 BR Townhouse	0.00		0		0.00
Total			200	Total	249,446.82 **

\* Including pro rata share of heated, residential common area. This information should match Structure tab of the excel application



**2. Net Rentable Square Feet \***

For purposes of calculating Net Rentable Square Feet, the units were measured from the face of each unit perimeter wall. The values below therefore indicate the actual square footage of each unit floor plan. (For example, there may be 2 distinct 1-bedroom floor plans, 3 distinct 2-bedroom floor plans, etc. The purpose of this section of the Architect Certification is to document and certify the floor space attributable to residential rental units in the development.)

Percentage of Net Rentable Square Feet Deemed To Be **New Rental Space** 100.00%

	Unit Type	Floor Plan Square Feet	Number of Units This Floor Plan	Total
Mix 1	1 BR - 1 Bath	623.55	15	9353.25
Mix 2	1 BR - 1 Bath	606.26	15	9093.9
Mix 3	1 BR - 1 Bath	724.92	4	2899.68
Mix 4	1 BR - 1 Bath	673.1	2	1346.2
Mix 5	2 BR - 2 Bath	956	48	45888
Mix 6	2 BR - 2 Bath	938.7	32	30038.4
Mix 7	2 BR - 2 Bath	935.44	4	3741.76
Mix 8	2 BR - 2 Bath	918.15	4	3672.6
Mix 9	3 BR - 2 Bath	1117.95	32	35774.4
Mix 10	3 BR - 2 Bath	1100.66	24	26415.84
Mix 11	3 BR - 2 Bath	1139.56	20	22791.2
Mix 12				0
Mix 13				0
Mix 14				0
Mix 15				0
Mix 16				0
Mix 17				0
Mix 18				0
Mix 19				0
Mix 20				0
Mix 21				0
Mix 22				0
Mix 23				0
Mix 24				0
Mix 25				0
Mix 26				0
Mix 27				0
Mix 28				0
Mix 29				0
Mix 30				0
Mix 31				0
Mix 32				0
Mix 33				0
Mix 34				0
Mix 35				0
Mix 36				0
Mix 37				0
Mix 38				0
Mix 39				0
Mix 40				0
Mix 41				0
Mix 42				0
Mix 43				0
Mix 44				0
Mix 45				0
Mix 46				0
Mix 47				0
Mix 48				0
Mix 49				0
Mix 50				0
<b>Totals</b>			<b>200</b>	<b>191015.23</b>

\*This information should match Unit Details page of the excel application

DEV Name: The Foundry

INITIALS 



**Development Amenities:**

I certify that the development's plans and specifications and proposed budget incorporate all items from VHDA's most current Minimum Design and Construction Requirements and the Unit by Unit write up. In the event the plans and specifications do not include VHDA Minimum Design and Construction Requirements and any immediate needs and recommendations from the Physical Needs Assessment, 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).

The Minimum Design & Construction Requirements may be found on VHDA's website at.....

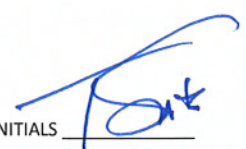
[www.VHDA.com](http://www.VHDA.com)

For any development upon completion of construction/rehabilitation: (non-mandatory amenities)

(Enter TRUE in each box where appropriate)

- TRUE a. The development will have a community/meeting room with a minimum of 749 square feet.
- 23.17 b.i,ii Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls (excluding triangular gable end area, doors, windows, kneewalls, columns, retaining walls, stairwells and any features that are not a part of the façade)  
Community buildings are to be included in percentage calculations.
- TRUE c. Water expense will be sub-metered (tenant will pay monthly or bi-monthly bill)
- TRUE d. Each bathroom consists only of Water Sense labeled toilets, faucets and showerheads
- TRUE e. Provide necessary infrastructure in all units for high-speed internet/broadband service.
- TRUE f. Free Wi-Fi access will be provided for community room for resident only usage.
- FALSE g. Each Unit is provided free individual high-speed Internet access
- OR
- FALSE h. Each Unit is provided free individual Wi-Fi access
- FALSE i.,j. Bath fan wired to primary light with delayed timer, or, continuous exhaust by ERV/DOAS OR Bath Fan with humidistat
- FALSE k. Fire Prevention - all Ranges equipped with temperature limiting controls
- OR
- TRUE l. Fire Suppression - Cooking surfaces are equipped with fire suppression features
- FALSE m. Rehab only- Each apartment has dedicated space, drain and electrical hookups to accept a permanently installed dehumidification system OR
- FALSE n. All development types- Each Unit is equipped with a permanent dehumidification system
- FALSE o. All interior doors within units are solid core
- FALSE p. At minimum one USB charging port in each Kitchen, Living room and all bedrooms
- TRUE q. All Kitchen light fixtures are LED and meet MDCR lighting guidelines
- FALSE r. Shelf or ledge outside each primary apartment entry door located in an interior hallway
- FALSE s. New Construction only- Each unit to have balcony or patios minimum depth 5' clear from face of building.  
Minimum 30 square feet.

DEV Name: The Foundry



For all developments exclusively serving elderly tenants upon completion of construction/rehabilitation:  
(optional point items)

- FALSE a. All cooking ranges will have front controls
- FALSE b. All full bathrooms will have an independent or supplemental heat source
- FALSE c. All entrance doors have two eye viewers, one at 42" and the other at standard height

For all rehabilitation and adaptive reuse developments, upon completion of construction/rehabilitation:  
(optional point items)

- FALSE The structure is listed individually in the National Register of Historic Places or is located 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.**

**Building Structure:**

Number of Stories

- X **Low-Rise** (1-5 stories with any structural elements being wood frame construction)
- Mid-Rise** (5-7 stories with no structural elements being wood frame construction)
- High-Rise** (8 or more stories with no structural elements being wood frame construction)

**Accessibility:**

I certify that the development plans and specifications meet all requirements of the federal Americans with Disabilities Act and Fair Housing Act (if applicable).

I certify that the development plans and specifications meet all requirements of HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act. Complying units must be "permanently accessible," rather than to "adaptable" standards. Please reference Uniform Federal Accessibility Standards(UFAS) for more particular information.

Check one or none of the following point categories, as appropriate:

- Any development in which (i) the greater of 5 units or 10% of the total # of units will be assisted by HUD project-based vouchers or another form of documented and binding federal, state or locality project-based rent subsidies in order to ensure occupancy by extremely low-income persons; and (ii) the greater of 5 or 10% of the units will conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act.  
(All of the units described in (ii) above must include roll-in showers (must contain permanent grab bars and fixed seats), roll under sinks, and front controls for ranges unless agreed to by the Authority prior to the applicant's submission of its application.)  
**60 pts.**
- Any development in which the greater of 5 units or 10% of the total # of units (i) have rents within HUD's Housing Choice Voucher payment standard; (ii) conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act  
**30 pts.**
- X Any development in which **five percent (5%)** of the total # of units (i) conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act  
**15 pts.**

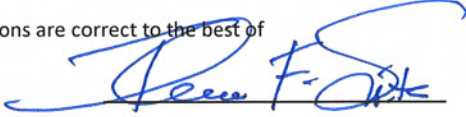
For any accessibility option elected above, all common space must also conform to accessibility requirements of HUD Section 504 regulations.

DEV Name: The Foundry



Architect's Certification

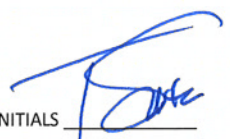
As architect of record for the above referenced development, the above certifications are correct to the best of my knowledge.

Signed:   
Printed Name: Thomas F. Smith, III  
Title: Principal  
Virginia Registration #: 0401010944  
Phone: 757-689-2699  
Date: 08/05/2019

**NOTE TO ARCHITECT:** If representaios in plans and specifications and/or any information certified in this certification is misrepresented then the architect may be penalized. Any change in this form may result in disqualification or a reduction of points under the scoring system. If you have any questions, please call JD Bondurant at VHDA (804) 343-5725.

Return this certification to the developer for inclusion in the tax credit application package.

DEV Name: The Foundry

INITIALS 



**Appendix F  
VHDA's Universal Design Certification**

**FALSE** Units in the development will meet VHDA's **Universal Design Guidelines**.

Before issuance of IRS Form 8609, applicant will provide documentation to VHDA as evidence that such units meet VHDA's Universal Design guidelines.

The number of rental units that will meet these standards: 0

The total number of rental units in this development: 200

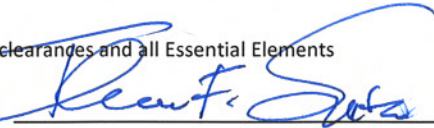
**NOTE:** For Elderly Developments, 100% of the units in the development must meet the Universal Design standards in order to qualify for points.

For Family Developments, points are awarded based on a percentage of the number of units meeting the Universal Design standards.

For the tax credit applicant to qualify for points associated with Universal Design, the architect of record must be on VHDA's list of Universal Design certified architects. VHDA Universal Design Certifications are only valid for 2019 applications if certification date is after January 1, 2014

All tax credit applications which include amenity points for providing VHDA Universally Designed dwelling units must include plans that clearly identify the following items in the format found on vhda.com or no points will be awarded:

- Overall building plans identifying the location of Universal Design dwelling units, and the means of vertical transportation (if applicable), along the accessible route (Minimum scale 1/8"=1'-0"). Include a legend and Universal Design General Notes section. Anything other than a fully handicap accessible elevator must have been presented to and approved by VHDA for this project at least two weeks prior to submission of reservation application.
- Site plan and building plans identifying accessible pedestrian routes from all Universal Design units to accessible parking, leasing office, community room, laundry facility, mailboxes, garbage collection areas and public transportation pick up areas. Architect must identify running slope and cross slope of route, and consider any obstructions. Include required number of accessible parking spaces, a legend for the accessible route, and a Universal Design general notes section.
- Enlarged Universal Design unit plans (Minimum scale 1/4"=1'-0") identifying clearances and all Essential Elements

Signed: 

Printed Name: Thomas F. Smith, III  
Architect of Record  
(same individual as on page 7)

Date: 8/5/19



Appendix F

RESNET Rater Certification of Development Plans

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

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

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

In addition provide HERS rating documentation as specified in the manual

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

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

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

Additional Optional Certifications

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

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

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

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

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

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

Signed: Austin Walther

Date: 7/23/19

Printed Name: Austin Walther

RESNET Rater

Resnet Provider Agency
Viridiant

Signature

Provider Contact and Phone/Email Sean Evensen-Shanley, sean.evensen-shanley@viridiant.org



# Home Energy Rating Certificate

## Projected Report

Rating Date: 2019-07-22  
 Registry ID: Unregistered  
 Ekotrope ID: 3LMM9IQL

### HERS® Index Score:

# 65

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

### Annual Savings

# \$463

\*Relative to an average U.S. home

### Home:

1207 School Street  
 Richmond, VA 23462

### Builder:

Lawson

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	1.3
Cooling	1.1
Hot Water	4.1
Lights/Appliances	11.6
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>18.1</b>

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

Energy Star v3  
 Energy Star v3.1

### Rating Completed by:

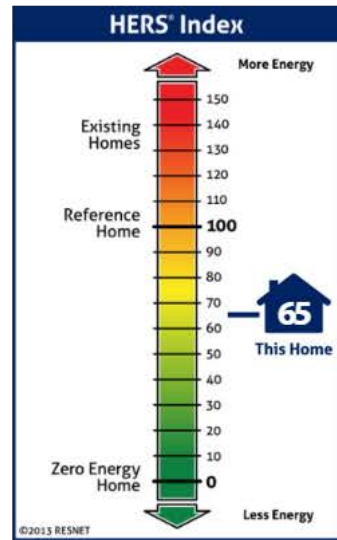
**Energy Rater:** Austin Walther  
 RESNET ID: 1092776

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

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



Austin Walther, Certified Energy Rater  
 Digitally signed: 7/23/19 at 2:54 PM



### Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	1BR 1st fl
Community:	N/A
Conditioned Floor Area:	677 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 16 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	30.0 CFM • 35.0 Watts
Duct Leakage to Outside:	33.85 CFM @ 25Pa (5 / 100 s.f.)
Above Grade Walls:	R-20
Ceiling:	Adiabatic, R-20
Window Type:	U-Value: 0.32, SHGC: 0.3
Foundation Walls:	N/A



## Resident Internet Education

### Wi-Fi

#### How much does internet access cost?

- Wi-Fi usage will always be free, granted you are a resident of The Foundry Apartments.

#### Where can I access the internet?

- Wi-Fi access is only available in the clubhouse/community room.

#### How can I connect to Wi-Fi?

- Click on the network icon located on the right side of your Taskbar.
- The network icon will show as either a computer monitor and network cable, or as five ascending bars. (Windows 7 – Click the up arrow to see all icons)
- Under *Wi-Fi* or *Wireless Network Connection*, you'll see a list of the wireless networks in your area. (Windows 7 – Click the down arrow next to *Wireless Network Connection* to expand this section)
- Choose the network entitled ***The Foundry Apartments Clubhouse*** – Click *Connect*.
- Please enter the current password provided by property management when prompted.

#### What is Wi-Fi?

- Wi-Fi is used to provide internet access to devices that are within the range of a wireless network that is connected to the internet.
- With Wi-Fi, users are not required to be hard wired for internet usage.





## Security Plan and Use Guidelines

The Foundry Apartments provides Wi-Fi internet access to residents free of charge. Access is only provided in the clubhouse/community room.

To provide safe and secure access, The Foundry Apartments mandates the following:

- Residents act in a civil, tolerant and respectful manner while engaging in the use of social media.
- Users follow all applicable laws, including federal, state and local. Residents are responsible for using Wi-Fi appropriately to maintain privacy, confidentiality, and security of electronic information.
- Residents are responsible for all activities that occur during Wi-Fi usage.
- Residents may not attempt to circumnavigate login procedures or attempt to gain unauthorized access.
- Residents may only use Wi-Fi in a manner that does not interfere with the ability of The Foundry Apartments to provide Wi-Fi to all residents.
- Residents must respect the rights of copyright owners and obtain permission from owners when required.
- Residents may not use Wi-Fi to engage in any illegal, threatening, harassing, or bullying conduct.
- Access is granted to residents only. Residents will not assist in providing access to non-residents.
- Property Management will alternate the login password every month, but reserve the right to update as frequently as required. Updated passwords will be available through request to property management. It is the responsibility of the resident to obtain the password once updated.

Failure to follow all rules and procedures listed above may result in loss of Wi-Fi privileges or legal recourse.



**Draft Resident Acknowledgement Form  
Wi-Fi Internet Use**

I, \_\_\_\_\_, acknowledge and formally agree to follow all Wi-Fi rules and guidelines as set forth by Lawson Realty Corporation. I acknowledge that I have received a resident internet education and security packet and am able to obtain a copy from property management as needed. I certify that I have read and fully understand the aforementioned security plan and education packet. As a resident at The Foundry Apartments, I pledge to utilize the Wi-Fi provided in the clubhouse in a safe and secure manner.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Leasing Agent

\_\_\_\_\_  
Date



G

Zoning Certification Letter  
(MANDATORY)



# Zoning Certification

**NOTE TO DEVELOPER:** You are strongly encouraged to submit this certification to the appropriate local official **at least three weeks in advance of the application deadline** to ensure adequate time for review and approval.

## General Instructions:

1. The Zoning Certification **must** be submitted on locality's letterhead or professional civil engineer's letterhead.
2. The Local Certification section **must** be completed by the appropriate local official or Civil Engineer.
3. The Engineer **must** be registered in the Commonwealth of Virginia.
4. 'Development Description' should be provided by the Owner.
5. 'Development Address' should correspond to I.A.2 on page 1 of the application.
6. 'Legal Description' should correspond to the site control document in the application.
7. 'Proposed Improvements' should correspond with I.B & D and III.A of the application.
8. 'Other Descriptive Information' should correspond with information in the application.
9. Any change in this Certification may result in disqualification of the application.

If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.

# Zoning Certification

## TIMMONS GROUP

YOUR VISION ACHIEVED THROUGH OURS.

**DATE:** July 23, 2019

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

**RE:** ZONING CERTIFICATION

Name of Development: The Foundry Apartments

Name of Owner/Applicant: The Foundry Apartments, L.P.

Name of Seller/Current Owner: 1207 School Street, LLC

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credits.

### DEVELOPMENT DESCRIPTION:

Development Address:  
950 Sledd Street | Richmond, VA 23220

Legal Description:  
See Attached Legal Description

### Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>200</u> # Units	<u>4</u> # Buildings	<u>250,946.92</u> Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	<u>      </u> # Units	<u>      </u> # Buildings	<u>      </u> Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	<u>      </u> # Units	<u>      </u> # Buildings	<u>      </u> Total Floor Area Sq. Ft.



**Zoning Certification, cont'd**



Current Zoning: B-7 - POD Approval 6/18/2019 allowing a density of 40.40 units per acre, and the following other applicable conditions: Plan of Development approval granted on 7/1/2019 allowing for 200 units.

**Other Descriptive Information:**

New construction consisting of, one, two, and three-bedroom units. Amenities will include a clubhouse, fitness center, laundry facility, bike storage, and playground. Property will include 10 accessible units.

**LOCAL CERTIFICATION:**

Check one of the following as appropriate:

- The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.
- The development described above is an approved non-conforming use. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.

Signature

Rebecca Meyer

Printed Name

Professional Engineer, Lic. No. 0402058911 VA

Title of Local Official or Civil Engineer

804-200-6566

Phone:

July 23, 2019

Date:

**NOTES TO LOCALITY:**

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.

EXHIBIT "A"  
LEGAL DESCRIPTION

Parcel 1

ALL that certain lot, piece or parcel of land, with improvements thereon, lying and being in the City of Richmond, Virginia, containing 4.735 acres, all as more particularly shown on plat by LaPrade Bros, dated August 26, 1958, revised October 2, 1958, recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, attached to deed recorded in Deed Book 590A, page 437, and more particularly described as follows:

BEGINNING at an iron pin in the northern line of Sledd Street, said iron pin being located N.56°15'30"E., 75 feet to the intersection of the northern line of Sledd Street with the eastern line of the right of way of Seaboard Airline Railway; thence from point of beginning N.33°44'30"W., 115 feet to a rod; thence N.59°47'10"W., 311.60 feet to an iron pin in the eastern line of the right of way of the Seaboard Airline Railway; thence along and with the eastern line of said right of way along a curve to the left with the radius of 2914.93 feet, an arc distance of 161.98 feet to an iron pin; thence along and with a line dividing the property herein conveyed and Currie Street, N.88°40'50"E., 37.47 feet to an iron pin; thence continuing along a line dividing the property herein conveyed and Currie Street, N.35°07'30"W., 160.34 feet to an iron pin in the southern line of a 40 foot right of way; thence along and with said southern line of the right of way N.88°40'50"E., 566.39 feet to an iron pin in the western line of the right of way of the Richmond Ashland Railway, now abandoned; thence along and with a line dividing the property herein conveyed and the said property formerly of Richmond Ashland Railway, now abandoned, S.23°14'20"E., 378.54 feet to an iron pin; thence along and with the same dividing line S.17°35'10"E., 39.96 feet to an iron pin located in the northern line of Sledd Street; thence along and with said northern line of Sledd Street, S.73°52'50"W., 72.95 feet to an iron pipe; thence continuing with said northern line of Sledd Street, S.56°15'30"W., 179.73 feet to an iron pin marking the point of beginning.

TOGETHER WITH the right of ingress and egress in, over, along and across both the 40 foot right of way shown in green on the above-mentioned plat and the 25 foot right of way shown in red on the above mentioned plat.

Parcel 2

ALL that certain lot, piece or parcel of land, with improvements thereon, lying and being in the City of Richmond, Virginia, designated as Parcel 3, all as more particularly shown on plat dated June 22, 1960, revised November 22, 1960, entitled "Map of 3 Parcels of Land in Richmond, Virginia being the Property of E. G. Bowles" a copy of which plat is attached to and recorded with the deed recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, in Deed Book 606A, page 241, and more particularly described as follows:

BEGINNING at a point in the eastern line of the right of way of Seaboard Airline Railway and thence from said point of beginning along and with the said eastern line of the right of way of Seaboard Airline right of way along a curve to the left, the radius of which is 2914.93 feet, an arc

distance of 208.62 feet to a point; thence along a line marking the southern line of a 40 foot right of way N.88°40'50"E., 108.71 feet to a point; thence along a line dividing the property herein conveyed and property of the Grantee, S.35°07'30"E., 160.34 feet to a point; thence along a line dividing the property herein conveyed and other property of the Grantee, S.88°40'50"W., 37.47 feet to the point of beginning.

IT BEING the same real estate conveyed to 1207 School Street, L.L.C., by deed from Kidd and Company, Inc., dated April 30, 2008, recorded May 6, 2008, in the aforesaid Clerk's Office as Inst. No. 08-12320.

39786885\_1



H

Attorney's Opinion  
(MANDATORY)

**Klein Hornig** LLP  
COUNSELORS AT LAW

August 15, 2019

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

RE: 2019 Tax Credit Reservation Request

Name of Development: The Foundry Apartments  
Name of Owner: The Foundry Apartments, L.P.

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated August 15, 2019 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

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

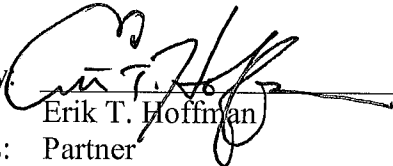
4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.

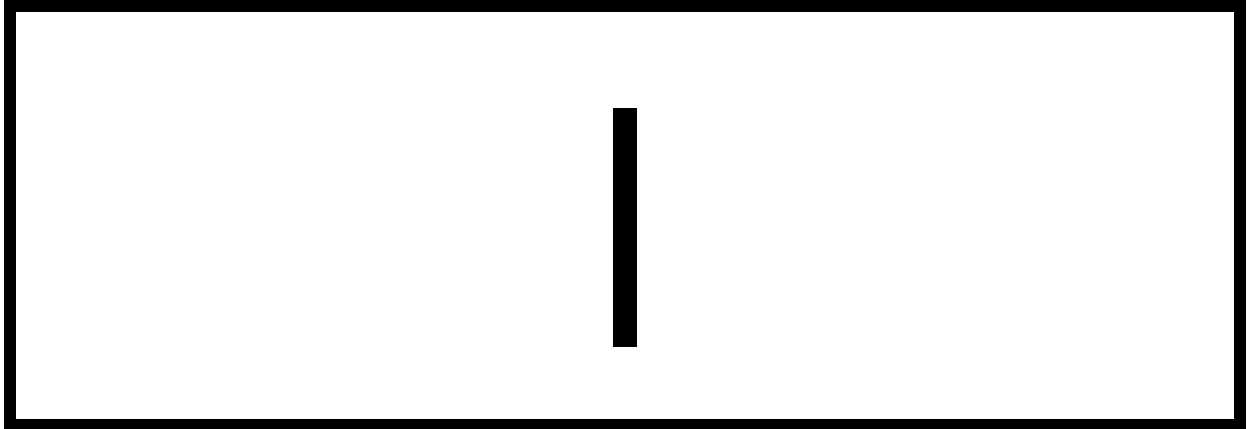
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

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

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

Klein Hornig LLP

By:   
Erik T. Hoffman  
Its: Partner



# Nonprofit Questionnaire

**(MANDATORY for points or pool)**

**N/A**

J

# Relocation Plan

(MANDATORY, if tenants are displaced)

**N/A**



K

Documentation of  
Development Location:

**K.1**

Revitalization Area  
Certification



## Revitalization Area

### General Instructions

Revitalization areas are defined in Virginia Code §36-55.30:2.A.

### Designation

To qualify for revitalization area points, select one of the following (and provide adequate documentation):

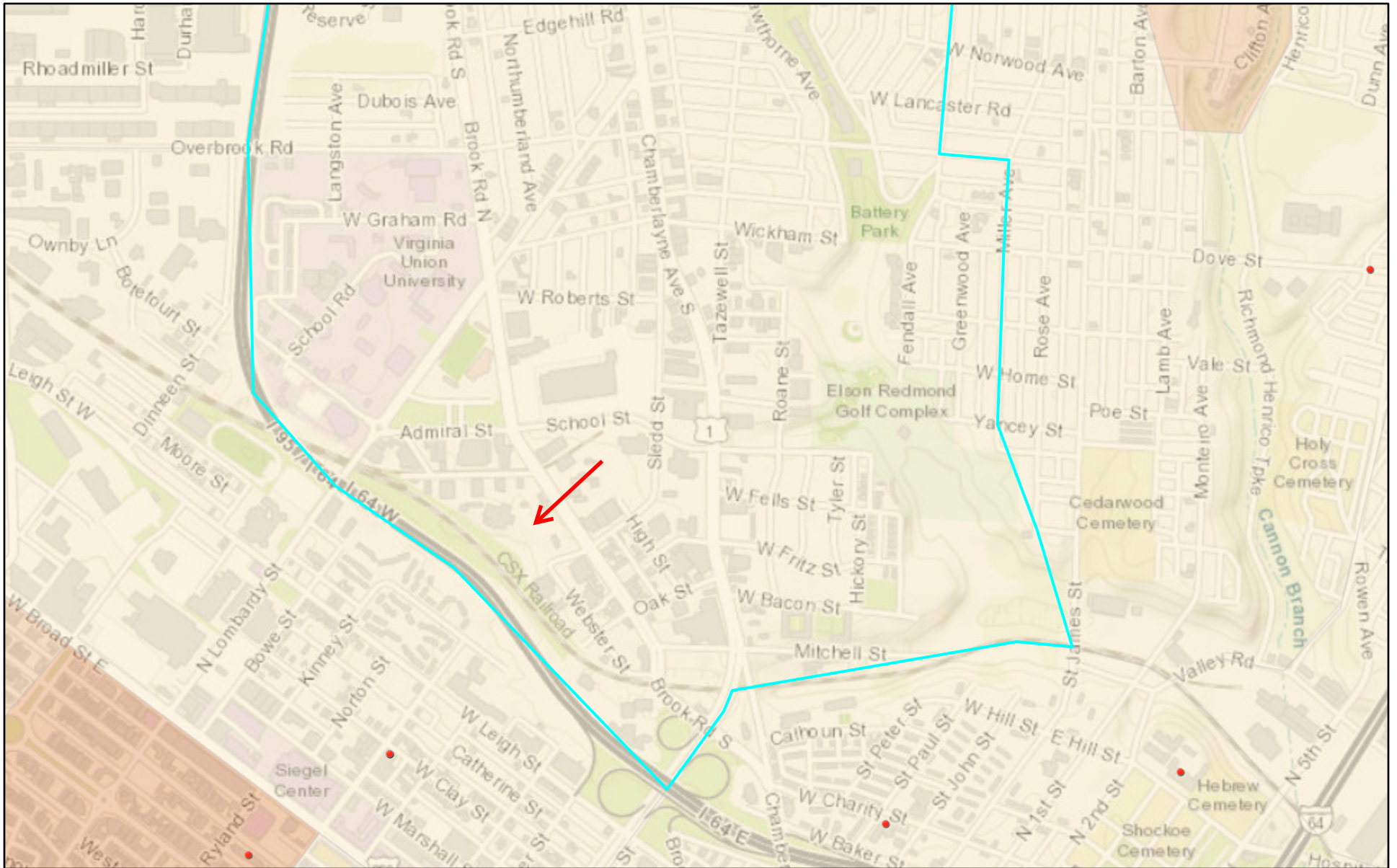
1. The development is located in a Qualified Census Tract, as defined by HUD. (10 points)
2. The development is located in a census tract wherein 70% or more of the families have incomes which are  $\leq$  80% statewide median income. **NOTE:** these census tracts are included in the definition of targeted area for single-family lending purpose, but do not include ACEDS. (10 points)
3. The development is located in an already established redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to §36-1 et seq. Documentation must show area boundaries and support that the development lies within those boundaries. (10 points)
4. The development is located in a Housing Rehabilitation Zone established through an ordinance created by a city, county or town pursuant to §36-55.64. Documentation must include a copy of the ordinance with support that the development lies within the Rehabilitation Zone. (15 points)
5. The development is located in a defined revitalization area. Documentation must include a resolution from the locality supporting the development's location within the revitalization area. See language below. (15 points)

*The above-referenced development is located in a Revitalization Area in the Town/City/County of \_\_\_\_\_, Virginia. The revitalization area is (i) **either** (1) blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other facilities in such area are subject to one or more of the following conditions- dilapidation, obsolescence, overcrowding, inadequate ventilation, light or sanitation, excessive land coverage, deleterious land use, or faulty or otherwise inadequate design, quality or condition, **or** (2) the industrial, commercial or other economic development of such area will benefit the city or county but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; **and** (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.*

Delete the language that does not apply, (i)(1) or (i)(2) above.

6. The development is located in a Qualified Opportunity Zone and has a binding commitment of funding. Documentation must include a firm commitment of funding from a Qualified Opportunity Fund (QOF). Evidence of the self-certification to become a QOF must be provided with the commitment for funding. (15 points)

# 2019 Virginia LIHTC Reference Map

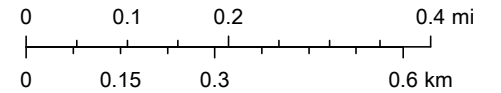


July 30, 2019

Percent of Households Below Poverty

	Override 1		Override 2
	Override 3		Override 3

1:15,160



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS,

## Census Tract Information

---

The address entered is situated in Census Tract **111.00** in **Richmond city**.

Is this address eligible for (only one may apply):

Points associated with being in a tract with less than 12% poverty? **No**

Points associated with being in a tract with less than 10% poverty? **No**

Points associated with being in a tract with less than 3% poverty? **No**

This location falls within **Richmond MSA** geographic pool. It is also subject to current square footage cost limits of **218.00** for new construction or adaptive reuse and to a per unit cost limit of **259,224.00** for new construction or adaptive reuse and **199,972.00** for acquisition/rehabilitation.

Additional information regarding this site:

Is it located within the New Construction pool? **No**

Is it located within a non-metropolitan Difficult to Develop Area (DDA)? **No**

It is located in Congressional District: **4**

It is located in Planning District: **15**

It is located in State Senate District: **9**

It is located in State House District: **71**

Revitalization Reference

Is it located within a Qualified Census Tract (QCT)? **Yes**

Is it located within a tract where 70% or more of families have incomes which are 80% or less of statewide median income? **No**

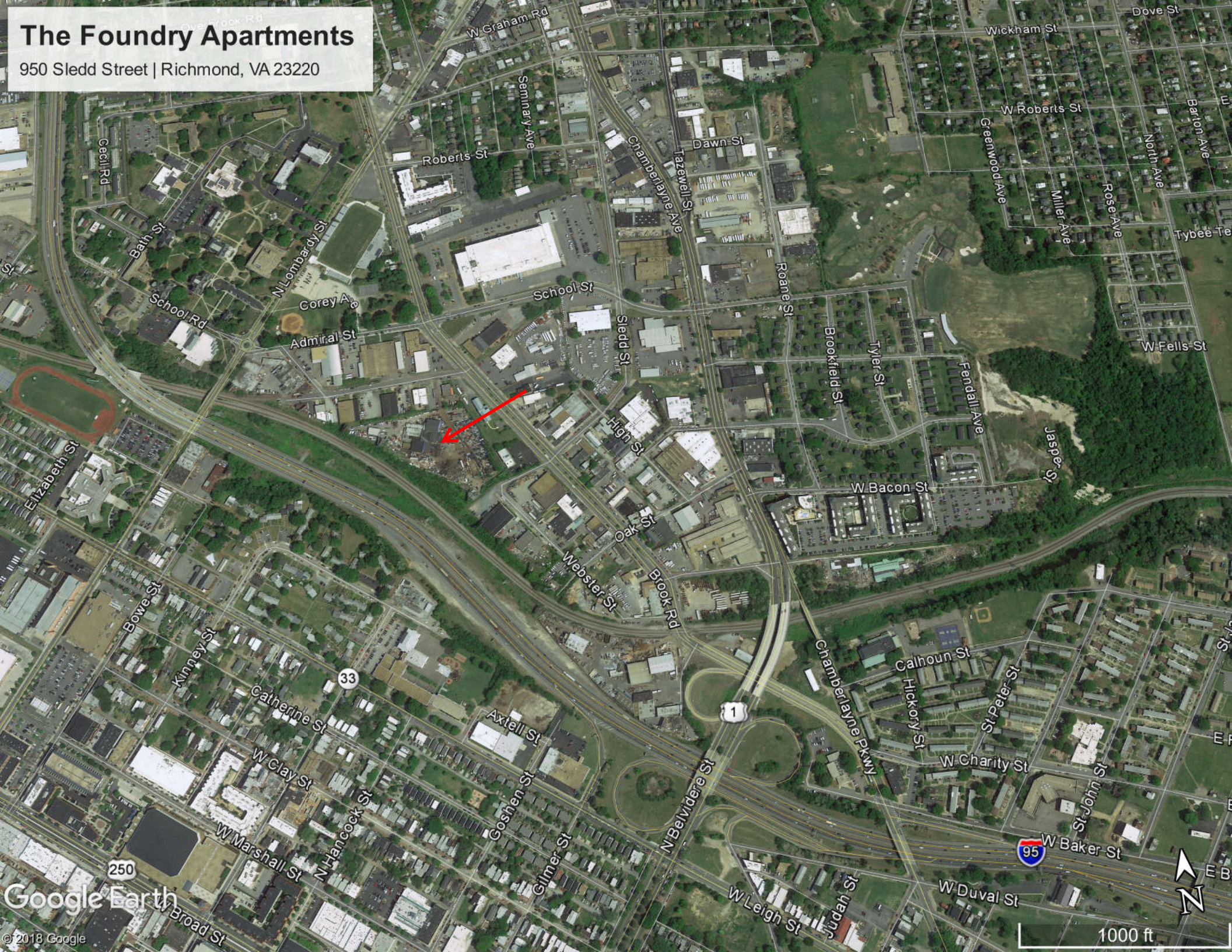
K.2

Location Map



# The Foundry Apartments

950 Sledd Street | Richmond, VA 23220





K.3

Surveyor's Certification of  
Proximity to Public  
Transportation





# Surveyor's Certification of Proximity to Transportation

## **General Instructions**

1. This form must be included with the Application
2. This Letter must be submitted under the Surveyor's or Engineer's Corporate Letterhead
3. Any change in this form may result in a reduction of points under the scoring system.
4. If you have any questions, please call the Tax Credit Allocation Department (804) 343-5518.



**TIMMONS GROUP**  
YOUR VISION ACHIEVED THROUGH OURS.

**Surveyor's Certification of Proximity to Transportation**

DATE: July 15, 2019

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

RE: 2019 Tax Credit Reservation Request

Name of Development: The Foundry Apartments

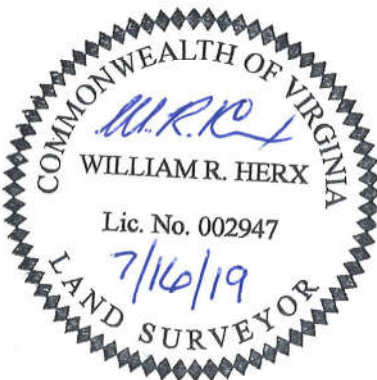
Name of Owner: The Foundry Apartments, L.P.

Gentlemen:

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

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

- 2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.



Timmons Group

Firm Name

By: 

Its: Licensed Land Surveyor, Lic. No. 2947 VA

Title

2019



L

PHA/Section 8 Notification  
Letter



## PHA or Section 8 Notification Letter

Development Name: The Foundry Apartments

Tracking #: 2019-TEB-124

If you have any questions, please call the Tax Credit Department at (804) 343-5518.

### General Instructions

1. Because of conflicting program requirements regarding waiting list procedures, this letter is not applicable to those developments that have project based Section 8 or project based vouchers.
2. This PHA or Section 8 Notification letter must be included with the application.
3. 'Development Address' should correspond to I.A.2 on page 1 of the Application.
4. 'Proposed Improvements' should correspond with I.B & D and III.A of the Application.
5. 'Proposed Rents' should correspond with VII.C of the Application.
6. 'Other Descriptive Information' should correspond with information in the application.

**NOTE:** Any change to this form letter may result in a reduction of points under the scoring system.

# PHA or Section 8 Notification Letter

**DATE:** 7/24/2019

**TO:** Richmond Redevelopment and Housing Authority  
901 Chamberlayne Parkway  
Richmond, VA 23220

**RE:** PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: The Foundry Apartments  
Name of Owner: The Foundry Apartments, L.P.

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from the Virginia Housing Development Authority (VHDA). We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on June 1, 2021 (date).

The following is a brief description of the proposed development:

Development Address:  
950 Sledd Street | Richmond, VA 23220

Proposed Improvements:

<input checked="" type="checkbox"/> New Constr.:	<u>200</u> # units	<u>4</u> # Bldgs
<input type="checkbox"/> Adaptive Reuse:	<u>          </u> # units	<u>          </u> # Bldgs
<input type="checkbox"/> Rehabilitation:	<u>          </u> # units	<u>          </u> # Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ <u>          </u> / month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ <u>852</u> / month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>975</u> / month
<input checked="" type="checkbox"/> 3 Bedroom Units:	\$ <u>1,180</u> / month
<input type="checkbox"/> 4 Bedroom Units:	\$ <u>          </u> / month

Other Descriptive Information:

New construction consisting of one, two, and three-bedroom units. Amenities will include a clubhouse fitness center, laundry facility, bike storage, and playground. Property will include 10 accessible units.

# PHA or Section 8 Notification Letter

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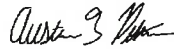
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We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (757)4996161.

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

Sincerely yours,



Austin Pittman

Name

Development Manager - The Lawson Companies

Title

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

Seen and Acknowledged By: Kenyatta D. Green

Printed Name: Kenyatta Green

Title: Director HEVP - RRHA

Phone: 804-780-4375

Date: 7/25/2019

M

Locality CEO Response  
Letter



# City of Richmond



**SELENA CUFFEE-GLENN**  
CHIEF ADMINISTRATIVE OFFICER

**"SIC ITUR AD ASTRA"**  
SUCH IS THE WAY TO THE STARS

August 6, 2019

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

VHDA Tracking Number:

Development Name:

Name of Owner/Applicant:

2019-TEB-124

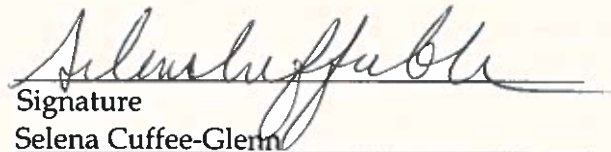
The Foundry Apartments

The Foundry Apartments, L.P.

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 Richmond. Accordingly, the City of Richmond supports the allocation of federal housing tax credits requested by The Foundry Apartments, L.P. for this development.

Yours truly,

  
Signature

Selena Cuffee-Glenn

[CEO Name]

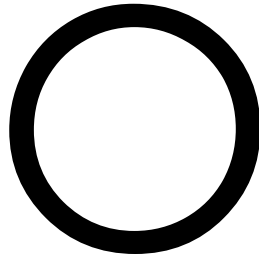
Chief Administrative Officer

[Title]

N

Homeownership Plan

**N/A**



Plan of Development  
Certification Letter

**N/A**

P

Copies of 8609s to  
Certify Developer  
Experience and  
Partnership agreements

## VHDA Experienced LIHTC Developers

### Notes:

Updated:

3/11/2019

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

I Listed if documentation supported at least 6 LIHTC developments

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

See LIHTC Manual for instructions on being added to this list

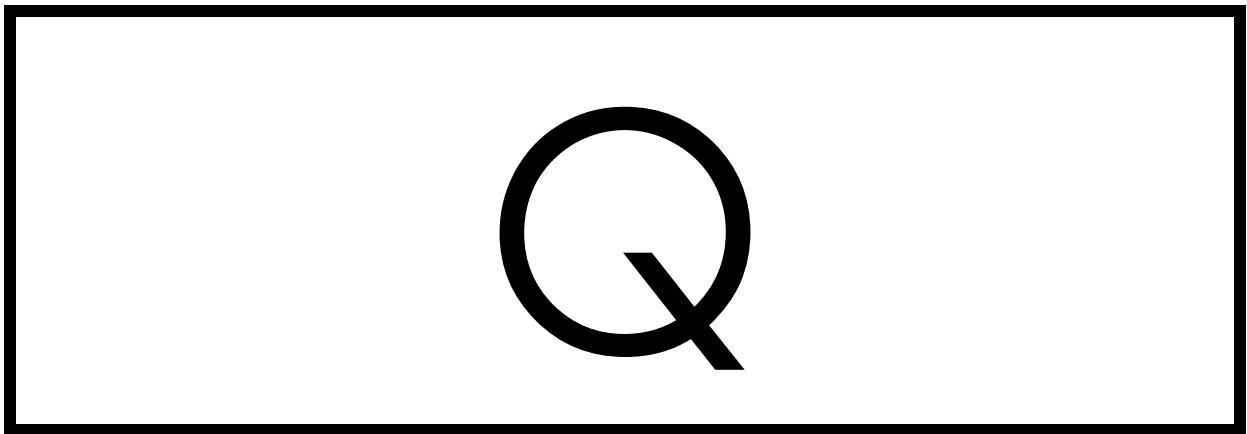
### INDIVIDUALS

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

### NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

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





Q

Documentation of Rental  
Assistance

**N/A**

R

Documentation of  
Operating Budget

## ALLOWANCES FOR TENANT-FURNISHED UTILITIES & OTHER SERVICES

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REPORT DATE: 2019-06-28

PROPERTY: The Foundry Apartments

LOCATION: Richmond, VA

TABLE 1: MONTHLY UTILITY ALLOWANCES

<i>Unit Type</i>	<i>Electricity</i>	<i>Water</i>	<i>Sewer</i>	<i>Total</i>
<i>1 BR</i>	<i>\$59</i>	<i>\$27</i>	<i>\$34</i>	<i>\$120</i>
<i>2 BR</i>	<i>\$72</i>	<i>\$31</i>	<i>\$40</i>	<i>\$143</i>
<i>3 BR</i>	<i>\$87</i>	<i>\$35</i>	<i>\$46</i>	<i>\$168</i>

TABLE 2: MONTHLY UTILITY CONSUMPTION

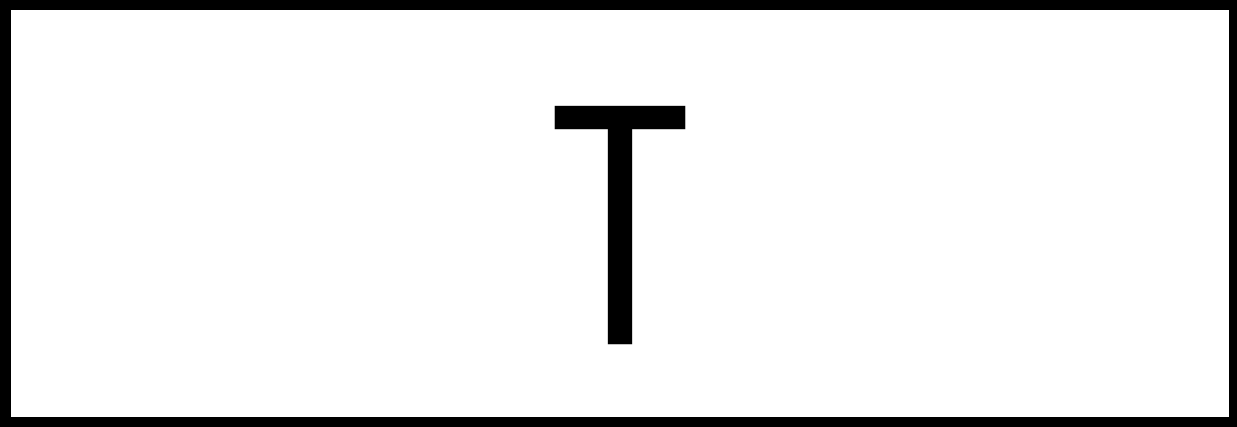
<i>Unit Type</i>	<i>Electricity (kWh)</i>	<i>Water/Sewer (CCF)</i>
<i>1 BR</i>	<i>460</i>	<i>2.31</i>
<i>2 BR</i>	<i>574</i>	<i>3.20</i>
<i>3 BR</i>	<i>707</i>	<i>4.09</i>

UApro+™ is compliant with IRS regulation 26 CFR 1.42-10. See technical documentation for further details on compliance, methodology, and additional data.

S

Supportive Housing  
Certification

**N/A**



T

Funding Documentation

**N/A**



U

Documentation to  
Request Exception to  
Restriction-Pools with  
Little/No Increase in Rent  
Burdened Population

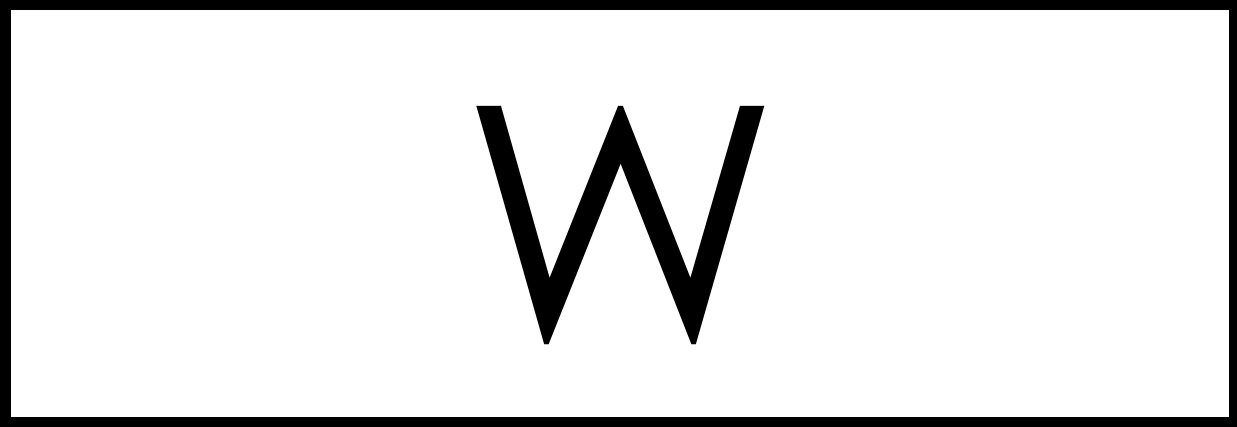
**N/A**



V

Nonprofit or LHA Purchase  
Option or Right of First  
Refusal

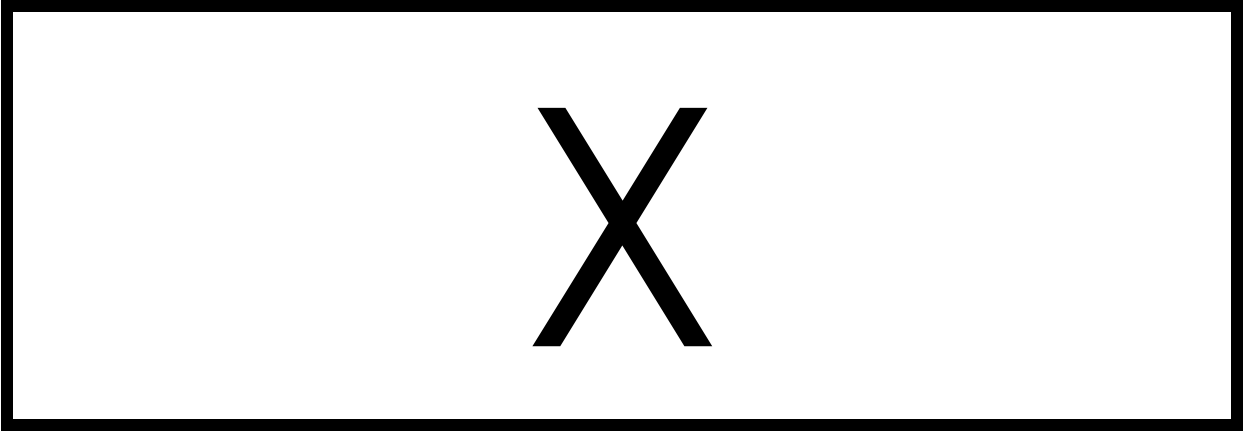
**N/A**



W

(Reserved)

**N/A**



X

# Marketing Plan

For units meeting accessibility requirements of HUD section

504

## MARKETING PLAN FOR ACCESSIBLE UNITS The Foundry Apartments

### **OWNER'S INTENT**

The Foundry intends to include ten (10) accessible units for people in need of rental housing with accessible units. The accessible units will be held vacant for a minimum of sixty (60) days during which ongoing marketing efforts will be documented. If a qualified household including a person with a disability is not located in that timeframe, Lawson Realty will submit the evidence of marketing to VHDA's Program Compliance Officer and request approval to rent the unit to any income-qualified household. If the request is approved, the lease will contain a provision that the household must move to a vacant unit if a household including a person with a disability applies for the unit. The move will be paid for by the owner.

### **IMPLEMENTATION OF OWNER'S INTENT**

Lawson Realty Corporation, the Management Agent, will rent accessible units only to qualified households, unless a qualified tenant cannot be found during the sixty (60) day marketing effort. Concentrated marketing efforts will occur, in addition to normal routine marketing strategies, to ensure qualified individuals are aware of the availability of accessible units.

#### **Concentrated Marketing Efforts:**

**VirginiaHousingSearch.com** – Lawson Realty will post The Foundry on the [virginiahousingsearch.com](http://virginiahousingsearch.com) website. We will communicate the fact that the development has accessible units.

**Local physical therapy offices** – Lawson Realty will contact local physical therapy offices throughout the region to communicate the availability of accessible units at The Foundry.

**Local hospitals** – Lawson Realty will contact the discharge departments at local hospitals to communicate the availability of accessible units at The Foundry.

**The Endependence Center** – Lawson Realty established a sound relationship with The Endependence Center in the early 1990's to ensure the common area managed properties in our portfolio are in compliance with ADA laws. We have had (and continue to have) discussions with their housing specialists to assist them in identifying accessible housing in our portfolio. Lawson Realty will



continue to communicate routinely with The Endependence Center on behalf of The Foundry to communicate availability of accessible units.

**The Community Services Board** – Lawson Realty has communicated with The Community Services Board of several cities to identify housing needs and inform them of availability of accessible units. We will continue to communicate with them to identify units available at The Foundry.

**Local Social Services Departments** – Lawson Realty will communicate with the local municipalities' social services departments to inform them of the availability of accessible units at The Foundry.

**Local Housing Authorities' Housing Choice Voucher Departments** – Lawson Realty will communicate with the Local Housing Authorities that The Foundry accepts Housing Choice Vouchers for their accessible units. The property may also be available for qualified households on the Housing Choice Voucher waiting lists.

**Orthopedic and Prosthetic Offices** – Lawson Realty will market to orthopedic and prosthetic offices to communicate the availability of accessible units at The Foundry.

**AccessVA.org and other supportive non-profit organizations** – Communicate with accessibility-minded organizations to inform them of the availability of accessible units at the property.

**VHDA** – Ensure VHDA representatives charged with accessible unit outreach are aware of the availability of these units at our property.

**Normal Routine Marketing:**

**Industry Publications** – Lawson Realty routinely markets properties in The Apartment Guide and The Apartment Book in the Richmond region when marketing conditions necessitate the expenditure. These publications reach a vast number of individuals interested in apartment living. We will identify the fact that The Foundry has accessible units available at the community.

**Newspaper/Internet Advertisements** – Both newspaper and internet advertisements are excellent vehicles to reach a broad target group for housing (as needed by the property as these are costly vehicles, but effective). We will identify the availability of accessible units when advertising through these mediums.

**Resident Newsletters** – The Foundry will continue to send out periodic newsletters to the residents of the community. In future publications

Lawson Realty will communicate the presence of accessible units at the community.

**Referrals** – Lawson Realty pays residents who refer households who qualify and move into our communities. We will inform our client base of the availability of accessible units and continue to pay incentives. Lawson Realty also promotes referrals by other Lawson Communities. There are approximately 5,400 apartments in our management portfolio and Property Managers will be informed of the availability of accessible units at the community.

Lawson Realty will not be restricted solely to the marketing means identified above, but will continue to explore other marketing means of spreading the word that The Foundry has accessible units at the community.