
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

| Name | Email | Phone Number |
|---------------------|--|----------------|
| JD Bondurant | johndavid.bondurant@vhda.com | (804) 343-5725 |
| Hope Coleman Rutter | hope.rutter@vhda.com | (804) 343-5574 |
| Sheila Stone | sheila.stone@vhda.com | (804) 343-5582 |
| Stephanie Flanders | stephanie.flanders@vhda.com | (804) 343-5939 |
| Pamela Freeth | pamela.freeth@vhda.com | (804) 343-5563 |
| Jovan Burton | jovan.burton@vhda.com | (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 (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input checked="" type="checkbox"/> | Scanned Copy of the <u>Signed</u> Tax Credit Application with Attachments (excluding market study and plans & specifications) (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input type="checkbox"/> | Electronic Copy of the Physical Needs Assessment (MANDATORY if rehab) |
| <input type="checkbox"/> | Electronic Copy of Appraisal (MANDATORY if acquisition credits requested) |
| <input checked="" type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested) |
| <input checked="" type="checkbox"/> | Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab C: Principal's Previous Participation Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab D: List of LIHTC Developments (Schedule A) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab F: Architect's Certification and RESNET Rater Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion (MANDATORY) |
| <input type="checkbox"/> | Tab I: Nonprofit Questionnaire (MANDATORY for points or pool) |
| | 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 (MANDATORY, if tenants are displaced) |
| | 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 checked="" type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Operating Budget and Utility Allowances |
| <input type="checkbox"/> | Tab S: Supportive Housing Certification |
| <input checked="" 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: 3/14/2019

1. Development Name: Carrier Point I

2. Address (line 1): 2800 Jefferson Avenue
 Address (line 2): _____
 City: Newport News State: VA Zip: 23607

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 Newport News 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: 304.00

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** FALSE

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

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

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

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

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

Enter only Numeric Values below:

13. Congressional District: 3
 Planning District: 19
 State Senate District: 2
 State House District: 95

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

Carrier Point I is a proposed newly constructed mixed-income, mixed-use development to be built on vacant parcels in Newport News. As proposed, Carrier Point I will include a mix of one-, two-, and three-bedroom residential rental units; 21 of which will have project-based Section 8 rental assistance. The development includes 3 market-rate units, 21 Section 8 assisted units and 13 tax credit only apartments, two of which will be affordable to and occupied by households at and below 30% of AMI. The 37 residential apartments along with a 3,600 SF commercial space, will be housed in a single four-story building with surface parking provided for residents.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/14/2019

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: Cynthia D. Rohlf
 Chief Executive Officer's Title: City Manager Phone: 757-926-8411
 Street Address: 2400 Washington Ave
 City: Newport News State: VA Zip: 23607

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Tricia F. Wilson, Business Development Specialist, 757-926-3793

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

Local Housing Authority Pool

or

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

2. Type(s) of Allocation/Allocation Year

Regular Allocation

Definitions of types:

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

New Construction

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

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

FALSE

5. Planned Combined 9% and 4% Developments

FALSE

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

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

TRUE

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? 0

Total Units within 4% Tax Exempt allocation Request? 0

Total Units: 0

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

6. Extended Use Restriction

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

Must Select One: 30

Definition of selection:

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

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: Choice Neighborhood I LLC

Developer Name: Newport News Redevelopment and Housing Authority

Contact: M/M ▶ Ms. First: Karen MI: R Last: Wilds

Address: 227 27th St. P.O. Box 797

City: Newport News St. ▶ VA Zip: 23607

Phone: (757) 928-2662 Ext. Fax: (757) 247-6535

Email address: kwilds@nnrha.org

Federal I.D. No. 83-3942417 (If not available, obtain prior to Carryover Allocation.)

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

Additional Contact: Please Provide Name, Email and Phone number.
Sandra Powell spowell@nnrha.org (757) 928-2645

- 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.

| Names ** | Phone | Type Ownership | % Ownership |
|--|----------------|--------------------|---------------------|
| Newport News Redevelopment and Housing Authority | (757) 928-2662 | Sole Owner of Mg N | 100.000% |
| Karen Wilds | (757) 928-2662 | Ex. Dir of NNRHA | 0.000% <i>needs</i> |
| | | | 0.000% |
| | | | 0.000% |
| | | | 0.000% |
| | | | 0.000% |
| | | | 0.000% |

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.

C. OWNERSHIP INFORMATION

- 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: Option

Expiration Date: 3/11/2024

In the Option or Purchase contract - Any contract for the acquisition of a site with an existing residential property may not require an empty building as a condition of such contract, unless relocation assistance is provided to displaced households, if any, at such level required by 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..... 3/11/2024 .

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

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

D. SITE CONTROL

3. Seller Information:

Name: Newport News Redevelopment and Housing Authority

Address: 227 27th St. P.O. Box 797

City: Newport News St.: VA Zip: 23607

Contact Person: Karen R. Wilds Phone: (757) 928-2662

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

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

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

| <u>Names</u> | <u>Phone</u> | <u>Type Ownership</u> | <u>% Ownership</u> |
|--|-----------------------|--------------------------------|--------------------|
| <u>Lessee</u> | | | |
| <u>Choice Neighborhood I Corporation</u> | <u>(757) 928-2662</u> | <u>Mng Member of Owner</u> | <u>0.01%</u> |
| <u>Newport News Redvlpmt (NNRHA)</u> | <u>(757) 928-2662</u> | <u>Owner of Mng Member</u> | <u>100.00%</u> |
| <u>Seller/Lessor</u> | | | |
| <u>Karen Wilds, Exec Director NNRHA</u> | | <u>Local Housing Authority</u> | <u>100.00%</u> |
| | | | <u>0.00%</u> |
| | | | <u>0.00%</u> |

needs ownership %

needs ownership %

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: | | This is a Related Entity. | FALSE |
| Firm Name: | | | |
| Address: | | | |
| Email: | | Phone: | |
| 2. Tax Accountant: | Mike Cumming | This is a Related Entity. | FALSE |
| Firm Name: | Cohn Reznick | | |
| Address: | 500 E Pratt St, 4th Floor, Baltimore, MD 21202 | | |
| Email: | mike.cumming@cohnreznick.com | Phone: | (410) 895-7822 |
| 3. Consultant: | Ivy Dench-Carter | This is a Related Entity. | FALSE |
| Firm Name: | Pennrose, LLC | Role: | |
| Address: | 575 S Charles St, Baltimore, MD 21201 | | |
| Email: | icarter@pennrose.com | Phone: | (443) 842-1172 |
| 4. Management Entity: | Lee Felgar | This is a Related Entity. | FALSE |
| Firm Name: | Pennrose Management Company | | |
| Address: | One Brewery Park 1301 North 31st Street Philadelphia, PA 19121 | | |
| Email: | lfelgar@pennrose.com | Phone: | (267) 386-8600 |
| 5. Contractor: | Junior Burr | This is a Related Entity. | FALSE |
| Firm Name: | Canterbury Enterprises, LLC | | |
| Address: | 204 Rivers Bend Boulevard Suite A, Chester, VA. 23836 | | |
| Email: | junior@cbury.net | Phone: | (804) 530-2109 |
| 6. Architect: | Woo Kim | This is a Related Entity. | FALSE |
| Firm Name: | WRT, LLC | | |
| Address: | 1700 Market Street, Suite 2800, Philadelphia, PA. 19103 | | |
| Email: | wkim@wrtdesign.com | Phone: | (215) 430-5027 |
| 7. Real Estate Attorney: | Amy McClain | This is a Related Entity. | FALSE |
| Firm Name: | Ballard Spahr | | |
| Address: | 300 E Lombard St, 18th Floor, Baltimore, MD 21202 | | |
| Email: | mcllaina@ballardspahr.com | Phone: | (410) 528-5592 |
| 8. Mortgage Banker: | Costa Canavos | This is a Related Entity. | FALSE |
| Firm Name: | Berkadia Mortgage | | |
| Address: | 707 E Main St, Suite 1300, Richmond VA 23219-3310 | | |
| Email: | costa.canavos@berkadia.com | Phone: | (804) 780-9235 |
| 9. Other: | | This is a Related Entity. | FALSE |
| Firm Name: | | Role: | |
| Address: | | | |
| Email: | | Phone: | |

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: [Redacted]

Name: [Redacted] (Please fit NP name within available space)

Contact Person: [Redacted]

Street Address: [Redacted]

City: [Redacted] State: [Redacted] Zip: [Redacted]

Phone: [Redacted] Extension: [Redacted] Contact Email: [Redacted]

G. NONPROFIT INVOLVEMENT

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

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

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

A. TRUE

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

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

TRUE

Name of Local Housing Authority Newport News Redevelopment and Housing Authority

2. FALSE

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

Action: Provide Homeownership Plan (TAB N)

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

2019 Low-Income Housing Tax Credit Application For Reservation

H. STRUCTURE AND UNITS INFORMATION

1. General Information

- a. Total number of all units in development

| | | | |
|--|--------|----------|----|
| | 37 | bedrooms | 64 |
| Total number of rental units in development | 37 | bedrooms | 64 |
| Number of low-income rental units | 34 | bedrooms | 0 |
| Percentage of rental units designated low-income | 91.89% | | |

- b. Number of new units:..... 37 bedrooms

| | |
|---------------------------------------|----|
| | 64 |
| Number of adaptive reuse units: | 0 |
| Number of rehab units:..... | 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..... 46,211.00 (sq. ft.)
- e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage)..... 0.00 (sq. ft.)
- f. Nonresidential Commercial Floor Area (Not eligible for funding)..... 3,949.00
- g. Total Usable Residential Heated Area..... 42,262.00 (sq. ft.)
- h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space..... 100.00%
- i. Exact area of site in acres 1.027
- j. Locality has approved a final site plan or plan of development..... FALSE

If True, Provide required documentation (TAB O).
- k. Requirement as of 2016: Site must be properly zoned for proposed development.
ACTION: Provide required zoning documentation (MANDATORY TAB G)
- l. Development is eligible for Historic Rehab credits..... FALSE

Definition:

The structure is historic, by virtue of being listed individually in the National Register of Historic Places, or due to its location in a registered historic district and certified by the Secretary of the Interior as being of historical significance

2019 Low-Income Housing Tax Credit Application For Reservation

H. STRUCTURE AND UNITS INFORMATION

to the district, and the rehabilitation will be completed in such a manner as to be eligible for historic rehabilitation tax credits.

2019 Low-Income Housing Tax Credit Application For Reservation

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 | 928.00 SF | 12 | 13 |
| 2BR Garden | 1215.00 SF | 19 | 21 |
| 3BR Garden | 1561.00 SF | 3 | 3 |
| 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 |
| | | 34 | 37 |

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)..... 1
- b. Age of Structure:..... 0 years
- c. Number of stories:..... 4
- d. The development is a scattered site development..... FALSE

2019 Low-Income Housing Tax Credit Application For Reservation

H. STRUCTURE AND UNITS INFORMATION

- e. Commercial Area Intended Use: Day care center, urgent care facility, small retail

- 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**

2019 Low-Income Housing Tax Credit Application For Reservation

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). If true, # of Elevators. Elevator Type (if known) | TRUE 2 | | |

| | |
|----------------------------|-------------|
| i. Roof Type | Flat |
| j. Construction Type | Combination |
| k. Primary Exterior Finish | Brick |

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Community Room and Outdoor Recreational Area/Green Space

| | |
|---|-------|
| m. Number of Proposed Parking Spaces..... | 37 |
| 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).

2019 Low-Income Housing Tax Credit Application For Reservation

H. STRUCTURE AND UNITS INFORMATION

5. Plans and Specifications

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

| |
|-------|
| 0.70% |
| 0.50% |
| 0.40% |
| 3 |

I. UTILITIES

1. Describe the Heating/AC System: Mini-split sys. Horizontal ducted 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 | 17 | 18 | 20 | 0 |
| Air Conditioning | Electric | Tenant | 0 | 8 | 11 | 14 | 0 |
| Cooking | Electric | Tenant | 0 | 4 | 6 | 8 | 0 |
| Lighting | Electric | Tenant | 0 | 17 | 23 | 30 | 0 |
| Hot Water | Electric | Tenant | 0 | 11 | 13 | 16 | 0 |
| Water | Water | Tenant | 0 | 18 | 29 | 46 | 0 |
| Sewer | Sewer | Owner | 0 | 0 | 0 | 0 | 0 |
| Trash | Trash | Owner | 0 | 0 | 0 | 0 | 0 |
| Total utility allowance for costs paid by tenant | | | \$0 | \$75 | \$100 | \$134 | \$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: HUD Utility Model (HUSM)

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.

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.
- 85.00% 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.
- TRUE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- TRUE k. Cooking surfaces are equipped with fire prevention features
- or
- FALSE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- TRUE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- TRUE o. All interior doors within units are solid core.
- TRUE p. 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.
- TRUE 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.

J. ENHANCEMENTS

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

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

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:

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

If Green Certification is selected, no points will be awarded for d. Watersense Bathroom fixtures above.

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

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

- | | |
|---|--------------------------------------|
| <u>TRUE</u> Zero Energy Ready Home Requirements | <u>FALSE</u> Passive House Standards |
|---|--------------------------------------|

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

- TRUE a. Architect of record certifies that units will be constructed to meet VHDA's Universal Design standards.
- 37 b. Number of Rental Units constructed to meet VHDA's Universal Design standards:
100% % of Total Rental Units

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

If not, please explain: _____

K. SPECIAL HOUSING NEEDS

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

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

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

TRUE

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

FALSE

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: Newport News Redevelopment and Housing Authority

Contact person: Carl Williamson

Title: Director of Housing

Phone Number (757) 928-2659

Action: Provide required notification documentation (TAB L)

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

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

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 3

% of total Low Income Units 9%

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..... TRUE

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

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

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 8 Certificates

TRUE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers

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?

2

d. Number of units receiving assistance:

21

How many years in rental assistance contract?

20.00

Expiration date of contract:

1/1/2041

There is an Option to Renew.....

TRUE

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

L. UNIT DETAILS

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

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

a. Units Provided Per Household Type:

| Income Levels | | |
|---------------|------------|-----------------|
| # of Units | % of Units | |
| 0 | 0.00% | 20% Area Median |
| 2 | 5.41% | 30% Area Median |
| 4 | 10.81% | 40% Area Median |
| 15 | 40.54% | 50% Area Median |
| 13 | 35.14% | 60% Area Median |
| 0 | 0.00% | 70% Area Median |
| 0 | 0.00% | 80% Area Median |
| 3 | 8.11% | Market Units |
| 37 | 100.01% | Total |

| Rent Levels | | |
|-------------|------------|-----------------|
| # of Units | % of Units | |
| 0 | 0.00% | 20% Area Median |
| 2 | 5.41% | 30% Area Median |
| 4 | 10.81% | 40% Area Median |
| 15 | 40.54% | 50% Area Median |
| 13 | 35.14% | 60% Area Median |
| 0 | 0.00% | 70% Area Median |
| 0 | 0.00% | 80% Area Median |
| 3 | 8.11% | Market Units |
| 37 | 100.01% | Total |

- b. The development plans to utilize income averaging..... FALSE
 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 FALSE 40% Levels FALSE 50% levels FALSE

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

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

| | 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 | 40% AMI | 1 | 1 | 561.00 | \$912.00 | \$912 |
| Mix 2 | 1 BR - 1 Bath | 50% AMI | 1 | 1 | 583.00 | \$912.00 | \$912 |
| Mix 3 | 1 BR - 1 Bath | 60% AMI | 3 | | 570.00 | \$740.00 | \$2,220 |
| Mix 4 | 1 BR - 1 Bath | 60% AMI | 3 | | 634.00 | \$740.00 | \$2,220 |
| Mix 5 | 1 BR - 1 Bath | 30% AMI | 1 | | 583.00 | \$346.00 | \$346 |
| Mix 6 | 1 BR - 1 Bath | 60% AMI | 3 | | 561.00 | \$740.00 | \$2,220 |
| Mix 7 | 1 BR - 1 Bath | Market 100% | 1 | | 561.00 | \$950.00 | \$950 |
| Mix 8 | 2 BR - 1.5 Bath | 40% AMI | 1 | 1 | 855.00 | \$1,095.00 | \$1,095 |
| Mix 9 | 2 BR - 1.5 Bath | 50% AMI | 13 | | 855.00 | \$1,095.00 | \$14,235 |
| Mix 10 | 2 BR - 1.5 Bath | 40% AMI | 1 | | 855.00 | \$1,095.00 | \$1,095 |
| Mix 11 | 2 BR - 1.5 Bath | 30% AMI | 1 | | 888.00 | \$406.00 | \$406 |
| Mix 12 | 2 BR - 1.5 Bath | 60% AMI | 2 | | 888.00 | \$880.00 | \$1,760 |
| Mix 13 | 2 BR - 1.5 Bath | Market 100% | 1 | | 888.00 | \$1,100.00 | \$1,100 |
| Mix 14 | 2 BR - 1.5 Bath | Market 100% | 1 | 1 | 888.00 | \$1,100.00 | \$1,100 |
| Mix 15 | 2 BR - 1.5 Bath | 50% AMI | 1 | 1 | 888.00 | \$1,095.00 | \$1,095 |
| Mix 16 | 3 BR - 2 Bath | 40% AMI | 1 | | 1173.00 | \$1,533.00 | \$1,533 |
| Mix 17 | 3 BR - 2 Bath | 60% AMI | 2 | | 1173.00 | \$1,533.00 | \$3,066 |
| Mix 18 | | | | | | | \$0 |
| Mix 19 | | | | | | | \$0 |
| Mix 20 | | | | | | | \$0 |
| Mix 21 | | | | | | | \$0 |

L. UNIT DETAILS

| | | | | | | | | | |
|--------|--|--|--|--|--|--|--|--|-----|
| Mix 22 | | | | | | | | | \$0 |
| Mix 23 | | | | | | | | | \$0 |
| Mix 24 | | | | | | | | | \$0 |
| Mix 25 | | | | | | | | | \$0 |
| Mix 26 | | | | | | | | | \$0 |
| Mix 27 | | | | | | | | | \$0 |
| Mix 28 | | | | | | | | | \$0 |
| Mix 29 | | | | | | | | | \$0 |
| Mix 30 | | | | | | | | | \$0 |
| Mix 31 | | | | | | | | | \$0 |
| Mix 32 | | | | | | | | | \$0 |
| Mix 33 | | | | | | | | | \$0 |
| Mix 34 | | | | | | | | | \$0 |
| Mix 35 | | | | | | | | | \$0 |
| Mix 36 | | | | | | | | | \$0 |
| Mix 37 | | | | | | | | | \$0 |
| Mix 38 | | | | | | | | | \$0 |
| Mix 39 | | | | | | | | | \$0 |
| Mix 40 | | | | | | | | | \$0 |
| Mix 41 | | | | | | | | | \$0 |
| Mix 42 | | | | | | | | | \$0 |
| Mix 43 | | | | | | | | | \$0 |
| Mix 44 | | | | | | | | | \$0 |
| Mix 45 | | | | | | | | | \$0 |
| Mix 46 | | | | | | | | | \$0 |
| Mix 47 | | | | | | | | | \$0 |
| Mix 48 | | | | | | | | | \$0 |
| Mix 49 | | | | | | | | | \$0 |
| Mix 50 | | | | | | | | | \$0 |
| Mix 51 | | | | | | | | | \$0 |
| Mix 52 | | | | | | | | | \$0 |
| Mix 53 | | | | | | | | | \$0 |
| Mix 54 | | | | | | | | | \$0 |
| Mix 55 | | | | | | | | | \$0 |
| Mix 56 | | | | | | | | | \$0 |
| Mix 57 | | | | | | | | | \$0 |
| Mix 58 | | | | | | | | | \$0 |
| Mix 59 | | | | | | | | | \$0 |
| Mix 60 | | | | | | | | | \$0 |
| Mix 61 | | | | | | | | | \$0 |
| Mix 62 | | | | | | | | | \$0 |
| Mix 63 | | | | | | | | | \$0 |
| Mix 64 | | | | | | | | | \$0 |
| Mix 65 | | | | | | | | | \$0 |
| Mix 66 | | | | | | | | | \$0 |
| Mix 67 | | | | | | | | | \$0 |
| Mix 68 | | | | | | | | | \$0 |
| Mix 69 | | | | | | | | | \$0 |
| Mix 70 | | | | | | | | | \$0 |
| Mix 71 | | | | | | | | | \$0 |
| Mix 72 | | | | | | | | | \$0 |
| Mix 73 | | | | | | | | | \$0 |
| Mix 74 | | | | | | | | | \$0 |
| Mix 75 | | | | | | | | | \$0 |
| Mix 76 | | | | | | | | | \$0 |
| Mix 77 | | | | | | | | | \$0 |
| Mix 78 | | | | | | | | | \$0 |
| Mix 79 | | | | | | | | | \$0 |

L. UNIT DETAILS

| | | | | | | | |
|---------------|--|--|----|---|-----------|----------|----------|
| Mix 80 | | | | | | | \$0 |
| Mix 81 | | | | | | | \$0 |
| Mix 82 | | | | | | | \$0 |
| Mix 83 | | | | | | | \$0 |
| Mix 84 | | | | | | | \$0 |
| Mix 85 | | | | | | | \$0 |
| Mix 86 | | | | | | | \$0 |
| Mix 87 | | | | | | | \$0 |
| Mix 88 | | | | | | | \$0 |
| Mix 89 | | | | | | | \$0 |
| Mix 90 | | | | | | | \$0 |
| Mix 91 | | | | | | | \$0 |
| Mix 92 | | | | | | | \$0 |
| Mix 93 | | | | | | | \$0 |
| Mix 94 | | | | | | | \$0 |
| Mix 95 | | | | | | | \$0 |
| Mix 96 | | | | | | | \$0 |
| Mix 97 | | | | | | | \$0 |
| Mix 98 | | | | | | | \$0 |
| Mix 99 | | | | | | | \$0 |
| Mix 100 | | | | | | | \$0 |
| TOTALS | | | 37 | 5 | 13,404.00 | \$16,272 | \$36,265 |

| | | | | |
|--------------------|----|-------------------------|---------------------|------------------|
| Total Units | 37 | Net Rentable SF: | TC Units | 26,918.00 |
| | | | MKT Units | 2,337.00 |
| | | | Total NR SF: | <u>29,255.00</u> |

| | |
|---|-----------|
| Floor Space Fraction (to 7 decimals) | 92.01162% |
|---|-----------|

M. OPERATING EXPENSES

| | | Use Whole Numbers Only! |
|---|--------------------------|-------------------------|
| Administrative: | | |
| 1. Advertising/Marketing | | \$5,226 |
| 2. Office Salaries | | \$3,595 |
| 3. Office Supplies | | \$3,150 |
| 4. Office/Model Apartment | (type _____) | \$0 |
| 5. Management Fee | | \$25,160 |
| <u>6.00%</u> of EGI | <u>\$680.00</u> Per Unit | |
| 6. Manager Salaries | | \$25,492 |
| 7. Staff Unit (s) | (type _____) | \$0 |
| 8. Legal | | \$2,400 |
| 9. Auditing | | \$7,500 |
| 10. Bookkeeping/Accounting Fees | | \$0 |
| 11. Telephone & Answering Service | | \$6,600 |
| 12. Tax Credit Monitoring Fee | | \$1,295 |
| 13. Miscellaneous Administrative | | \$12,470 |
| Total Administrative | | \$92,888 |
| Utilities | | |
| 14. Fuel Oil | | \$0 |
| 15. Electricity | | \$21,400 |
| 16. Water | | \$2,880 |
| 17. Gas | | \$0 |
| 18. Sewer | | \$2,040 |
| Total Utility | | \$26,320 |
| Operating: | | |
| 19. Janitor/Cleaning Payroll | | \$0 |
| 20. Janitor/Cleaning Supplies | | \$0 |
| 21. Janitor/Cleaning Contract | | \$0 |
| 22. Exterminating | | \$0 |
| 23. Trash Removal | | \$4,800 |
| 24. Security Payroll/Contract | | \$1,800 |
| 25. Grounds Payroll | | \$0 |
| 26. Grounds Supplies | | \$0 |
| 27. Grounds Contract | | \$0 |
| 28. Maintenance/Repairs Payroll | | \$23,611 |
| 29. Repairs/Material | | \$0 |
| 30. Repairs Contract | | \$22,041 |
| 31. Elevator Maintenance/Contract | | \$5,100 |
| 32. Heating/Cooling Repairs & Maintenance | | \$0 |
| 33. Pool Maintenance/Contract/Staff | | \$0 |
| 34. Snow Removal | | \$2,500 |
| 35. Decorating/Payroll/Contract | | \$0 |
| 36. Decorating Supplies | | \$0 |
| 37. Miscellaneous | | \$0 |
| Totals Operating & Maintenance | | \$59,852 |

M. OPERATING EXPENSES

Taxes & Insurance

| | |
|--|-----------------|
| 38. Real Estate Taxes | \$29,600 |
| 39. Payroll Taxes | \$2,327 |
| 40. Miscellaneous Taxes/Licenses/Permits | \$0 |
| 41. Property & Liability Insurance | \$16,000 |
| 42. Fidelity Bond | \$0 |
| 43. Workman's Compensation | \$1,771 |
| 44. Health Insurance & Employee Benefits | \$23,107 |
| 45. Other Insurance | \$0 |
| Total Taxes & Insurance | \$72,805 |

Total Operating Expense \$251,865

Total Operating Expenses Per Unit \$6,807 **C. Total Operating Expenses as % of EGI** 60.08%

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum) \$9,250

| | |
|-----------------------|------------------|
| Total Expenses | \$261,115 |
|-----------------------|------------------|

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 |
|--|----------------------------|----------------------------|
| 1. SITE | | |
| a. Option/Contract | Completed | Karen Wilds |
| b. Site Acquisition | 4/15/2020 | Sandra Powell |
| c. Zoning Approval | N/A - Zoning is in Place | |
| d. Site Plan Approval | 2/1/2020 | Christine Robertson |
| 2. Financing | | |
| a. Construction Loan | | |
| i. Loan Application | 11/30/2019 | Christine Robertson |
| ii. Conditional Commitment | 2/15/2020 | Christine Robertson |
| iii. Firm Commitment | 2/15/2020 | Christine Robertson |
| b. Permanent Loan - First Lien | | |
| i. Loan Application | 11/30/2019 | Christine Robertson |
| ii. Conditional Commitment | 2/15/2020 | Christine Robertson |
| iii. Firm Commitment | 2/15/2020 | Christine Robertson |
| c. Permanent Loan-Second Lien | | |
| i. Loan Application | N/A | |
| ii. Conditional Commitment | N/A | |
| iii. Firm Commitment | N/A | |
| d. Other Loans & Grants | | |
| i. Type & Source, List | Newport News City Funds | Karen Wilds |
| ii. Application | Funds Secured/Committed | Karen Wilds |
| iii. Award/Commitment | Funds Secured/Committed | Karen Wilds |
| 2. Formation of Owner | Completed | Sandra Powell |
| 3. IRS Approval of Nonprofit Status | Secured | Completed |
| 4. Closing and Transfer of Property to Owner | 6/1/2020 | Christine Robertson |
| 5. Plans and Specifications, Working Drawings | 11/1/2019 | WRT/Robert Wong |
| 6. Building Permit Issued by Local Government | 3/15/2020 | Christine Robertson |
| 7. Start Construction | 4/30/2020 | Canterbury/Junior Burr |
| 8. Begin Lease-up | 3/1/2020 | Jennifer Hayward/PMC |
| 9. Complete Construction | 7/31/2020 | Canterbury/Junior Burr |
| 10. Complete Lease-Up | 11/30/2020 | Jennifer Hayward/PMC |
| 11. Credit Placed in Service Date | 8/31/2020 | Christine Robertson |

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" |
| Must Use Whole Numbers Only! | | | | |
| 1. Contractor Cost | | | | |
| a. Unit Structures (New) | 0 | 0 | 0 | 0 |
| b. Unit Structures (Rehab) | 3,737,807 | 0 | 0 | 3,737,807 |
| c. Non Residential Structures | 0 | 0 | 0 | 0 |
| d. Commercial Space Costs | 315,789 | 0 | 0 | 0 |
| e. Structured Parking Garage | 0 | 0 | 0 | 0 |
| Total Structure | 4,053,596 | 0 | 0 | 3,737,807 |
| 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 | 0 | 0 | 0 | 0 |
| o. Site Work | 394,737 | 0 | 0 | 367,105 |
| p. Other Site work | 0 | 0 | 0 | 0 |
| Total Land Improvements | 394,737 | 0 | 0 | 367,105 |
| Total Structure and Land | 4,448,333 | 0 | 0 | 4,104,912 |
| q. General Requirements | 266,900 | 0 | 0 | 249,499 |
| r. Builder's Overhead (2.0% Contract) | 88,967 | 0 | 0 | 83,150 |
| s. Builder's Profit (6.0% Contract) | 266,900 | 0 | 0 | 249,499 |
| t. Bonds | 65,924 | 0 | 0 | 60,789 |
| 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 |
| Contractor Costs | \$5,137,024 | \$0 | \$0 | \$4,747,849 |

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" |
| 2. Owner Costs | | | | |
| a. Building Permit | 15,000 | 0 | 0 | |
| b. Architecture/Engineering Design Fee \$9,203 /Unit) | 340,500 | 0 | 0 | 313,975 |
| c. Architecture Supervision Fee \$3,068 /Unit) | 113,500 | 0 | 0 | 104,658 |
| d. Tap Fees | 29,600 | 0 | 0 | 27,294 |
| e. Environmental | 27,000 | 0 | 0 | 24,900 |
| f. Soil Borings | 20,000 | 0 | 0 | 18,442 |
| g. EarthCraft/LEED | 39,990 | 0 | 0 | 36,875 |
| h. Appraisal | 12,500 | 0 | 0 | 9,221 |
| i. Market Study | 12,500 | 0 | 0 | 11,526 |
| j. Site Engineering / Survey | 88,896 | 0 | 0 | 81,970 |
| k. Construction/Development Mgt | 72,500 | 0 | 0 | 66,852 |
| l. Structural/Mechanical Study | 0 | 0 | 0 | 0 |
| m. Construction Loan Origination Fee | 0 | 0 | 0 | 0 |
| n. Construction Interest (5.3% for 18 months) | 263,812 | 0 | 0 | 211,050 |
| o. Taxes During Construction | 2,500 | 0 | 0 | 2,306 |
| p. Insurance During Construction | 20,000 | 0 | 0 | 18,442 |
| q. Permanent Loan Fee (3.0%) | 66,048 | 0 | 0 | 0 |
| r. Other Permanent Loan Fees | 0 | 0 | 0 | 0 |
| s. Letter of Credit | 0 | 0 | 0 | 0 |
| t. Cost Certification Fee | 44,000 | 0 | 0 | 24,000 |
| u. Accounting | 0 | 0 | 0 | 0 |
| v. Title and Recording | 61,000 | 0 | 0 | 53,355 |
| w. Legal Fees for Closing | 140,000 | 0 | 0 | 69,220 |
| x. Mortgage Banker | 0 | 0 | 0 | 0 |
| y. Tax Credit Fee | 41,690 | | | |
| z. Tenant Relocation | 0 | 0 | 0 | 0 |
| aa. Fixtures, Furnitures and Equipment | 40,000 | 0 | 0 | 40,000 |
| ab. Organization Costs | 1,000 | 0 | 0 | 1,000 |
| ac. Operating Reserve | 205,326 | 0 | 0 | 0 |
| ad. Contingency | 253,555 | 0 | 0 | 235,337 |
| ae. Security | 0 | 0 | 0 | 0 |
| af. Utilities | 0 | 0 | 0 | 0 |
| (1) Other* specify: Nutrient Credit Purchase | 20,000 | 0 | 0 | |
| (2) Other* specify: Builder's Risk Insurance | 40,000 | 0 | 0 | 36,884 |
| (3) Other* specify: Construction Loan Insp Fee | 60,000 | 0 | 0 | 53,354 |
| (4) Other* specify: Rent-Up Reserve | 40,000 | 0 | 0 | 0 |
| (5) Other * specify: Supportive Services Escrow | 15,000 | 0 | 0 | 0 |

O. PROJECT BUDGET - OWNER COSTS

| | | | | |
|---|-------------|-----|-----|-------------|
| (6) Other* specify: Marketing Escrow | 10,000 | 0 | 0 | 0 |
| (7) Other* specify: | | 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)) | \$2,095,917 | \$0 | \$0 | \$1,440,661 |
| Subtotal 1 + 2 (Owner + Contractor Costs) | \$7,232,941 | \$0 | \$0 | \$6,188,510 |
| 3. Developer's Fees | 897,500 | 0 | 0 | 838,185 |
| 4. Owner's Acquisition Costs | | | | |
| Land | 0 | | | |
| Existing Improvements | 0 | 0 | | |
| Subtotal 4: | \$0 | \$0 | | |
| 5. Total Development Costs | | | | |
| Subtotal 1+2+3+4: | \$8,130,441 | \$0 | \$0 | \$7,026,695 |

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:

\$897,953

Proposed Development's Cost per Unit:
per Sq Foot
Applicable Cost Limit per unit:

\$219,742 **Meets Limits**
\$176 **Meets Limits**
\$259,224

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 | |
| 1. Total Development Costs | 8,130,441 | 0 | 0 | 7,026,695 |

2. Reductions in Eligible Basis

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

3. Total Eligible Basis (1 - 2 above)

| | | |
|---|---|-----------|
| 0 | 0 | 7,026,695 |
|---|---|-----------|

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

| | | |
|---|---|-----------|
| a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i> | 0 | 2,108,009 |
| b. For Revitalization or Supportive Housing (Eligible Basis x 30%) | 0 | 0 |
| c. For Green Certification (Eligible Basis x 10%) | | 0 |

Total Adjusted Eligible basis

| | |
|---|-----------|
| 0 | 9,134,704 |
|---|-----------|

5. Applicable Fraction

| | | |
|-----------|-----------|-----------|
| 91.89189% | 91.89189% | 91.89189% |
|-----------|-----------|-----------|

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

| | | |
|---|---|-----------|
| 0 | 0 | 8,394,052 |
|---|---|-----------|

7. Applicable Percentage
(Beginning with 2016 Allocations, use the standard 9% rate.)
(For tax exempt bonds, use the most recently published rates.)

| | | |
|-------|-------|-------|
| 0.00% | 0.00% | 9.00% |
|-------|-------|-------|

8. Maximum Allowable Credit under IRC §42
(Qualified Basis x Applicable Percentage)
(Must be same as BIN total and equal to or less than credit amount allowed)

| | | |
|-----|-----|-----------|
| \$0 | \$0 | \$755,465 |
|-----|-----|-----------|

| |
|--|
| \$755,465 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. Construction Loan | 11/30/19 | 02/15/20 | \$2,201,600 | To be Determined - Likely VHDA |
| 2. LIHTC Equity | | | \$4,620,000 | To be Determined |
| 3. City Funds/Waived Fee | | 03/12/19 | \$515,000 | |
| Total Construction Funding: | | | \$7,336,600 | |

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

| Source of Funds | Date of Application | Date of Commitment | Amount of Funds | Annual Debt Service Cost | Interest Rate of Loan | Amortization Period IN YEARS | Term of Loan (years) |
|--------------------------|---------------------|--------------------|-----------------|--------------------------|-----------------------|------------------------------|----------------------|
| 1. First Mortgage Loan | 11/30/2019 | 2/15/2020 | \$2,201,600 | \$137,576 | 5.25% | 35.00 | 35.00 |
| 2. | | | | | | | |
| 3. | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| 7. | | | | | | | |
| 8. | | | | | | | |
| 9. | | | | | | | |
| 10. | | | | | | | |
| Total Permanent Funding: | | | \$2,201,600 | \$137,576 | | | |

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. City of Newport News | | 3/12/2019 | \$500,000 | Cynthia Rohlf, City Manager Newport News |
| 2. Waived Permit Fee | | 3/8/2019 | \$15,000 | Harold Roach, Dir - Dept Codes&Compl City NN |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |
| 6. | | | | |
| Total Permanent Grants: | | | \$515,000 | |

Q. SOURCES OF FUNDS

4. Subsidized Funding

| | Source of Funds | Date of Commitment | Amount of Funds |
|--------------------------|-----------------------------------|--------------------|-----------------|
| 1. | City of Newport News - HOME Funds | 3/12/2019 | \$500,000 |
| 2. | Waived Permit Fees | 3/8/2019 | \$15,000 |
| 3. | | | |
| 4. | | | |
| 5. | | | |
| Total Subsidized Funding | | | \$515,000 |

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

| | | |
|----|-----------------------|-----------|
| a. | Tax Exempt Bonds | \$0 |
| b. | RD 515 | \$0 |
| c. | Section 221(d)(3) | \$0 |
| d. | Section 312 | \$0 |
| e. | Section 236 | \$0 |
| f. | VHDA SPARC/REACH | \$0 |
| g. | HOME Funds | \$0 |
| h. | Other: City from HOME | \$500,000 |
| 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: N/A

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

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

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

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

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

R. EQUITY

1. Equity

| | | | |
|--|------------------|--|-----------|
| a. Portion of Syndication Proceeds Attributable to Historic Tax Credit | | | |
| Amount of Federal historic credits | \$0 | x Equity \$ | \$0.000 = |
| Amount of Virginia historic credits | \$0 | x Equity \$ | \$0.000 = |
| <hr/> | | | |
| b. Equity that Sponsor will Fund: | | | |
| i. Cash Investment | \$0 | | |
| ii. Contributed Land/Building | \$0 | | |
| iii. Deferred Developer Fee | \$199,286 | (Note: Deferred Developer Fee cannot be negative.) | |
| iv. Other: | \$0 | | |
| <hr/> | | | |
| Equity Total | \$199,286 | | |

2. Equity Gap Calculation

| | |
|--|-------------|
| a. Total Development Cost | \$8,130,441 |
| b. Total of Permanent Funding, Grants and Equity | \$2,915,886 |
| c. Equity Gap | \$5,214,555 |
| d. Developer Equity | \$519 |
| e. Equity gap to be funded with low-income tax credit proceeds | \$5,214,036 |

3. Syndication Information (If Applicable)

| | | |
|---|--------------|--------------|
| a. Actual or Anticipated Name of Syndicator: | | |
| Contact Person: | | Phone: _____ |
| Street Address: | _____ | |
| City: | State: | Zip: _____ |
| | | |
| b. Syndication Equity | | |
| i. Anticipated Annual Credits | \$566,800.00 | |
| ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit) | \$0.920 | |
| 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 | \$566,743 | |
| vi. Total to be paid by anticipated users of credit (e.g., limited partners) | \$5,214,036 | |
| | | |
| c. Syndication: | Private | |
| d. Investors: | Corporate | |

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$5,214,036

5. Net Equity Factor

Must be equal to or greater than 85% 91.9999551120%

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>\$8,130,441</u> |
| 2. Less Total of Permanent Funding, Grants and Equity | - | <u>\$2,915,886</u> |
| 3. Equals Equity Gap | | <u>\$5,214,555</u> |
| 4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment) | | <u>91.9999551120%</u> |
| 5. Equals Ten-Year Credit Amount Needed to Fund Gap | | <u>\$5,667,998</u> |
| Divided by ten years | | <u>10</u> |
| 6. Equals Annual Tax Credit Required to Fund the Equity Gap | | <u>\$566,800</u> |
| 7. Maximum Allowable Credit Amount (from Eligible Basis Calculation) | | <u>\$755,465</u> |
| 8. Requested Credit Amount | For 30% PV Credit: | <u>\$0</u> |
| | For 70% PV Credit: | <u>\$566,800</u> |
| Credit per LI Units | <u>\$16,670.5882</u> | Combined 30% & 70% PV Credit Requested |
| Credit per LI Bedroom | <u>#DIV/0!</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 | \$33,115 |
| Plus Other Income Source (list): | Commercial Income, NSF Fees, Application Fees |
| Equals Total Monthly Income: | \$1,150 |
| Twelve Months | \$34,265 |
| | x12 |
| Equals Annual Gross Potential Income | \$411,180 |
| Less Vacancy Allowance | \$28,783 |
| Equals Annual Effective Gross Income (EGI) - Low Income Units | \$382,397 |

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

| | |
|---|-----------------|
| Total Monthly Income for Market Rate Units: | \$3,150 |
| Plus Other Income Source (list): | \$150 |
| Equals Total Monthly Income: | \$3,300 |
| Twelve Months | x12 |
| Equals Annual Gross Potential Income | \$39,600 |
| Less Vacancy Allowance | \$2,772 |
| Equals Annual Effective Gross Income (EGI) - Market Rate Units | \$36,828 |

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

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

| | |
|---|-----------|
| a. Annual EGI Low-Income Units | \$382,397 |
| b. Annual EGI Market Units | \$36,828 |
| c. Total Effective Gross Income | \$419,225 |
| d. Total Expenses | \$261,115 |
| e. Net Operating Income | \$158,110 |
| f. Total Annual Debt Service | \$137,576 |
| g. Cash Flow Available for Distribution | \$20,534 |

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 | 419,225 | 427,610 | 436,162 | 444,885 | 453,783 |
| Less Oper. Expenses | 261,115 | 268,948 | 277,017 | 285,327 | 293,887 |
| Net Income | 158,110 | 158,661 | 159,145 | 159,558 | 159,896 |
| Less Debt Service | 137,576 | 137,576 | 137,576 | 137,576 | 137,576 |
| Cash Flow | 20,534 | 21,085 | 21,569 | 21,982 | 22,320 |
| Debt Coverage Ratio | 1.15 | 1.15 | 1.16 | 1.16 | 1.16 |

| | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---------------------|---------|---------|---------|---------|---------|
| Eff. Gross Income | 462,859 | 472,116 | 481,558 | 491,189 | 501,013 |
| Less Oper. Expenses | 302,704 | 311,785 | 321,139 | 330,773 | 340,696 |
| Net Income | 160,155 | 160,331 | 160,420 | 160,417 | 160,317 |
| Less Debt Service | 137,576 | 137,576 | 137,576 | 137,576 | 137,576 |
| Cash Flow | 22,579 | 22,755 | 22,844 | 22,841 | 22,741 |
| Debt Coverage Ratio | 1.16 | 1.17 | 1.17 | 1.17 | 1.17 |

| | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 |
|---------------------|---------|---------|---------|---------|---------|
| Eff. Gross Income | 511,033 | 521,254 | 531,679 | 542,313 | 553,159 |
| Less Oper. Expenses | 350,917 | 361,444 | 372,288 | 383,456 | 394,960 |
| Net Income | 160,117 | 159,810 | 159,392 | 158,857 | 158,199 |
| Less Debt Service | 137,576 | 137,576 | 137,576 | 137,576 | 137,576 |
| Cash Flow | 22,541 | 22,234 | 21,816 | 21,281 | 20,623 |
| Debt Coverage Ratio | 1.16 | 1.16 | 1.16 | 1.15 | 1.15 |

Estimated Annual Percentage Increase in Revenue

Estimated Annual Percentage Increase in Expenses

2.00% (Must be ≤ 2%)

3.00% (Must be ≥ 3%)

U. Building-by-Building Information

Must Complete

Qualified basis must be determined on a building-by-building basis. Complete the section below. Building street addresses are required by the IRS (must have them by the time of allocation request). **Number of BINS: 1**

Total Qualified Basis should equal total on Elig Basis Tab

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

DO NOT use the CUT feature

| Bldg # | BIN if known | TAX CREDIT UNITS | MARKET RATE UNITS | 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 | | | | | |
|-----------|--------------|------------------|-------------------|-----------------------|------------------|--------------|-------|-------|--|---------------------------------------|-----------------------|---|--------------------------|---------------------------------------|--------------------------|---------------|--------------------------|---------------------------------------|-----------------------|---------------|
| | | | | | | | | | 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 | | 34 | 3 | 2800 Jefferson Street | | Newport News | VA | 23607 | \$0 | | | \$0 | \$7,222,222 | 11/31/2020 | 9.00% | \$650,000 | | | | |
| 2 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 3 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 4 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 5 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 6 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 7 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 8 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 9 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 10 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 11 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 12 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 13 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 14 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 15 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 16 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 17 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 18 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 19 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 20 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 21 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 22 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 23 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 24 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 25 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 26 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 27 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 28 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 29 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 30 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 31 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 32 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 33 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 34 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 35 | | | | | | | | | \$0 | | | \$0 | | | | \$0 | | | | |
| 34 | | | | | | | | | Totals from all buildings | | | \$0 | | | \$7,222,222 | | | \$650,000 | | |

Qualified basis should equal values on Elig Basis.
Credit Amount should equal Gap Calculation Request.

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless 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

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: Choice Neighborhood I, LLC

By:

Karen Wilds, Executive Director NNRHA

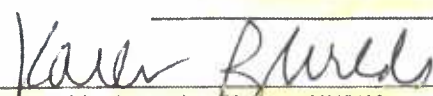
(Title)

V. STATEMENT OF OWNER

10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or 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.
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Legal Name of Owner: Choice Neighborhood I, LLC

By: 
Its: Karen Wilds, Executive Director NNRHA
(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:

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

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

1. READINESS:

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

| | | | |
|--------|---|----------|-------|
| | Y | 0 or -50 | 0.00 |
| | N | 0 or -25 | 0.00 |
| | N | 0 or 40 | 0.00 |
| | N | 0 or 10 | 0.00 |
| | Y | 0 or 15 | 15.00 |
| | N | 0 or 15 | 0.00 |
| Total: | | | 15.00 |

2. HOUSING NEEDS CHARACTERISTICS:

- a. Sec 8 or PHA waiting list preference
- b. Existing RD, HUD Section 8 or 236 program
- c. Subsidized funding commitments
- d. Tax abatement on increase of property's value
- e. New project based rental subsidy (HUD or RD)
- f. Census tract with <12% poverty rate
- g. Development listed on the Rural Development Rehab Priority List
- h. Dev. located in area with little or no increase in rent burdened population
- i. Dev. located in area with increasing rent burdened population

| | | | |
|--------|-------|-----------------|-------|
| | Y | 0 or up to 5 | 2.16 |
| | N | 0 or 20 | 0.00 |
| | 6.33% | Up to 40 | 12.67 |
| | Y | 0 or 5 | 5.00 |
| | Y | 0 or 10 | 10.00 |
| | 0% | 0, 20, 25 or 30 | 0.00 |
| | N | 0 or 15 | 0.00 |
| | N | Up to -20 | 0.00 |
| | Y | Up to 20 | 20.00 |
| Total: | | | 49.83 |

2019 Low-Income Housing Tax Credit Application For Reservation

3. DEVELOPMENT CHARACTERISTICS:

| | | | |
|---|------|-------------|---------------|
| a. Amenities (See calculations below) | | | 60.00 |
| b. Project subsidies/HUD 504 accessibility for 5 or 10% of units | Y | 0 or 60 | 60.00 |
| 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 | N | 0 or 15 | 0.00 |
| e. Proximity to public transportation (within Northern VA or Tidewater) | Y10 | 0, 10 or 20 | 10.00 |
| f. Development will be Green Certified | Y | 0 or 10 | 10.00 |
| g. Units constructed to meet VHDA's Universal Design standards | 100% | Up to 15 | 15.00 |
| h. Developments with less than 100 units | Y | up to 20 | 20.00 |
| i. Historic Structure | N | 0 or 5 | 0.00 |
| Total: | | | <u>175.00</u> |

4. TENANT POPULATION CHARACTERISTICS:

| | |
|--------------|-----------|
| Locality AMI | State AMI |
| \$75,000 | \$55,900 |

| | | | |
|--|--------|----------|--------------|
| a. Less than or equal to 20% of units having 1 or less bedrooms | N | 0 or 15 | 0.00 |
| b. <plus> Percent of Low Income units with 3 or more bedrooms | 8.82% | Up to 15 | 0.00 |
| c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units) | 5.88% | Up to 10 | 5.88 |
| d. Units with rents at or below 40% of AMI (up to 10% of LI units) | 17.65% | Up to 10 | 10.00 |
| e. Units with rent and income at or below 50% of AMI | 61.76% | Up to 50 | 50.00 |
| f. Units with rents at or below 50% rented to tenants at or below 60% of AMI | 61.76% | 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>65.88</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 | 31.58 |
| b. Cost per unit | | Up to 100 | 10.90 |
| Total: | | | <u>42.48</u> |

7. BONUS POINTS:

| | | | |
|--|---------|----------|--------------|
| a. Extended compliance | 0 Years | 40 or 50 | 0.00 |
| or b. Nonprofit or LHA purchase option | Y | 0 or 60 | 60.00 |
| or c. Nonprofit or LHA Home Ownership option | N | 0 or 5 | 0.00 |
| d. Combined 9% and 4% Tax Exempt Bond Site Plan | N | Up to 45 | 0.00 |
| e. RAD or PHA Conversion participation and competing in Local Housing Authority pool | N | 0 or 10 | 0.00 |
| Total: | | | <u>60.00</u> |

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

TOTAL SCORE: 458.19

Amenities:

| | Max Pts | Score |
|--|---------|---------------------|
| All units have: | | |
| a. Community Room | 5 | 5.00 |
| b. Exterior walls constructed with brick and other low maintenance materials | 25 | 25.00 |
| c. Sub metered water expense | 5 | 5.00 |
| d. Watersense labeled faucets, toilets and showerheads | 3 | 0.00 |
| 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 | 3.00 |
| j. Baths equipped with humidistat | 3 | 0.00 |
| k. Cooking Surfaces equipped with fire prevention features | 4 | 4.00 |
| l. Cooking surfaces equipped with fire suppression features | 2 | 0.00 |
| m. Rehab only: dedicated space to accept permanent dehumidification system | 2 | 0.00 |
| n. Provides Permanently installed dehumidification system | 5 | 5.00 |
| o. All interior doors within units are solid core | 3 | 3.00 |
| p. USB in kitchen, living room and all bedrooms | 1 | 1.00 |
| q. LED Kitchen Light Fixtures | 2 | 2.00 |
| r. Shelf or Ledge at entrance within interior hallway | 2 | 2.00 |
| s. New Construction: Balcony or patio | 4 | 0.00 |
| | | <u>60.00</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> |
| Total amenities: | | <u>60.00</u> |

X.

Development Summary

Summary Information 2019 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Carrier Point I

Cycle Type: 9% Tax Credits Requested Credit Amount: \$566,800
 Allocation Type: New Construction Jurisdiction: Newport News City
 Total Units: 37 Population Target: General
 Total LI Units: 34 Owner Contact: Karen Wilds
 Project Gross Sq Ft: 46,211.00
 Green Certified? TRUE

Total Score
458.19

| Source of Funds | Amount | Per Unit | Per Sq Ft | Annual Debt Service |
|---------------------|-------------|----------|-----------|---------------------|
| Permanent Financing | \$2,201,600 | \$59,503 | \$48 | \$137,576 |

| Type of Uses | Amount | Per Unit | Sq Ft | % of TDC |
|-----------------------------|--------------------|------------------|-------|----------|
| Improvements | \$4,448,333 | \$120,225 | \$96 | 54.71% |
| General Reg/Overhead/Profit | \$622,767 | \$16,832 | \$13 | 7.66% |
| Other Contract Costs | \$65,924 | \$1,782 | \$1 | 0.81% |
| Owner Costs | \$2,095,917 | \$56,646 | \$45 | 25.78% |
| Acquisition | \$0 | \$0 | \$0 | 0.00% |
| Developer Fee | \$897,500 | \$24,257 | \$19 | 11.04% |
| Total Uses | \$8,130,441 | \$219,742 | | |

| Total Development Costs | |
|--------------------------------|--------------------|
| Total Improvements | \$7,232,941 |
| Land Acquisition | \$0 |
| Developer Fee | \$897,500 |
| Total Development Costs | \$8,130,441 |

Proposed Cost Limit/Unit: \$219,742
 Applicable Cost Limit/Unit: \$259,224
 Proposed Cost Limit/Sq Ft: \$176
 Applicable Cost Limit/Sq Ft: \$208

| Income | |
|------------------------------------|------------------|
| Gross Potential Income - LI Units | \$411,180 |
| Gross Potential Income - Mkt Units | \$39,600 |
| Subtotal | \$450,780 |
| Less Vacancy % | 7.00% |
| Effective Gross Income | \$419,225 |

Rental Assistance? TRUE

| Category | Total | Per Unit |
|---------------------------------|------------------|----------------|
| Administrative | \$92,888 | \$2,510 |
| Utilities | \$26,320 | \$711 |
| Operating & Maintenance | \$59,852 | \$1,618 |
| Taxes & Insurance | \$72,805 | \$1,968 |
| Total Operating Expenses | \$251,865 | \$6,807 |
| Replacement Reserves | \$9,250 | \$250 |
| Total Expenses | \$261,115 | \$7,057 |

| Cash Flow | |
|-----------------------------------|------------------|
| EGI | \$419,225 |
| Total Expenses | \$261,115 |
| Net Income | \$158,110 |
| Debt Service | \$137,576 |
| Debt Coverage Ratio (YR1): | 1.15 |

| Unit Breakdown | |
|--------------------|-----------|
| Supp Htg | 0 |
| # of Eff | 0 |
| # of 1BR | 13 |
| # of 2BR | 21 |
| # of 3BR | 3 |
| # of 4+ BR | 0 |
| Total Units | 37 |

| | Income Levels # of Units | Rent Levels # of Units |
|---------------|--------------------------|------------------------|
| <=30% AMI | 2 | 2 |
| 40% AMI | 4 | 4 |
| 50% AMI | 15 | 15 |
| 60% AMI | 13 | 13 |
| >60% AMI | 0 | 0 |
| Market | 3 | 3 |

Income Averaging? FALSE

Extended Use Restriction? 30

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$179.35** Credits\$/SF = **14.5692** Const \$/unit = **\$138,838.4865**

TYPE OF PROJECT: GENERAL = 11000; ELDERLY = 12000
 LOCATION: Inner-NVA=100; Outer-NV=200; NW/NC=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
500
1

500
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 | 928.00 | 1,215.00 | 1,561.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| NUMBER OF UNITS | 0 | 12 | 19 | 3 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS=>35,000) | 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS<35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS=>50,000) | 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS<50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COST PARAMETER | 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| PROJECT COST PER UNIT | 0 | 166,438 | 217,911 | 279,967 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS=>35,000) | 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS<35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS=>50,000) | 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS<50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CREDIT PARAMETER | 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| PROJECT CREDIT PER UNIT | 0 | 13,520 | 17,702 | 22,743 | 0 | 0 | 0 | 0 |
| COST PER UNIT POINTS | 0.00 | 3.73 | 6.81 | 0.35 | 0.00 | 0.00 | 0.00 | 0.00 |
| CREDIT PER UNIT POINTS | 0.00 | 10.93 | 19.01 | 1.63 | 0.00 | 0.00 | 0.00 | 0.00 |

TOTAL COST PER UNIT POINTS **10.90**
 TOTAL CREDIT PER UNIT POINTS **31.58**

| 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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| 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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Credit Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Credit Parameter

| 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 |
| 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |

Standard Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| 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 |
| 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |

Standard Credit Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Credit Parameter

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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| 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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Credit Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| 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 |
| 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

Credit Parameters - General

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| EFF-G | 1 BR-G | 2 BR-G | 3 BR-G | 4 BR-G | 2 BR-TH | 3 BR-TH | 4 BR-TH |
|-------|--------|--------|--------|--------|---------|---------|---------|
| 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = Credits/SF = Const \$/unit =

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

* 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 | 2 BR-E-1 ST |
| AVG UNIT SIZE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| NUMBER OF UNITS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS=>35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS<35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS=>50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS<50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COST PARAMETER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PROJECT COST PER UNIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS=>35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS<35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS=>50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS<50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CREDIT PARAMETER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PROJECT CREDIT PER UNIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COST PER UNIT POINTS | 0.00 | 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 | 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 | 928.00 | 1,215.00 | 1,561.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| NUMBER OF UNITS | 0 | 12 | 19 | 3 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS=>35,000) | 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS<35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS=>50,000) | 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| PARAMETER-(COSTS<50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COST PARAMETER | 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| PROJECT COST PER UNIT | 0 | 166,438 | 217,911 | 279,967 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS=>35,000) | 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS<35,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS=>50,000) | 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| PARAMETER-(CREDITS<50,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CREDIT PARAMETER | 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| PROJECT CREDIT PER UNIT | 0 | 13,520 | 17,702 | 22,743 | 0 | 0 | 0 | 0 |
| COST PER UNIT POINTS | 0.00 | 3.73 | 6.81 | 0.35 | 0.00 | 0.00 | 0.00 | 0.00 |
| CREDIT PER UNIT POINTS | 0.00 | 10.93 | 19.01 | 1.63 | 0.00 | 0.00 | 0.00 | 0.00 |

TOTAL COST PER UNIT POINTS

TOTAL CREDIT PER UNIT POINTS

| 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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted Cost Parameter | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| 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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted Credit Parameter | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Credit Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Credit Parameter

| 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 |
| 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted Cost Parameter | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |

Standard Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| 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 |
| 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted Credit Parameter | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |

Standard Credit Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Credit Parameter

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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted Cost Parameter | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

| 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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted Credit Parameter | 0 | 0 | 0 | 0 | 0 | 0 |

Standard Credit Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Credit Parameter

| 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 |
| 0 | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted Cost Parameter | 186,120 | 248,160 | 291,588 | 0 | 0 | 0 | 0 |

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

Credit Parameters - General

Standard Cost Parameter - low rise
 Parameter Adjustment - mid rise
 Parameter Adjustment - high rise
 Adjusted Cost Parameter

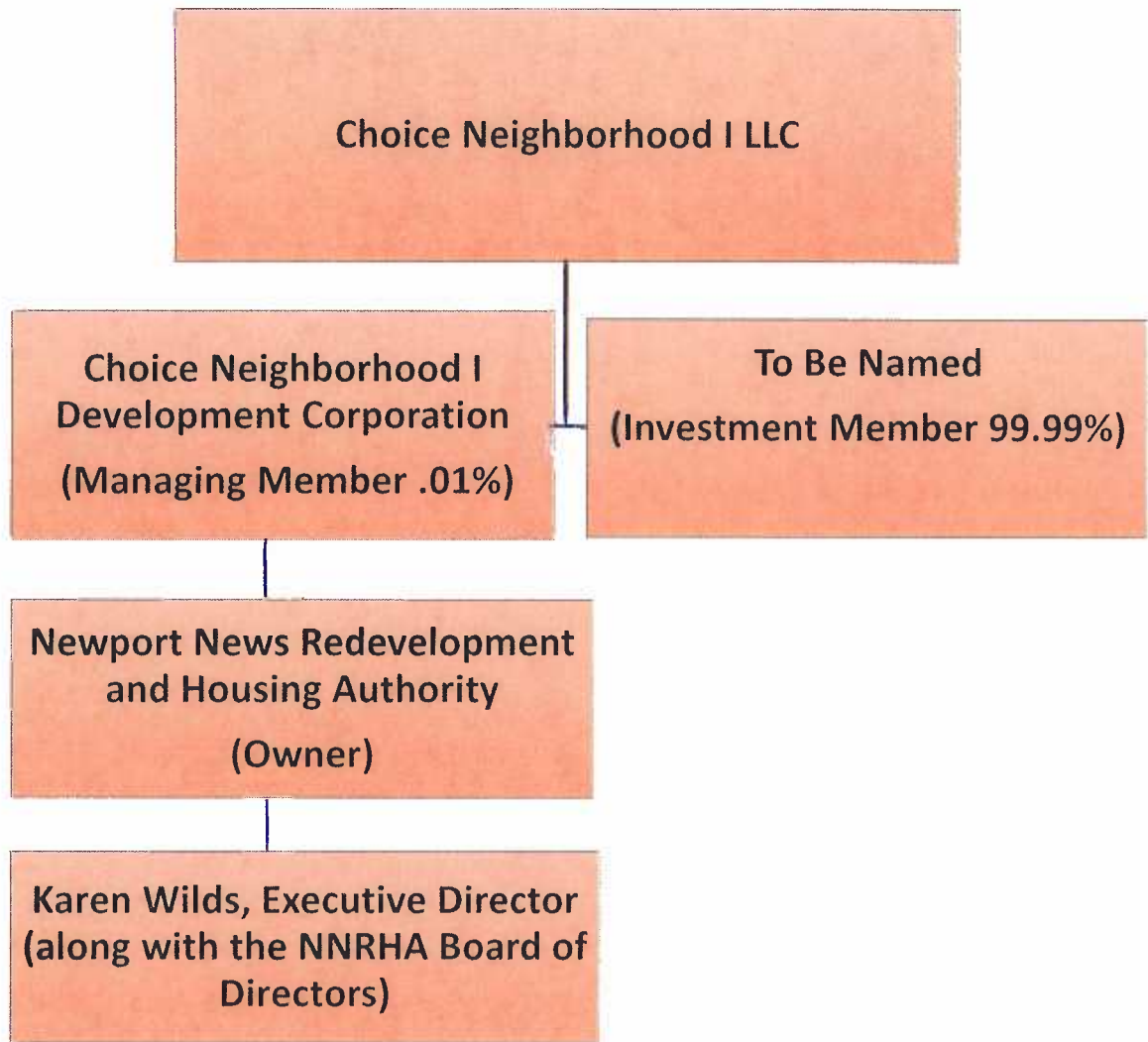
| EFF-G | 1 BR-G | 2 BR-G | 3 BR-G | 4 BR-G | 2 BR-TH | 3 BR-TH | 4 BR-TH |
|-------|--------|--------|--------|--------|---------|---------|---------|
| 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 15,998 | 21,330 | 25,063 | 0 | 0 | 0 | 0 |



A

Partnership or Operating Agreement

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



**ARTICLES OF ORGANIZATION
OF
CHOICE NEIGHBORHOOD I LLC**

Pursuant to Chapter 12 of Title 13.1 of the Code of Virginia, the undersigned states as follows:

Article I

The name of the limited liability company (the "company") is **Choice Neighborhood I LLC**.

Article II

- A. The name of the company's initial registered agent is Raymond H. Suttle, Jr.
- B. The initial registered agent is an individual who is a resident of Virginia and a member of the Virginia State Bar.

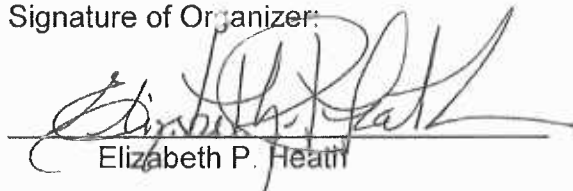
Article III

- A. The company's initial registered office address, which is identical to the business office of the initial registered agent, is 701 Town Center Drive, Suite 800, Newport News, Virginia 23606.
- B. The registered office is located in the City of Newport News.

Article IV

The company's principal office address is 227 27th Street, Newport News, Virginia 23607.

Signature of Organizer:


Elizabeth P. Heath

Date: January 16, 2019

**OPERATING AGREEMENT
OF
CHOICE NEIGHBORHOOD I LLC**

THIS OPERATING AGREEMENT, dated as of February 5, 2019, by the undersigned party who, by its execution of this Operating Agreement, has become the sole member of Choice Neighborhood I LLC, a Virginia limited liability company (the "Company"), provides as follows:

RECITALS:

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

AGREEMENT:

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

ARTICLE I

DEFINITIONS

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

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

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

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

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

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

(f) "Company" shall refer to Choice Neighborhood I LLC.

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

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

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

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

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

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

ARTICLE II

PURPOSES AND POWERS OF COMPANY

2.01 Purposes. The purposes of the Company shall be to:

(a) Acquire, develop, own, manage, operate, buy, sell, exchange, finance, refinance and otherwise deal with real estate and personal property incidental to real estate, as the Member may from time to time deem to be in the best interests of the Company, in particular, to acquire certain real estate in Newport News, rehabilitate the existing buildings thereon, operate thereon an affordable multifamily housing development using a combination of debt and equity derived from federal low income housing tax credits, to do all acts necessary or incidental to the accomplishment of that purpose and to engage such engineers, architects, contractors and other persons to accomplish such purpose. In particular, the Company is authorized to prepare and file an application for reservation of low incoming housing tax credits with the Virginia Housing Development Authority and to enter into such other agreements as may be required for the purposes set forth above; and

(b) Engage in such other activities as are related or incidental to the foregoing purposes or otherwise reasonably necessary to accomplish the purposes of the Company and to do all such other acts or things except as may be specifically prohibited by this Operating Agreement of state or federal law.

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

ARTICLE III

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

3.01 Names, Addresses and Membership Interests of Initial Members. The name, address and Membership Interest of the initial sole Member are as follows:

| <u>Name and Address</u> | <u>Membership Interests</u> |
|--|-----------------------------|
| Choice Neighborhood I Development Corporation 227 27 th Street Newport News, Virginia 23607 | 100% |

3.02 Principal Office. The principal office of the Company shall initially be at 227 27th Street, Newport News, Virginia 23607. The principal office may be changed from time to time by the Manager.

ARTICLE IV

VOTING POWERS, MEETINGS, ETC. OF MEMBERS

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

4.02 Actions Requiring Approval of Members.

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

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

- (ii) Electing the Managers as provided in Article V hereof.
- (iii) Taking any action that would make it impossible to carry on the ordinary business of the Company.
- (iv) Confessing a judgment against the Company in excess of \$5,000.
- (v) Filing or consenting to filing a petition for or against the Company under any federal or state bankruptcy, insolvency or reorganization act.
- (vi) Loaning Company funds in excess of \$25,000 or for a term in excess to one year to any Member.

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

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

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

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

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

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

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

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

4.10 Action by Written Consent. Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if one or more written consents to such action are signed by the Members who are entitled to vote on the matter set forth in the consents and who constitute the requisite number or percentage of such Members necessary for adoption or approval of such matter on behalf of the Company. Such consent or consents shall be filed with the minutes of the meetings of the Members. Action taken under this Section shall be effective when the requisite Members have signed the consent or consents, unless the consent or consents specify a different effective date.

ARTICLE V

MANAGERS

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

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

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

(c) Collecting funds due to the Company.

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

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

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

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

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

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

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

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

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

5.02 Election, Etc. of Managers.

(a) The Members hereby unanimously elect Choice Neighborhood I Development Corporation as the initial Manager of the Company, to serve until its successor(s) shall be duly elected and qualified.

(b) If any Person resigns or otherwise vacates the office of Manager, the Members shall elect a replacement Manager to serve the remaining term of such office unless one or more other Persons then serve as Managers and the Members determine not to fill such vacancy. A Person may be removed as a Manager by the Members with or without cause at any time. A Manager may, but shall not be required to, be elected from among the Members. A Manager may be a natural person or an Entity.

5.03 Execution of Documents and Other Actions. If there is more than one Manager, the Managers may delegate to one or more of their number the authority to execute any documents or take any other actions deemed necessary or desirable in

furtherance of any action that they have authorized on behalf of the Company as provided in this Operating Agreement.

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

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

5.06 Manager's Expenses and Fees. The Company shall reimburse the Manager for reasonable out-of-pocket expenses that were or are incurred by the Manager on behalf of the Company with respect to the start-up or operation of the Company, the on-going conduct of the Company's business, or the dissolution and winding up of the Company and its business.

5.07 Competition. During the existence of the Company, the Manager shall devote such time to the business of the Company as may reasonably be required to conduct its business in an efficient and profitable manner. The Manager, for its own account and for the account of others, may engage in business ventures, including the acquisition of real estate properties or interests therein and the development, operation, management and/or syndication of real estate properties or interests therein, which may compete with the business of the Company. The Member hereby expressly consents to the continued operation by the Manager of such properties and waives any claim for damages or otherwise, or rights to participate therein or with respect to the operation and profits or losses thereof.

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

5.10 Liability of Managers. So long as the Manager acts in good faith with respect to the conduct of the business and affairs of the Company, the Manager shall not be liable or accountable to the Company or to the Member, in damages or otherwise, for any error of judgment, for any mistake of fact or of law, or for any other act or thing that it may do or refrain from doing in connection with the business and affairs of the Company, except for willful misconduct or gross negligence or breach of

fiduciary duty, and further except for breaches of contractual obligations or agreements between the Manager and the Company.

ARTICLE VI

CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS

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

6.02 Additional Capital Contributions. The Member shall not be required to make any Capital Contribution in addition to its Initial Capital Contribution.

6.03 Interests and Return of Capital Contribution. The Member shall not receive any interest on its Capital Contribution. Except as otherwise specifically provided for herein, the Member shall not be allowed to withdraw or have refunded any Capital Contribution.

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

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

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

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

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

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

6.06 Effect of Sale or Exchange. In the event of a permitted sale or other transfer of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee in proportion to the percentage of the transferor's interest transferred.

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

6.08 Allocations. All items of income, gain, loss, deduction and credit, whether resulting from the Company's operations or in connection with its dissolution, shall be allocated to the Member for federal, state and local income tax purposes.

ARTICLE VII

RECORDS, REPORTS, ETC.

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

7.02 Financial and Operating Statements and Tax Returns. The Manager shall keep or cause to be kept complete and accurate books and records of the affairs of the Company at its principal office. The Member shall have the right to inspect such records at reasonable times. Within seventy-five (75) days from the close of each fiscal year of the Company, the Manager shall cause to be delivered to the Member a statement setting forth the Member's share of all tax items of the Company for such year, and all such other information as may be required to enable the Member to prepare its federal, state and local income tax returns in accordance with all then applicable laws, rules and regulations. The Manager also shall cause to be prepared and filed all federal, state and local income tax returns required of the Company for each fiscal year.

7.03 Banking. The funds of the Company shall be kept in one or more separate bank accounts in the name of the Company in such banks or other federally insured depositories, or shall otherwise be invested in the name of the Company in such manner and upon such terms and conditions as may be designated by the Manager. All

withdrawals from any such bank accounts or investments established by the Manager under shall be made on such signature or signatures as may be authorized from time to time by the Manager. Any account opened for the Company shall not be commingled with other funds of the Manager or other interested persons.

7.04 Power of Attorney.

(a) The Member does hereby irrevocably constitute and appoint the Manager as the Member's true and lawful attorney, in its name, place and stead, to make, execute, consent to, swear to, acknowledge, record and file from time to time any and all of the following:

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

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

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

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

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

ARTICLE VIII

ASSIGNMENT; RESIGNATION

8.01 Assignment Generally. Except as provided in Sections 8.02 of this Operating Agreement, the Member hereby covenants and agrees that it will not sell, assign, transfer, mortgage, pledge, encumber, hypothecate or otherwise dispose of all or any part of its interest in the Company to any person, firm, corporation, trust or other entity without first offering in writing to sell such interest to the Company. The Company shall have the right to accept the offer at any time during the 30 days following the date on which the written offer is delivered to the Company. The consent of the Manager

shall be required to authorize the exercise of such option by the Company. If the Company shall fail to accept the offer within the 30 day period, such interest may during the following 60 days be disposed of free of the restrictions imposed by this Operating Agreement; provided, however, that the purchase price for such interest shall not be less and the terms of purchase for such interest shall not be more favorable than the purchase price and terms of purchase that would have been applicable to the Company had the Company purchased the interest; provided further that the purchaser shall first become a Member pursuant to this Operating Agreement; and provided further that any interest not so disposed of within the 60-day period shall thereafter remain subject to the terms of this Operating Agreement. Notwithstanding the preceding sentence, no assignee of a Membership Interest shall become a Member of the Company except upon the consent of a majority of the non-assigning Members.

8.02 Purchase of Certain Membership Interests.

(a) If an Option Event (as defined below) occurs with respect to any Member (an "Option Member"), the Company shall have the option to purchase the Option Member's Membership Interest upon the terms and conditions set forth in this Section 8.04. For purposes of the foregoing, an "Option Event" shall mean the death of a member (i) the inability of the Member to pay its debts generally as they become due, (ii) any assignment by the Member for the benefit of its creditors, (iii) the filing by the Member of a voluntary petition in bankruptcy or similar insolvency proceedings, or (iv) the filing against the Member of an involuntary petition in bankruptcy or similar insolvency proceeding that is not dismissed within ninety (90) days thereafter. The term "Option Member" shall include an Option Member's personal representative or trustee in bankruptcy, to the extent applicable.

(b) Upon any Option Event occurring to an Option Member, the Option Member shall deliver written notice of the occurrence of such Option Event to the Company. The Company shall have the option, but not the obligation, to purchase the Option Member's Membership Interest at any time during the sixty (60) day period immediately following the date on which it receives notice of the occurrence of the Option Event. Such option shall entitle the Company to purchase such Membership Interest for the book value of such Membership Interest. The book value is determined in accordance with normal accounting rules, except that book value of real estate owned by the Company shall be determined in accordance with the provisions of Section 8.02(d). The book value of the interest shall be the amount that the Option Member would receive in exchange for his entire interest in the Company if the Company sold all of its assets, subject to their liabilities, at their book value as of the date on which the Option Event occurred and distributed the net proceeds from such sale in complete liquidation of the Company. The consent of all the Members shall be required to authorize the exercise of such option by the Company. Such option must be exercised by delivery of a written notice from the Company to the Option Member during the aforementioned period. Upon delivery of such notice the exercise of such option shall be final and binding on the Company and the Option Member.

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

(d) As to real estate that is owned by the Company, book value shall mean the city or county assessment as determined by the locality where the property is situate and located.

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

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

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

8.05 Resignation. Except as provided herein, no Member shall have any right to voluntarily resign or otherwise withdraw from the Company without the written consent of all remaining Members of the Company

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

8.06 Rights of an Assignee. If an assignee of a Membership Interest is not admitted as a Member because of the failure to satisfy the requirements hereof, such assignee shall nevertheless be entitled to receive such distributions from the Company as the assigning Member would have been entitled to receive under Sections 6.07 and 9.04(c) of this Operating Agreement with respect to such Membership Interest had the assigning Member retained such Membership Interest.

ARTICLE IX

DISSOLUTION AND TERMINATION

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

- (a) Any event that under the Act requires dissolution of the Company;
- (b) The unanimous vote of the Members' interest to the dissolution of the Company; and
- (c) The entry of a decree of judicial dissolution of the Company as provided in the Act.

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

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

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

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

- (a) First, to the payment of the debts and liabilities of the Company and the expenses of liquidation, including a sales commission to the selling agent, if any; then
- (b) Second, to the setting up of any reserves that the Manager(s) (or the person or persons carrying out the liquidation) deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. At the expiration of such period as the Manager(s) (or the person or persons carrying out the liquidation)

shall deem advisable, but in no event to exceed 18 months, the Company shall distribute the balance thereof in the manner provided in the following subsection; then

(c) Third, to the Members in proportion to their respective Membership Interests.

(d) In the event of a distribution in liquidation of the Company's property in kind, the fair market value of such property shall be determined by a qualified and disinterested M.A.I. appraiser, selected by the Members (or the person or persons carrying out the liquidation), and each Member shall receive an undivided interest in such property equal to the portion of the proceeds to which he would be entitled under the immediately preceding subsection if such property were sold at such fair market value.

9.05 Taxable Gain or Loss. Taxable income, gain and loss from the sale or distribution of Company property incurred upon or during liquidation and termination of the Company shall be allocated to the Members as provided in Section 6.08 above.

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

9.07 Non Profit Purchase Option and Right of First Refusal Agreement. The Company is expressly authorized to enter into an exclusive Nonprofit Purchase Option and Right of First Refusal with Newport News Redevelopment and Housing Authority, which is a qualified nonprofit organization under the provisions of Section 42 of the Code, which Purchase Option shall comply with the requirements of such Section 42.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.01 Arbitration. All disputes and controversies between the parties hereto arising out of or in connection with this Agreement shall be submitted to arbitration pursuant to the following procedure. Either party may, by written notice to the other within thirty (30) days after the controversy has arisen hereunder, appoint an arbitrator who shall be either an attorney or accountant. The other party shall, by written notice, within fifteen (15) days after receipt of such notice by the first party, appoint a second arbitrator who shall also be an attorney or accountant, and in default of such second appointment the first party shall apply to the Clerk for the Circuit Court for the City of Newport News, to appoint the second arbitrator pursuant to the provisions of Section 8.01-581.03 of the Code of Virginia (1950). When two arbitrators have been appointed as hereinabove provided, they shall agree on a third arbitrator and shall appoint him by written notice signed by both of them and a copy mailed to each party hereto within

fifteen (15) days after such appointment. On appointment of three arbitrators as hereinabove provided, such arbitrators shall hold an arbitration hearing within thirty (30) days after such appointment. At the hearing the three arbitrators shall allow each party to present his case, evidence, and witnesses, if any, in the presence of the other party, and shall render their award, including a provision for payment of costs and expenses of arbitration to be paid by one or both of the parties hereto, as the arbitrators deem just. The decision of the majority of the arbitrators shall be binding on the parties hereto (although each party shall retain his right to appeal any questions of law arising at the hearing), and judgment may be entered thereon in any court having jurisdiction.

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

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

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

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

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

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

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

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

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

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

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

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

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

{signature appears on the following page}

The undersigned, being the sole Member of the Company, hereby agrees, acknowledges and certifies that the foregoing Operating Agreement constitutes the sole and entire Operating Agreement of the Company, adopted by the Member of the Company as of the date first written above. The Member further declares that the percentage Membership Interest specified below is its ownership interest in the Company.

MEMBER:

Choice Neighborhood I Development
Corporation – 100% Interest

By: 
Karen R. Wilds, President

EXHIBIT A

Initial Capital Contribution:

| | |
|---|-----------|
| Choice Neighborhood I Development Corporation | \$ 100.00 |
|---|-----------|

**ARTICLES OF INCORPORATION
OF
CHOICE NEIGHBORHOOD I DEVELOPMENT CORPORATION**

ARTICLE I

The name of the Corporation is **Choice Neighborhood I Development Corporation**.

ARTICLE II

The Corporation is authorized to issue 5,000 shares of common stock.

ARTICLE III

Each shareholder of the Corporation shall have the right to purchase, subscribe for or receive a right or rights to purchase or subscribe for a pro rata portion of any stock that the Corporation may issue or sell, whether or not exchangeable for any stock of the Corporation, and whether or not of unissued shares authorized herein or by any amendment hereto or out of shares of stock of the Corporation acquired by it after issuance and whether issued for cash, promissory notes, services, property or other securities of the Corporation.

ARTICLE IV

The name of the Corporation's initial registered agent is Raymond H. Suttle, Jr. The Corporation's initial registered agent is an individual who is a resident of Virginia and a member of the Virginia State Bar. The Corporation's initial registered office address, which is identical to the business office of the initial registered agent, is 701 Town Center Drive, Suite 800, Newport News, Virginia 23606. The registered office is located in the City of Newport News.

ARTICLE V

The Corporation's principal office address is 227 27th Street, Newport News, Virginia 23607.

Incorporator:


Elizabeth P. Heath

Date: January 16, 2019

B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, February 5, 2019

This is to certify that the certificate of organization of

Choice Neighborhood I LLC

was this day issued and admitted to record in this office and that the said limited liability company is authorized to transact its business subject to all Virginia laws applicable to the company and its business. Effective date: February 5, 2019



State Corporation Commission

Attest:

Joel H. Beck
Clerk of the Commission

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, February 5, 2019

This is to certify that the certificate of incorporation of

Choice Neighborhood I Development Corporation

was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business. Effective date: February 5, 2019



State Corporation Commission

Attest:

Joel H. Beck
Clerk of the Commission

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Carrier Point I
Name of Applicant (entity): Choice Neighborhood I LLC

I hereby certify that:

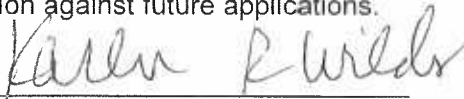
1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily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

Previous Participation Certification, cont'd

9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the participants is a Virginia Housing 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

Karen R. Wilds

3-4-19

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

D

List of LIHTC Developments

(Schedule A)
(MANDATORY)

List of LIHTC Developments (Schedule A)



Development Name: Carrier Point I
 Name of Applicant: Choice Neighborhood I, LLC

INSTRUCTIONS:

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

Karen R Wilds, President, Choice Neighborhood I Development Corporation, Managing Member

Controlling GP (CGP) or 'Named' Managing Member of Proposed property?* Y
 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 Ashe Manor Newport News VA | Orcutt Senior Housing LP 227 27th Street P.O. Box 797 Newport News, VA 23607 757 928-2645 | Yes | 50 | 50 | 10/31/2004 | 9/7/2005 | No Unresolved |
| 2 Orcutt Village Townhomes I Newport News VA | Orcutt Townhomes Phase III Limited Partnership Newport News, VA 23607 757 928-2645 | Yes | 40 | 40 | 10/22/2005 | 9/11/2006 | No Unresolved |
| 3 Great Oak Apartments Newport News, VA | Great Oaks Apartments LLC 227 27th St P.O. Box 797 Newport News, VA 23607 757 928-2645 | Yes | 143 | 143 | 12/1/2008 | 8/26/2009 | No Unresolved |
| 4 Orcutt Village Townhomes III Newport News VA | Orcutt Townhomes Phase III Limited Partnership Newport News, VA 23607 757 928-2645 | Yes | 30 | 30 | 5/12/2011 | 2/24/2012 | No Unresolved |
| 5 Jefferson Brookeville Apartments Newport News VA | Lower Jefferson Avenue LLC Newport News, VA 23607 757 928-2645 | Yes | 50 | 50 | 8/1/2014 | 4/9/2015 | No Unresolved |
| 6 Cypress Terrace Apartments Newport News, VA | Cypress Terrace LLC Newport News, VA 23607 757 928-2645 | Yes | 82 | 82 | 12/31/2016 | 7/11/2018 | No Unresolved |
| 7 Oyster Point and Brighton Apartments Newport News, VA | Oyster Point Brighton LLC Newport News, VA 23607 757-928-2645 | Yes | 196 | 196 | 12/31/2016 | 6/25/2018 | No Unresolved |
| 8 Lassiter Courts Apartments Newport News, VA | Lassiter Courts LLC Newport News, VA 23607 757 928-2645 | Yes | 100 | 100 | Under Construction | | |
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| 40 | | | | | | | |

* 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: 691 691

LIHTC as % of
 100% Total Units



E

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

OPTION TO LEASE

THIS OPTION TO LEASE is dated this 11/2 day of March, 2019, by and between **NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("Owner"), and **CHOICE NEIGHBORHOOD I, LLC**, a Virginia limited liability company ("Lessee").

WHEREAS, the Owner is the fee simple owner of certain real property located in Newport News, Virginia, as further set forth on Exhibit A (the "Property"); and

WHEREAS, Lessee was formed to construct, develop, maintain, own, operate, lease, dispose of, and otherwise deal with the apartment project known as Carrier Point 1 to be located on the Property (the "Project"); and

WHEREAS, Owner wishes to grant to Lessee an option to lease the Property for the construction and development of the Project; and

WHEREAS, the development of the Project is contingent upon Lessee receiving financing and obtaining tax credits through Virginia Housing Development Authority ("VHDA").

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Grant of Option.** The Owner hereby grants to Lessee an option (the "Option") for a period of five (5) years to lease the real estate for the construction and development of the Project located on the Property. Lessee may exercise the Option upon final approval from VHDA for the funding and financing of the project and upon receiving an award of income tax credits. Lessee shall notify Owner in writing of its exercise of the Option.

2. **Terms of Lease.** Upon the exercise of the Option by Lessee, the Owner and Lessee shall negotiate in good faith the terms and conditions of the lease. The lease term shall be for a minimum period of forty (40) years. The lease shall be a ground lease and Lessee shall be responsible for all costs associated with the construction and development of the Project, and any and all costs and expenses associated with the operation and maintenance of the Project. The lease shall also contain a covenant that the Property and Project will be restricted to low-income housing to the extent required by any use restrictions contained in any regulatory agreement with VHDA.

3. **Miscellaneous.** This Option Agreement shall be governed by the laws of the Commonwealth of Virginia. Any dispute or suit shall be filed in the State courts for the City of Newport News, Virginia. The parties agree to the venue and jurisdiction of said court. Should either party default under this Option Agreement, the non-defaulting party shall be entitled to an award of its costs to enforce this Agreement, including reasonable attorneys' fees against the defaulting party.

WITNESS the following signatures:

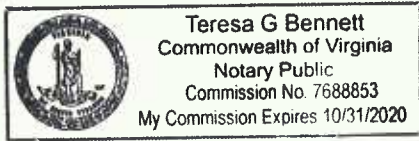
NEWPORT NEWS REDEVELOPMENT AND
HOUSING AUTHORITY

By 
Karen R. Wilds, Executive Director

COMMONWEALTH OF VIRGINIA
CITY OF NEWPORT NEWS, to-wit:


I, TERESA G. BENNETT, a Notary Public in and for the City and State
aforesaid, do certify that Karen R. Wilds, Executive Director, Newport News Redevelopment
and Housing Authority, whose name is signed to the foregoing document, has executed the same
before me this 13 day of March, 2019.

My commission expires: 10/31/2020
Registration Number: 7688853




Notary Public

CHOICE NEIGHBORHOOD I, LLC
BY: CHOICE NEIGHBORHOOD I
DEVELOPMENT CORPORATION,
Its Manager

By 
Karen R. Wilds, President

COMMONWEALTH OF VIRGINIA
CITY OF NEWPORT NEWS, to-wit:

I, TERESA G. BENNETT, a Notary Public in and for the City and State
aforesaid, do certify that Karen R. Wilds, President, Choice Neighborhood I Development
Corporation, Manager, Choice Neighborhood I, LLC, whose name is signed to the foregoing
document, has executed the same before me this 13 day of MARCH, 2019.

My commission expires: 10/31/2020
Registration Number: 7688853


Notary Public

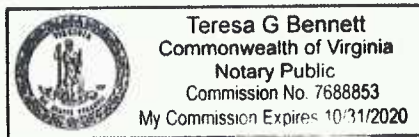


EXHIBIT A

| | <u>TAX ID</u> | <u>STREET ADDRESS</u> |
|-----|----------------------|-------------------------------|
| 1. | 306030257 | 609 – 28 th Street |
| 2. | 306030255 | 611 – 28 th Street |
| 3. | 306030254 | 613 – 28 th Street |
| 4. | 306030253 | 615 – 28 th Street |
| 5. | 306030252 | 617 – 28 th Street |
| 6. | 306030251 | 619 – 28 th Street |
| 7. | 306030206 | 608 – 29 th Street |
| 8. | 306030208 | 614 – 29 th Street |
| 9. | 306030211 | 620 – 29 th Street |
| 10. | 306030259 | 2800 Jefferson Avenue |
| 11. | 306030205 | 2812 Jefferson Avenue |

622654

PARID: 306030205

2812 JEFFERSON AVE

Owner

Name N N R & H A,

Parcel

| | |
|-----------------------------|---|
| Property Location | 2812 JEFFERSON AVE |
| Parcel ID | 306030205 |
| Tax Status | City Owned |
| Neighborhood | C100T105 - WARD 2 - BUILT 1900-1929 |
| Land Area (acreage) | .23 |
| Land Use and Zoning Details | Click here for additional details. Click here for City of Newport News Assessor's Web Page |

Legal Description

| | |
|----------------|-------------|
| Parcel/Lot: | 37,38,39,40 |
| Block: | 139 |
| Subdivision | WARD 2 |
| Section: | |
| Lot Dimensions | 100X100 |

PARID: 306030259

2800 JEFFERSON AVE

Owner

Name N N R & H A,**Parcel**

| | |
|------------------------------------|---|
| Property Location | 2800 JEFFERSON AVE |
| Parcel ID | 306030259 |
| Tax Status | City Owned |
| Neighborhood | C100T105 - WARD 2 - BUILT 1900-1929 |
| Land Area (acreage) | .19 |
| Land Use and Zoning Details | Click here for additional details. Click here for City of Newport News Assessor's Web Page |

Legal Description

| | |
|-----------------------|------------------------------|
| Parcel/Lot: | PTS 33,34,35,36 |
| Block: | 139 |
| Subdivision | WARD 2 |
| Section: | |
| Lot Dimensions | 100X79.50X33.20X5.6X66.80X85 |

PARID: 306030257

609 28TH ST

Owner

Name N N R & H A,

Parcel

Property Location 609 28TH ST
Parcel ID 306030257
Tax Status City Owned
Neighborhood C100T105 - WARD 2 - BUILT 1900-1929
Land Area (acreage) .03
Land Use and Zoning Details [Click here for additional details.](#)
[Click here](#) for City of Newport News Assessor's Web Page

Legal Description

Parcel/Lot: PT OF 33,34,35,36
Block: 139
Subdivision WARD 2
Section:
Lot Dimensions 10X66.8X5.6X33.2X15.5X100

PARID: 306030255

611 28TH ST

Owner

Name N N R & H A,**Parcel**

Property Location 611 28TH ST
Parcel ID 306030255
Tax Status City Owned
Neighborhood R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT)
Land Area (acreage) .07
Land Use and Zoning Details [Click here for additional details.](#)
[Click here](#) for City of Newport News Assessor's Web Page

Legal Description

Parcel/Lot: 32 & PTS 33 THRU 36 INC
Block: 139
Subdivision WARD 2
Section:
Lot Dimensions 30X100

PARID: 306030254

613 28TH ST

Owner

Name N N R & H A,

Parcel

| | |
|-----------------------------|---|
| Property Location | 613 28TH ST |
| Parcel ID | 306030254 |
| Tax Status | City Owned |
| Neighborhood | R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT |
| Land Area (acreage) | .06 |
| Land Use and Zoning Details | Click here for additional details. Click here for City of Newport News Assessor's Web Page |

Legal Description

| | |
|----------------|--------|
| Parcel/Lot: | 31 |
| Block: | 139 |
| Subdivision | WARD 2 |
| Section: | |
| Lot Dimensions | 25X100 |

PARID: 306030253

615 28TH ST

Owner

Name N N R & H A,

Parcel

| | |
|-----------------------------|---|
| Property Location | 615 28TH ST |
| Parcel ID | 306030253 |
| Tax Status | City Owned |
| Neighborhood | R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT |
| Land Area (acreage) | .06 |
| Land Use and Zoning Details | Click here for additional details. Click here for City of Newport News Assessor's Web Page |

Legal Description

| | |
|----------------|--------|
| Parcel/Lot: | 30 |
| Block: | 139 |
| Subdivision | WARD 2 |
| Section: | |
| Lot Dimensions | 25X100 |

PARID: 306030252

617 28TH ST

Owner

Name N N R & H A,

Parcel

| | |
|-----------------------------|---|
| Property Location | 617 28TH ST |
| Parcel ID | 306030252 |
| Tax Status | City Owned |
| Neighborhood | R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT |
| Land Area (acreage) | .06 |
| Land Use and Zoning Details | Click here for additional details. Click here for City of Newport News Assessor's Web Page |

Legal Description

| | |
|----------------|--------|
| Parcel/Lot: | 29 |
| Block: | 139 |
| Subdivision | WARD 2 |
| Section: | |
| Lot Dimensions | 25X100 |

PARID: 306030251

619 28TH ST

Owner

Name N N R & H A,

Parcel

| | |
|-----------------------------|---|
| Property Location | 619 28TH ST |
| Parcel ID | 306030251 |
| Tax Status | City Owned |
| Neighborhood | R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT |
| Land Area (acreage) | .06 |
| Land Use and Zoning Details | Click here for additional details. Click here for City of Newport News Assessor's Web Page |

Legal Description

| | |
|----------------|--------|
| Parcel/Lot: | 28 |
| Block: | 139 |
| Subdivision | WARD 2 |
| Section: | |
| Lot Dimensions | 25X100 |

PARID: 306030206

608 29TH ST

Owner

Name N N R & H A,

Parcel

| | |
|-----------------------------|---|
| Property Location | 608 29TH ST |
| Parcel ID | 306030206 |
| Tax Status | City Owned |
| Neighborhood | R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT |
| Land Area (acreage) | .06 |
| Land Use and Zoning Details | Click here for additional details. Click here for City of Newport News Assessor's Web Page |

Legal Description

| | |
|----------------|--------|
| Parcel/Lot: | 41 |
| Block: | 139 |
| Subdivision | WARD 2 |
| Section: | |
| Lot Dimensions | 25X100 |

PARID: 306030208

614 29TH ST

Owner

Name N N R & H A,

Parcel

Property Location 614 29TH ST
Parcel ID 306030208
Tax Status City Owned
Neighborhood R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT
Land Area (acreage) .11
Land Use and Zoning Details [Click here for additional details.](#)
[Click here](#) for City of Newport News Assessor's Web Page

Legal Description

Parcel/Lot: 42-A
Block: 139
Subdivision WARD 2
Section:
Lot Dimensions 50 X 100

PARID: 306030211

620 29TH ST

Owner

Name N N R & H A,

Parcel

Property Location 620 29TH ST
Parcel ID 306030211
Tax Status City Owned
Neighborhood R10SF117 - WARD 2 1990-PRESENT (HOUSES & VACANT LOT
Land Area (acreage) .11
Land Use and Zoning Details [Click here for additional details.](#)
[Click here](#) for City of Newport News Assessor's Web Page

Legal Description

Parcel/Lot: 44-A
Block: 139
Subdivision WARD 2
Section:
Lot Dimensions 50X100

F

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



Appendix F
RESNET Rater Certification of Development Plans

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

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

In addition provide HERS rating documentation as specified in the manual

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 Viridian'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.

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

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

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

Signed: [Signature]

Date: 2/21/19

Printed Name: Vaughan Piccolo

RESNET Rater

Resnet Provider Agency
Performance Systems Development

Signature [Signature]

Provider Contact and Phone/Email Emelie Cuppernell Glitch/ecuppernell@psdconsulting.com

Certificate of Completion

Joseph Healy

Has Successfully Completed a Course in Universal Design
on January 25, 2018

Virginia Housing Development Authority



Josh Holloway

Josh Holloway, AIA, LEED AP BD+C, PHius CPHC®
Design and Construction Officer

Pamela Freeth

Pamela Freeth
Tax Credit Allocation Coordinator



INSTRUCTIONS FOR THE COMPLETION OF APPENDIX F ARCHITECT'S CERTIFICATION

(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.



Architect's Certification

Name of Development: Carrier Point I

Address of Development: 2800 Jefferson Avenue Newport News, VA 23607

Name of Owner: Choice Neighborhood LLC

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: Joseph Healy

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

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:

| | |
|-----------|--|
| 46,211.00 | (A) Total gross floor area in (sq. ft.) for the entire development |
| 0.00 | - (B) Unheated floor area (breezeways, balconies, storage) |
| 3,949.00 | - (C) Nonresidential, (commercial income producing) area |
| 42,262.00 | = (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 | 928.00 | | 13 | | 12,064.00 |
| 2 Bedrooms Garden | 1,215.00 | | 21 | | 25,515.00 |
| 3 Bedrooms Garden | 1,561.00 | | 3 | | 4,683.00 |
| 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 | | | 37 | Total | 42,262.00 ** |

** 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 | 561 | 5 | 2805 |
| Mix 2 | 1 BR - 1 Bath | 583 | 2 | 1166 |
| Mix 3 | 1 BR - 1 Bath | 570 | 3 | 1710 |
| Mix 4 | 1 BR - 1 Bath | 634 | 3 | 1902 |
| Mix 5 | 2 BR - 1.5 Bath | 855 | 15 | 12825 |
| Mix 6 | 2 BR - 1.5 Bath | 888 | 6 | 5328 |
| Mix 7 | 3 BR - 2 Bath | 1173 | 3 | 3519 |
| Mix 8 | | | | 0 |
| Mix 9 | | | | 0 |
| Mix 10 | | | | 0 |
| Mix 11 | | | | 0 |
| Mix 12 | | | | 0 |
| Mix 13 | | | | 0 |
| Mix 14 | | | | 0 |
| Mix 15 | | | | 0 |
| Mix 16 | | | | 0 |
| Mix 17 | | | | 0 |
| Mix 18 | | | | 0 |
| Mix 19 | | | | 0 |
| Mix 20 | | | | 0 |
| Mix 21 | | | | 0 |
| Mix 22 | | | | 0 |
| Mix 23 | | | | 0 |
| Mix 24 | | | | 0 |
| Mix 25 | | | | 0 |
| Mix 26 | | | | 0 |
| 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 |
| | Totals | | 37 | 29255 |

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

DEV Name: Carrier Point I

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

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.

see narrative; see bldg plans - community room and sf are identified

TRUE 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.

see elevations; also see spec - "EXTERIOR MATERIAL SELECTIONS AND FINISHES"

TRUE c. Water expense will be sub-metered (tenant will pay monthly or bi-monthly bill)

see div 22 metering

TRUE d. Each bathroom consists only of Water Sense labeled toilets, faucets and showerheads

see div 22

TRUE e. Provide necessary infrastructure in all units for high-speed internet/broadband service.

see div 27 - communications - data

TRUE f. Free Wi-Fi access will be provided for community room for resident only usage.

see div 27 - communications - data

FALSE g. Each Unit is provided free individual high-speed Internet access

OR
 FALSE h. Each Unit is provided free individual Wi-Fi access

see div 23 mechanical - exhaust air systems for apartment units

TRUE i. Bath fan wired to primary light with delayed timer, or, continuous exhaust by ERV/DOAS OR Bath Fan with humidistat

see div 11 - equipment - fire stop cannisters

TRUE j. Fire Suppression - Cooking surfaces are equipped with fire suppression features

see div 11 - equipment - range with smart burners

OR
 FALSE k. Fire Prevention - all Ranges equipped with temperature limiting controls

see div 23 mechanical - apartment hvac

FALSE l. Rehab only- Each apartment has dedicated space, drain and electrical hookups to accept a permanently installed dehumidification system OR

TRUE m. All development types- Each Unit is equipped with a permanent dehumidification system

see div 8 - doors

TRUE n. All interior doors within units are solid core

see div 27

TRUE o. At minimum one USB charging port in each Kitchen, Living room and all bedrooms

see div 26 - electrical - exterior lighting, apartment lighting, common areas

see unit plans for location and description; see div 10 specialties

TRUE p. All Kitchen light fixtures are LED and meet MDCR lighting guidelines

TRUE q. Shelf or ledge outside each primary apartment entry door located in an interior hallway

DEV Name - Carr

FALSE r. New Construction only- Each unit to have balcony or patio minimum depth 5' clear from face of building. Minimum 30 square feet.

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

- 4 **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.

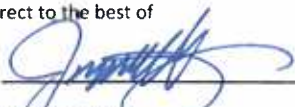
Check one or none of the following point categories, as appropriate:

- 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.
- 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.

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: JOSEPH HEALY
Title: MANAGING PRINCIPAL
Virginia Registration #: #401017401
Phone: 215-732-5215
Date: 03/01/2019

NOTE TO ARCHITECT: If representaions 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: Carrier Point I



Appendix F
VHDA's Universal Design Certification

TRUE 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: 37

The total number of rental units in this development: 37

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: [Signature]

Printed Name: JOSEPH HEALY
Architect of Record
(same individual as on page 7)

Date: 3/1/19



G

Zoning Certification Letter
(MANDATORY)



DATE: March 5, 2019

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

RE: ZONING CERTIFICATION

Name of Development: Carrier Point 1

Name of Owner/Applicant: Choice Neighborhood I LLC

Name of Seller/Current Owner: Newport News Redevelopment and Housing Authority

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:
2800 Jefferson Avenue, Newport News, VA 23607

Legal Description:
CARRIER POINT 1 – Block 139 (2800 Jefferson Avenue)

BEGINNING AT A POINT ON THE PROPERTY OWNED BY NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY ON THE EAST SIDE OF JEFFERSON AVE SOUTH OF 29TH ST; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 39.27', WITH A RADIUS OF 25.00', WITH A CHORD BEARING OF N 17°21'57" E, WITH A CHORD LENGTH OF 35.36' TO A POINT ON THE SOUTH SIDE OF 29TH STREET; THENCE N 62°21'57" E A DISTANCE OF 200.00' TO A POINT; THENCE LEAVING 29TH STREET S 27°38'03" E A DISTANCE OF 200.00' TO A POINT AT THE NORTH SIDE OF 28TH ST; THENCE S 62°21'57" W A DISTANCE OF 200.00' TO A POINT; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 39.27', WITH A RADIUS OF 25.00', WITH A CHORD BEARING OF N 72°38'03" W, WITH A CHORD LENGTH OF 35.36' TO A POINT ON THE SAID JEFFERSON AVENUE; THENCE N 27°38'03" W A DISTANCE OF 150.00' WHICH IS THE ORIGINAL POINT OF BEGINNING AND HAVING AN AREA OF 44,732 SQUARE FEET, 1.027 ACRES AND PER THE CITY OF NEWPORT NEWS GIS, INCLUDES 11 TAX PARCELS.

The basis of bearing being Virginia State Plane Coordinates, South Zone (NAD83) (HARN93)



Proposed Improvements:

| | | | |
|---|------------|---------------|---------------------------------|
| <input checked="" type="checkbox"/> New Construction: | 37 # Units | 1 # Buildings | 46,211 Total Floor Area Sq. Ft. |
| <input type="checkbox"/> Adaptive Reuse: | # Units | # Buildings | Total Floor Area Sq. Ft. |
| <input type="checkbox"/> Rehabilitation: | # Units | # Buildings | Total Floor Area Sq. Ft. |



Zoning Certification, cont'd

Zoning: Lower Jefferson Avenue Urban Corridor Overlay District (Mixed-Use – Commercial / Residential): The purpose of planned developments is to encourage the efficient use of land and resources, to promote greater efficiency in public and utility services, and to encourage innovation in the planning, design and building of all types of development in the city.

Other Descriptive Information:

The development standards including the yard and setback requirements, the height limitations, parking requirements and the open space areas shall be established as a function of the approval of the application to establish the Lower Jefferson Avenue Urban Corridor Overlay District and the accompanying development plan.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

- The zoning for the proposed development described above is proper for the proposed Mixed-Use – Commercial / 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

B. Scott Chewning

Printed Name

Associate / Project Manager

Title of Local Official or Civil Engineer

757-819-9735

Phone:

03/05/2019

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.



Zoning Certification, cont'd

Zoning: Lower Jefferson Avenue Urban Corridor Overlay District (Mixed-Use – Commercial / Residential): The purpose of planned developments is to encourage the efficient use of land and resources, to promote greater efficiency in public and utility services, and to encourage innovation in the planning, design and building of all types of development in the city.

Other Descriptive Information:

The development standards including the yard and setback requirements, the height limitations, parking requirements and the open space areas shall be established as a function of the approval of the application to establish the Lower Jefferson Avenue Urban Corridor Overlay District and the accompanying development plan.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

- The zoning for the proposed development described above is proper for the proposed Mixed-Use – Commercial / 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

B. Scott Chewning
Printed Name

Associate / Project Manager
Title of Local Official or Civil Engineer

757-819-9735
Phone:

03/05/2019
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.

H

Attorney's Opinion
(MANDATORY)

Jones, Blechman, Woltz & Kelly, P.C.
Attorneys and Counselors at Law

JOHN T. TOMPKINS, III
CONWAY H. SHELD, III
HERBERT V. KELLY, JR.
ALLEN C. TANNER, JR.
RICHARD B. DONALDSON, JR.
ROBYN HYI-TON HANSEN
RAYMOND H. SUTTLE, JR.
MATTHEW D. MEADOWS
C. PATRICK TENCH

REBECCA L. SHWAYDER AMAN
JENNIFER L. MUSE
BLAIR M. MATHIAS

701 TOWN CENTER DRIVE, SUITE 800
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FACSIMILE: (757) 873-8103

Direct Dial No. (757) 873-8006
E-Mail Address: raysuttle@jbwk.com

ALLAN D. JONES, 1875-1954
DANIEL SCHLOSSER, 1915-1977
F.O. BLECHMAN, 1905-1986
ARTHUR W. WOLTZ, 1905-1993
THOMAS N. DOWNING, 1919-2001
SVEIN J. LASSEN, 1947-2006
HERBERT V. KELLY, 1920-2007
B.M. MILLNER, 1929-2011

OF COUNSEL
RALPH M. GOLDSTEIN

RETIRED
RAYMOND H. SUTTLE

March 14, 2019

Virginia Housing Development Authority
601 South Belvidere Street
Richmond, VA 23220

RE: 2019 Tax Credit Reservation Request
Name of Development: Carrier Point I
Name of Owner: Newport News Redevelopment and Housing Authority

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 14, 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 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.

Jones, Blechman, Woltz & Kelly, P.C.

Page 2

3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.

4. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.

5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application for a period of not less than four (4) months beyond the application deadline.

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

7. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code 42(d)(2)(B) are not correct.

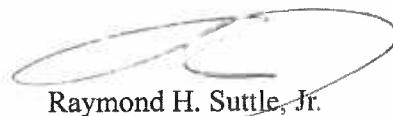
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions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

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

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

Very truly yours,

JONES, BLECHMAN, WOLTZ & KELLY, P.C.



Raymond H. Suttle, Jr.



Nonprofit Questionnaire

(MANDATORY for points or pool)

NOT APPLICABLE

**THE APPLICANT IS NOT REQUESTING ANY
NONPROFIT PARTICIPATION POINTS NOR TO
PARTICIPATE IN THE NONPROFIT SET ASIDE**

J

Relocation Plan

(MANDATORY, if tenants are displaced)

NOT APPLICABLE

**THERE ARE NOT ANY EXISTING RESIDENTS AT THE
SITE TO RELOCATE**

K

Documentation of
Development Location:

K.1

Revitalization Area
Certification



Karen R. Wilds
Executive Director

BOARD OF
COMMISSIONERS

M. Lou Call
Chairman
Gary B. Hunter
Vice Chairman

Mark Hager
Josephine W. Clark
Kenneth D. Penrose, Jr.
Lisa Wallace-Davis
William C. Black

March 14, 2019

Mr. J.D. Bondurant
Director, Low Income Housing Tax Credit Program
Virginia Housing Development Authority
601 S Belvidere St
Richmond, VA 23220

Re: Low-Income Housing Tax Credit Application — Carrier Point I
Newport News, VA. VHDA Number 2019-C-80 Revitalization Letter

Dear Mr. Bondurant:

The Newport News Redevelopment and Housing Authority (NNRHA) is the current owner of certain real property located in Newport News, Virginia. The Choice Neighborhood I, LLC currently has an option to lease the site for the construction and development of the above-referenced project.

This development is located in a HUD qualified census tract, in a Title 36 redevelopment area, and also in the Marshall-Ridley Choice Neighborhood Initiative area in the City of Newport News, Virginia.


A City Council resolution and map supporting the Title 36 designation are attached. The CNI revitalization plan was adopted (resolution attached) on June 12, 2018 by the Newport News City Council. An exhibit reflecting the CNI revitalization area is also attached and the location of the Carrier Point I development is shown thereon.

This letter is being provided to the Virginia Housing Development Authority in support of our related request for a set-aside of low-income housing tax credits (LIHTC) which is an essential component for the development of this Project.



If you have any other questions on this matter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Karen Wilds". The signature is written in a cursive, flowing style.

Karen R. Wilds
Executive Director



HOME

ABOUT PD&R

RESEARCH & PUBLICATIONS

DATA SETS

INITIATIVES

QUICK LINKS

EVENTS



2800 Jefferson avenue newport news va

Map Options : [Clear](#) | [Reset](#) | [Full Screen](#)

QCT Legend: Tract Outline

SADDA Legend (%): FMR Boundary

Select a State Select a County

- LIHTC Project
- 2019 Qualified Census Tracts
- SADDA Boundary
- 2019 Small DDA

The 2019 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2019. The 2019 designations use data from the 2010 Decennial census and three releases of 5-year tabulations from the American Community Survey (ACS): 2010-2014, 2011-2015, and 2012-2016. The designation methodology is explained in the federal Register notice published October 22, 2018.

Map Options

13 Current Zoom Level

- Show Difficult Development Areas (Zoom 7+)
- Color QCT Qualified Tracts (Zoom 7+)
- Show Tracts Outline (Zoom 11+)
- Show FMR Outlines (Zoom 4+)
- Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

Select Year

- 2019
- 2018



About PD&R

- Delegations of Authority and Order of Succession
- Events
- HUD at 50

Initiatives

- Aging Research and Best Practices
- Aligning Affordable Research and
- Interagency Physical Fragmentation Alignment

Resources

- Case Studies
- Data Sets
- Presentations
- Regional Barriers Clearinghouse

RESOLUTION NO. 8947-97

A RESOLUTION OF THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, APPROVING THE SOUTHEAST COMMUNITY CORRIDOR REDEVELOPMENT PLAN AS AMENDED.

WHEREAS, in December 1994, the Council of the City of Newport News, Virginia (the Council) approved the Southeast Community Corridor Redevelopment Plan (the Plan); and

WHEREAS, the Plan was prepared and adopted as a redevelopment plan pursuant to Title 36 of the Code of Virginia, 1950, as amended; and

WHEREAS, Title 36 plans are prepared and implemented by housing authorities, but must be approved by local governing bodies; and

WHEREAS, the Newport News Redevelopment and Housing Authority has approved an amendment to the 1994 Plan and has requested that the Council review and approve the Plan as amended; and

WHEREAS, the amendment to the Plan primarily expands the boundaries of the area covered by the Plan, and the Council is of the opinion that it is in the public interest and welfare that the Plan, as amended, be approved and implemented;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Newport News, Virginia, that it desires to, and hereby does, approve the Southeast Community Corridor Redevelopment Plan submitted to the Council on December 9, 1997, which Plan incorporates amendments made to the 1994 version of the Plan and constitute the first amendment of that Plan.

Resolution No. 8947-97

Page -2-

Sponsor:

Charles L. Allen

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS DECEMBER 9, 1997

Countersigned:

Anthony
Mayor

Attest:

Bernice I. Berry
Bernice I. Berry, CMC/AAE

City Clerk

Roll Call Vote Resulted as Follows:

Ayes: BaCota, Fitzgerald, Frank, Joseph, Martin, Witt, Allen

Nays: None



Carrier Point I

Prepared by
Department of Engineering
 Mapping Office

REDEVELOPMENT AREA BOUNDARY MAP
 DECEMBER 9, 1997 EXHIBIT I



SCALE 1" = 500'



RESOLUTION NO. 13137-18

A RESOLUTION OF THE NEWPORT NEWS CITY COUNCIL RECOMMENDING ADOPTION OF THE MARSHALL-RIDLEY CHOICE NEIGHBORHOOD TRANSFORMATION PLAN.

WHEREAS, the Newport News City Council has before it this day the Transformation Plan for the Marshall-Ridley Choice Neighborhood (MRCN). With the award of a Choice Neighborhoods Initiative (CNI) Planning Grant funded by the U.S. Department of Housing and Urban Development (HUD) on June 28, 2016, co-applicants of the grant, the City of Newport News and the Newport News Redevelopment & Housing Authority (NNRHA), led an 18 month community-driven planning process resulting in the Marshall-Ridley Choice Neighborhood Transformation Plan; and

WHEREAS, the planning process included the formation of several committees and task forces to address specific components of the Transformation Plan including the Steering Committee, Citizen Advisory Committee, Neighborhood Task Force, Housing Task Force, People Task Force, and Early Action Activities Subcommittee; and

WHEREAS, from the time the planning process began, a variety of special events, workshops, task force meetings, and other activities gave residents of all ages the opportunity to be involved and shape the Plan; and

WHEREAS, the MRCN Transformation Plan was completed in May of 2018; and

WHEREAS, the Transformation Plan contains three individual components: Neighborhood, Housing, and People Plans, the lines within and between the components are intentionally blurred as the goals and strategies are designed to complement one another and work together to maximize the overall neighborhood revitalization effort; and

WHEREAS, the Transformation Plan contains inter-related recommendations to include connecting MRCN residents with excellent businesses, services, schools, and safe streets; providing diverse, accessible mixed-income housing options; and improving access to the knowledge, resources, and amenities that allow residents to be active, healthy, and self-sufficient; and

WHEREAS, on May 2, 2018, the Newport News Planning Commission voted unanimously to recommend that the City Council approve and adopt the Marshall-Ridley Choice Neighborhood Transformation Plan; and

WHEREAS, the CNI Steering Committee, comprised of representatives of the City of Newport News, NNRHA, partner organizations, and MRCN residents, endorsed the Marshall-Ridley Choice Neighborhood Transformation Plan as reported on May 3, 2018.

NOW, THEREFORE BE IT RESOLVED, that the City Council for the City of Newport News, Virginia, hereby approves and adopts the Marshall-Ridley Choice Neighborhood Transformation Plan.

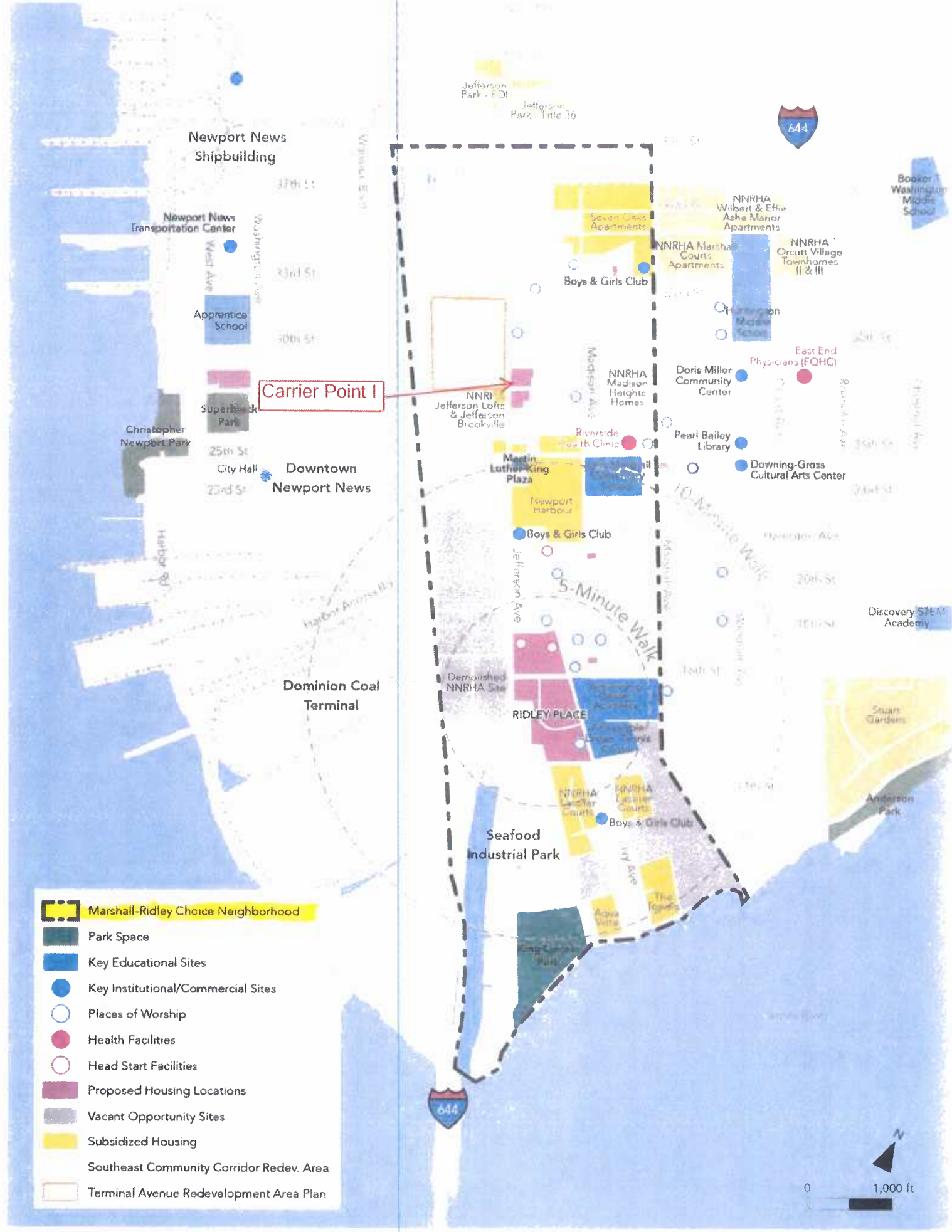
PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON JUNE 12, 2018

Mabel Washington Jenkins, MMC
City Clerk













McKinley L. Price, DDS
Mayor

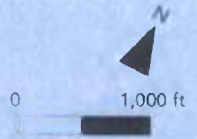
A true copy, teste:

City Clerk



Carrier Point I

-  Marshall-Ridley Choice Neighborhood
-  Park Space
-  Key Educational Sites
-  Key Institutional/Commercial Sites
-  Places of Worship
-  Health Facilities
-  Head Start Facilities
-  Proposed Housing Locations
-  Vacant Opportunity Sites
-  Subsidized Housing
-  Southeast Community Corridor Redev. Area
-  Terminal Avenue Redevelopment Area Plan



Land Use and Zoning Details » Parcel #306030259

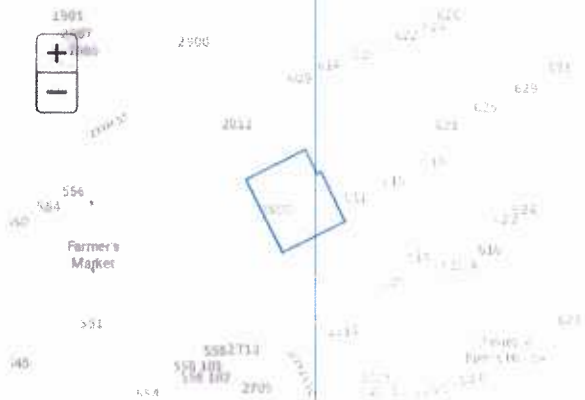
Planning Information

| | |
|--|--|
| Zoning District(s) | C1 |
| Overlay District(s) | Choice Neighborhood, Lower Jefferson Avenue Urban Corridor Overlay, Neighborhood Conservation District |
| Existing Land Use | VACANT |
| Conditional Land Use | |
| Chesapeake Bay Preservation Area(s) | |
| FEMA Flood Zone | X (Effective 12/9/2014) |
| NSA | 01 - Lower Downtown |
| Census Tract | 304 |
| Census Block | Block 1024 |

Land Use Cases

| Type | Case # |
|------|--------|
|------|--------|

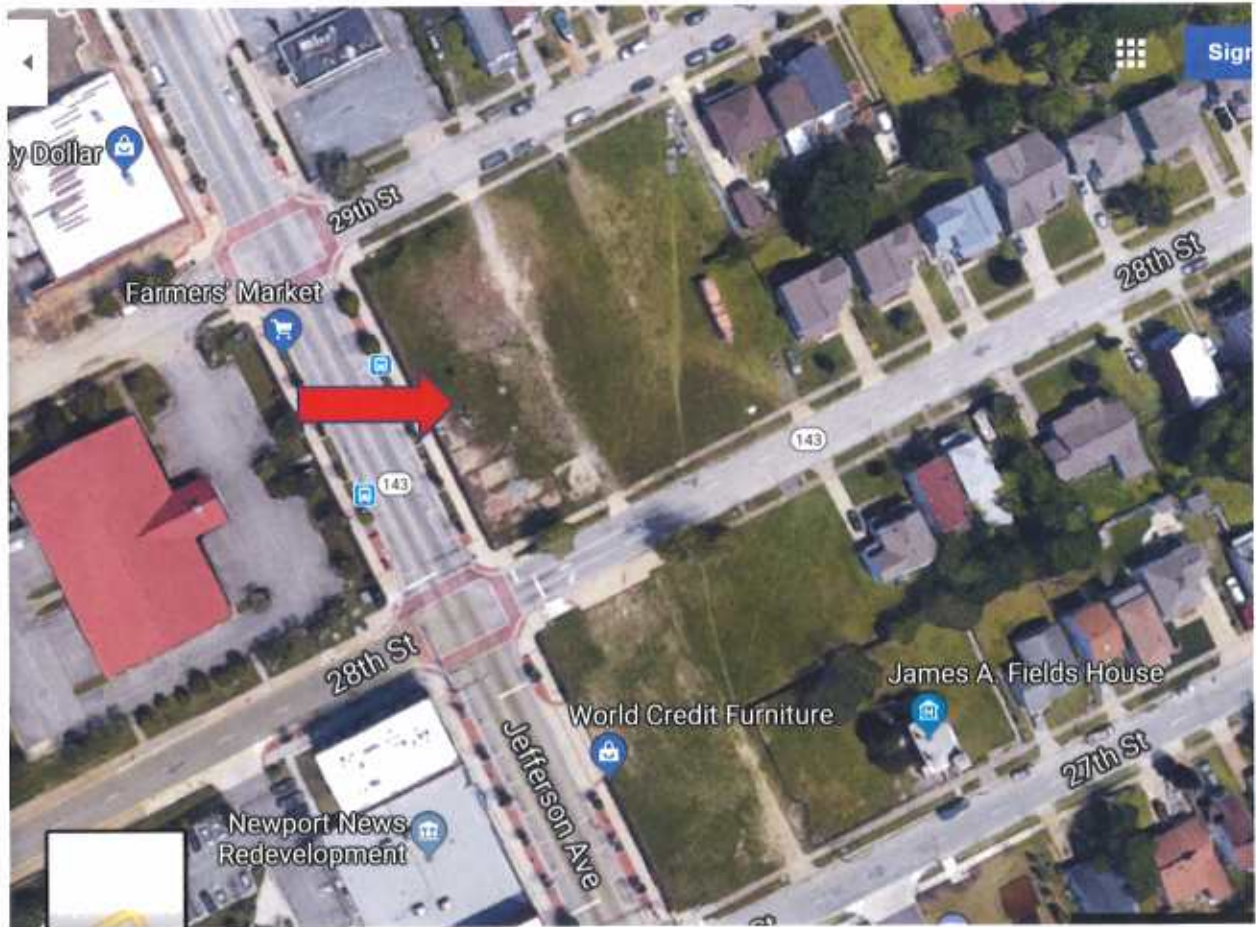
Map



K.2

Location Map

K.2. CARRIER POINT I – ZOOMED IN AERIAL OF SITE LOCATION



 Location of Carrier Point I



K.3

Surveyor's Certification of
Proximity to Public
Transportation



Surveyor's Certification of Proximity to Transportation

DATE:

March 5, 2019

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

RE: 2019 Tax Credit Reservation Request
Name of Development: Carrier Point 1
Name of Owner: Choice Neighborhood I LLC

Gentlemen:

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

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

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

Burns & McDonnell
Firm Name

By: Scott Chewning, PE, LEED AP

Its: Associate / Project Manager

Title

L

PHA/Section 8 Notification
Letter



PHA or Section 8 Notification Letter

Development Name: Carrier Point I
Tracking #: 2019-C-80

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: March 1, 2019

TO: Newport News Redevelopment and Housing Authority
227 27th St. P.O. Box 797
Newport News, VA 23607

RE: PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Carrier Point I
Name of Owner: Choice Neighborhood I, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from the Virginia Housing Development Authority (VHDA). We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on December 1, 2021 (date).

The following is a brief description of the proposed development:

Development Address:
2800 Jefferson Avenue, Newport News, VA.. 23607

Proposed Improvements:

- New Constr.: 37 # units 1 # Bldgs
- Adaptive Reuse: _____ # units _____ # Bldgs
- Rehabilitation: _____ # units _____ # Bldgs

Proposed Rents:

- Efficiencies: \$ _____ / month
- 1 Bedroom Units: \$ \$346-950 / month
- 2 Bedroom Units: \$ \$406-1,100 / month
- 3 Bedroom Units: \$ \$1,533 / month
- 4 Bedroom Units: \$ _____ / month

Other Descriptive Information:
The development will consist of 13 one-bedroom units, 21 two-bedroom units, and 3 three-bedroom units. There are two 30% AMI units, four 40% AMI units, fifteen 50% AMI units, and thirteen at 60% AMI. Three will be market rate. Twenty one (21) units will have project based vouchers.

PHA or Section 8 Notification Letter

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at () - .

Please acknowledge receipt of this letter by signing below and returning it to me.

Sincerely yours,

Karen R. Wilds, President

Name

Choice Neighborhood I, LLC

Title

To be completed by the Local Housing Authority or Sec 8 Administrator:

Seen and Acknowledged By: Carl Williamson

Printed Name: Carl Williamson

Title: Director of Housing

Phone: 757-928-2073

Date: 3-12-13



M

Locality CEO Response
Letter



City of Newport News

Virginia 23607

Office Of The City Manager

2400 Washington Avenue
(757) 926-8411
Fax (757) 926-3503

February 25, 2019

Mr. J.D. Bondurant
Virginia Housing Development Authority
601 South Belvidere Street
Richmond, VA 23220

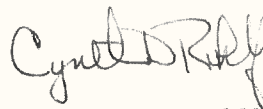
| | |
|----------------------------|-----------------------------------|
| VHDA Tracking Number: | <u>2019-C-80</u> |
| Development Name: | <u>Carrier Point I</u> |
| Name of owner / Applicant: | <u>Choice Neighborhood I, LLC</u> |

Dear Mr. Bondurant:

I am pleased to support the allocation of Federal low income housing tax credits (IRC section 42) required by Choice Neighborhood I, LLC for the development of Carrier Point I in Newport News.

This development not only represents the first new development for the City's Choice Neighborhood Initiative Plan but also helps meet the housing goals and priorities for the City.

Sincerely,


Cynthia D. Rohlf
City Manager

CDR:tfw

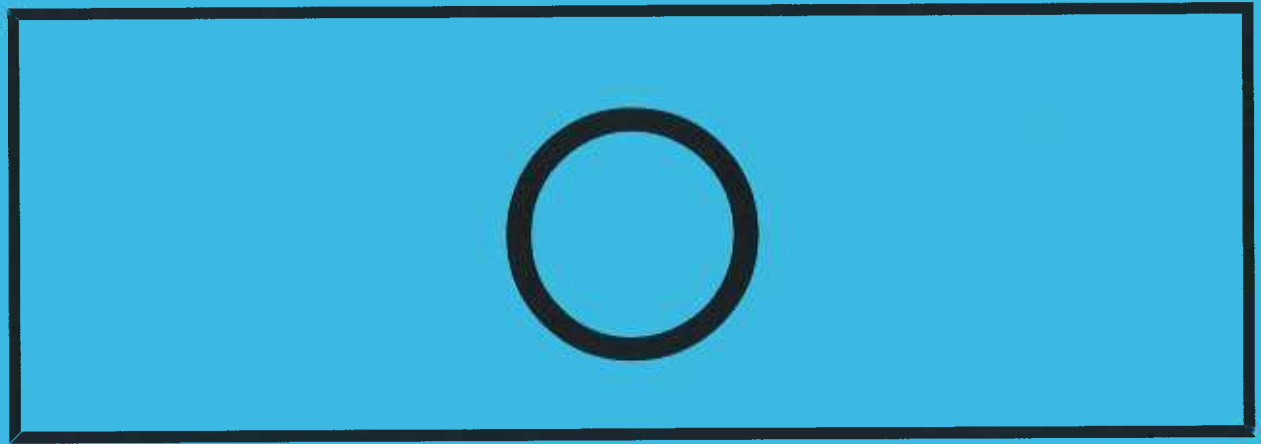
P:\LoanProg\TaxCredit Projects\CM letter of support for Carrier Point I to VHDA 2019.docx

N

Homeownership Plan

NOT APPLICABLE

**THE DEVELOPMENT DOES NOT INVOLVE
HOMEOWNERSHIP**



Plan of Development Certification Letter

NOT APPLICABLE

**THE DEVELOPMENT DOES NOT HAVE SITE
PLAN/DEVELOPMENT PLAN APPROVAL AND IS
NOT CLAIMING POINTS FOR THIS**

P

Copies of 8609s to
Certify Developer
Experience and
Partnership agreements

VHDA Experienced LIHTC Developers

Notes:

Updated: 2/26/2019

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

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 Portsmouth RHA
- 20 RHA/Housing, Inc.
- 21 The Community Builders
- 22 Virginia Supportive Housing



Q

Documentation of Rental Assistance



227 27th Street | P.O. Box 797 | Newport News, VA 23607
P: 757.928.2620 | F: 757.247.6535 | TTY: 757.247.7112
www.nnrha.com

Karen R. Wilds
Executive Director

BOARD OF
COMMISSIONERS

M. Lou Call
Chairman
Gary B. Hunter
Vice Chairman

Mark Hager
Josephine W. Clark
Kenneth D. Penrose, Jr.
Lisa Wallace-Davis
William C. Black

February 20, 2019

Karen Wilds
President
Choice Neighborhood I, LLC
227 27th Street
P. O. Box 797
Newport News, VA 23607

Dear Ms. Wilds:

Re: Request for Proposals
Project Based Voucher Program

I am pleased to inform you that the Newport News Redevelopment and Housing Authority Board of Commissioners approved the award of 21 project based vouchers to be used at Carrier Point I Apartments. Enclosed is a copy of the resolution passed by the Board.

Please contact me at 757-928-2659 or cwilliamson@nrha.org to discuss the next steps.

Sincerely,

Carl Williamson
Director of Housing

Enclosure

Copy to Ivy Dench-Carter
Pennrose, LLC



A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY APPROVING PROJECT BASED VOUCHERS FOR CHOICE NEIGHBORHOOD I, LLC FOR CARRIER POINT I

WHEREAS, Choice Neighborhood I, LLC plans to construct a 37 unit complex at 2800 Jefferson Avenue, Newport News, VA; and

WHEREAS, Choice Neighborhood has responded to a Request for Proposals issued by the Newport News Redevelopment and Housing Authority (NNRHA) in a timely manner that meets the Authority's review criteria; and

WHEREAS, Carrier Point I Apartments will have an on-site manager who will schedule educational and counseling programs and establish partnerships with local service providers; and

WHEREAS, Choice Neighborhood will provide information for a subsidy layering analysis and environmental review which must be approved by the U. S. Department of Housing and Urban Development (HUD); and

WHEREAS, the project is applying for Low Income Housing Tax Credits from the Virginia Housing Development Authority (VHDA) in the 2019 application round.

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of the NNRHA does hereby award 21 project based vouchers to Choice Neighborhood to be used at Carrier Point I Apartments contingent upon their compliance with all requirements set forth in its application to the Authority for project based vouchers. This commitment is for a 15 year period, subject to continued funding of NNRHA by HUD for housing choice voucher assistance. Such assistance may be extended for an additional period deemed mutually acceptable to NNRHA and Choice Neighborhood I, LLC at any time deemed appropriate by both parties. This approval is subject to and contingent upon the successful review by HUD of the subsidy layering analysis and environmental

review documents and the award of Low Income Housing Tax Credits by the VHDA in 2019.



Office Of The City Manager

City of Newport News

Virginia 23607

2400 Washington Avenue
(757) 926-8411
Fax (757) 926-3503

March 12, 2019

Karen R. Wilds, President
Choice Neighborhood I, LLC
227 - 27th Street
Newport News, VA 23607

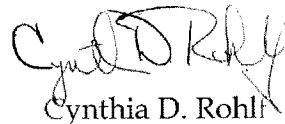
RE: Carrier Point I Development

Dear Ms. Wilds:

In response to your request of March 12, 2019, I am confirming approval of a tax deferral for the Low Income Housing Tax Credit financed property, Carrier Point I. This action is consistent with a recent City Council approved ordinance authorized under state law (Sec. 58.1-3219) allowing for real estate tax deferrals under certain circumstances.

This approval is conditioned upon the award of Low Income Housing Tax Credits by the Virginia Housing Development Authority in 2019.

Sincerely,


Cynthia D. Rohlf
City Manager

CDR:KRW:tfw

P:\LoanProg\TaxCredit Projects\Tax Deferral Ltr from Mgr for Carrier Point I.docx

R

Documentation of
Operating Budget



1548 S. 16th Street
Philadelphia PA 19146-4711
www.innovaservices.com

February 8, 2019

Ivy Dench-Carter
Regional Vice President
Pennrose, LLC
575 S. Charles Street
Baltimore, MD 21201

VIA EMAIL

Re: Carrier Point Site 1
Estimated Utility Allowance Calculation

Ms. Dench-Carter,

Innova Services Corporation ("Innova") is pleased to submit the attached estimated utility allowance calculation for each unit type for the proposed new construction project known as Carrier Point 1, Newport News, VA 23607.

The following analysis was prepared in accordance with the Virginia Housing Development Authority (VHDA) Utility Allowance Options and Procedures using the U.S. Department of Housing and Urban Development Utility Schedule Model (HUSM).

The attached analysis is composed of four sections: (1) Executive Summary, including compliance statement regarding methodology and itemization of the documents used to construct the models; (2) HUD Utility Schedule Model Projected Family Allowances; (3) HUD Utility Schedule Model Inputs; and (4) Utility Rate Assumptions.

Please do not hesitate to contact the undersigned with any questions or concerns.

Thank you,

A handwritten signature in blue ink, appearing to read "Vaughan Piccolo".

Vaughan Piccolo
Project Manager
Innova Services Corporation

1. Executive Summary

Innova completed a HUD Utility Schedule Model (HUSM) based on our understanding that the building will be regulated by the Department of Housing and Urban Development (HUD) and receive project-based rental assistance. As such, the utility allowance projected by the model shall apply to all units. Innova created a separate HUSM

The HUSM itemizes Projected Family Allowances for 0-5 Bedroom units. As the project consists of a mixture of mid-rise and townhouse units which will experience different utility rates and configurations, modeled results have been separated accordingly.

The modeled allowances are listed for two building configurations. The first is a gas strategy where both mid-rise and townhouse units are provided with individual gas-fueled domestic water heaters, individual gas-fueled furnaces with split system cooling for space conditioning, and electric ranges. The second is an all-electric strategy where both mid-rise and townhouse units are provided with individual storage tank water heaters, individual ducted heat pumps for space conditioning, and electric ranges. It is assumed that all utilities will be individually metered in both configurations. For the mid-rise, it is assumed that the building will contain one 2" central water meter and that dwelling units will be individually sub-metered. For the townhouses, water 5/8" meters are assumed. It is assumed that residents will not pay sewer fees in the mid-rise. Common area gas and electric consumption is not contemplated in either model. Residential rates are assumed in both configurations.

The estimates are based on current utility rates obtained from Dominion Energy for electric service, Virginia Natural Gas for gas service, and Newport News Waterworks for domestic water. Such rates are described in Section 4, Utility Rate Assumptions.

Projected monthly utility costs are provided in the table on the following page for all units and are intended to serve as utility allowance estimates for use in establishing affordable housing development rents.

The utility costs summarized herein are based on the projected conditions and systems in the units following the proposed new construction project; accordingly, historical billing data is excluded from this report.

[this section intentionally left blank]



2. HUD Utility Schedule Model Projected Family Allowances

2.1. The table below describes monthly estimated utility allowances for configuration 1 (Gas) in a consolidated format.

| Configuration 1 - Gas Midrise | | | | | | | | | |
|------------------------------------|------------------------------------|--------------------------------|---|---------------------------------|-------|-------|-------|---|---|
| Utility | Type of Service (gas, elec., etc.) | To Be Paid by: Owner/Tenant | | Monthly Allowance per Unit Size | | | | | |
| | | | | 0 | 1 | 2 | 3 | 4 | 5 |
| Space Heating | Gas | | x | | \$ 26 | \$ 28 | \$ 30 | | |
| Cooking | Electric | | x | | \$ 11 | \$ 13 | \$ 15 | | |
| Other Electric (Plug loads/Lights) | Electric | | x | | \$ 17 | \$ 23 | \$ 30 | | |
| Air Conditioning | Electric | | x | | \$ 8 | \$ 11 | \$ 14 | | |
| Water Heating | Gas | | x | | \$ 6 | \$ 9 | \$ 12 | | |
| Domestic Water | | | x | | \$ 18 | \$ 29 | \$ 46 | | |
| Sewer | | x | | | \$- | \$- | \$- | | |
| | Gas | 0 | | 0 | \$ 86 | 113 | 147 | 0 | 0 |

| Configuration 1 - Gas Townhouse | | | | | | | | | |
|------------------------------------|------------------------------------|--------------------------------|---|---------------------------------|-----|---|-------|---|---|
| Utility | Type of Service (gas, elec., etc.) | To Be Paid by: Owner/Tenant | | Monthly Allowance per Unit Size | | | | | |
| | | | | 0 | 1 | 2 | 3 | 4 | 5 |
| Space Heating | Gas | | x | | | | \$ 36 | | |
| Cooking | Electric | | x | | | | \$ 15 | | |
| Other Electric (Plug loads/Lights) | Electric | | x | | | | \$ 38 | | |
| Air Conditioning | Electric | | x | | | | \$ 19 | | |
| Water Heating | Gas | | x | | | | \$ 15 | | |
| Domestic Water | | | x | | | | \$ 57 | | |
| Sewer | | | x | | | | \$ 46 | | |
| | Gas | 0 | | 0 | \$- | 0 | 226 | 0 | 0 |



2.2. The table below describes monthly estimated utility allowances for configuration 2 (All Electric) in a consolidated format.

| Configuration 2 - All Electric Midrise | | | | | | | | | |
|--|------------------------------------|--------------------------------|---|---------------------------------|-------|-------|-------|---|---|
| Utility | Type of Service (gas, elec., etc.) | To Be Paid by: Owner/Tenant | | Monthly Allowance per Unit Size | | | | | |
| | | | | 0 | 1 | 2 | 3 | 4 | 5 |
| Space Heating | Electric | | x | | \$ 17 | \$ 18 | \$ 20 | | |
| Cooking | Electric | | x | | \$ 4 | \$ 6 | \$ 8 | | |
| Other Electric (Plug loads/Lights) | Electric | | x | | \$ 17 | \$ 23 | \$ 30 | | |
| Air Conditioning | Electric | | x | | \$ 8 | \$ 11 | \$ 14 | | |
| Water Heating | Electric | | x | | \$ 11 | \$ 13 | \$ 16 | | |
| Domestic Water | | | x | | \$ 18 | \$ 29 | \$ 46 | | |
| Sewer | | x | | | | | | | |
| | | Gas | 0 | 0 | \$ 75 | 100 | 134 | 0 | 0 |

| Configuration 2 - All Electric Townhouse | | | | | | | | | |
|--|------------------------------------|--------------------------------|---|---------------------------------|-----|---|-------|---|---|
| Utility | Type of Service (gas, elec., etc.) | To Be Paid by: Owner/Tenant | | Monthly Allowance per Unit Size | | | | | |
| | | | | 0 | 1 | 2 | 3 | 4 | 5 |
| Space Heating | Electric | | x | | | | \$ 23 | | |
| Cooking | Electric | | x | | | | \$ 8 | | |
| Other Electric (Plug loads/Lights) | Electric | | x | | | | \$ 38 | | |
| Air Conditioning | Electric | | x | | | | \$ 19 | | |
| Water Heating | Electric | | x | | | | \$ 20 | | |
| Domestic Water | | | x | | | | \$ 57 | | |
| Sewer | | | x | | | | \$ 46 | | |
| | | Gas | 0 | 0 | \$- | 0 | 211 | 0 | 0 |

2.3. The following pages are screenshots of the modeled outputs for each configuration.



Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

| Locality | Green Discount | Unit Type | Date | | | | |
|--|---------------------------|--|------------------|----------------|------------|-------------|------|
| ZIP23605 - Newport News, VA | Energy Star | Larger Apartment Building (5+ units) | 02/08/2019 | | | | |
| Utility/Service | Monthly Dollar Allowances | | | | | | |
| | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | |
| Space Heating | Natural Gas | \$24 | \$26 | \$28 | \$30 | \$32 | \$34 |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a |
| | Electric Resistance | \$10 | \$11 | \$15 | \$18 | \$21 | \$24 |
| | Electric Heat Pump | \$8 | \$10 | \$12 | \$13 | \$15 | \$16 |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a |
| Cooking | Natural Gas | \$2 | \$3 | \$4 | \$5 | \$7 | \$8 |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a |
| | Electric | \$11 | \$11 | \$13 | \$15 | \$17 | \$19 |
| | Other | n/a | n/a | n/a | n/a | n/a | n/a |
| Other Electric | \$14 | \$17 | \$23 | \$30 | \$37 | \$43 | |
| Air Conditioning | \$7 | \$8 | \$11 | \$14 | \$17 | \$20 | |
| Water Heating | Natural Gas | \$5 | \$6 | \$9 | \$12 | \$15 | \$17 |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a |
| | Electric | \$9 | \$11 | \$13 | \$16 | \$19 | \$22 |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a |
| Water | \$16 | \$18 | \$29 | \$46 | \$63 | \$80 | |
| Sewer | \$19 | \$20 | \$31 | \$46 | \$62 | \$77 | |
| Trash Collection | n/a | n/a | n/a | n/a | n/a | n/a | |
| Range/Microwave | n/a | n/a | n/a | n/a | n/a | n/a | |
| Refrigerator | n/a | n/a | n/a | n/a | n/a | n/a | |
| Other - specify | n/a | n/a | n/a | n/a | n/a | n/a | |
| Projected Family Allowances <small>(To be used to compute specific family allowances)</small> | | Utility/Service | | | Cost/Month | | |
| Family Name | | Space Heating | Natural Gas | | | \$26 | |
| | | Cooking | Electric | | | \$11 | |
| | | <div style="border: 2px solid red; padding: 2px; display: inline-block;">Configuration 1 Gas Midrise Units</div> | Other Electric | Electric | | | \$17 |
| | | | Air Conditioning | Electric | | | \$8 |
| Unit Address | | Water Heating | Natural Gas | | | \$6 | |
| | | Water | Tenant pays | | | \$18 | |
| | | Sewer | Not applicable | | | \$0 | |
| | | Trash Collection | Not applicable | | | \$0 | |
| Number of Bedrooms | | Range/Microwave | Not applicable | | | \$0 | |
| | | 1 | Refrigerator | Not applicable | | \$0 | |
| | | Other | Not applicable | | | \$0 | |
| | | Total | | | | \$86 | |



Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

| Locality | | Green Discount | Unit Type | | | | | Date |
|--|---------------------|---------------------------|------------------------|------|--------------|------|------|------------|
| ZIP23605 - Newport News, VA | | Energy Star | Single Family Attached | | | | | 02/08/2019 |
| Utility/Service | | Monthly Dollar Allowances | | | | | | |
| | | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | |
| Space Heating | Natural Gas | \$28 | \$31 | \$34 | \$36 | \$38 | \$41 | |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a | |
| | Electric Resistance | \$14 | \$17 | \$21 | \$25 | \$29 | \$33 | |
| | Electric Heat Pump | \$10 | \$12 | \$14 | \$16 | \$18 | \$19 | |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a | |
| Cooking | Natural Gas | \$2 | \$3 | \$4 | \$5 | \$7 | \$8 | |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a | |
| | Electric | \$11 | \$11 | \$13 | \$15 | \$17 | \$19 | |
| | Other | n/a | n/a | n/a | n/a | n/a | n/a | |
| Other Electric | \$18 | \$21 | \$30 | \$38 | \$46 | \$55 | | |
| Air Conditioning | \$7 | \$8 | \$13 | \$19 | \$25 | \$30 | | |
| Water Heating | Natural Gas | \$7 | \$8 | \$11 | \$15 | \$18 | \$22 | |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a | |
| | Electric | \$11 | \$13 | \$17 | \$20 | \$24 | \$28 | |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a | |
| Water | \$27 | \$29 | \$40 | \$57 | \$74 | \$91 | | |
| Sewer | \$19 | \$20 | \$31 | \$46 | \$62 | \$77 | | |
| Trash Collection | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Range/Microwave | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Refrigerator | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Other - specify | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Projected Family Allowances (To be used to compute specific family allowances) | | Utility/Service | | | Cost/Month | | | |
| | | Space Heating | Natural Gas | | \$31 | | | |
| Family Name | | Cooking | Electric | | \$11 | | | |
| Configuration 1 - Gas Townhouse Units | | Other Electric | Electric | | \$21 | | | |
| | | Air Conditioning | Electric | | \$8 | | | |
| Unit Address | | Water Heating | Natural Gas | | \$8 | | | |
| | | Water | Tenant pays | | \$29 | | | |
| | | Sewer | Tenant pays | | \$20 | | | |
| | | Trash Collection | Not applicable | | \$0 | | | |
| Number of Bedrooms | | Range/Microwave | Not applicable | | \$0 | | | |
| 1 | | Refrigerator | Not applicable | | \$0 | | | |
| | | Other | Not applicable | | \$0 | | | |
| | | Total | | | \$129 | | | |



Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

| Locality | | Green Discount | Unit Type | | | | Date |
|--|---------------------|---------------------------|--------------------------------------|--------------------|------|-------------|------------|
| ZIP23605 - Newport News, VA | | Energy Star | Larger Apartment Building (5+ units) | | | | 02/08/2019 |
| Utility/Service | | Monthly Dollar Allowances | | | | | |
| | | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR |
| Space Heating | Natural Gas | \$24 | \$26 | \$28 | \$30 | \$32 | \$34 |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a |
| | Electric Resistance | \$10 | \$11 | \$15 | \$18 | \$21 | \$24 |
| | Electric Heat Pump | \$15 | \$17 | \$18 | \$20 | \$21 | \$23 |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a |
| Cooking | Natural Gas | \$2 | \$3 | \$4 | \$5 | \$7 | \$8 |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a |
| | Electric | \$4 | \$4 | \$6 | \$8 | \$10 | \$12 |
| | Other | n/a | n/a | n/a | n/a | n/a | n/a |
| Other Electric | | \$14 | \$17 | \$23 | \$30 | \$37 | \$43 |
| Air Conditioning | | \$7 | \$8 | \$11 | \$14 | \$17 | \$20 |
| Water Heating | Natural Gas | \$5 | \$6 | \$9 | \$12 | \$15 | \$17 |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a |
| | Electric | \$9 | \$11 | \$13 | \$16 | \$19 | \$22 |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a |
| Water | | \$16 | \$18 | \$29 | \$46 | \$63 | \$80 |
| Sewer | | \$19 | \$20 | \$31 | \$46 | \$62 | \$77 |
| Trash Collection | | n/a | n/a | n/a | n/a | n/a | n/a |
| Range/Microwave | | n/a | n/a | n/a | n/a | n/a | n/a |
| Refrigerator | | n/a | n/a | n/a | n/a | n/a | n/a |
| Other - specify | | n/a | n/a | n/a | n/a | n/a | n/a |
| Projected Family Allowances | | Utility/Service | | Cost/Month | | | |
| (To be used to compute specific family allowances) | | Space Heating | | Electric Heat Pump | | \$17 | |
| Family Name | | Cooking | | Electric | | \$4 | |
| Configuration 2 - All Electric Midrise | | Other Electric | | Electric | | \$17 | |
| | | Air Conditioning | | Electric | | \$8 | |
| Unit Address | | Water Heating | | Electric | | \$11 | |
| | | Water | | Tenant pays | | \$18 | |
| | | Sewer | | Not applicable | | \$0 | |
| | | Trash Collection | | Not applicable | | \$0 | |
| Number of Bedrooms | | Range/Microwave | | Not applicable | | \$0 | |
| 1 | | Refrigerator | | Not applicable | | \$0 | |
| | | Other | | Not applicable | | \$0 | |
| | | Total | | | | \$74 | |



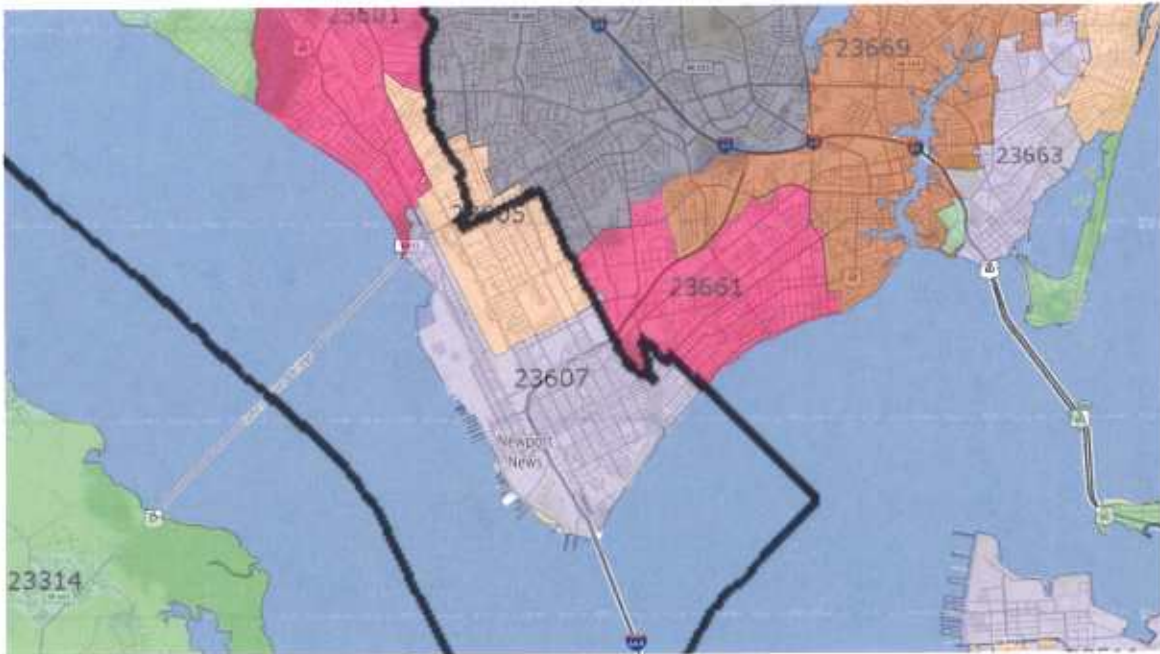
Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

| Locality | | Green Discount | Unit Type | | | | | Date |
|--|---------------------|---------------------------|------------------------|--------------------|------|--------------|------|------------|
| ZIP23605 - Newport News, VA | | Energy Star | Single Family Attached | | | | | 02/08/2019 |
| Utility/Service | | Monthly Dollar Allowances | | | | | | |
| | | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | |
| Space Heating | Natural Gas | \$28 | \$31 | \$34 | \$36 | \$38 | \$41 | |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a | |
| | Electric Resistance | \$14 | \$17 | \$21 | \$25 | \$29 | \$33 | |
| | Electric Heat Pump | \$17 | \$19 | \$21 | \$23 | \$24 | \$26 | |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a | |
| Cooking | Natural Gas | \$2 | \$3 | \$4 | \$5 | \$7 | \$8 | |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a | |
| | Electric | \$4 | \$4 | \$6 | \$8 | \$10 | \$12 | |
| | Other | n/a | n/a | n/a | n/a | n/a | n/a | |
| Other Electric | \$18 | \$21 | \$30 | \$38 | \$46 | \$55 | | |
| Air Conditioning | \$7 | \$8 | \$13 | \$19 | \$25 | \$30 | | |
| Water Heating | Natural Gas | \$7 | \$8 | \$11 | \$15 | \$18 | \$22 | |
| | Bottle Gas | n/a | n/a | n/a | n/a | n/a | n/a | |
| | Electric | \$11 | \$13 | \$17 | \$20 | \$24 | \$28 | |
| | Fuel Oil | n/a | n/a | n/a | n/a | n/a | n/a | |
| Water | \$27 | \$29 | \$40 | \$57 | \$74 | \$91 | | |
| Sewer | \$19 | \$20 | \$31 | \$46 | \$62 | \$77 | | |
| Trash Collection | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Range/Microwave | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Refrigerator | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Other - specify | n/a | n/a | n/a | n/a | n/a | n/a | | |
| Projected Family Allowances | | Utility/Service | | | | Cost/Month | | |
| (To be used to compute specific family allowances) | | Space Heating | | Electric Heat Pump | | \$19 | | |
| Family Name | | Cooking | | Electric | | \$4 | | |
| Configuration 2 - All Electric Townhouse | | Other Electric | | Electric | | \$21 | | |
| | | Air Conditioning | | Electric | | \$8 | | |
| Unit Address | | Water Heating | | Electric | | \$13 | | |
| | | Water | | Tenant pays | | \$29 | | |
| | | Sewer | | Tenant pays | | \$20 | | |
| | | Trash Collection | | Not applicable | | \$0 | | |
| | | Range/Microwave | | Not applicable | | \$0 | | |
| Number of Bedrooms | | Refrigerator | | Not applicable | | \$0 | | |
| 1 | | Other | | Not applicable | | \$0 | | |
| | | Total | | | | \$115 | | |

3. HUD Utility Schedule Model Inputs

3.1. The following page is a screenshot of the climate, building, unit, and utility data entered into the model. Note that zip code 23605 was input into the model to provide the climate data set as it was the nearest available zip code to the site. See map below.



Climate Data Set:

Climate Data (Degree Days) ✕

Newport News, VA

PHA Code: 23605
 Typical Low Temp: 45

| | HDD | CDD |
|--------|------|------|
| Jan | 710 | 0 |
| Feb | 574 | 0 |
| Mar | 423 | 4 |
| Apr | 171 | 46 |
| May | 39 | 147 |
| Jun | 2 | 363 |
| Jul | 0 | 491 |
| Aug | 0 | 443 |
| Sep | 6 | 272 |
| Oct | 112 | 58 |
| Nov | 314 | 11 |
| Dec | 608 | 1 |
| Annual | 2959 | 1836 |



HOME

ABOUT PD&R

RESEARCH & PUB

EVENTS

Configuration 1 Midrise Gas Inputs - This is the only configuration screenshot included to avoid redundancy as it captures all pertinent climate and utility data.



HUD Utility Schedule Model (HUSM)
U.S. Department of Housing and Urban Development
Allowances Model for Tenant-Furnished Utilities and Other Services
(Based on Form 52667)

Preview Allowance Schedule Projected Family Allowances

Location

Search for PHA or ZIP ?

Selected PHA or ZIP

ZIP23605 - Newport News, VA

Form Date

02/08/2019

Climate Data (Degree Days)

Show Details

Unit Information

Unit Type

Larger Apartment Building (5)

Energy Savings Design

Bedrooms

1 Bedroom

None

Electric Tariff

Standard

Energy Star Certification ?

Include A/C Allowance

Yes No

LEED Certification ?

Significant Green Retrofit ?

Search for a locality by entering part of the PHA name, city name or zip code (e.g. "Atl" or "402"). Note that search results will be displayed after 3 or more characters have been entered.

* If a zip code is unavailable, choose the adjacent zip code.

Choose Energy Star Certification, which represents 18% in energy savings, if the residence being estimated meets the Environmental Protection Agency (EPA) standard as an Energy Star property.

Choose LEED Certification, a 25% energy reduction, if the property meets the LEED standards according to the U.S. Green Building Council (USGBC).

Choose Significant Green Retrofit, signifying an 18% impact on energy efficiency, if the building has had an energy saving rehabilitation to any of the following systems in the last 5 years: 1. Heating 2. Cooling 3. Lighting 4. DHW systems 5. Appliances 6. Building envelope 7. Water measures 8. On-site generation.

Actual Allowance

Table with 4 columns: Category, Previous, Current, and Action. Rows include Space Heating, Cooking, Other Electric, Air Conditioning, Water Heating, Water, Sewer, Trash Collection, Range/Microwave, Refrigerator, and Other.

Standard Electric Utility Tariff

Table comparing Previous and Current utility rates. Columns include Utility Name, Rate Name, Effective Date, First Month of Summer, Last Month of Summer, Monthly Charge, Floor, Ceiling, Summer, Size of First Block, Size of Second Block, Size of Third Block, Size of Fourth Block, Cost of First Block, and Cost of Second Block.

| | | | |
|----------------------|-----------|-----------|--------|
| Cost of Third Block | | | \$/kWh |
| Cost of Fourth Block | | | \$/kWh |
| Winter | | | |
| Size of First Block | remainder | remainder | kWh |
| Size of Second Block | | | kWh |
| Size of Third Block | | | kWh |
| Size of Fourth Block | | | kWh |
| Cost of First Block | n/a | n/a | \$/kWh |
| Cost of Second Block | | | \$/kWh |
| Cost of Third Block | | | \$/kWh |
| Cost of Fourth Block | | | \$/kWh |
| Extra Charges | | | \$/kWh |
| Taxes | | | % |

Special Electric Heating / All Electric Tariff

Use Electric Heat Tariff Yes No

Previous

Current

Utility Name

Rate Name

Effective Date MM/DD/YYYY

MM/DD/YYYY

First Month of Summer January ▼

January ▼

Select January if rate is not seasonal

Last Month of Summer December ▼

December ▼

Select December if rate is not seasonal

Monthly Charge

\$/month

Floor

Ceiling

Summer

Size of First Block

remainder

remainder

kWh

Size of Second Block

kWh

Size of Third Block

kWh

Size of Fourth Block

kWh

Cost of First Block

n/a

n/a

\$/kWh

Cost of Second Block

\$/kWh

Cost of Third Block

\$/kWh

Cost of Fourth Block

\$/kWh

Winter

Size of First Block

remainder

remainder

kWh

Size of Second Block

kWh

Size of Third Block

kWh

Size of Fourth Block

kWh

Cost of First Block

n/a

n/a

\$/kWh

Cost of Second Block

\$/kWh

Cost of Third Block

\$/kWh

Cost of Fourth Block

\$/kWh

Extra Charges

\$/kWh

Taxes

%

Standard Natural Gas Utility Tariff

Previous

Current

Utility Name

Virginia Natural Gas

Rate Name

Schedule 1 Residential

Effective Date MM/DD/YYYY

07/01/2018

Measurement Units CCF ▼

First Month of Summer January ▼

January ▼

Select January if rate is not seasonal

Last Month of Summer December ▼

December ▼

Select December if rate is not seasonal

Monthly Charge

10.18

\$/month

Floor

Ceiling

Summer

Size of First Block

remainder

remainder

CCF

Size of Second Block

CCF

Size of Third Block

CCF

Size of Fourth Block

CCF

Cost of First Block

n/a

1.06123

\$/CCF

| | | | |
|----------------------|-----------|-----------|--------|
| Cost of Second Block | | n/a | \$/CCF |
| Cost of Third Block | | | \$/CCF |
| Cost of Fourth Block | | | \$/CCF |
| Winter | | | |
| Size of First Block | remainder | remainder | CCF |
| Size of Second Block | | | CCF |
| Size of Third Block | | | CCF |
| Size of Fourth Block | | | CCF |
| Cost of First Block | n/a | n/a | \$/CCF |
| Cost of Second Block | | | \$/CCF |
| Cost of Third Block | | | \$/CCF |
| Cost of Fourth Block | | | \$/CCF |
| Extra Charges | | | \$/CCF |
| Taxes | | | % |

Fuel Oil Delivery Contract

| | Previous | Current | |
|----------------------|------------|------------|-----------|
| Supplier Name | | | |
| Effective Date | MM/DD/YYYY | MM/DD/YYYY | |
| Monthly Charge | | | \$/month |
| Floor | | | |
| Ceiling | | | |
| Size of First Block | remainder | remainder | Gallons |
| Size of Second Block | | | Gallons |
| Size of Third Block | | | Gallons |
| Size of Fourth Block | | | Gallons |
| Cost of First Block | n/a | n/a | \$/Gallon |
| Cost of Second Block | | | \$/Gallon |
| Cost of Third Block | | | \$/Gallon |
| Cost of Fourth Block | | | \$/Gallon |
| Extra Charges | | | \$/Gallon |
| Taxes | | | % |

Liquified Petroleum Gas (Bottle Gas) Delivery Contract

| | Previous | Current | |
|----------------------|------------|------------|----------|
| Supplier Name | | | |
| Effective Date | MM/DD/YYYY | MM/DD/YYYY | |
| Monthly Charge | | | \$/month |
| Floor | | | |
| Ceiling | | | |
| Size of First Block | remainder | remainder | lbs |
| Size of Second Block | | | lbs |
| Size of Third Block | | | lbs |
| Size of Fourth Block | | | lbs |
| Cost of First Block | n/a | n/a | \$/lb |
| Cost of Second Block | | | \$/lb |
| Cost of Third Block | | | \$/lb |
| Cost of Fourth Block | | | \$/lb |
| Extra Charges | | | \$/lb |
| Taxes | | | % |

Water Supply Tariff

| | Previous | Current | |
|--------------------------|------------|-------------------------|------------|
| Supplier Name | | Newport News Waterworks | |
| Effective Date | MM/DD/YYYY | 07/01/2018 | |
| Measurement Units | Cubic Feet | | |
| Monthly Charge | | 1.69 | \$/month |
| Floor | | | |
| Ceiling | | | |
| Size of First Block | remainder | 200 | Cubic Feet |
| Size of Second Block | | 2500 | Cubic Feet |
| Size of Third Block | | remainder | Cubic Feet |
| Size of Fourth Block | | | Cubic Feet |

| | | | |
|----------------------|-----|--------|---------------|
| Cost of First Block | n/a | .03210 | \$/Cubic Foot |
| Cost of Second Block | | .03690 | \$/Cubic Foot |
| Cost of Third Block | | .07380 | \$/Cubic Foot |
| Cost of Fourth Block | | n/a | \$/Cubic Foot |
| Extra Charges | | | \$/Cubic Foot |
| Taxes | | | % |

Sewer Tariff

| | Previous | Current | |
|--------------------------|------------|-------------------------|---------------|
| Sewer Service Name | | Newport News Waterworks | |
| Effective Date | MM/DD/YYYY | 07/01/2018 | |
| Measurement Units | Cubic Feet | | |
| Monthly Charge | | 5 | \$/month |
| Floor | | | |
| Ceiling | | | |
| Size of First Block | remainder | remainder | Cubic Feet |
| Size of Second Block | | | Cubic Feet |
| Size of Third Block | | | Cubic Feet |
| Size of Fourth Block | | | Cubic Feet |
| Cost of First Block | n/a | .03370 | \$/Cubic Foot |
| Cost of Second Block | | n/a | \$/Cubic Foot |
| Cost of Third Block | | | \$/Cubic Foot |
| Cost of Fourth Block | | | \$/Cubic Foot |
| Extra Charges | | | \$/Cubic Foot |
| Taxes | | | % |

Trash Collection Fees

| | Previous | Current | |
|-----------|----------|---------|--|
| Studio | | | |
| 1 Bedroom | | | |
| 2 Bedroom | | | |
| 3 Bedroom | | | |
| 4 Bedroom | | | |
| 5 Bedroom | | | |

Range/Microwave Fees

| | Previous | Current | |
|-----------|----------|---------|--|
| Studio | | | |
| 1 Bedroom | | | |
| 2 Bedroom | | | |
| 3 Bedroom | | | |
| 4 Bedroom | | | |
| 5 Bedroom | | | |

Refrigerator Fees

| | Previous | Current | |
|-----------|----------|---------|--|
| Studio | | | |
| 1 Bedroom | | | |
| 2 Bedroom | | | |
| 3 Bedroom | | | |
| 4 Bedroom | | | |
| 5 Bedroom | | | |

Other Fees

| | Previous | Current | |
|-----------|----------|---------|--|
| Studio | | | |
| 1 Bedroom | | | |
| 2 Bedroom | | | |
| 3 Bedroom | | | |
| 4 Bedroom | | | |
| 5 Bedroom | | | |

4. Utility Rate Assumptions

4.1. Rate Determination Matrix:

| Electric - Mid-Rise and Townhouse | | | | |
|-----------------------------------|------------------------------|------------------------|-------------------|----------------|
| Company | Rate | Type | Cost | Unit |
| Dominion | Distribution kWh Charge | Schedule 1 Residential | \$ 0.02156 | per kWh |
| | Generation kWh Charge | Schedule 1 Residential | \$ 0.03646 | per kWh |
| | Transmission kWh Charge | Schedule 1 Residential | \$ 0.00970 | per kWh |
| | Rider A | Schedule 1 Residential | \$ 0.02700 | per kWh |
| | Rider B | Schedule 1 Residential | \$ 0.00077 | per kWh |
| | Rider BC2D | Schedule 1 Residential | \$ (0.00037) | per kWh |
| | Rider BC2G | Schedule 1 Residential | \$ (0.00072) | per kWh |
| | Rider BW | Schedule 1 Residential | \$ 0.00210 | per kWh |
| | RiderC1A | Schedule 1 Residential | \$0.000008 | per kWh |
| | Rider C2A | Schedule 1 Residential | \$0.000595 | per kWh |
| | Rider GV | Schedule 1 Residential | \$ 0.00184 | per kWh |
| | Rider R | Schedule 1 Residential | \$ 0.00121 | per kWh |
| | Rider S | Schedule 1 Residential | \$ 0.00400 | per kWh |
| | Rider T1 | Schedule 1 Residential | \$ 0.00331 | per kWh |
| | Rider U | Schedule 1 Residential | \$ 0.00184 | per kWh |
| | Rider US-2 | Schedule 1 Residential | \$ 0.00023 | per kWh |
| | Rider W | Schedule 1 Residential | \$ 0.00200 | per kWh |
| | Tax Rate | Schedule 1 Residential | \$ 0.00152 | per kWh |
| | | Total | \$ 0.11307 | per kWh |
| | Fixed Customer Charge | Schedule 1 Residential | \$ 6.73 | Monthly |

| Water - Townhouse | | | | |
|-------------------|------------------------------|------------|-----------------|----------------|
| Utility | Rate | Type | Cost | Unit |
| NN Water | 0-2 HCF | 5/8" meter | \$ 0.03210 | per CF |
| | 2-25 HCF | 5/8" meter | \$ 0.03690 | per CF |
| | 25+ HCF | 5/8" meter | \$ 0.07380 | per CF |
| | Fixed Customer Charge | | \$ 13.00 | Monthly |

| Sewer - Townhouse | | | | |
|-------------------|------------------------------|---------|----------------|----------------|
| Utility | Rate | Type | Cost | Unit |
| NN Water | Maintenance Fee | Monthly | \$ 0.03370 | per CF |
| | Fixed Customer Charge | | \$ 5.00 | Monthly |

| Water - Mid-Rise | | | | |
|------------------|------------------------------|----------|----------------|----------------|
| Utility | Rate | Type | Cost | Unit |
| NN Water | 0-2 HCF | 2" meter | \$ 0.03210 | per CF |
| | 2-25 HCF | 2" meter | \$ 0.03690 | per CF |
| | 25+ HCF | 2" meter | \$ 0.07380 | per CF |
| | Fixed Customer Charge | | \$ 1.69 | Monthly |

| Natural Gas - Mid-Rise & Townhouse | | | | |
|------------------------------------|------------------------------|------------------------|-------------------|----------------|
| Utility | Rate | Type | Cost | Unit |
| VA Nat Gas | Schedule 1 | Schedule 1 Residential | \$ 1.03700 | per CCF |
| | Care Rider | Schedule 1 Residential | \$ 0.02423 | per CCF |
| | | Total | \$ 1.06123 | per CCF |
| | Fixed Customer Charge | Schedule 1 Residential | \$ 10.18 | Monthly |

The rates above were obtained from the most recently published tariffs of the respective utility companies, available for download here:

- Dominion Energy:
<https://www.dominionenergy.com/home-and-small-business/rates-and-regulation/residential-rates>
- Virginia Natural Gas:
<https://www.virginiannaturalgas.com/rates-and-tariff>
- Newport News Water Works:
<https://www.nngov.com/325/Rates-Fees>

[end of document]

S

Supportive Housing
Certification

NOT APPLICABLE



T

Funding Documentation



City of Newport News

Virginia 23607

Office Of The City Manager

2400 Washington Avenue
(757) 926-8411
Fax (757) 926-3503

March 12, 2019

Karen Wilds, President
Choice Neighborhood I, LLC
227 - 27th Street
Newport News, Virginia 23607

Re: Allocation of HOME Funds for Carrier Point I Development

Dear Ms. Wilds:

This letter is in response to your request for an allocation of local HOME monies to assist the Choice Neighborhood I, LLC in the development of the proposed Carrier Point I Project, it being understood that such funds will be combined with other resources, including federal low income housing tax credits, etc. to undertake this venture.

Please be advised that such funding from Newport News' HOME program will be made available to the development in the amount of \$500,000. This award would occur after all other funding is secured and a development agreement has been prepared between the City and the Choice Neighborhood I, LLC to meet all HOME program requirements and after the necessary review of the City Attorney.

We look forward to working with you as you continue towards full development of your project.

Sincerely,

Cynthia D. Rohlf
City Manager

CDR:tfw

P:\LoanProg\TaxCredit Projects\Carrier Point I HOME Request Ltr - 3-2019.doc



City of Newport News

Department of Codes Compliance

2400 Washington Avenue, Newport News, Virginia 23607
<https://www.nnva.gov/codes>

Phone (757) 933-2311 Fax (757) 926-8311

Harold L. Roach, Jr.
Director

Michael P. Nall
Assistant Director

Nyoka C. Hall
Zoning Administrator

Michael D. Redifer
Code Enforcement Administrator

March 8, 2019

Ms. Karen Wilds, President
Choice Neighborhood I LLC
227 27th St.
P.O. Box 797
Newport News, VA 23607

Re: Carrier Point I – mixed-income rental housing development

Dear Ms. Wilds,

We are pleased to learn about the proposed *Carrier Point I* project, a new community consisting of 37 affordable, mixed-income rental units in Newport News. Based on your estimate of construction costs, there would be building permit fees of approximately \$15,000.00.

In accordance with Section 13-27(a) of the Newport News City Code, the Department of Codes Compliance is authorized to waive the permit fees for the *Carrier Point I* project.

Regards,

Harold L. Roach, Jr.
Director
Department of Codes and Compliance
City of Newport News

c. FILE

U

Documentation to
Request Exception to
Restriction-Pools with
Little/No Increase in Rent
Burdened Population

NOT APPLICABLE



Nonprofit or LHA Purchase
Option or Right of First
Refusal

PURCHASE OPTION AND RIGHT OF FIRST REFUSAL AGREEMENT

THIS PURCHASE OPTION AND RIGHT OF FIRST REFUSAL AGREEMENT ("Purchase Agreement") is made as of the 17th day of March, 2019, by and between **CHOICE NEIGHBORHOOD I, LLC**, a Virginia limited liability company (the "Company"), **NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("Grantee"), and **CHOICE NEIGHBORHOOD I DEVELOPMENT CORPORATION**, a Virginia corporation (the "Manager").

WHEREAS, the Company was formed to construct, develop, maintain, own, operate, lease, dispose of and otherwise deal with an apartment project to be known as Carrier Point I located in Newport News, Virginia (the "Project"); and

WHEREAS, the Manager is wholly owned and controlled by Grantee; and

WHEREAS, Grantee has been and will be instrumental in the development of the Project; and

WHEREAS, the Project is or will be subject to one or more governmental agency regulatory agreements (collectively, the "Regulatory Agreement") restricting its use to low-income housing and may become subject to a low-income use restriction (the "Special Covenant") pursuant to the terms and conditions of this Purchase Agreement (such use restrictions under the Regulatory Agreement and any Special Covenant being referred to collectively herein as the "Use Restrictions"); and

WHEREAS, Grantee and the Manager desire to provide for the continuation of the Project as low-income housing upon termination of the Company by Grantee purchasing the Project at the applicable price determined under this Purchase Agreement and operating the Project in accordance with the Use Restrictions; and

WHEREAS, Grantee and the Manager have negotiated and required that the Company shall execute and deliver this Purchase Agreement in order to provide for such low-income housing.

NOW, THEREFORE, in consideration of the premises herein and the payment by the Grantee to the Company of Ten and 00/100 Dollars (\$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Grant of Option.** The Company hereby grants to Grantee an option (the "Option") to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof, owned by the Company at the time of purchase (the "Property"), after the close of the fifteen (15) year compliance period for the low-income housing tax credits for the Project (the "Compliance Period"), as determined under section 42(i)(1) of the Internal Revenue code of 1986, as amended (the "Code"), on the terms and conditions set forth in this Purchase Agreement and subject to the conditions precedent to

exercise of the Option specified herein. The Project real estate is legally described in Exhibit A attached hereto and made a part hereof.

2. **Grant of Refusal Right.** In the event that the Company receives an offer to purchase the Project, Grantee shall have a right of first refusal to purchase the Property (the "Refusal Right") after the close of the Compliance Period on the terms and conditions set forth in this Purchase Agreement and subject to the conditions precedent to exercise of the Refusal Right specified herein. In addition to all other applicable conditions set forth in this Purchase Agreement, (a) the foregoing grant of the Refusal Right shall be effective only if Grantee is currently and remains at all times hereafter until (i) the Refusal Right has been exercised and the resulting purchase and sale has been closed, or (ii) the Refusal Right has been assigned to a Permitted Assignee described in Section 10 hereof, whichever first occurs, a governmental entity or qualified nonprofit organization, as defined in section 42(i)(7) and Section 42(h)(5)(C) of the Code, respectively, and (b) any assignment of the Refusal Right permitted under this Purchase Agreement and the Refusal Right so assigned shall be effective only if the assignee is at the time of the assignment and remains at all times thereafter, until the Refusal Right has been exercised and the resulting purchase and sale has been closed, a Permitted Assignee described in Section 10 hereof meeting the requirements of Section 42(i)(7)(A) of the Code. Prior to accepting any such bona fide offer to purchase the Property, the Company shall notify Grantee and the Manager of such offer and deliver to each of them a copy thereof. The Company shall not accept any such offer unless and until the Refusal Right has expired without exercise by Grantee under Section 6 hereof.

3. **Purchase Price Under Option.** The purchase price for the Property pursuant to the Option shall be the greater of the following amounts, subject to the proviso set forth hereinbelow:

a. **Debt and Taxes.** An amount sufficient to (i) pay all debts (including Member loans) and liabilities of the Company upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Option, and (ii) distribute to the Members cash proceeds equal to the taxes projected to be imposed on the Members of the Company as a result of the sale pursuant to the Option; or

b. **Fair Market Value.** The fair market value of the Property, appraised as low-income housing to the extent continuation of such use is required under the Use Restrictions, any such appraisal to be made by a licensed appraiser, selected by the Company's regular certified public accountants, who is a member of the Master Appraiser Institute and who has experience in the geographic area in which the Project is located, provided, however, that if prior to exercise of the Option, the Internal Revenue Service (the "Service") has issued a revenue ruling or provided a private letter ruling to the Company, or tax counsel to the Company has issued an opinion letter concluding that property of the nature and use of the Property may be sold under circumstances described in this Purchase Agreement at the greater of the price determined under Section 42(i)(7) of the Code or the price determined under subsection 3.a. hereinabove without limiting tax credits or deductions that would otherwise be available to members of the Company, then the Option price shall be such price.

4. **Purchase Price Under Refusal Right.** The purchase price for the Property pursuant to the Refusal Right shall be equal to the sum of (a) an amount sufficient to pay all debts (including member loans) and liabilities of the Company upon its termination and liquidation as project to occur immediately following the sale pursuant to the Refusal Right (but excluding indebtedness incurred within the five year period ending on the date of sale, as specified in Code §41(i)(7)(B)(i)), and (b) an amount sufficient to distribute to the Members cash proceeds equal to the taxes projected to be imposed on the Members of the Company as a result of the sale pursuant to the Refusal Right.

5. **Conditions Precedent.** Notwithstanding anything in this Purchase Agreement to the contrary, the Option and the Refusal Right granted hereunder shall be contingent on either (i) the Regulatory Agreement shall have been entered into and remained in full force and effect, and those Use Restrictions to be contained therein shall have remained unmodified without its prior written consent, or (ii) if the Regulatory Agreement is no longer in effect due to reasons other than a default thereunder by the Company, such Use Restrictions, as so approved and unmodified, shall have remained in effect by other means and shall continue in effect by inclusion in the deed as required under paragraph 10 hereof.

If any or all of such conditions precedent have not been met, the Option and the Refusal Right shall not be exercisable. Upon any of the events terminating the Manager as Manager of the Company or affecting the Regulatory Agreement as described in this Section 5, the Option and the Refusal Right shall be void and of no further force and effect.

6. **Exercise of Option or Refusal Right.** The Option and the Refusal Right may each be exercised by Grantee by (a) giving prior written notice of its intent to exercise the Option or the Refusal Right to the Company and each of its Members in compliance with the requirements of this Section 6 and (b) complying with the contract and closing requirements of Section 8 hereof. Any such notice of intent to exercise the Option shall be given during the last twelve (12) months of the Compliance Period. Any such notice of intent to exercise the Refusal Right shall be given within one hundred eighty (180) days after Grantee has received the Company's notice of a bona fide offer pursuant to Section 2 hereof. In any case, the notice of intent shall specify a closing date within one year following the date of such notice, but in no event earlier than the termination of the Compliance Period and provided further, in the case of the Option, that the closing date shall be no later than twelve (12) months following the end of the Compliance Period and in the case of the Refusal Right not to exceed six (6) months from the date of the notice of intent. If the foregoing requirements (including those of Section 9 hereof) are not met as and when provided herein, the Option or the Refusal Right, or both, as applicable, shall expire and be of no further force or effect. Upon notice by Grantee of its intent to exercise the Option or the Refusal Right, all rights under the other shall be subordinate to the rights then being so exercised unless and until such exercise is withdrawn or discontinued, and upon the closing of any sale of the Property pursuant to such notice, all rights shall expire and be of no further force or effect, provided that in the event that the Option and the Refusal Right are hereafter held by different parties by reason of any permitted assignment or otherwise, Grantee in its assignment(s) or such parties by written agreement may specify any other order of priority consistent with the other terms and conditions of this Purchase Agreement.

7. **Determination of Price.** Upon notice by Grantee of its intent to exercise the Option or the Refusal Right, the Company and Grantee shall exercise best efforts in good faith to agree on the purchase price for the Property.

8. **Contract and Closing.** Upon determination of the purchase price, the Company and Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with this Purchase Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Project is located, providing for a closing not later than the date specified in Grantee's notice of intent to exercise of the Option or the Refusal Right, as applicable, or thirty (30) days after the purchase price has been determined, whichever is later. In the absence of any such contract, this Purchase Agreement shall be specifically enforceable upon the exercise of the Option or the Refusal Right, as applicable. The purchase and sale hereunder shall be closed through a deed-and-money escrow with the title insurer for the Project or another mutually acceptable title company.

9. **Use Restrictions.** In consideration of the Option and the Refusal Right granted hereunder at the price specified herein, Grantee hereby agrees that the deed of the Project to Grantee shall contain a covenant running with the land, restricting use of the Project to low-income housing to the extent required by those Use Restrictions contained in the Regulatory agreement.

If prior to exercise of the Option or the Refusal Right, as applicable, the Service has issued a revenue ruling or provided a private letter ruling to the Company holding that a covenant of the nature described hereinbelow may be utilized without limiting tax credits or deductions that would otherwise be available to the Members of the Company, then as a condition of the Option and the Refusal Right, the deed to Grantee shall include a Special Covenant specifically restricting continued use of the Project to low-income housing as determined in accordance with the same low-income and maximum rent requirements (excluding any right under the Code to raise rents after notice to the applicable state or local housing credit agency if it is unable to find a buyer at the statutory price) as are currently specified in the Regulatory Agreement with reference to the low-income housing tax credits (notwithstanding any future discontinuation of such credits or modification of federal requirements therefor). The Special Covenant shall constitute part of the Use Restrictions. The Special Covenant shall state that it is applicable and enforceable only to the extent such housing produces income sufficient to pay all operating expenses and debt service and fund customary reserves and there is a need for low-income housing in the geographic area in which the Project is located. The Special Covenant shall run with the land for a period of fifteen (15) years after closing of the purchase under the Option or the Refusal Right, as applicable, or, if longer, for the period measured by the then remaining period of Use Restrictions under the Regulatory Agreement, provided that the Special Covenant shall terminate at the option of any holder of the reverter rights described hereinabove, upon enforcement thereof.

In the event that neither the Option nor the Refusal Right is exercised, or the sale pursuant thereto is not consummated, then upon conveyance of the Project to anyone other than

Grantee or its permitted assignee hereunder, the foregoing provisions shall terminate and have no further force and effect.

10. **Assignment.** Grantee may assign all or any of its rights under this Purchase Agreement to (a) a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code, (b) a government agency, or (c) a tenant organization (in cooperative form or otherwise) or resident management corporation of the Project (each a "Permitted Assignee") that demonstrates its ability and willingness to maintain the Project as low-income housing in accordance with the Use Restrictions, subject in any event to the conditions precedent to the Refusal Right grant and the Option price set forth in Sections 2 and 3 hereof. Prior to any assignment or proposed assignment of its rights hereunder, Grantee shall give written notice thereof to the Company and each of its Members. Upon any permitted assignment hereunder, references in this Purchase Agreement to Grantee shall mean the permitted Assignee where the context so requires, subject to all applicable conditions to the effectiveness of the rights granted under this Purchase Agreement and so assigned. No assignment of Grantee's rights hereunder shall be effective unless and until the permitted Assignee enters into a written agreement accepting the assignment and assuming all of Grantee's obligations under this Purchase Agreement and copies of such written agreement are delivered to the Company and each of its Members. Except as specifically permitted herein, Grantee's rights hereunder shall not be assignable.

11. **Miscellaneous.** This Purchase Agreement shall be governed by the laws of the Commonwealth of Virginia. This Purchase Agreement may be executed in counterparts or counterpart signature pages, which together shall constitute a single agreement.

IN WITNESS WHEREOF, the parties have executed this document as of the date first set forth hereinabove.

COMPANY:

CHOICE NEIGHBORHOOD I LLC
BY: CHOICE NEIGHBORHOOD I
DEVELOPMENT CORPORATION, its Manager

By *Karen Wilds*
Karen R. Wilds, President

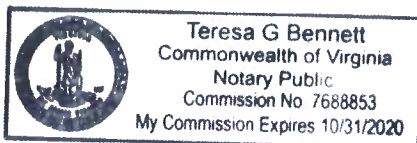
COMMONWEALTH OF VIRGINIA
CITY OF NEWPORT NEWS, to-wit:

I, TERESA G. BENNETT, a Notary Public in and for the City and State aforesaid, do certify that Karen R. Wilds, President of Choice Neighborhood I Development Corporation, Manager of Choice Neighborhood I, LLC, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that she signed and delivered such instrument as her own free and voluntary act, and as the free and voluntary act of the Company known as Carrier Point 1 LLC, on behalf of which said company she has executed the foregoing instrument, all for the uses and purposes set forth therein.

Given under my hand and seal this 12 day of March, 2019.

My commission expires: 10/31/2020
Registration Number: 7688853

Teresa G. Bennett
Notary Public



GRANTEE:

NEWPORT NEWS REDEVELOPMENT AND
HOUSING AUTHORITY

By Karen R Wilds
Karen R. Wilds, Executive Director

COMMONWEALTH OF VIRGINIA
CITY OF NEWPORT NEWS, to-wit:

I, TERESA G. BENNETT, a Notary Public in and for the City and State aforesaid, do certify that Karen R. Wilds, Executive Director of Newport News Redevelopment and Housing Authority, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that she signed and delivered such instrument as her own free and voluntary act, and as the free and voluntary act of the Grantee, on behalf of which said Grantee she has executed the foregoing instrument, all for the uses and purposes set forth therein.

Given under my hand and seal this 12 day of March, 2019.

My commission expires: 10/31/2020
Registration Number: 7688853

Teresa G. Bennett
Notary Public



MANAGER:

CHOICE NEIGHBORHOOD I DEVELOPMENT CORPORATION

By Karen R. Wilds
Karen R. Wilds, President

COMMONWEALTH OF VIRGINIA
CITY OF NEWPORT NEWS, to-wit:

I, Teresa G. Bennett, a Notary Public in and for the City and State aforesaid, do certify that Karen R. Wilds, President of Choice Neighborhood I Development Corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that she signed and delivered such instrument as her own free and voluntary act, and as the free and voluntary act of the Manager known as Choice Neighborhood I Development Corporation, on behalf of which said company she has executed the foregoing instrument, all for the uses and purposes set forth therein.

Given under my hand and seal this 12 day of March, 2019.

My commission expires: 10/31/2020
Registration Number: 7688853



Teresa G. Bennett
Notary Public



W

(Reserved)



X

Marketing Plan

For units meeting accessibility requirements of HUD section
504



Marketing Plan

Carrier Point I

Newport News, VA

This plan provides marketing objectives and direction for the year, based on an analysis of the surrounding market area, property positioning and budget.

PENNROSE

Owner's Intent

Choice Neighborhood I, LLC plans to develop Carrier Point I, a 37-unit affordable multi-family housing development located within Newport News, VA. The Developer plans to construct five (5) units to serve persons with physical disabilities. The construction of five (5) handicapped accessible units will qualify this development for accessibility points by providing the greater of five (5) units or 10% of the project units which conform to HUD regulations interpreting the accessibility requirements of Section 504 of the Rehabilitation Act. Two (2) of the eight (8) handicapped accessible units will also be equipped specifically with hearing and sight accessibility features.

Carrier Point I will be managed by Pennrose Management Company.

The accessible units will be set aside and marketed to persons with disabilities for a minimum period of 60 days. During this 60 day time period, ongoing marketing efforts to qualified tenants will be documented. If a qualified tenant is not identified within the timeframe, evidence of marketing will be submitted to VHDA's Program Compliance Office and a request for approval will be made to rent the unleased units to any income qualified households.

Pennrose Management Company may alternatively work with VHDA's Compliance Officer to demonstrate marketing to the target population is occurring on an ongoing basis throughout the year, thus allowing Pennrose to fill any vacant 504 units with any income qualified tenant without the unit remaining vacant for 60 days.

In either case, the lease of any qualified non-handicapped tenant located in an accessible unit will contain a provision stipulating the non-handicapped household must move to the next available vacant unit if a household including a person with a disability applies and qualifies for the 504 unit.

First preference on the property's waitlist will be given to persons with a developmental disability (DD) as confirmed by the Virginia Department of Behavioral Health and Development Services for five (5) units.

Implementation of Owner's Intent

Pennrose Management Company, as the management agent, will rent accessible units only to qualified households, unless a qualified tenant cannot be found during the 60-day marketing effort, or after ongoing marketing efforts as described above. Focused marketing efforts will occur, in addition to normal routine marketing strategies, to ensure qualified individuals are aware of the availability of accessible units.

Focused Marketing Efforts

VirginiaHousingSearch.com — Carrier Point I will be posted on the virginiahousingsearch.com website and will communicate the fact the development has accessible units.

THRIVE Peninsula — THRIVE Peninsula helps equip people with new perspectives and practical tools as the transition through their crises toward financial peace and accountability. Contact information for THRIVE Peninsula:

Angela York
Executive Director
(757) 877-6211
13195 Warwick Blvd, Unit 2C
Newport News, VA 23602

Peninsula Agency on Aging—The Peninsula Agency on Aging provides programs in cooperation with other community agencies to assist Older Virginians in independent and productive living. Contact information for Peninsula Agency on Aging:

(757) 873-0541
739 Thimble Shoals Blvd, Suite 1006
Newport News, VA 23606

Virginia Department of Behavioral Health and Development Services (VA DBHDS) — The project team has communicated with VA DBHDS and will continue to communicate the availability of units, highlighting the first preference for persons with a developmental disability for five (5) units. Contact information for VA DBHDS:

| | |
|--|---|
| Jeannie Cummins Eisenhour Sr. Integrated Community Options Specialist (804) 836-4308(804) 786-1393 1220 Bank Street Richmond, VA 23219 | Eric Leabough Housing Specialist 1220 Bank Street Richmond, VA 23219 |
|--|---|

AccessVA.org and other supportive non-profit organizations — The project team will communicate with accessibility minded organizations to inform them of the availability of accessible units at The Residences at North Hill 2.

VHDA — The project team will provide information on the availability of accessible units to the VHDA representatives charged with accessible unit outreach.

Objectives

- **Priority relocation of Ridley Place residents;**

- Effectively utilize print, online and direct mail advertising to attract qualified residents and fill vacant units in a timely manner.
- Create all marketing resources so that they conform to the spirit, intent, and letter of applicable fair housing laws.
- Educate all site staff of their responsibilities of meeting fair housing goals.
- Ensure that all segments of the population have an equal opportunity to be aware of this housing opportunity
- Collect and analyze data collected from applicants on a voluntary basis during the initial lease-up process, and continue on an optional basis for all subsequent applicants to the sit, to analyze the effectiveness of the initial marketing activities, as well as determine if the racial and ethnic balance is an accurate reflection of the greater community

Definitions

Pre-Leasing – For the purpose of this marketing plan, pre-leasing is defined as any time before on-site leasing staff is hired and an on-site leasing office is established. During the Pre-Leasing period, some tasks will need to be accomplished and expenses incurred which will prepare the project to smoothly transition to the Active Lease Up period. Although important to the overall brand of the property, focusing on the actual marketing of the property during the Pre-Leasing period can deplete the sense of urgency for the customer and create advertising burnout. The focus during the Pre-Leasing period will be primarily on preparing to launch the integrated marketing campaign during Active Lease Up, rather than reaching the customer with a direct ask.

Active Lease Up – For the purpose of this marketing plan, Active Lease Up is defined as the period of time that starts on the day that an on-site leasing office begins operations and ends on the day that the project reaches 100% occupancy. On-site staff will be well versed in all applicable programs including the affordability requirements, workforce housing requirements, and local preferences for Eastham residents. Pennrose will work with state funders during this period to coordinate the lottery program. During the Active Lease Up period, the focus will be on reaching prospective residents and educating them on the programs for which they qualify.

Stabilized Marketing – For the purpose of this marketing plan, Stabilized Marketing is defined as the time after the project reaches initial 100% occupancy.

Pre-Leasing

Signage – Pennrose Marketing will **design “Coming Soon” signage** for the property. Once approved by Ownership, the signage will be **ordered by Pennrose marketing and installed by on-site personnel**. This signage will initially include **banners** to be displayed strategically on the property.

Two to three months prior to the end of Pre-Leasing, Pennrose Marketing will **design a full complement of “Now Accepting Applications” signage** for the property in preparation for the Active Lease Up. Once approved by Ownership, the signage will be **ordered by Pennrose marketing**. This signage will include **banners** to be displayed strategically on the property, **A-frames** to be placed at strategic points outside of the property, **pole banners** to be hung on the light poles surrounding the property, **window clings** to

be displayed on prominent windows of the property, **bootleg signs** for the area, and **flutter flags** to be placed at the entrance to the leasing office.

Events – The property will host a **Groundbreaking Ceremony** open to community stakeholders and media. Media will receive a **media advisory and press release** related to the event

Print – Pennrose Marketing will file the required Affirmative Fair Housing Marketing Plan (AFHMP) and will place AFHMP ads in local newspapers including Coupe de Cod Times.

Other Marketing – During the Pre-Leasing period the **website and brochure design and copy will be finalized** and the **brochure will be printed**.

During the final month of Pre-Leasing, **Yardi Call Center** will be integrated into the leasing platform in preparation for Active Lease Up. This is a 24-hour live call center to field prospect calls during non-business hours and when on-site staff is not able to answer. Call Center staff will be well versed in all applicable programs including the affordability requirements, workforce housing requirements, and local preferences for Eastham residents.

Active Lease Up

Signage – All **“Now Accepting Applications” signage** will be installed by on-site personnel. This signage will include **banners** to be displayed strategically on the property, **A-frames** to be placed at strategic points outside of the property, **pole banners** to be hung on the light poles surrounding the property, **window clings** to be displayed on prominent windows of the property, **bootleg signs** for the area, and **flutter flags** to be placed at the entrance to the leasing office.

During the last month before obtaining Certificates of Occupancy (CO’s), Pennrose Marketing will **design “Now Open” signage** for the property to replace the “Now Accepting Applications” signage. Once approved by Ownership, the signage will be **ordered by Pennrose marketing**. Once CO’s are obtained, the **signage will be installed** by on-site personnel. This signage will include **banners** to be displayed strategically on the property, **A-frames** to be placed at strategic points outside of the property, **pole banners** to be hung on the light poles surrounding the property, **window clings** to be displayed on prominent windows of the property, **bootleg signs** for the area, and **flutter flags** to be placed at the entrance to the leasing office.

Events – After CO’s are obtained and after the first move-in, the property will host a **Grand Opening Ceremony** open to community stakeholders and media. Media will receive a **media advisory and press release** related to the event. The Grand Opening will be followed by a **guided tour of the property** and refreshments in the community room or other designated area.

Internet

Internet Listing Services (ILS) – The property will be listed throughout Active Lease Up on the most effective ILS’s for the geographical area.

VirginiaHousingSearch.com — Carrier Point I will be posted on the virginiahousingsearch.com website and will communicate the fact the development has accessible units.

Other ILS's include Apartments.com and Apartment Finder. The property will be listed with **high level packages** that will assist with **SEO** and will give the property **exposure in surrounding markets**.

The property will also utilize **Weblisters premium Craigslist** posting service. Leasing staff will post using Weblisters twice times per day during Active Lease Up which is commensurate with leasing staff at comparable properties.

Other Marketing – Active Lease Up will not be initiated before **leasing staff is hired and on-site** to begin the leasing process. The Leasing Office will be open at least one evening during the week and Saturdays to account for working professionals' schedules.

Following the opening of on-site office, a **"Now Accepting Applications"** email will be sent to the property interest list and Groundbreaking attendees. The email will be **published on the property website**. **Monthly follow-up emails** relating to construction progress, countdown to Grand Opening, and First Move-In will be sent to the list and published on the property website.

After obtaining CO's semi-weekly **Open Houses** will be held during varying times outside of normal business hours (not between 9 am – 5 pm Monday – Friday) and will be staffed by leasing staff.

Stabilized Marketing

Signage – Existing signage will be **maintained as necessary** by on-site staff following Active Lease Up. Damaged or worn signage will not necessarily need to be replaced during Stabilized Marketing and should be **phased out to a more manageable long-term level** for on-site staff.

Events – A 100% Event should be held for Ownership, Staff, and Residents and can be used as a "Thank You" to attendees for making the Lease Up a success. Media will receive a **media advisory and press release** related to the event.

Internet

ILS – The property's level of ILS listings will be decreased but will remain on the three major sites: Apartments.com and Apartment Finder for the benefits of **SEO** and continued **exposure in competitive markets**.

VirginiaHousingSearch.com — Carrier Point I will be posted on the virginiahousingsearch.com website and will communicate the fact the development has accessible units.

The property will continue to utilize **Weblisters premium Craigslist** posting service but will decrease the posting frequency to once per day, commensurate with leasing staff at comparable properties.

Other Marketing – After reaching 100% occupancy, the Leasing Office will be open during regular business hours and by appointment to account for working professionals' schedules.

After reaching 100% occupancy, a **“Fully Occupied”** email will be sent to the property interest list and event attendees. The email will **be published on the property website.**