
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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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.

- \$1,000 Application Fee **(MANDATORY)**
 - Electronic Copy of the Microsoft Excel Based Application **(MANDATORY)**
 - Scanned Copy of the **Signed** Tax Credit Application with Attachments (excluding market study and plans & specifications) **(MANDATORY)**
 - Electronic Copy of the Market Study **(MANDATORY - Application will be disqualified if study is not submitted with application)**
 - Electronic Copy of the Plans **(MANDATORY)**
 - Electronic Copy of the Specifications **(MANDATORY)**
 - Electronic Copy of the Physical Needs Assessment **(MANDATORY if rehab)**
 - Electronic Copy of Appraisal **(MANDATORY if acquisition credits requested)**
 - Electronic Copy of Environmental Site Assessment (Phase I) **(MANDATORY if 4% credits requested)**
 - Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests **(MANDATORY)**
 - Tab B: Virginia State Corporation Commission Certification **(MANDATORY)**
 - Tab C: Principal's Previous Participation Certification **(MANDATORY)**
 - Tab D: List of LIHTC Developments (Schedule A) **(MANDATORY)**
 - Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment **(MANDATORY)**
 - Tab F: Architect's Certification and RESNET Rater Certification **(MANDATORY)**
 - Tab G: Zoning Certification Letter **(MANDATORY)**
 - Tab H: Attorney's Opinion **(MANDATORY)**
 - Tab I: Nonprofit Questionnaire **(MANDATORY for points or pool)**
- The following documents need not be submitted unless requested by VHDA:
- Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status
 - Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable)
- Tab J: Relocation Plan **(MANDATORY, if tenants are displaced)**
 - Tab K: Documentation of Development Location:
 - K.1 Revitalization Area Certification
 - K.2 Location Map
 - K.3 Surveyor's Certification of Proximity To Public Transportation
 - Tab L: PHA / Section 8 Notification Letter
 - Tab M: Locality CEO Response Letter
 - Tab N: Homeownership Plan
 - Tab O: Plan of Development Certification Letter
 - Tab P: Developer Experience documentation and Partnership agreements
 - Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property
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 - Tab U: Documentation to Request Exception to Restriction-Pools With Little/No Increase in Rent Burdened Population
 - Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
 - Tab W: (Reserved)
 - Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2019

1. Development Name: Post West Nine
2. Address (line 1): 3445 Washington Boulevard
 Address (line 2):
 City: Arlington State: VA Zip: 22201
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 Arlington County
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: 1015.00
7. Development is located in a **Qualified Census Tract**..... FALSE
8. Development is located in a **Difficult Development Area**..... TRUE
9. Development is located in a **Revitalization Area based on QCT** FALSE
10. Development is located in a **Revitalization Area designated by resolution** 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%
	TRUE	FALSE	FALSE

Enter only Numeric Values below:

13. Congressional District: 8
- Planning District: 8
- State Senate District: 31
- State House District: 47

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

Redevelopment of a site that has an existing, aging American Legion Post, owned by Post No. 139, that will be demolished and replaced with a new 7-story construction of affordable multifamily.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

3/12/2019

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: Mark Schwartz
 Chief Executive Officer's Title: County Manager Phone: (703) 228-3120
 Street Address: 2100 Clarendon Boulevard, Suite 302
 City: Arlington State: VA Zip: 22201

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

- 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:

New Construction

or

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

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

Carryforward Allocation

Definitions of types:

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

TRUE

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?	80
Total Units within 4% Tax Exempt allocation Request?	80
Total Units:	160

% of units in 4% Tax Exempt Allocation Request: 50.00%

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.)

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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: Post West Nine Limited Partnership

Developer Name: Arlington Partnership for Affordable Housing, Inc.

Contact: M/M ▶ Ms. First: Nina MI: Last: Janopaul

Address: 4318 N. Carlin Springs Road

City: Arlington St. ▶ VA Zip: 22203

Phone: (703) 276-7444 Ext. 101 Fax: (703) 276-0805

Email address: njanopaul@apah.org

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

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

Additional Contact: Please Provide Name, Email and Phone number.
Ryan Nash, rnash@apah.org, (703) 276-7444 x 131

- 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
Post West Nine Development Corporation	(703) 276-7444	General Partner	0.000% <i>needs</i>
Nina Janopaul, President			0.000% <i>needs</i>
Arlington Partnership for Affordable Housing, Inc.	(703) 276-7444	Sole Owner of GP	100.000%
Nina Janopaul, President			0.000% <i>needs</i>
			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: Purchase Contract

Expiration Date: 6/30/2020

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

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

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

b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 6/30/2020 .

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: Arlington Post No. 139, Department of Virginia, American Legion

Address: 3445 Washington Boulevard

City: Arlington St.: VA Zip: 22201

Contact Person: Robert Romano Phone: (703) 524-1396

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

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

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

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

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E. DEVELOPMENT TEAM INFORMATION

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

- | | | | |
|--------------------------|--|---------------------------|-----------------------|
| 1. Tax Attorney: | <u>Ken Gross</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Gallager, Evelius & Jones LLP</u> | | |
| Address: | <u>218 North Charles Street, Suite 400, Baltimore, MD 21201</u> | | |
| Email: | <u>kgross@gejlaw.com</u> | Phone: | <u>(410) 347-1367</u> |
| 2. Tax Accountant: | <u>Philip Cornblatt</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>CohnReznick LLP</u> | | |
| Address: | <u>500 East Pratt Street, 4th Flr, Baltimore, MD 21202</u> | | |
| Email: | <u>philip.cornblatt@cohnreznick.com</u> | Phone: | <u>(410) 783-6236</u> |
| 3. Consultant: | <u></u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | Role: | <u></u> |
| Address: | <u></u> | | |
| Email: | <u></u> | Phone: | <u></u> |
| 4. Management Entity: | <u>Steve Boyce</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>S.L. Nusbaum Realty Company</u> | | |
| Address: | <u>1700 Wells Fargo Center, 440 Monticello Avenue, Ste 1700, Norfolk, VA 23510</u> | | |
| Email: | <u>sboyce@slnubaum.com</u> | Phone: | <u>(757) 640-2293</u> |
| 5. Contractor: | <u></u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | | |
| Address: | <u></u> | | |
| Email: | <u></u> | Phone: | <u></u> |
| 6. Architect: | <u>Joanna Borowska, AIA</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Davis, Carter, Scott Ltd</u> | | |
| Address: | <u>8614 Westwood Center Drive, Ste 800, Tysons, VA 22182</u> | | |
| Email: | <u>jborowska@dcsdesign.com</u> | Phone: | <u>(703) 556-9275</u> |
| 7. Real Estate Attorney: | <u>Jonathan Kinney</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Bean Kinney & Korman PC</u> | | |
| Address: | <u>2311 Wilson Blvd, Suite 500, Arlington, VA 22201</u> | | |
| Email: | <u>jkinney@beankinney.com</u> | Phone: | <u>(703) 284-7240</u> |
| 8. Mortgage Banker: | <u></u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | | |
| Address: | <u></u> | | |
| Email: | <u></u> | Phone: | <u></u> |
| 9. Other: | <u>Ryne Johnson</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Astoria LLC</u> | Role: | <u></u> |
| Address: | <u>3450 Lady Marian Court, Midlothian VA 23113</u> | | |
| Email: | <u>rynejohnson@astoriallc.com</u> | Phone: | <u>(804) 320-5850</u> |

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... FALSE
If no credits are being requested for existing buildings acquired for the development, skip this tab.
- b. This development has received a previous allocation of credits..... FALSE
If so, in what year did this development receive credits?
- c. The development is listed on the RD 515 Rehabilitation Priority List?..... FALSE
- d. This development is an existing RD or HUD S8/236 development..... FALSE
Action: (If True, provide required form in TAB Q)

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

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

2. Ten-Year Rule For Acquisition Credits

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

b. Minimum Expenditure Requirements

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

4. Request For Exception

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

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Owner

Name: (Please fit NP name within available space)

Contact Person:

Street Address:

City: State: VA Zip:

Phone: Extension: Contact Email:

G. NONPROFIT INVOLVEMENT

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 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: Arlington Partnership for Affordable Housing, Inc.

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

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

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

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	80	bedrooms	163
Total number of rental units in development	80	bedrooms	163
Number of low-income rental units	80	bedrooms	163
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	80	bedrooms	163
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....			128,605.46 <small>(Sq. ft.)</small>
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			31,885.99 <small>(Sq. ft.)</small>
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			96,719.47 <small>(Sq. ft.)</small>
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i. Exact area of site in acres	1.337		
j. Locality has approved a final site plan or plan of development..... If True , Provide required documentation (TAB O).			FALSE
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....			FALSE

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

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

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	924.03	SF	14	14
2BR Garden	1231.10	SF	49	49
3BR Garden	1379.95	SF	17	17
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
			80	80

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:..... 7

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

e. Commercial Area Intended Use: N/A

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

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

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

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

H. STRUCTURE AND UNITS INFORMATION

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

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

h. Development contains an elevator(s). TRUE
 If true, # of Elevators. 2
 Elevator Type (if known) 3500&4000lb capacity Machine Room-less

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: OnsiteLeasing/PropertyMgmt/ResidentServices, Community Room, Garage

m. Number of Proposed Parking Spaces..... 38
 Parking is shared with another entity FALSE

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

H. STRUCTURE AND UNITS INFORMATION

5. Plans and Specifications

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

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

NOTE: All developments must meet 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	2.50%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	2.50%
Project Wide Absorption Period (Months)	7

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.
- 76.47% 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
- TRUE 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.

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

- FALSE a. All cooking ranges have front controls.

J. ENHANCEMENTS

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:

TRUE Earthcraft Gold or higher certification

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

FALSE U.S. Green Building Council LEED certification

FALSE Enterprise Green Communities (EGC) Certification

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

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

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

FALSE Zero Energy Ready Home Requirements

FALSE Passive House Standards

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.

80 b. Number of Rental Units constructed to meet VHDA's Universal Design standards:

100% % of Total Rental Units

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

If not, please explain:

There are no market rate units.

2019 Low-Income Housing Tax Credit Application For Reservation

I. UTILITIES

1. Describe the Heating/AC System: Units: WaterSourceHeatPump; CmnAreas: ducted SplSysHP

2. Services Included:

Utilities	Type of Utility (Gas, Electric, Oil, etc.)	Utilities ▶ Paid by:	Enter Allowances by Bedroom Size				
			0-bdr	1-bdr	2-bdr	3-bdr	4-br
Heating	Electric	Tenant	0	14	17	20	0
Air Conditioning	Electric	Tenant	0	7	8	9	0
Cooking	Electric	Tenant	0	5	7	8	0
Lighting	Electric	Tenant	0	22	25	31	0
Hot Water	Electric	Tenant	0	13	15	18	0
Water	Water	Tenant	0	8	12	16	0
Sewer	Sewer	Tenant	0	16	24	32	0
Trash	Trash	Owner	0	0	0	0	0
Total utility allowance for costs paid by tenant			\$0	\$85	\$108	\$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: Viridiant

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

K. SPECIAL HOUSING NEEDS

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:

Contact person:

Title:

Phone Number

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

b. Leasing preference will be given to individuals and families with children..... TRUE
(Less than or equal to 20% of the units must have of 1 or less bedrooms).

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

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

2019 Low-Income Housing Tax Credit Application For Reservation

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
- FALSE Section 8 Project Based Assistance
- FALSE RD 515 Rental Assistance
- FALSE Section 8 Vouchers
- FALSE State Assistance
- TRUE Other: Arlington Co. Project-Based Rental Assistance

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

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

d. Number of units receiving assistance:	8
How many years in rental assistance contract?	5.00
Expiration date of contract:	4/1/2027
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
8	10.00%	30% Area Median
0	0.00%	40% Area Median
32	40.00%	50% Area Median
12	15.00%	60% Area Median
0	0.00%	70% Area Median
28	35.00%	80% Area Median
0	0.00%	Market Units
80	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
8	10.00%	30% Area Median
0	0.00%	40% Area Median
32	40.00%	50% Area Median
12	15.00%	60% Area Median
0	0.00%	70% Area Median
28	35.00%	80% Area Median
0	0.00%	Market Units
80	100.00%	Total

- b. The development plans to utilize income averaging..... TRUE
 If above is true, should the points based on the units assigned to the levels above **be waived** and therefore not required for compliance?
 20-30% Levels 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	30% AMI	6		549.25	\$574.00	\$3,444
Mix 2	1 BR - 1 Bath	50% AMI	6	2	566.16	\$1,014.00	\$6,084
Mix 3	1 BR - 1 Bath	30% AMI	1		744.13	\$574.00	\$574
Mix 4	1 BR - 1 Bath	30% AMI	1		559.65	\$574.00	\$574
Mix 5	2 BR - 1.5 Bath	60% AMI	3		894.62	\$1,474.00	\$4,422
Mix 6	2 BR - 1.5 Bath	50% AMI	6		862.00	\$1,210.00	\$7,260
Mix 7	2 BR - 1.5 Bath	50% AMI	6		801.00	\$1,210.00	\$7,260
Mix 8	2 BR - 1.5 Bath	80% AMI	6	4	883.10	\$1,635.00	\$9,810
Mix 9	2 BR - 1.5 Bath	50% AMI	2		897.47	\$1,210.00	\$2,420
Mix 10	2 BR - 1.5 Bath	60% AMI	2		838.61	\$1,474.00	\$2,948
Mix 11	2 BR - 1.5 Bath	60% AMI	2		795.49	\$1,474.00	\$2,948
Mix 12	2 BR - 1.5 Bath	50% AMI	2		891.03	\$1,210.00	\$2,420
Mix 13	2 BR - 1.5 Bath	50% AMI	3		969.24	\$1,210.00	\$3,630
Mix 14	2 BR - 1.5 Bath	80% AMI	3		964.28	\$1,635.00	\$4,905
Mix 15	2 BR - 1.5 Bath	50% AMI	6		887.98	\$1,210.00	\$7,260
Mix 16	2 BR - 1.5 Bath	50% AMI	1		836.43	\$1,210.00	\$1,210
Mix 17	3 BR - 2 Bath	60% AMI	4		937.67	\$1,694.00	\$6,776
Mix 18	3 BR - 2 Bath	60% AMI	1		1259.21	\$1,694.00	\$1,694
Mix 19	3 BR - 2 Bath	80% AMI	6	2	1039.94	\$1,879.00	\$11,274
Mix 20	3 BR - 2 Bath	80% AMI	6		1035.12	\$1,879.00	\$11,274
Mix 21	2 BR - 1.5 Bath	80% AMI	7		894.62	\$1,635.00	\$11,445
Mix 22							\$0
Mix 23							\$0

L. UNIT DETAILS

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
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Mix 77							\$0
Mix 78							\$0
Mix 79							\$0
Mix 80							\$0
Mix 81							\$0
Mix 82							\$0
Mix 83							\$0
Mix 84							\$0

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L. UNIT DETAILS

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			80	8	18,107.04	\$27,679	\$109,632

Total Units	80	Net Rentable SF:	TC Units	68,489.60
			MKT Units	0.00
			Total NR SF:	68,489.60

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

M. OPERATING EXPENSES

Administrative:		Use Whole Numbers Only!
1. Advertising/Marketing		\$600
2. Office Salaries		\$67,750
3. Office Supplies		\$3,600
4. Office/Model Apartment	(type _____)	\$0
5. Management Fee		\$44,200
<u>3.50%</u> of EGI	<u>\$552.50</u> Per Unit	
6. Manager Salaries		\$0
7. Staff Unit (s)	(type _____)	\$0
8. Legal		\$2,500
9. Auditing		\$13,500
10. Bookkeeping/Accounting Fees		\$0
11. Telephone & Answering Service		\$4,960
12. Tax Credit Monitoring Fee		\$3,000
13. Miscellaneous Administrative		\$14,556
Total Administrative		<u>\$154,666</u>
Utilities		
14. Fuel Oil		\$0
15. Electricity		\$31,750
16. Water		\$19,950
17. Gas		\$14,000
18. Sewer		\$39,425
Total Utility		<u>\$105,125</u>
Operating:		
19. Janitor/Cleaning Payroll		\$0
20. Janitor/Cleaning Supplies		\$1,750
21. Janitor/Cleaning Contract		\$21,000
22. Exterminating		\$5,100
23. Trash Removal		\$7,800
24. Security Payroll/Contract		\$0
25. Grounds Payroll		\$0
26. Grounds Supplies		\$5,000
27. Grounds Contract		\$0
28. Maintenance/Repairs Payroll		\$51,134
29. Repairs/Material		\$4,200
30. Repairs Contract		\$0
31. Elevator Maintenance/Contract		\$11,500
32. Heating/Cooling Repairs & Maintenance		\$4,000
33. Pool Maintenance/Contract/Staff		\$0
34. Snow Removal		\$750
35. Decorating/Payroll/Contract		\$0
36. Decorating Supplies		\$1,020
37. Miscellaneous		\$9,614
Totals Operating & Maintenance		<u>\$122,868</u>
Taxes & Insurance		
38. Real Estate Taxes		\$154,772
39. Payroll Taxes		\$5,183
40. Miscellaneous Taxes/Licenses/Permits		\$12,500
41. Property & Liability Insurance		\$30,850
42. Fidelity Bond		\$0
43. Workman's Compensation		\$1,800
44. Health Insurance & Employee Benefits		\$11,166
45. Other Insurance		\$5,070
Total Taxes & Insurance		<u>\$221,341</u>
Total Operating Expense		<u>\$604,000</u>
Total Operating Expenses Per Unit	<u>\$7,550</u>	C. Total Operating Expenses as % of EGI <u>47.89%</u>
Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)		<u>\$24,000</u>
Total Expenses		<u>\$628,000</u>

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	6/30/2017	Ryan Nash
b. Site Acquisition	2/1/2020	Ryan Nash
c. Zoning Approval	2/23/2019	Ryan Nash
d. Site Plan Approval	2/23/2019	Ryan Nash
2. Financing		
a. Construction Loan		
i. Loan Application	7/1/2019	Ryan Nash
ii. Conditional Commitment	9/1/2019	Ryan Nash
iii. Firm Commitment	1/1/2020	Ryan Nash
b. Permanent Loan - First Lien		
i. Loan Application	7/1/2019	Ryan Nash
ii. Conditional Commitment	9/1/2019	Ryan Nash
iii. Firm Commitment	1/1/2020	Ryan Nash
c. Permanent Loan-Second Lien		
i. Loan Application	5/1/2018	Ryan Nash
ii. Conditional Commitment	5/31/2018	Ryan Nash
iii. Firm Commitment	3/4/2019	Ryan Nash
d. Other Loans & Grants		
i. Type & Source, List	AHIF, Arlington County	Ryan Nash
ii. Application	6/15/2018	Ryan Nash
iii. Award/Commitment	2/23/2019	Ryan Nash
2. Formation of Owner	1/23/2019	Ryan Nash
3. IRS Approval of Nonprofit Status	12/18/1990	Ryan Nash
4. Closing and Transfer of Property to Owner	3/1/2020	Ryan Nash
5. Plans and Specifications, Working Drawings	8/1/2019	Ryan Nash
6. Building Permit Issued by Local Government	2/1/2020	Ryan Nash
7. Start Construction	3/1/2020	Ryan Nash
8. Begin Lease-up	4/1/2022	Ryan Nash
9. Complete Construction	3/1/2022	Ryan Nash
10. Complete Lease-Up	12/31/2022	Ryan Nash
11. Credit Placed in Service Date	4/1/2022	Ryan Nash

2019 Low-Income Housing Tax Credit Application For Reservation

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	15,722,995	0	0	15,042,748
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	2,013,536	0	0	2,013,536
Total Structure	17,736,531	0	0	17,056,284
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	24,075	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	0	0	0	0
o. Site Work	2,260,737	0	0	1,507,158
p. Other Site work	0	0	0	0
Total Land Improvements	2,284,812	0	0	1,507,158
Total Structure and Land	20,021,343	0	0	18,563,442
q. General Requirements	1,653,086	0	0	1,653,086
r. Builder's Overhead (0.0% Contract)	0	0	0	0
s. Builder's Profit (4.0% Contract)	807,677	0	0	807,677
t. Bonds	0	0	0	0
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: Construction	187,142	0	0	187,142
y. Other 2:	0	0	0	0
z. Other 3:	0	0	0	0
Contractor Costs	\$22,669,248	\$0	\$0	\$21,211,347

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	293,747	0	0	293,747
b. Architecture/Engineering Design Fee \$7,124 /Unit)	569,928	0	0	569,928
c. Architecture Supervision Fee \$2,107 /Unit)	168,526	0	0	168,526
d. Tap Fees	172,500	0	0	172,500
e. Environmental	20,223	0	0	20,223
f. Soil Borings	5,778	0	0	5,778
g. EarthCraft/LEED	32,000	0	0	32,000
h. Appraisal	10,000	0	0	10,000
i. Market Study	2,500	0	0	2,500
j. Site Engineering / Survey	228,714	0	0	228,714
k. Construction/Development Mgt	337,053	0	0	337,053
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	267,248	0	0	267,248
n. Construction Interest (5.0% for 26 months)	1,445,175	0	0	1,445,175
o. Taxes During Construction	265,966	0	0	265,966
p. Insurance During Construction	180,564	0	0	180,564
q. Permanent Loan Fee (2.0%)	192,544	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	30,000	0	0	30,000
v. Title and Recording	150,000	0	0	0
w. Legal Fees for Closing	244,630	0	0	127,130
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	159,900			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	225,000	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	726,974	0	0	0
ad. Contingency	1,233,873	0	0	616,936
ae. Security	96,301	0	0	96,301
af. Utilities	192,602	0	0	192,602
(1) Other* specify: Marketing	50,000	0	0	0
(2) Other* specify: Consultants	167,449	0	0	142,449
(3) Other* specify: Proffers	29,840	0	0	0
(4) Other* specify: Construction Inspections	96,301	0	0	96,301
(5) Other* specify: Interest Rate Cap	75,000	0	0	0
(6) Other* specify:	0	0	0	0
(7) Other* specify:	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(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))	\$7,670,336	\$0	\$0	\$5,301,641
Subtotal 1 + 2 (Owner + Contractor Costs)	\$30,339,584	\$0	\$0	\$26,512,988
3. Developer's Fees	3,200,000	0	0	3,000,000
4. Owner's Acquisition Costs				
Land	5,215,607			
Existing Improvements	0	0		
Subtotal 4:	\$5,215,607	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$38,755,191	\$0	\$0	\$29,512,988

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$3,274,415

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

\$484,440 **Meets Limits**
\$261 **Meets Limits**
\$491,771

2019 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	38,755,191	0	0	29,512,988
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	29,512,988
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	8,853,896
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	38,366,884
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		0	0	38,366,884
7. Applicable Percentage <i>(Beginning with 2016 Allocations, use the standard 9% rate.)</i> <i>(For tax exempt bonds, use the most recently published rates.)</i>		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	\$3,453,020
		\$3,453,020 Combined 30% & 70% P. V. Credit		

2019 Low-Income Housing Tax Credit Application For Reservation

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 & Bridge Loan - Equity LP			\$21,335,866	
2.				
3.				
Total Construction Funding:			\$21,335,866	

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. VHDA Debt			\$9,627,187	\$548,168	4.52%	35.00	35.00
2. AHIF	6/15/2018	2/23/2019	\$5,790,000		1.00%		38.00
3. American Legion Seller No	5/1/2018	3/4/2019	\$2,000,000		3.75%		38.00
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$17,417,187	\$548,168			

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

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

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	AHIF	2/23/2019	\$5,790,000
2.	American Legion Seller Note	3/4/2019	\$2,000,000
3.			
4.			
5.			
Total Subsidized Funding			\$7,790,000

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	\$5,180,000
g.	HOME Funds	\$0
h.	Other: AHIF	\$5,790,000
i.	Other: Seller Note	\$2,000,000

Market-Rate Loans

a.	Taxable Bonds	\$4,447,187
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. FALSE Real Estate Tax Abatement on the increase in the value of the development.

b. FALSE **New** project based subsidy from HUD or Rural Development for the greater of 5 or 10% of the units in the development.

c. FALSE Other

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

2019 Low-Income Housing Tax Credit Application For Reservation

R. EQUITY

1. Equity

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

2. Equity Gap Calculation

a. Total Development Cost	\$38,755,191	
b. Total of Permanent Funding, Grants and Equity	-	\$17,417,187
c. Equity Gap		\$21,338,004
d. Developer Equity	-	\$2,138
e. Equity gap to be funded with low-income tax credit proceeds		\$21,335,866

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	TBD		
Contact Person:		Phone:	
Street Address:			
City:	▶ State:	Zip:	
b. Syndication Equity			
i. Anticipated Annual Credits		\$2,270,000.00	
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)		\$0.940	
iii. Percent of ownership entity (e.g., 99% or 99.9%)		99.99000%	
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)		\$0	
v. Net credit amount anticipated by user of credits		\$2,269,773	
vi. Total to be paid by anticipated users of credit (e.g., limited partners)		\$21,335,866	
c. Syndication:	Select?		
d. Investors:	Select?		

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$21,335,866

5. Net Equity Factor

Must be equal to or greater than 85% 93.9999991189%

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>\$38,755,191</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$17,417,187</u>
3. Equals Equity Gap		<u>\$21,338,004</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>93.9999991189%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$22,700,004</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$2,270,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$3,453,020</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$2,270,000</u>
Credit per LI Units	<u>\$28,375.0000</u>	
Credit per LI Bedroom	<u>\$13,926.3804</u>	
	Combined 30% & 70% PV Credit Requested	\$2,270,000

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

T. CASH FLOW

1. Revenue

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

Total Monthly Rental Income for LIHTC Units		\$109,632
Plus Other Income Source (list):	Misc. _____	\$2,178
Equals Total Monthly Income:		\$111,810
Twelve Months		x12
Equals Annual Gross Potential Income		\$1,341,720
Less Vacancy Allowance	6.0%	\$80,503
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$1,261,217

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

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

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

3. Cash Flow (First Year)

a.	Annual EGI Low-Income Units	\$1,261,217
b.	Annual EGI Market Units	\$0
c.	Total Effective Gross Income	\$1,261,217
d.	Total Expenses	\$628,000
e.	Net Operating Income	\$633,217
f.	Total Annual Debt Service	\$548,168
g.	Cash Flow Available for Distribution	\$85,049

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	1,261,217	1,286,441	1,312,170	1,338,413	1,365,182
Less Oper. Expenses	628,000	646,840	666,245	686,233	706,820
Net Income	633,217	639,601	645,925	652,181	658,362
Less Debt Service	548,168	548,168	548,168	548,168	548,168
Cash Flow	85,049	91,433	97,757	104,013	110,194
Debt Coverage Ratio	1.16	1.17	1.18	1.19	1.20

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,392,485	1,420,335	1,448,742	1,477,716	1,507,271
Less Oper. Expenses	728,024	749,865	772,361	795,532	819,398
Net Income	664,461	670,470	676,381	682,185	687,873
Less Debt Service	548,168	548,168	548,168	548,168	548,168
Cash Flow	116,293	122,302	128,213	134,017	139,705
Debt Coverage Ratio	1.21	1.22	1.23	1.24	1.25

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,537,416	1,568,165	1,599,528	1,631,518	1,664,149
Less Oper. Expenses	843,979	869,299	895,378	922,239	949,906
Net Income	693,437	698,866	704,150	709,279	714,242
Less Debt Service	548,168	548,168	548,168	548,168	548,168
Cash Flow	145,269	150,698	155,982	161,111	166,074
Debt Coverage Ratio	1.27	1.27	1.28	1.29	1.30

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

U. Building-by-Building Information

Must Complete

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

Number of BINS: 1

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

DO NOT use the CUT feature

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		80	0	3445 Washington Boulevard		Arlington	VA	22201				\$0				\$0	\$38,366,884	04/01/22	9.00%	\$3,453,020
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
		80	0	Totals from all buildings					\$0			\$0				\$0	\$38,366,884			\$3,453,020

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: Post West Nine Limited Partnership
By: Post West Nine Development Corporation
Its: General Partner

By: 
Its: Nina Janopaul, President
(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
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	5.00
N	0 or 20	0.00
20.10%	Up to 40	40.00
N	0 or 5	0.00
N	0 or 10	0.00
3%	0, 20, 25 or 30	30.00
N	0 or 15	0.00
N	Up to -20	0.00
Y	Up to 20	20.00
Total:		95.00

2019 Low-Income Housing Tax Credit Application For Reservation

3. DEVELOPMENT CHARACTERISTICS:

a. Amenities (See calculations below)			65.87
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)	Y20	0, 10 or 20	20.00
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	8.00
i. Historic Structure	N	0 or 5	0.00
Total:			<u>178.87</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$117,200	\$55,900

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	21.25%	Up to 15	15.00
c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	10.00%	Up to 10	10.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	10.00%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			<u>100.00</u>

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	48.30
b. Cost per unit		Up to 100	12.49
Total:			<u>60.79</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	Y	Up to 45	45.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
Total:			<u>105.00</u>

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

TOTAL SCORE: 604.66

2019 Low-Income Housing Tax Credit Application For Reservation

Amenities:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	22.87
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	8.00
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>65.87</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><u>65.87</u></u>

X. Development Summary

Summary Information

2019 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Post West Nine

Cycle Type: 9% Tax Credits
Allocation Type: New Construction
Total Units: 80
Total LI Units: 80
Project Gross Sq Ft: 128,605.46
Green Certified?: TRUE

Requested Credit Amount: \$2,270,000
Jurisdiction: Arlington County
Population Target: General
Owner Contact: Nina Janopaul

Total Score 604.66

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$17,417,187	\$217,715	\$135	\$548,168

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$20,021,343	\$250,267	\$156	51.66%
General Req/Overhead/Profit	\$2,460,763	\$30,760	\$19	6.35%
Other Contract Costs	\$187,142	\$2,339	\$1	0.48%
Owner Costs	\$7,670,336	\$95,879	\$60	19.79%
Acquisition	\$5,215,607	\$65,195	\$41	13.46%
Developer Fee	\$3,200,000	\$40,000	\$25	8.26%
Total Uses	\$38,755,191	\$484,440		

Total Development Costs	
Total Improvements	\$30,339,584
Land Acquisition	\$5,215,607
Developer Fee	\$3,200,000
Total Development Costs	\$38,755,191

Income	
Gross Potential Income - LI Units	\$1,341,720
Gross Potential Income - Mkt Units	\$0
Subtotal	\$1,341,720
Less Vacancy %	6.00%
Effective Gross Income	\$1,261,217

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$154,666	\$1,933
Utilities	\$105,125	\$1,314
Operating & Maintenance	\$122,868	\$1,536
Taxes & Insurance	\$221,341	\$2,767
Total Operating Expenses	\$604,000	\$7,550
Replacement Reserves	\$24,000	\$300
Total Expenses	\$628,000	\$7,850

Cash Flow	
EGI	\$1,261,217
Total Expenses	\$628,000
Net Income	\$633,217
Debt Service	\$548,168
Debt Coverage Ratio (YR1):	1.16

Proposed Cost Limit/Unit: \$484,440
Applicable Cost Limit/Unit: \$491,771
Proposed Cost Limit/Sq Ft: \$261
Applicable Cost Limit/Sq Ft: \$281

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	14
# of 2BR	49
# of 3BR	17
# of 4+ BR	0
Total Units	80

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	8	8
40% AMI	0	0
50% AMI	32	32
60% AMI	12	12
>60% AMI	28	28
Market	0	0

Income Averaging? TRUE

Extended Use Restriction? 30

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$337.47** Credits/SF = **23.46994** Const \$/unit = **\$283,365.6000**

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

11000
100
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
AVG UNIT SIZE	0.00	924.03	1,231.10	1,379.95	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	14	49	17	0	0	0	0
PARAMETER-(COSTS>=35,000)	0	372,000	465,000	546,375	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS>=50,000)	0	372,000	465,000	546,375	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	372,000	465,000	546,375	0	0	0	0
PROJECT COST PER UNIT	0	311,834	415,462	465,694	0	0	0	0
PARAMETER-(CREDITS>=35,000)	0	28,294	37,725	44,327	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS>=50,000)	0	28,294	37,725	44,327	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	28,294	37,725	44,327	0	0	0	0
PROJECT CREDIT PER UNIT	0	21,687	28,894	32,387	0	0	0	0
COST PER UNIT POINTS	0.00	2.83	6.53	3.14	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	8.17	28.68	11.45	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **12.49**

TOTAL CREDIT PER UNIT POINTS **48.30**

Cost Parameters - Elderly

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

Credit Parameters - Elderly

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

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Parameter - low rise	0	372,000	465,000	546,375	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	372,000	465,000	546,375	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Credit Parameter - low rise	0	28,294	37,725	44,327	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Credit Parameter	0	28,294	37,725	44,327	0	0	0	(

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

Cost Parameters - Elderly

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

Credit Parameters - Elderly

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

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	372,000	465,000	546,375	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	372,000	465,000	546,375	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	28,294	37,725	44,327	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	28,294	37,725	44,327	0	0	0	(

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2019 Low-Income Housing Tax Credit Application For Reservation

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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							
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PARAMETER-(COSTS=>50,000)	0	372,000	465,000	546,375	0	0	0	0
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COST PARAMETER	0	372,000	465,000	546,375	0	0	0	0
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PARAMETER-(CREDITS=>35,000)	0	28,294	37,725	44,327	0	0	0	0
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PARAMETER-(CREDITS=>50,000)	0	28,294	37,725	44,327	0	0	0	0
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CREDIT PER UNIT POINTS	0.00	8.17	28.68	11.45	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **12.49**

TOTAL CREDIT PER UNIT POINTS **48.30**

Cost Parameters - Elderly

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

Credit Parameters - Elderly

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

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Parameter - low rise	0	372,000	465,000	546,375	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	372,000	465,000	546,375	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
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Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Credit Parameter	0	28,294	37,725	44,327	0	0	0	(

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

Cost Parameters - Elderly

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

Credit Parameters - Elderly

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

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	372,000	465,000	546,375	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	372,000	465,000	546,375	0	0	0	(

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	28,294	37,725	44,327	0	0	0	(
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	(
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
Adjusted Cost Parameter	0	28,294	37,725	44,327	0	0	0	(

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Partnership or Operating Agreement

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

POST WEST NINE LIMITED PARTNERSHIP

AGREEMENT OF LIMITED PARTNERSHIP

THIS AGREEMENT OF LIMITED PARTNERSHIP (this "Agreement") is made and entered into as of the 22 day of February, 2019, by and among the undersigned persons (the "Partners") upon the terms and conditions hereinafter set forth.

ARTICLE I

INTRODUCTION

Section 1.1 Affairs of the Partnership. The Partners, consisting of all of the partners of the Partnership, which was formed under the laws of the Commonwealth of Virginia pursuant to that certain Certificate of Limited Partnership filed with the Virginia State Corporation Commission on January 23, 2019, agree that this Agreement shall set forth all of the provisions governing the affairs of the Partnership.

Section 1.2 Defined Terms. The defined terms used in this Agreement shall, unless the context otherwise requires, have the meanings specified in this Section 1.2.

"Act" means the Virginia Revised Uniform Limited Partnership Act, as it may from time to time be amended.

"Additional General Partner" means any Person who is admitted to the Partnership as an Additional General Partner under the provisions of Article V after the date of this Agreement.

"Additional Partner" means any Person who is admitted to the Partnership as a Partner under the provisions of Article VI after the date of this Agreement.

"Adjusted Book Value" means, with respect to any asset, such asset's adjusted basis for federal income tax purposes, with the following exceptions and adjustments:

(i) The initial Adjusted Book Value of any asset contributed to the Partnership by a Partner shall be the fair market value of such asset (unreduced by liabilities secured by such asset) as determined by the contributing Partner and the Partnership and as reflected on Schedule I attached hereto and made a part hereof.

(ii) The Adjusted Book Values of all Partnership assets shall be adjusted to equal their respective fair market values (unreduced by liabilities secured by such assets) as determined by the General Partner, as of the following times: (a) the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimus Capital Contribution; (b) the distribution by the Partnership to a Partner of more than a de minimus amount of Partnership Property as consideration for an interest in the Partnership if the General Partner reasonably determines that such adjustment is

necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership; (c) the liquidation of the Partnership within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g); and (d) any other adjustments in the discretion of the General Partner as allowed under Regulations promulgated under Code Section 704(b), or any successor statute.

(iii) The Adjusted Book Value of any Partnership asset distributed to any Partner shall be the fair market value (unreduced by liabilities secured by such assets) of such asset on the date of distribution.

(iv) The Adjusted Book Values of Partnership assets shall be increased (or decreased) to reflect any adjustment to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulation Section 1.704-1(b)(2)(iv)(m) and Section 7.4 hereof; provided, however, that Adjusted Book Values shall not be adjusted pursuant to this part (iv) to the extent the General Partner determines that an adjustment pursuant to part (ii) is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this part (iv).

(v) The Adjusted Book Value of each asset determined or adjusted pursuant to (i), (ii) or (iv) above shall thereafter be adjusted by the Depreciation taken into account with respect to such asset in computing Profit or Loss.

“Adjusted Capital Account Deficit” means, with respect to any Partner, the deficit balance, if any, in such Partner’s Capital Account as of the end of the relevant taxable year, after giving effect to the following adjustments:

(i) Such deficit shall be decreased by any amounts which such Partner is obligated or is deemed obligated to restore pursuant to Treasury Regulation Sections 1.704-2(g)(i) and 1.704-2(h)(5); and

(ii) Such deficit shall be increased by the items described in Treasury Regulation 1.704-1(b)(2)(ii)(d)(4), (5) and 6.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulation 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“Affiliate” or “Affiliated Person” means, when used with reference to a specified Person (i) any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the specified Person, (ii) any Person who is an officer, Partner, or trustee of, or serves in a similar capacity with respect to, the specified Person, or of which the specified Person is an officer, Partner or trustee, or with respect to which the specified Person serves in a similar capacity, (iii) any Person that, directly or indirectly, is the beneficial owner of 5% or more of any class of equity securities of, or otherwise has a substantial beneficial interest in, the specified Person, or of which the specified Person is directly or indirectly the owner

of 5% or more of any class of equity securities in which the specified Person has a substantial beneficial interest and (iv) any Family Partner of the specified Person.

“Agreement” means this Agreement of Limited Partnership as originally executed and as amended from time to time, as the context requires. Words such as “herein,” “hereinafter,” “hereof,” “hereto,” “hereby” and “hereunder,” when used with reference to this Agreement, refer to this Agreement as a whole unless the context otherwise requires.

“Capital Account” means the Capital Account to be maintained by the Partnership for each Partner in accordance with the following provisions:

(i) A Partner’s Capital Account shall be credited with such Partner’s Capital Contributions, the amount of any Partnership liabilities assumed by such Partner (or which are secured by Partnership Property distributed to such Partner), and such Partner’s distributive share of Profit; and

(ii) A Partner’s Capital Account shall be debited with the amount of money and the fair market value of any Partnership Property distributed to such Partner, the amount of any liabilities of such Partner assumed by the Partnership (or which are secured by Property contributed by such Partner to the Partnership), and such Partner’s distributive share of Loss.

(iii) If any Interest in the Partnership is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it is attributable to the transferred Interest.

It is intended that the Capital Accounts of all Partners shall be maintained in compliance with the provisions of Treasury Regulations Section 1.704-1(b) and all provisions of this Agreement relating to the maintenance of Capital Accounts shall be interpreted and applied in a manner consistent with such Regulations. In the event the General Partner shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Partnership, or Partners), are computed in order to comply with such Regulations, the General Partner may make such modification, provided that it is not likely to have a material effect on the amounts distributable to any Partner pursuant to Article VIII hereof upon the dissolution of the Partnership. The General Partner also shall make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Treasury Regulation Section 1.704-1(b).

“Capital Contribution” means, with respect to any Partner, the amount of money and the initial Adjusted Book Value of any property (other than money) contributed to the Partnership with respect to the Interest held by such Partner.

“Capital Transaction” means the sale, refinancing or other disposition of the Partnership’s interest in the Project.

“Code” means the Internal Revenue Code of 1986, as amended (or any corresponding provision of succeeding law).

“Depreciation” means, for each taxable year of the Partnership (or other period for which Depreciation must be computed), an amount equal to the depreciation, amortization or cost recovery deduction allowable with respect to the Partnership’s assets for such period, except that if the Adjusted Book Value of any asset differs from its adjusted basis for federal income tax purposes at the beginning of any such period, the Depreciation with respect to such asset shall be an amount which bears the same ratio to the beginning Adjusted Book Value of such asset as the federal income tax depreciation, amortization or cost recovery deduction allowable with respect to such asset for such period bears to such asset’s adjusted tax basis at the beginning of such period; provided, however, that if the federal income tax depreciation, amortization, or cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Adjusted Book Value using any reasonable method selected by the General Partner.

“Disability” shall mean mental disability, senility, insanity or other mental disease.

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

“Family Partner” means, with respect to any individual, his spouse, brothers, sisters, ancestors, and descendants.

“General Partner” means Post West Nine Development Corporation, a Virginia corporation, or any Person who succeeds it in that capacity in accordance with the provisions of this Agreement.

“Insolvency” means, with respect to any Person, any of the following: (i) making an assignment for the benefit of creditors; (ii) filing a voluntary petition in bankruptcy; (iii) being adjudged bankrupt or insolvent or having entered against such Person an order of relief in any bankruptcy or insolvency proceedings; (iv) filing a petition or answer seeking for such Person any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation; (v) filing an answer or other pleading admitting or failing to contest the material allegations of a petition filed against such Person seeking any reorganization, arrangement, composition, readjustment, liquidation, or dissolution of such Person, or any similar relief under any statute, law or regulation; (vi) seeking, consenting to, or acquiescing in, the appointment of a trustee, receiver or liquidator of all or any substantial part of such Person’s properties; or (vii) the continuation of any proceeding against such Person seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law or regulation, for 120 days after the commencement thereof or the appointment of a trustee, receiver, or liquidator for all or any substantial part of such Person’s properties without such Person’s agreement or acquiescence, which appointment is not vacated or stayed for 120 days or, if the appointment is stayed, for 120 days after the expiration of the stay during which period the appointment is not vacated.

“Interest” means the entire ownership interest (which may be segmented into and/or expressed as a percentage of various rights and/or liabilities) of a Partner in the Partnership at any particular time, including the right of such Partner to any and all benefits to which a Partner may be entitled as provided in this Agreement and in the Act, together with the obligations of such Partner to comply with all the terms and provisions of this Agreement and of the Act.

“Major Decisions” shall have the meaning set forth in Section 4.3(B) hereof.

“Net Cash Flow” means all cash funds of the Partnership on hand at a given time (other than cash funds obtained as contributions to the capital of the Partnership by the Partners and cash funds obtained from loans to the Partnership) after (i) payment of all operating expenses of the Partnership as of such time, (ii) provision for payment of all outstanding and unpaid current obligations of the Partnership as of such time, and (iii) provision for any reserves to be held pursuant to this Agreement.

“Net Cash from Capital Transactions” means the net cash proceeds from Capital Transactions, less any portion thereof used to pay debts and liabilities of the Partnership (including debts and liabilities payable to the General Partner) or to establish reserves, all as determined by the General Partner.

“Nonrecourse Liability” has the meaning set forth in Treasury Regulation Section 1.704-2(b)(3).

“Notification” or “Notice” means a writing, containing the information required by this Agreement to be communicated to any person, delivered in person, sent by registered or certified mail, postage prepaid, by overnight courier or by electronic mail, to such person at the address set forth on Schedule I, the date of registry thereof or the date of the certification thereof being deemed the date of receipt of Notification; provided, however, that any written communication containing such information sent to such person and actually received by such person shall constitute Notice for all purposes of this Agreement.

“Partner” means a Person designated as a Partner in the Partnership as set forth on Schedule I, as such Schedule may be amended from time to time.

“Partner Minimum Gain” means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i).

“Partner Nonrecourse Debt” has the meaning set forth in Section 1.704-2(b)(4) of the Treasury Regulations.

“Partner Nonrecourse Deductions” has the meaning set forth in Section 1.704-2(i)(2) of the Treasury Regulations. The amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Partnership fiscal year equals the excess, if any, of the net increase,

if any, in the amount of Partner Minimum Gain attributable to such Partner Nonrecourse Debt during that fiscal year over the aggregate amount of any distributions during that fiscal year to the Partner that bears the economic risk of loss for such Partner Nonrecourse Debt to the extent such distributions are from the proceeds of such Partner Nonrecourse Debt and are allocable to an increase in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-(2)(i)(2) of the Regulations.

“Partnership” means Post West Nine Limited Partnership, a Virginia limited partnership.

“Partnership Minimum Gain” has the meaning set forth in Regulations Sections 1.704-2(b)(2) and 1.704-2(d), or any corresponding provision of succeeding Regulations.

“Partnership Nonrecourse Deductions” has the meaning set forth in Regulation Section 1.704-2(b)(1) and 1.704-2(c). The amount of Partnership Nonrecourse Deductions for a Partnership’s fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain during that fiscal year, determined according to the provisions of Regulation Section 1.704-2(c).

“Percentage Interests” means each Partner’s percentage of the total interests of the Partnership, as set forth opposite the name of such Partner under the column “Percentage Interests” on Schedule I attached hereto, as such percentage may be adjusted from time to time pursuant to the terms hereof.

“Person” means any individual or Entity.

“Profit” and “Loss” mean, for each taxable year of the Partnership (or other period for which Profit or Loss must be computed) the Partnership’s taxable income or loss determined in accordance with Section 703(a) of the Code, with the following adjustments:

(i) All items of income, gain, loss, deduction, or credit required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in computing Partnership taxable income or loss; and

(ii) Any tax-exempt income of the Partnership, not otherwise taken into account in computing Profit or Loss, shall be included in computing taxable income or loss; and

(iii) Any expenditures of the Partnership described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulations Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be subtracted from taxable income or loss; and

(iv) In lieu of the depreciation, amortization or cost recovery deductions allowable in computing taxable income or loss there shall be taken into account the Depreciation computed in accordance with the definition of Depreciation set forth above; and

(v) In the event the Adjusted Book Value of any Partnership asset is adjusted pursuant to parts (ii) or (iii) of the definition of Adjusted Book Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses; and

(vi) Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Adjusted Book Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Adjusted Book Value; and

(vii) Notwithstanding any other provision of this definition of Profit and Loss, any items which are specially allocated pursuant to Section 7.4 hereof shall not be taken into account in computing Profits or Losses.

“Project” means a project consisting of residential rental apartment units located in Arlington County, Virginia, to be acquired, owned, operated and/or disposed of by the Partnership, to be known as “Post West Nine.”

“Regulations” or “Treasury Regulations” means the federal income tax regulations promulgated under the Code, as amended from time to time and including corresponding provisions of succeeding regulations.

“Schedule” means Schedule I annexed hereto as amended from time to time and as so amended at the time of reference thereto.

“Substitute Partner” means any Person who is admitted to the Partnership as a Substitute Partner under the provisions of Article VI after the date of this Agreement.

“Successor General Partner” means any Person admitted as a Successor General Partner to the Partnership under the provisions of Article V after the date of this Agreement.

“Tax Matters Partner” means the General Partner designated in Section 4.7 hereof as the tax matters partner as defined in Section 6231(a)(7) of the Code.

ARTICLE II

NAME, PURPOSE AND TERM

Section 2.1 Place of Business and Office; Resident Agent. The principal office of the Partnership shall be 4318 N. Carlin Springs Road, Arlington, VA 22203. The name and address of the resident agent are Nina Janopaul, 4318 N. Carlin Springs Road, Arlington, Virginia 22203. The General Partner may at any time change the location of such principal office and shall give due notice of any such change to the Partners.

Section 2.2 Purpose. The purpose of the Partnership is to acquire, finance, and operate and dispose of the Project, and to do all things necessary, convenient or incidental thereto. In addition, the Partnership may engage in and do any act concerning any or all lawful businesses for which partnerships may be organized according to the Act.

Section 2.3 Applications, Permits and Approvals. The Partnership is hereby authorized to make application for certificates of need, licenses, zoning and subdivision approvals, building permits and any other permits or approvals required under federal, state or local laws applicable to the Project to authorize the acquisition, construction and operation of the Project. Any and all acts taken on behalf of the Partnership in furtherance of obtaining such approvals are hereby ratified, confirmed and approved.

Section 2.4 Term. The Partnership shall be deemed to exist as of the date its Certificate of Limited Partnership is filed, and the duration of the Partnership shall be perpetual unless the Partnership is sooner dissolved in accordance with the provisions of this Agreement.

Section 2.5 Maintenance of Partnership as a Limited Liability Partnership. The General Partner shall take all necessary actions to maintain the Partnership as a limited partnership under the Act.

ARTICLE III

PARTNERS' CAPITAL

Section 3.1 General Partner. The name, address and amount of the initial Capital Contribution (paid in full) of the General Partner in its capacity as such are set forth on the Schedule.

Section 3.2 Other Partners. The name, address and amount of the initial Capital Contributions of the Partners (other than the General Partner) are set forth on the Schedule.

Section 3.3 Partnership Capital.

A. The capital of the Partnership shall be the amounts contributed by the Partners.

B. No Partner shall receive any interest, salary or drawing with respect to his Capital Contribution or his Capital Account or for services rendered on behalf of the Partnership or otherwise in his capacity as a Partner except as specifically provided in this Agreement.

C. Except as otherwise provided in this Agreement, no Partner shall have the right to withdraw or receive any return of his Capital Contribution. Under circumstances requiring a return of any Capital Contribution, no Partner shall have any right to receive any funds or property of the Partnership except as may be specifically provided in this Agreement.

Section 3.4 Loan by Partners. If any Partner shall loan any monies to the Partnership, the amount of any such loan shall not be an increase in his share of the distributions of the Partnership; but the amount of any such loan shall be an obligation of the Partnership to such Partner, and shall be repaid with interest equal to the General Partner's cost of funds, and on such other reasonable terms as the General Partner shall determine.

Section 3.5 Liability of Partners. No Partner shall be personally liable for any liabilities, contracts, or obligations of the Partnership. A Partner's liability is limited to the amount of Capital Contributions made or required to be made by any such Partner pursuant to this Agreement. After his Capital Contributions have been fully paid, no Partner shall be required to make any further Capital Contributions or lend any funds to the Partnership or act as guarantor or indemnitor with respect to any Partnership liabilities or obligations except as otherwise required by the Act. The General Partner shall not have any personal liability for the repayment of the Capital Contributions of any other Partner. The obligation of any Partner to make any Capital Contribution shall be an obligation to the Partnership only and shall not inure to the benefit of, or be enforceable by any third party.

ARTICLE IV

RIGHTS, POWERS AND DUTIES OF THE GENERAL PARTNER

Section 4.1 Authorized Acts.

A. Subject to the provisions of this Agreement and in furtherance of the purpose of the Partnership as set forth in Section 2.2 hereof, the General Partner for, in the name of, and on behalf of the Partnership is hereby authorized:

(i) To acquire by purchase, lease or otherwise any interest in real or personal property or in any other partnership, corporation or other business entity, which may be necessary, convenient or incidental to the accomplishment of the purpose of the Partnership.

(ii) To construct, rehabilitate, demolish, rebuild, repair, operate, maintain, finance and improve, and to own, or to sell, convey, assign, mortgage or lease, any or all of the real estate and any personal property necessary, convenient or incidental to the accomplishment of the purpose of the Partnership.

(iii) To borrow money and issue evidences of indebtedness in furtherance of the purpose of the Partnership, and to secure the same by mortgage, pledge or other lien on any assets of the Partnership.

(iv) To prepay in whole or in part, refinance, recast, increase, modify or extend any mortgages affecting the assets of the Partnership and in connection therewith to execute any extensions, renewals or modifications of any such mortgages on the assets of the Partnership.

(v) To employ a management company, which may be the General Partner or an Affiliate thereof, to manage the assets of the Partnership and to authorize the

Partnership to pay reasonable compensation for such services, provided the Managing Partners (if more than one) shall act unanimously in connection therewith.

(vi) To execute any note, mortgage and/or loan agreement in order to secure a loan to the Partnership which note, mortgage and/or loan agreement may contain provision for the confession of judgment on behalf of the Partnership without the need to obtain any additional or further consent or approval of any Partner.

(vii) To enter into any kind of activity and to perform and carry out contracts of any kind necessary to or in connection with, or incidental to the accomplishment of the purpose of the Partnership (or to employ any other entity, including a company which is owned wholly or partially by any one or more Affiliated Persons or which is an Affiliate of a General Partner, to undertake the foregoing on commercially reasonable, arms-length terms), so long as said activities and contracts may be lawfully carried on or performed by a limited partnership under the laws of the Commonwealth of Virginia.

(viii) To undertake the activities authorized by Section 2.3 of this Agreement.

(ix) To set up any reserves as described in this Agreement.

(x) To execute and deliver all notes, guaranties, agreements, documents and certificates required by any lender in connection with the financing or refinancing or modification of financing of the Project.

Section 4.2 Management of Partnership Business.

A. The business and affairs of the Partnership shall be managed under the direction and control of the General Partner who shall devote such of its time and services as the General Partner in its absolute discretion deems necessary.

B. Each of the Partners hereby agrees that any Partner may engage in and/or possess an interest in other business ventures of every nature and description, independently or with others, including, but not limited to, the ownership, financing, leasing, operation, management and development of real property.

C. The General Partner shall be reimbursed by the Partnership for all reasonable expenses incurred by it in connection with the business of the Partnership, but shall receive no salary or other compensation for serving as General Partner except as unanimously agreed to by the Partners.

D. The General Partner will take all reasonable steps to assure that the Partnership is classified as a partnership for tax purposes.

Section 4.3 Business Control.

A. No Partner other than the General Partner shall participate in or have any control over the Partnership business. The Partners hereby consent to the exercise by the General Partner of the powers conferred on it by this Agreement and to the employment, when and if in the discretion of the General Partner the same is deemed necessary or advisable, of such brokers, agents or attorneys as the General Partner may determine (notwithstanding that any parties to this Agreement may have an interest in, or be one of, such brokers, agents or attorneys). No Partner other than the General Partner shall have any authority or right to act for or bind the Partnership.

B. Major Decisions. The following major decisions (“Major Decisions”) require the consent of all non-General Partners, and the Partnership shall not take any of the following actions without the prior approval of all non-General Partners (which approval shall not be unreasonably withheld, conditioned or delayed) of the specific action, including the form of instrument, parties involved or any other matter relating to such action:

- (i) Admitting a new Partner to the Partnership;
- (ii) Selling any of the assets of the Partnership (other than in the ordinary course of business in furtherance of the purpose of the Partnership);
- (iii) Leasing or otherwise encumbering any of the Partnership’s real property (other than residential and commercial leases in the ordinary course of business in furtherance of the purpose of the Partnership);
- (iv) Amending this Agreement in any manner;
- (v) Dissolving, liquidating or winding-up the affairs of the Partnership;
- (vi) Acquiring any real property (other than the Project as provided herein) or any interest in any entity;
- (vii) Entering into any merger, consolidation or restructuring of the Partnership;
- (viii) Initiating any proceeding under the Federal Bankruptcy Code or any similar law relating to the protection of creditors, or consent to the initiation against it of any such proceeding;
- (ix) Issuing any debt that is convertible into equity in the Partnership; or
- (xi) Borrowing money and issuing evidences of indebtedness in furtherance of the purpose of the Partnership, and to secure the same by mortgage, pledge or other lien on any assets of the Partnership.

Section 4.4 Duties and Obligations of the General Partner.

A. The General Partner shall take all action which may be necessary or appropriate for the continuation of the Partnership's existence as a partnership under the Act.

B. The General Partner shall at all times conduct its affairs and the affairs of the Partnership in such a manner that the Partners will not have any personal liability for Partnership debts except for said Partners' Capital Contributions. The General Partner shall manage the activities of the Partnership in a manner consistent with the purpose and goals of the Partnership.

C. The General Partner from time to time shall prepare and file any amendment to the Articles as it deems necessary to accurately reflect the agreement of the Partners, the identity of the Partners, the amount of their respective Capital Contributions and any matters required by the Act to be reflected in an amendment to the Articles.

D. Subject to the other provisions herein, the General Partner shall prepare or cause to be prepared, and shall file, on or before the due date (or any extension thereof), any federal, state or local tax returns required to be filed by the Partnership. The General Partner shall cause the Partnership to pay any taxes payable by the Partnership to the extent the same are not payable by any other party.

E. The General Partner shall be under a fiduciary duty to conduct the affairs of the Partnership in the best interests of the Partnership, including the safekeeping and use of all Partnership funds and assets and the use thereof for the benefit of the Partnership. The General Partner shall at all times act in good faith and exercise due diligence in all activities relating to the conduct of the business of the Partnership.

Section 4.5 Liability of General Partner to Other Partners. The General Partner shall not be liable, responsible or accountable in damages or otherwise to any other Partner for any act performed by it in good faith and within the scope of the authority conferred on it by this Agreement, except for acts of malfeasance, intentional and willful misconduct or gross negligence, damages arising from any material misrepresentation, or breach of a warranty to, or an agreement with, the Partnership.

Section 4.6 Indemnification.

The Partnership shall indemnify and save harmless the General Partner against any claims or liability incurred by it provided that the acts or omissions giving rise to such claims or liabilities were performed in good faith and within the scope of its authority under this Agreement, except for acts of malfeasance, intentional and willful misconduct or gross negligence or for damages arising from any material misrepresentation, breach of warranty, or for damages arising from a breach of any other agreement with the Partnership, provided that any indemnity under this Section shall be provided out of and to the extent of Partnership assets only. Nothing contained in this paragraph shall be construed as imposing any liability on any Partner.

Section 4.7 Tax Matters Partner. The General Partner is hereby designated to serve as the Partnership's "Tax Matters Partner" and shall have all of the powers and responsibilities of such position as provided in Sections 6221 et seq. of the Code. Reasonable expenses incurred by the Tax Matters Partner directly relating to its performance of services as Tax Matters Partner will be borne by the Partnership. Each Partner who elects to participate in any administrative proceeding, as permitted by Sections 6221 et seq. of the Code, will be responsible for any expenses incurred by such Partner in connection with such participation and for any additional costs and expenses incurred by the Partnership due to such participation. Further, the cost of any adjustments to a Partner and the cost of any resulting audits of or adjustment to a Partner's tax return will be borne solely by the affected Partner.

Section 4.8 Right of First Refusal. On the date of or prior to the closing of the debt and equity financing for the Project, the General Partner shall grant to Arlington Partnership for Affordable Housing, Inc., a right of first refusal with the respect to the purchase of the Project after the end of the low-income housing tax credit compliance period, in order to satisfy the requirement of Section 42(i)(7) of the Code.

ARTICLE V

TRANSFERABILITY OF GENERAL PARTNER'S INTEREST

Section 5.1 Transfer of General Partner's Interest; Withdrawal by General Partner.

A. A General Partner may not withdraw or retire from the Partnership or sell, transfer or assign its interest as General Partner except after complying with the provisions of Section 5.1(D) and only with the prior consent of all of the Partners.

B. If a General Partner withdraws or retires from the Partnership or sells, transfers or assigns its entire interest pursuant to Section 5.1(A), it shall be and shall remain liable for all obligations and liabilities incurred by it as General Partner before such withdrawal, sale, transfer or assignment shall have become effective, but shall be free of any obligation or liability incurred on account of the activities of the Partnership from and after the time of such withdrawal, sale, transfer or assignment shall have become effective. In addition, a General Partner who withdraws or retires in violation of this Agreement shall also be, and remain, liable to the Partnership and its Partners for damages resulting from the General Partner's breach of this Agreement; and, without limitation of remedies the Partnership may offset such damages against any amounts otherwise owed or distributable to the withdrawing General Partner.

C. The personal representatives, successors or assigns of any General Partner shall be, and remain, liable for all obligations and liabilities incurred by the General Partner prior to, or in connection with, his retirement or withdrawal.

D. A General Partner may withdraw from the Partnership pursuant to Section 5.1(A) only upon meeting the following further requirements:

(i) Any substitute General Partner(s) has (have) sufficient net worth and meet(s) all other published requirements of the Internal Revenue Service necessary to assure that the Partnership will continue to be classified as a partnership for federal income tax purposes;

(ii) The withdrawal of the General Partner is in conformity with the Act and none of the actions taken in connection with such withdrawal will cause the termination or dissolution of the Partnership or will cause it to be classified other than as a partnership for federal income tax purposes; and

(iii) A substitute General Partner is admitted in compliance with the requirements of Section 5.2.

E. In the event of the withdrawal of a General Partner who is not then the sole General Partner, the Partnership shall be continued by the remaining General Partner or Managing Partners, who shall make and file such amendments to this Agreement and to the Articles as are required by the Act to reflect the fact that the withdrawn General Partner has ceased to be a General Partner of the Partnership.

F. In the event of the withdrawal of a sole General Partner, the withdrawn General Partner, or its successors, representatives, heirs or assigns shall promptly give Notification of such withdrawal to all Partners. In such event, the Partnership shall be dissolved unless within 90 days after the withdrawal of the sole General Partner, the remaining Partner or Partners unanimously consent in writing to continue the Partnership and to the appointment, effective as of the date of withdrawal of the sole General Partner, of one or more Successor Managing Partners.

G. Upon the retirement or withdrawal of a General Partner: (i) such retiring or withdrawing General Partner shall immediately cease to be a General Partner of the Partnership and such retiring or withdrawing General Partner shall no longer participate in the management of the Partnership; and (ii) the General Partner's Interest shall be converted to that of a Partner which is not a General Partner, with the same right to participate in allocations of Profit or Loss and in distributions of the Partnership as prior to the conversion.

H. The General Partner may at any time designate additional persons to be Managing Partners, whose interest in the Partnership shall be such as agreed upon by the General Partner and such Additional General Partner, provided that the interest of the other Partners shall not be affected thereby. Such additional persons shall become successor or Additional Managing Partners only upon meeting the conditions provided in Section 5.2.

Section 5.2 Admission of a Successor or Additional General Partner. A person shall be admitted as a General Partner of the Partnership only if the following terms and conditions are satisfied:

A. The admission of such persons shall have been consented to by the General Partner and all of the Partners;

B. The successor and additional person shall have accepted and agreed to be bound by all the terms and provisions of this Agreement, by executing such documents or instruments that may be required or appropriate to effect the admission of such person as a General Partner and, where appropriate, such documents shall have been filed for recordation and all other actions required in connection with such admission shall have been performed;

C. If a successor or additional person is a corporation, it shall have provided the Partnership with satisfactory evidence of its authority to become a General Partner and to be bound by the terms and provisions of this Agreement; and

D. The admission of the successor or additional person is in conformity with the Act and none of the actions taken in connection with the admission of the successor person will cause the termination or dissolution of the Partnership, or will impair the limited liability of the Partners, or will cause the Partnership to be classified other than as a partnership for federal income tax purposes under the rules and regulations of the Internal Revenue Service promulgated at that time.

ARTICLE VI

TRANSFERABILITY OF PARTNER INTERESTS AND REPRESENTATIONS OF PARTNERS

Section 6.1 Withdrawal or Retirement. No Partner may withdraw or retire from the Partnership, or receive a return of his or its contributions, without the consent of the General Partner.

Section 6.2 Amended Agreement and Articles. Any transfer or change of any Partner's interest in the Partnership must be reflected in an appropriate amendment to this Agreement and when appropriate, to the Articles, and the General Partner shall be obligated to file any amendment to the Articles.

Section 6.3 Representations of Partners.

A. Each of the Partners severally represents and warrants to the Partnership and the General Partner as follows:

(i) Such Partner is acquiring his or its interest for his or its own account for investment and not with a view to, or for sale in connection with, any distribution thereof, nor with any present intention of distributing or selling the same; and, except as contemplated by this Agreement such Partner has no present or contemplated agreement, undertaking, arrangement, obligation, indebtedness or commitment providing for the disposition thereof.

(ii) Such Partner has full power and authority to enter into and to perform this Agreement in accordance with its terms.

(iii) Such Partner has conducted its own inquiry concerning the Partnership, its business and its personnel as such Partner has deemed appropriate; the Partnership has made available to such Partner any and all written information which he or it has requested and have answered to such Partner's satisfaction all inquiries made by such Partner; and such Partner has adequate net worth and means of providing for his or its current needs and personal contingencies to sustain a complete loss of his or its investment in the Partnership; such Partner's overall commitment to investments which are not readily marketable is not disproportionate to his or its net worth and such Partner's investment in the Partnership will not cause such overall commitment to become excessive.

ARTICLE VII

ALLOCATIONS AND DISTRIBUTIONS TO PARTNERS

Section 7.1 Allocations of Profit and Loss.

A. After giving effect to the special allocations set forth in Section 7.4 hereof, Profit shall be allocated as follows:

(i) If one or more Partners have a negative Capital Account, to such Partners, in proportion to their negative Capital Accounts, until all such negative Capital Accounts have been increased to zero. This allocation shall offset against any allocation pursuant to Section 7.1(A)(ii) - (iv) hereof to the extent necessary to maintain Capital Account balances which conform to the desired distributions pursuant to Sections 7.2, 7.3 and 8.2 hereof.

(ii) Pro rata among the Partners on a cumulative basis based upon and up to the amount of Loss allocated to the Partners pursuant to Section 7.1(B)(iii) hereof.

(iii) Pro rata among the Partners on a cumulative basis based upon and up to the amount of Loss allocated pursuant to Section 7.1(B)(ii) hereof.

(iv) Any remaining Profit shall be allocated among the Partners in proportion to their Partnership Interests.

B. After giving effect to the special allocations set forth in Section 7.4 hereof, Loss shall be allocated as follows:

(i) Pro rata among the Partners on a cumulative basis based on and up to the amount of Profits allocated previously to the Partners pursuant to Section 7.1(A)(iv) hereof.

(ii) Pro rata among the Partners based upon and up to the amount of their Capital Contributions on a cumulative basis.

(iii) Any remaining Loss shall be allocated among the Partners in proportion to their Partnership Interests.

C. For the purposes of this Agreement, in the event of the transfer of all or any part of an Interest (in accordance with the provisions of this Agreement) at any time other than the end of a Partnership accounting year, the distributive share of the Profit or Loss from Partnership operations and Depreciation of the Partnership in respect of the Partnership interest so transferred shall be allocated between the transferor and the transferee in the same ratio as the number of days in such Partnership accounting year before and after such transfer, except that the provisions of this sentence shall not be applicable to a gain or loss arising from a Capital Transaction. Gain or loss from any such Capital Transaction shall be allocated on the basis of Partnership Interests on the date the gain is realized or the loss incurred, as the case may be.

D. The allocations set forth in this Article VII are solely for the benefit of the Partners hereof and are not for the benefit of, nor do they create any rights on behalf of, any creditors of the Partnership.

Section 7.2 Distributions of Net Cash Flow. The Net Cash Flow of the Partnership for each calendar quarter or fraction thereof shall be distributed to the Partners as soon as practicable after the end of such calendar year to the Partners, pro rata, based on their Partnership Interests in the Partnership. In calculating Net Cash Flow, the General Partner shall have the right to set aside reserves in such amounts as the General Partner may determine to be necessary for current or future needs of the Partnership.

Section 7.3 Distributions of Net Cash from Capital Transactions. The Net Cash from Capital Transactions (other than a Capital Transaction which causes a dissolution and liquidation of the Partnership, which shall be governed by Section 8.2), shall be distributed to the Partners as soon as practicable to the Partners, pro rata, based on their Partnership Interests in the Partnership. In calculating Net Cash from Capital Transactions, the General Partner shall have the right to set aside reserves in such amounts as the General Partner may determine to be necessary for current or future needs of the Partnership.

Section 7.4 Special Allocations of Items in the Nature of Income or Gain.

A. Except as provided in Section 7.4(C) hereof, if any Partner unexpectedly receives any adjustment, allocation or distribution described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Partner as quickly as possible. This Section 7.4(A) is intended to comply with the qualified income offset requirement in Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistent therewith.

B. Except as provided in Sections 7.4(C) and (D) hereof, in the event any Partner has a deficit Capital Account at the end of any Partnership fiscal year which is in excess of such Partner's Adjusted Capital Account Deficit, each such Partner shall be specially allocated

items of Partnership income and gain in the amount of such excess for such year (and, if necessary, subsequent years) as quickly as possible.

C. Notwithstanding any other provision of this Article VII, if there is a net decrease in Partnership Minimum Gain during any Partnership fiscal year, each Partner shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to the greater of (i) the portion of such Partner's share of the net decrease in Partnership Minimum Gain, determined in accordance with Regulations Section 1.704-2(g), that is allocable to the disposition of all or a portion of the Project subject to Nonrecourse Liabilities, determined in accordance with Regulations Section 1.704-2(f), or (ii) if such Partner would otherwise have an Adjusted Capital Account Deficit at the end of such year, an amount sufficient to eliminate such Adjusted Capital Account Deficit. Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Section 1.704-2(f)(6) of the Treasury Regulations. This Section 7.4(C) is intended to comply with the minimum gain chargeback requirement in such Section of the Treasury Regulations and shall be interpreted consistently therewith. To the extent permitted by such Section of the Treasury Regulations and for purposes of this Section 7.4(C) only, each Partner's Adjusted Capital Account Deficit shall be determined prior to any other allocations pursuant to this Article VII with respect to such fiscal year and without regard to any net decrease in Partner Minimum Gain during such fiscal year.

D. Notwithstanding any other provision of this Article VII except Section 7.4(C), if there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership fiscal year, each Partner who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to the greater of (i) the portion of such Partner's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(4), or (ii) if such Partner would otherwise have an Adjusted Capital Account Deficit at the end of such year, an amount sufficient to eliminate such Adjusted Capital Account Deficit. Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Section 1.704-2(i)(4) of the Treasury Regulations. This Section 7.4(D) is intended to comply with the minimum gain chargeback requirement in such Section of the Treasury Regulations and shall be interpreted consistently therewith. Solely for purposes of this Section 7.4(D), each Person's Adjusted Capital Account Deficit shall be determined prior to any other allocations pursuant to this Article VII with respect to such fiscal year, other than allocations pursuant to Section 7.4(C) hereof.

E. Any Partner Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(f)(i).

F. Partnership Nonrecourse Deductions for any fiscal year or other period shall be allocated in the same manner as Losses are allocated pursuant to Section 7.1(B) hereof.

G. Notwithstanding anything to the contrary contained herein, in each taxable year of the Partnership, the General Partner shall be allocated at least 0.01% of each material item of Partnership income, gain, loss, deduction and credit.

H. To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the General Partner and the other Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

I. Any special allocations pursuant to Sections 7.4(A) through 7.4(F) hereof shall be taken into account in computing subsequent allocations of Profits or Losses pursuant to this Article VII, so that the net amount of any items so allocated and the Profits, Losses and all other items allocated to each Partner pursuant to this Article VII shall, to the extent possible, be equal to the net amount that would have been allocated to each such Person pursuant to the provisions of this Article VII if such special allocations had not been required.

J. It is the intent of the Partners that Profit and Loss be allocated in a manner which will conform to the Treasury Regulations promulgated pursuant to Code Section 704(b) (the "704(b) Regulations") and that Partnership distributions be made in the priorities set forth herein. In the event that adherence to the allocation formulas set forth in Section 7.1 hereof does not result in compliance with the 704(b) Regulations, the General Partner, upon advice of counsel, may reallocate Profits and Losses in such a manner as to conform with the 704(b) Regulations while distributing Net Cash Flow pursuant to Section 7.2 hereof.

K. Except as otherwise provided in this Agreement, all items of Partnership income, gain, loss, deduction and any other allocations not otherwise provided for shall be divided among the General Partner and the other Partners in the same proportions as they share Profits and Losses, as the case may be, for the year.

ARTICLE VIII

DISSOLUTION, LIQUIDATION AND TERMINATION OF THE PARTNERSHIP

Section 8.1 Events Causing Dissolution. The Partnership shall dissolve upon the happening of any of the following events:

A. the sale of the entire Project or of substantially all of the assets of the Partnership (excepting (a) a disposition of the Project which qualifies, in whole or in part, under Section 1031 or Section 1033 of the Code or (b) a sale in which the Partnership receives purchase money financing in which case the Partnership shall dissolve upon receipt of final payment thereunder);

B. the death, Disability, Insolvency, retirement or withdrawal of a sole General Partner unless the Partnership is continued pursuant to Section 5.1(F);

C. the election to dissolve the Partnership made in writing by the Partners whose total Percentage Interests, as shown on the Schedule attached hereto, represent at least 80% of the Percentage Interests of all Partners; or

D. the happening of any other event causing dissolution of the Partnership under the Act.

Dissolution of the Partnership shall be effective on the day on which the event occurs giving rise to the dissolution. Articles of Dissolution may be filed under the Act at any time after the dissolution but before the completion of winding up of the Partnership. In any event, the Partnership shall not terminate until the assets of the Partnership have been distributed as provided in Section 8.2.

Section 8.2 Liquidation and Distributions on Dissolution.

A. As soon as practical after the dissolution of the Partnership, the General Partner shall give Notification to all the Partners of such fact and shall prepare a plan as to whether and in what manner the assets of the Partnership shall be liquidated. With the consent of the Partners, the assets of the Partnership, subject to its liabilities, may be transferred to a successor entity, upon such terms and conditions as are then agreed upon.

B. If the Partners fail to agree to transfer the assets of the Partnership, subject to its liabilities, to a successor entity pursuant to Section 8.2(A) upon dissolution of the Partnership, the General Partner (or any Partner if there be no General Partner) shall take full account of the Partnership's liabilities and property and the Partnership shall be liquidated as promptly as is consistent with obtaining the fair market value thereof, and the net proceeds shall be applied and distributed in the following order:

(i) First, to the payment of debts and liabilities of the Partnership other than loans or other debts and liabilities of the Partnership to Partners;

(ii) Second, to the setting up of any reserves which the General Partner or the liquidator deems reasonably necessary for contingent, unmatured or unforeseen liabilities or obligations of the Partnership;

(iii) Third, to the repayment of any unrepaid loans theretofore made by the Partners to the Partnership and to the payment of any unpaid amounts owing to the General Partner or its Affiliates under this Agreement; and

(iv) Fourth, to the Partners, pro rata based on their Partnership Interests, as shown on the Schedule.

C. If any Partner has a deficit balance in his Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including the year during which such distribution occurs), such Partner shall have no obligation to make any contribution to the capital of the Partnership with respect to such deficit, except in accordance with Section 8.2(D) below.

D. At any time or from time to time after the date hereof, any Partner may, by written notice to the Partnership, obligate itself to restore up to a dollar amount specified in such notice (the "Restoration Amount") of any negative balance which would be standing in its Capital Account following the liquidation and winding-up of the Partnership or the liquidation of the Partner's Interest in the Partnership and the making of all Capital Account adjustments required in connection therewith, provided the Restoration Amount specified by a Partner shall be reasonable in light of the financial and business condition and equity value of such Partner. In the event a Partner so obligates itself to restore the Restoration Amount, the Partners agree (i) that for the purposes of this Agreement such Partner shall be deemed to be irrevocably obligated to restore the negative balance standing in its Capital Account in an amount up to the Restoration Amount, and (ii) upon the liquidation and winding-up of the Partnership or the liquidation of such Partner's Interest in the Partnership, as the case may be, if, after taking into account all distributions of liquidation proceeds and other Capital Account adjustments for the taxable year of the Partnership during which the liquidation and winding-up of the Partnership or liquidation of such Partner's Interest in the Partnership occurs, as the case may be, such Partner has a negative balance in its Capital Account, that Partner shall be unconditionally obligated to restore to the Partnership an amount equal to the lesser of the Restoration Amount or the negative balance standing in his or its Capital Account, on or prior to the end of the taxable year of the Partnership during which the liquidation of the Partnership or such Partner's Interest in the Partnership occurs (or, if later, within ninety (90) days after the date of such liquidation). Any such contributed amounts shall be applied and distributed in the manner described in Section 8.2(B) hereof.

ARTICLE IX

BOOKS AND RECORDS; ACCOUNTING, TAX ELECTIONS, ETC.

Section 9.1 Books and Records. The books and records of the Partnership shall be maintained by the General Partner and shall be available for examination at reasonable times at the principal office of the Partnership by any Partner, or his duly authorized representatives, during regular business hours, and may be copied by said Partners at their own expense. The Partnership shall keep at its principal office, without limitation, the following records: a current list of the full name and last known address of each Partner; a copy of this Agreement; copies of the Partnership's

federal, state and local income tax returns and reports, if any, for the three most recent years; copies of any financial statements of the Partnership for the three most recent years; and the Partnership books. The Partnership may provide such financial or other statements to the Partners as the General Partner in its discretion deems advisable.

Section 9.2 Bank Accounts. The bank accounts of the Partnership shall be maintained in such banking institutions as the General Partner shall determine, and withdrawals shall be made on such signature(s) as the General Partner may determine.

Section 9.3 Tax Returns; Elections. As soon as practicable after the end of each calendar year, the General Partner shall mail to each Partner sufficient information (including a Form K-1) with respect to the Partnership necessary for the preparation of such Partner's federal income tax return. Upon written request of any Partner, the General Partner shall provide said Partner with a true and complete copy of the Partnership's annual federal income tax return with respect to any taxable year of the Partnership so requested.

Section 9.4 Fiscal Year; Method of Accounting. The Partnership shall keep its books and records in accordance with the accounting methods followed for federal income tax purposes and/or otherwise generally in accordance with generally accepted accounting principles and procedures consistently applied, which shall reflect all Partnership transactions and shall be appropriate and adequate for the Partnership's business. The determination of the fiscal year and the method of accounting to be used in keeping the books of the Partnership shall be made by the General Partner.

ARTICLE X

GENERAL PROVISIONS

Section 10.1 Binding Provisions. The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto.

Section 10.2 Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reasons any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect any other provisions of this Agreement.

Section 10.3 Paragraph Titles. Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

Section 10.4 Discretion. Unless otherwise provided herein, any provision of this Agreement giving the General Partner the authority or power to make any decision on its own behalf or on the behalf of the Partnership shall be deemed to provide that the General Partner may make such decision(s) in its sole and absolute discretion.

Section 10.5 Amendments. This Agreement may be amended in any respect only with the consent of all Partners.

Section 10.6 Word Meanings. In this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter and vice versa, unless the context otherwise requires.

Section 10.7 Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to principles of conflict of laws, and the rights, duties and obligations of the Partners shall be as stated in the Act except as provided herein.

Section 10.8 Counterparts; Additional Partners. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all the parties reflected hereon as signatories. Each Substitute, Additional or Successor Partner shall become a signatory hereof by signing such number of counterparts of this Agreement and such other instrument or instruments, and in such manner as the General Partner shall determine. By so signing, such Partner shall be deemed to have adopted and to have agreed to be bound by all the provisions of this Agreement; provided, however, that no such counterpart shall be binding until it shall have been signed by the General Partner.

Section 10.9 Entire Agreement. This Agreement constitutes the entire understanding and agreement among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, except as herein contained.

Section 10.10 Waiver of Partition. The Partners hereby waive any right of partition or any right to take any other action which otherwise might be available to them for the purpose of severing their relationship with the Partnership or their interest in the assets held by the Partnership from the interest of the other Partners.

Section 10.11 Third Party Rights. Any obligation of a Partner set forth herein to the Partnership or to any other Partner shall be an obligation only to the Partnership or such Partner, and shall not inure to the benefit of any third party.

Section 10.12 VHDA Provisions. Notwithstanding any other provision in this Agreement, this limited partnership and the partners shall be subject to regulation and supervision by the Virginia Housing Development Authority (the "Authority") in accordance with the Virginia Housing Development Authority Act, the Rules and Regulations of the Authority, and the Regulatory Agreement executed or to be executed between this Partnership and the Authority and shall be further subject to the exercise by the Authority of the rights and powers conferred on the Authority thereby. Notwithstanding any other provision of this Agreement, the Authority may rely upon the continuing effect of this provision which shall not

be amended, altered, waived, supplemented or otherwise changed without the prior written consent of the Authority.

END OF ARTICLE X

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of Limited Partnership of Post West Nine Limited Partnership as of the date first above written.

PARTNERS:


GENERAL PARTNER:

POST WEST NINE DEVELOPMENT CORPORATION, a Virginia corporation

By:  _____
Name: Nina Janopaul
Title: President

LIMITED PARTNER:

ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC., a Virginia non-stock corporation

By:  _____
Name: Nina Janopaul
Title: President

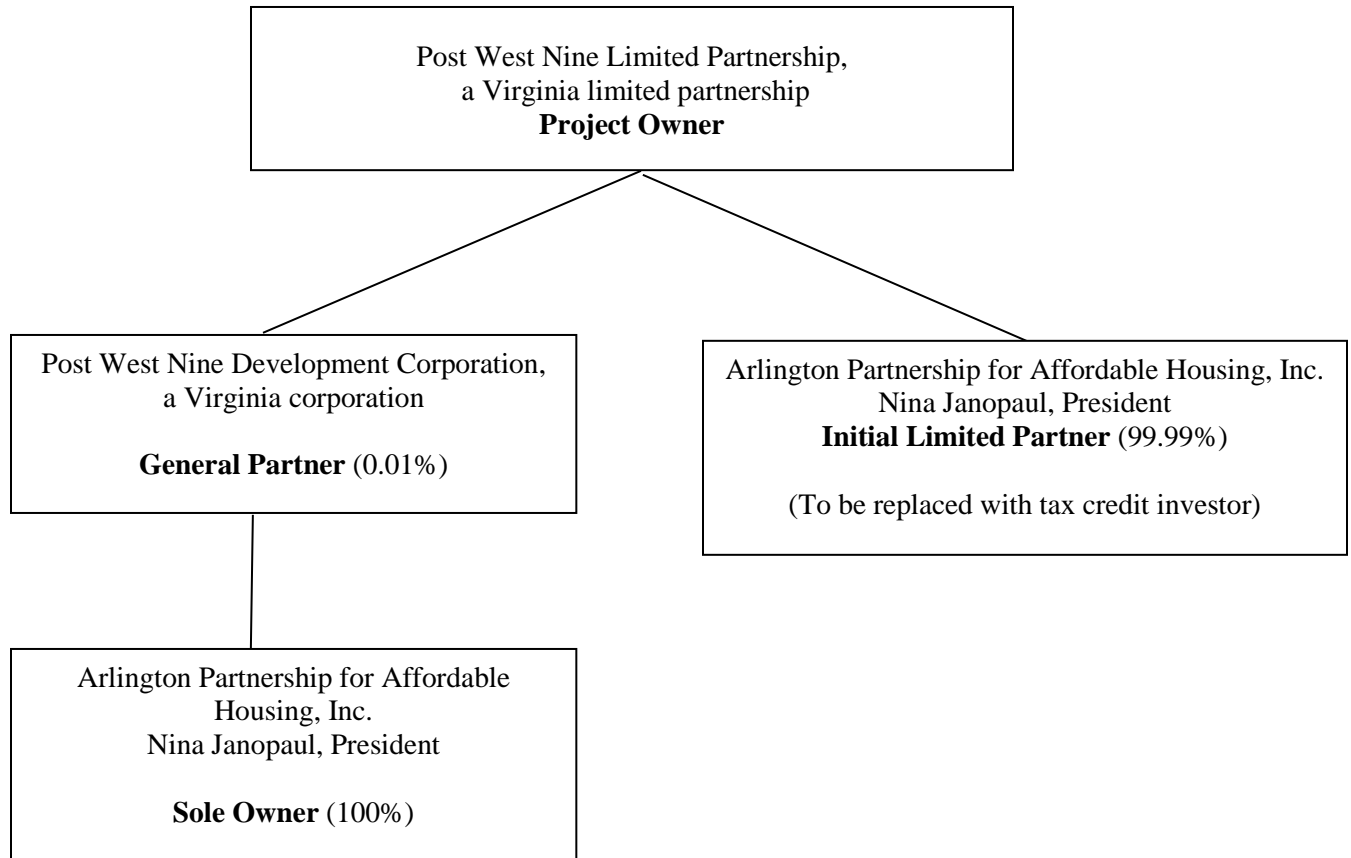
POST WEST NINE LIMITED PARTNERSHIP

**SCHEDULE I
TO
AGREEMENT OF LIMITED PARTNERSHIP**

<u>Partner's Name And Address</u>	<u>Capital Contribution</u>	<u>Percentage Interest</u>
<u>General Partner</u> Post West Nine Development Corporation c/o Arlington Partnership for Affordable Housing, Inc. 4318 N. Carlin Springs Road Arlington, Virginia 22203 njanopaul@apah.org	\$10.00	0.01%
<u>Limited Partner</u> Arlington Partnership for Affordable Housing, Inc. 4318 N. Carlin Springs Road Arlington, Virginia 22203 njanopaul@apah.org	\$10.00	99.99%

Name of Development Project: Post West Nine
Owner: Post West Nine Limited Partnership

OWNERSHIP STRUCTURE – ORGANIZATIONAL CHART



DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is made as of the ____ day of _____ 2019, by and between POST WEST NINE LIMITED PARTNERSHIP, a Virginia limited partnership (the "*Partnership*"), and ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC., a Virginia nonprofit corporation (the "*Developer*").

RECITALS

WHEREAS, the Partnership intends to develop, construct and lease eighty (80) low-income housing tax credit units and common areas located on certain land condominium units to be located in a building (the "*Building*") at 3445 Washington Boulevard in Arlington County, Virginia (the "*Project*");

WHEREAS, as part of its development and construction of the Project, the Partnership intends to develop and construct certain commercial space in the Building, which land condominium units, and the improvements located thereon, will be transferred to Arlington Post No. 139, Department of Virginia, American Legion, a Virginia corporation ("*Legion Space*"), upon completion of construction thereof; and

WHEREAS, the Developer is to be paid a fee (the "*Development Fee*") for services rendered in connection with the development and construction of the Project. The Partnership intends that the Project will qualify for the low-income housing credit pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "*Credit*").

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

(1) The Developer shall perform or shall have performed prior to the date hereof the following services for the Partnership:

(a) Obtain construction financing on behalf of the Partnership in an amount sufficient to fund the construction of the Project.

(b) Prepare or cause to be prepared such environmental and neighborhood impact studies or reports, engineering surveys, and plans and specifications as may be required in connection with the construction of the Project.

(c) Prepare and submit to the Partnership for approval a construction budget and make recommendations to the Partnership regarding any necessary modifications thereto.

(d) Make available to the Partnership upon request copies of all contracts, option agreements, construction financing commitments, budgets, plans and specifications or other items prepared or obtained.

(e) Obtain a construction contract (the "**Construction Contract**") from a reputable general contractor (the "**General Contractor**"), which may be an affiliate of Developer, which Construction Contract shall require the General Contractor to post a payment and performance bond in the full amount of the Construction Contract or letter of credit in an amount acceptable to the Partnership.

(f) Perform or cause to be performed, in a diligent and efficient manner, general administration and supervision of construction of the Project, including but not limited to the following:

(i) administration and supervision of the activities of the General Contractor and all other contractors, subcontractors and others employed in connection with the construction of the Project;

(ii) preparation of construction schedules and supervision of the scheduling of construction in conformity with such construction schedules;

(iii) periodic inspection of construction in progress, including but not limited to inspection at completion, for defects in construction and to assure compliance with the plans and specifications, and supervision of correction of any and all deficiencies noted pursuant to such inspections;

(iv) processing and payment of applications for progress payments made by the General Contractor, including verification of such applications against the progress of construction as indicated by the aforementioned periodic inspections; and

(v) analysis of requests for any and all change orders to or variations from the plans and specifications approved by the Partnership (the "**Plans and Specifications**") and approved project budget and submission of such requests to the Partnership for approval.

(g) Perform, or cause to be performed, in a diligent and efficient manner, preparation of contracts, letter agreements, purchase orders, and similar documents as are necessary to complete timely the construction of the Project in accordance with the Plans and Specifications.

(h) Cause the Project to be completed as required by funding sources and the Partnership in a manner consistent with good workmanship, in compliance with the following:

(i) the Plans and Specifications;

(ii) all obligations of the Partnership under any financing documents executed by the Partnership; and

(iii) all municipal, state, and other governmental laws, ordinances, and regulations governing the construction of the Project and the use thereof for its intended purposes and all other requirements of law applicable to construction of the Project.

(i) Maintain, or cause to be maintained, builders risk, contractor's liability, and workers' compensation insurance required by law and the Partnership, the limits of such coverage to be reasonable under the circumstances, but no less than that required by construction lenders or applicable statutes.

(j) Keep or cause to be kept separate project accounts and cost records and prepare and furnish upon request financial and progress reports and statements with respect to construction of the Project.

(k) Make available to the Partnership upon request copies of all contracts and subcontracts.

(l) Deliver to the Partnership copies of all inspection reports and applications for payment given any lender providing a loan to the Partnership.

(m) Coordinate with staff of Arlington County, Virginia a change in the general land use plan governing the Project site and a rezoning of the Project site as necessary to permit the development and construction of the Project with the density contemplated in the Plans and Specifications ("**Land Use Approvals**"), attend public hearings related to same, and otherwise advocate for and obtain the Land Use Approvals.

(n) Monitor and ensure Project compliance in all material respects with the Land Use Approvals until completion of construction of the Project.

(2) The Partnership agrees to compensate the Developer for its services by payment of a fee (the "**Development Fee**") in the amount of Three Million and Two Hundred Thousand Dollars (\$3,200,000.00). The amount of the Development Fee may be increased immediately prior to construction loan closing to take into account: (i) additional savings in the budget which the Developer is able to achieve; and (ii) any additional sources of financing for the Project obtained by the Developer (the precise amount of such additional Development Fee to be agreed upon by Developer and Partnership based on an analysis of the budget immediately prior to construction loan closing). In the event that the amount of the Development Fee is increased pursuant to the preceding sentence, the amount of the Legion Space Fee shall be increased in a proportionate amount. In addition, the Developer will be reimbursed for any advances related to development of the Project and the Legion Space made by the Developer to the Partnership.

(3) The Development Fee shall be earned and all of the services to be provided by the Developer hereunder shall be completed during the period ending with construction completion of the Project and shall be paid at such times as the General Partner shall determine; *provided, however*, that (i) for services rendered by the Developer prior to the execution of this Development Agreement, the Developer shall earn of Three Million and Two Hundred Thousand Dollars (\$3,200,000.00) of the fee on the execution date hereof, and (ii) the remainder of the Development Fee shall be earned during the period ending with the Project's construction. The Development Fee shall be paid no later than December 31, 2033.

(4) This Development Agreement shall be governed by and construed in accordance with

the laws of the Commonwealth of Virginia, shall be binding on and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns, and may not be changed orally.

(5) The Developer shall consent to any amendment to this Development Agreement required by a syndication investor in the Partnership; *provided, however*, the Developer may withhold its consent to any changes in services to be provided or fees to be paid hereunder.

(6) This Development Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Development Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all the parties reflected hereon as signatories.

(7) No portion of the Development Fee shall be paid for the development and construction of the Legion Space.

(Signatures on following page)

IN WITNESS WHEREOF and intending to be bound legally hereby, the undersigned have executed this foregoing instrument as of the day and year first above-written.

WITNESS:

PARTNERSHIP:

POST WEST NINE LIMITED PARTNERSHIP,
a Virginia limited partnership

By: Post West Nine Development
Corporation,
a Virginia corporation,
its general partner

By: _____
Nina Janopaul, President

DEVELOPER:

ARLINGTON PARTNERSHIP FOR
AFFORDABLE HOUSING, INC., a Virginia
nonprofit corporation

By: _____
Nina Janopaul, President

A full list of projects is included
in materials behind Tab D.

B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, January 23, 2019

This is to certify that the certificate of limited partnership of

Post West Nine Limited Partnership

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

State Corporation Commission

Attest:

Joel H. Peck
Clerk of the Commission



Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, January 17, 2019

This is to certify that the certificate of incorporation of
Post West Nine 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: January 17, 2019*



State Corporation Commission
Attest:

Joel H. Beck
Clerk of the Commission

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Post West Nine
Name of Applicant (entity): Post West Nine Limited Partnership

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

Nina Janopaul

Printed Name

3/5/19

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

Post West Nine

Exhibit: Previous Participation Certification

Explanation of Statements #5 and #13

In 2017, APAH received IRS Form 8823 related to the Columbia Grove apartments. In 2016, APAH began demolition of a surface parking lot at the Columbia Grove site as part of construction of the Columbia Hills East and Columbia Hills West developments, triggering a non-compliance event that was pre-approved by VHDA, and will remain uncorrected for the life of the compliance period. APAH has also received other IRS Form 8823s over the prior ten years as a result of minor non-compliance at other projects, all of which have been corrected.

Explanation of Statement #11

Columbia Hills East and Columbia Hills West achieved substantial completion on September 28, 2018 and are currently in the process of lease up. Final closing documents, including the final cost certification and 8609 application, are not due to VHDA until April 30, 2019.

Nina Janopaul

President/CEO



Current Responsibilities

Nina Janopaul has been President/CEO of the Arlington Partnership for Affordable Housing (APAH) since 2007. APAH is a non-profit, community-based, award winning, affordable housing developer.

Ms. Janopaul oversees all elements of APAH's real estate development, operations, advocacy, resident services, and governance. During her tenure, APAH has grown its portfolio to 16 multifamily rental properties with 1,592 units, valued at more than \$325 million with another 878 units in development. APAH is known for its nimble and effective real estate development, for pioneering innovative supportive housing partnerships and its community impact.

Under Ms. Janopaul's leadership, APAH has received numerous awards, including the Charles Edson award for best urban development in the country; the Urban Land Institute—DC's best Housing project; Developer of the Year from the Housing Association of Non-Profit Developers; Best Nonprofit by the Arlington Chamber of Commerce and the Arlington Community Foundation's Prize for Impact and Innovation.

Prior Experience

Before joining APAH, Ms. Janopaul was a principal at Capital Strategies Consulting, Inc. and provided services to a variety of organizations, including Enterprise Community Partners. Prior to 2000, she was the National Director of Development for Hostelling International – USA (formerly American Youth Hostels).



Education

B.A. Magna Cum Laude, Harvard University

Affiliations and Awards

*Northern Virginia Advisory Committee, Virginia Housing Development Authority
Past President and Current Board Member, HAND
Member of Leadership Council and Board of Directors, Northern Virginia Affordable Housing Alliance
Board Member, Virginia Diocesan Homes
Recipient, Virginia Housing Coalition's 2013 Innovations in Leadership Award*



**Arlington Partnership
For Affordable Housing**

A full list of projects is included
in materials behind Tab D.

D

List of LIHTC Developments

(Schedule A)
(MANDATORY)

List of LIHTC Developments (Schedule A)



Development Name: Post West Nine
 Name of Applicant: Post West Nine Limited Partnership

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.

Arlington Partnership for Affordable Housing, Inc. Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 Principal's Name: Y or N

Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1 Leckey Gardens (formerly Lorcom Arms), 2031-2037 & 2035-2037 N. Woodrow St. Arlington, VA 22201	Lorcom Arms Limited Partnership, (703) 276-7444	Y	40	32	4/2/2002	4/16/2003	N
2 Courthouse Crossings, 1220, 1230 & 1233 N. Scott St.; 1240 & 1250 N. Rolfe St. Arlington, VA 22209	Courthouse Crossings Limited Partnership, (703) 276-7444	Y	112	112	6/1/2006	4/14/2008	N
3 Fisher House, 1201 & 1211 N. Kennebec St.; 5701 N. 11th Rd.; and 1111 N. Kenilworth St. Arlington, VA 22205	Fisher House Limited Partnership, (703) 276-7444	Y	33	33	9/14/2007	6/19/2008	N
4 Parc Rosslyn, 1531 N. Pierce St. Arlington, VA 22209	Rosslyn Ridge Associates Limited Partnership, (703) 276-7444	N	238	96	9/30/2008	5/20/2009	N
5 Columbia Grove Apartments, 1001, 1003, 1011, 1012, 1014, 1015, 1017, 1018, 1020, 1024, 1026, 1030, 1034, and 1038 S. Frederick St. Arlington, VA 22204	Columbia Grove Apartments Limited Partnership, (703) 276-7444	Y	208	130	1/10/2009	7/13/2012	Y
6 Buchanan Gardens, 914 South Buchanan St. Arlington, VA 22204	Buchanan Gardens Limited Partnership, (703) 276-7444	Y	111	111	10/31/2011	8/8/2013	N
7 Arlington Mill Residences, 901 South Dinwiddle St., Arlington, VA 22204	Arlington Mill Limited Partnership, (703) 276-7444	Y	122	121	1/31/2014	10/15/2014	N
8 Arna Valley View, 2300 South 25th St., Arlington, VA 22206	AVV Apartments, LLC, (703) 276-7444	N	101	101	4/30/2001	2/7/2002	N
9 The Springs Apartments, 555 North Thomas St., Arlington, VA 22203	The Springs Apartments Limited Partnership, (703) 276-7444	Y	104	98	9/29/2016	5/3/2017	N
10 Columbia Hills East Apartments, 1000 S. Frederick St. Arlington, VA 22204	Columbia Hills East Limited Partnership, (703) 276-7444	Y	97	97	9/28/2018	TBD	N
11 Columbia Hills West Apartments, 1002 S. Frederick St. Arlington, VA 22204	Columbia Hills West Limited Partnership, (703) 276-7444	Y	132	132	9/28/2018	TBD	N
12 Gilliam Place East, 918 S. Lincoln Street Arlington, VA 22204	Gilliam Place East Limited Partnership, (703) 276-7444	Y	83	83	TBD	TBD	N
13 Gilliam Place West, 3507 Columbia Pike Arlington, VA 22204	Gilliam Place West Limited Partnership, (703) 276-7444	Y	90	90	TBD	TBD	N
14 Fisher House II: 5705, 5711, 5717 Washington Blvd.; 1111 and 1209 N. Kensington St.; 5700 and 5708 11th St. N., and 5716 11th Rd N. all in Arlington VA 22205	APAH Westover Apartments Limited Partnership, (703) 276-7444	Y	68	68	5700 11th St - 9/28/2018 5708 11th St - 10/19/2018 1209 N Kensington - 12/27/2018 1111 N Kensington - 3/1/2019	TBD	N
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE
 TOTAL: 1,539 1,304

LIHTC as % of
 85% Total Units

List of LIHTC Developments (Schedule A)



Development Name: Post West Nine
 Name of Applicant: Post West Nine Limited Partnership

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.

Post West Nine Development Corporation Controlling GP (CGP) or 'Named' Managing Member of Y
 Principal's Name: Proposed property?* Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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

ADD ADDITIONAL PROPERTIES USING NEXT TAB

List of LIHTC Developments (Schedule A)



Development Name: Post West Nine
 Name of Applicant: Post West Nine Limited Partnership

INSTRUCTIONS:

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

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

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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

List of LIHTC Developments (Schedule A)



Development Name: Post West Nine
 Name of Applicant: Post West Nine Limited Partnership

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.

Post West Nine Limited Partnership Controlling GP (CGP) or 'Named' Managing Member of N
 Principal's Name: Proposed property?* Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE
TOTAL:

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LIHTC as % of
Total Units

Post West Nine

Tab D: List of LIHTC Developments (Schedule A)

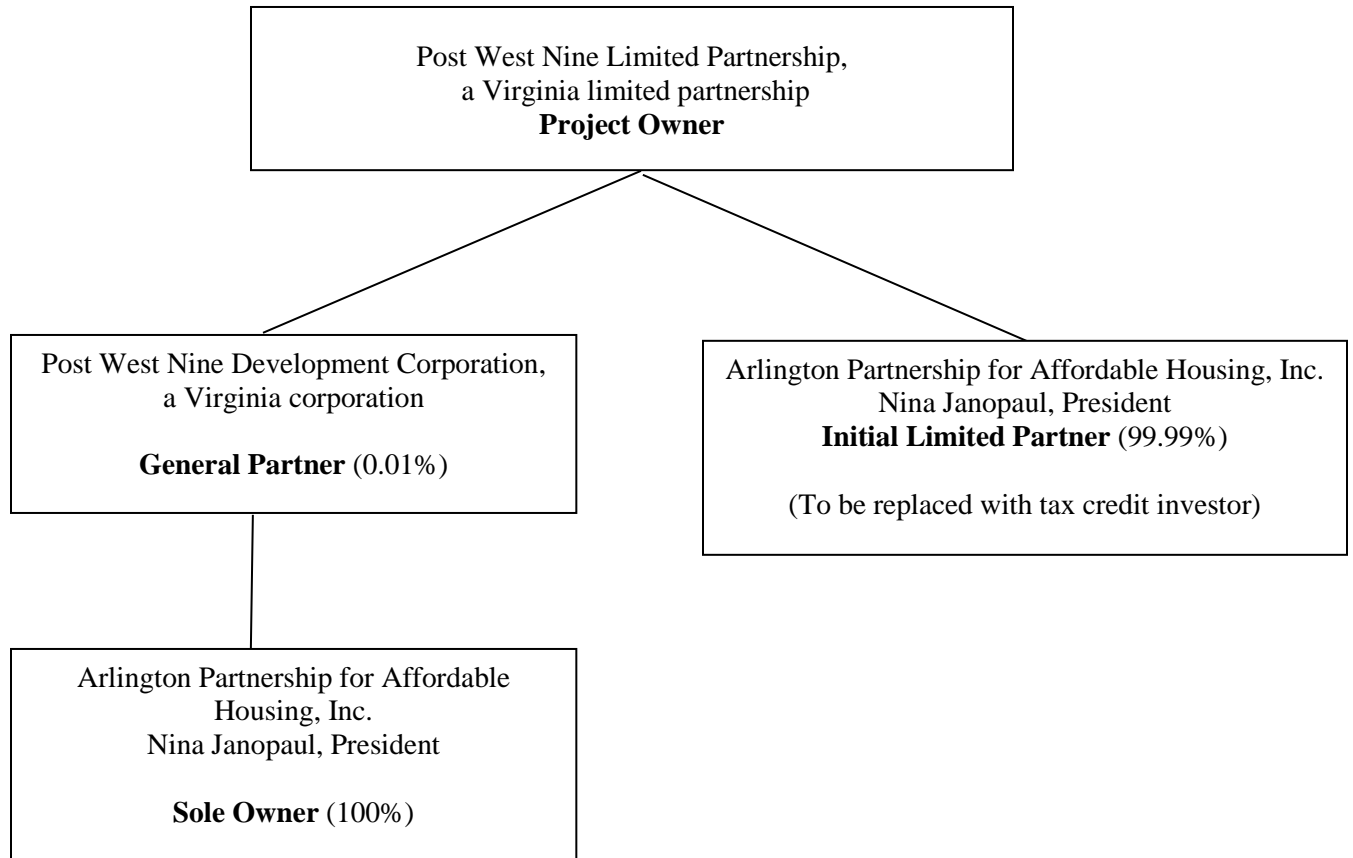
Addendum

Explanation of Uncorrected 8823

In 2017, APAH received IRS Form 8823 related to the Columbia Grove apartments. In 2016, APAH began demolition of a surface parking lot at the Columbia Grove site as part of construction of the Columbia Hills East and Columbia Hills West developments, triggering a non-compliance event that was pre-approved by VHDA, and will remain uncorrected for the life of the compliance period. APAH has also received other IRS Form 8823s over the prior ten years as a result of minor non-compliance at other projects, all of which have been corrected.

Name of Development Project: Post West Nine
Owner: Post West Nine Limited Partnership

OWNERSHIP STRUCTURE – ORGANIZATIONAL CHART



E

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

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("**Agreement**") is made and effective as of this 30th day of June, 2017 (the "**Effective Date**"), by and between **ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC.**, a Virginia corporation (herein referred to as "**APAH**"); and **ARLINGTON POST NO. 139, DEPARTMENT OF VIRGINIA, AMERICAN LEGION**, a Virginia corporation (hereinafter referred to as the "**Post**").

RECITALS:

WHEREAS, the Post is the owner of certain property located in Arlington County, Virginia (the "**County**"), identified by Arlington County as RPC #15086011 (the "**Land**") located at 3445 Washington Boulevard, Arlington, Virginia, and more particularly described on Exhibit A attached hereto; and

WHEREAS, APAH desires to develop the Land as a mixed-use project including: (i) an estimated six thousand (6,000) square feet of first floor space to be created as a cube of space pursuant to an air rights subdivision (the "**Post Unit**"), together with appurtenant rights for ingress and egress over and parking facilities in the Garage (as hereinafter defined), as described in the Regime Documents (as hereinafter defined); (ii) a residential component consisting of the remainder of the Property and the air rights above the Post Unit including approximately one hundred sixty-five (165) residential units (the "**Residential Unit**"); (iii) a structured shared parking facilities, driveways and drive aisles (collectively the "**Garage**") and (iv) sidewalks, landscaping, and certain other exterior improvements and appurtenances (collectively, the "**Exterior Space**") (all of the foregoing, collectively, the "**Project**"); and

WHEREAS, APAH desires to purchase the Land, construct the Project and convey the Post Unit to the Post, and the Post desires to sell the Land and acquire the Post Unit in accordance with the terms hereof.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, APAH and the Post agree as follows:

1. INCORPORATION. The recitals hereinabove contained are hereby incorporated herein by reference as if more fully set forth herein.

2. AGREEMENT. APAH agrees to buy and accept from the Post, and the Post agrees to sell and convey to APAH, in fee simple, pursuant to the terms and conditions hereinafter set forth, all of the Land, together with (i) all improvements, structures and fixtures located on the Land, (ii) all rights, easements, and appurtenances belonging or appertaining to the Land, and (iii) all right, title, and interest of the Post in and to any and all roads, streets, alleys or public and private rights of way bounding the Land (hereinafter collectively referred to as the "**Property**.")

3. **DEPOSIT.** Within five (5) Business Days of the execution of this Agreement, APAH shall deliver to Commonwealth Land Title Insurance Company, at 1620 L Street, 4th Floor, Washington, D.C. 20036; Attn: David Nelson (the "**Escrow Agent**") a deposit of \$100,000.00 (the "**Deposit**") by wire transfer of immediately available funds. The Deposit will be applied to the Purchase Price (as hereinafter defined) at the Land Closing (as hereinafter defined) or otherwise disbursed pursuant to the terms and provisions of this Agreement. At any time and from time-to-time after the expiration of the Feasibility Period and provided that APAH has not terminated this Agreement as set forth in Section 5(e), the Post shall be permitted to draw down on the Deposit to cover any reasonable and verifiable third-party costs incurred by the Post in connection with the upkeep or repair of the Existing Post Facilities, as hereinafter defined (the "**Post Facilities Upkeep Expenditures**"), upon receipt by Escrow Agent and APAH of (a) reasonable invoices evidencing the Post Facilities Upkeep Expenditures, and (b) a deed of trust (or in the case of any draw down on the Deposit after the first draw down, an amended and restated deed of trust, as applicable) granted by the Post to trustees selected by APAH for the benefit of APAH in a form reasonably acceptable to APAH and the Post (the "**Deposit Deed of Trust**"), in the amount of such Post Facilities Upkeep Expenditures, which Deposit Deed of Trust will be recorded by APAH at APAH's sole cost and expense among the land records of the County and encumber the Property. The Deposit Deed of Trust shall have a first-lien priority with respect to the Property. The Deposit, including the Released Portion of the Deposit (as hereinafter defined), shall be applied toward the Purchase Price at the Land Closing. In the event this Agreement is terminated in accordance with the terms hereof, for any reason that would permit the Post to retain the Deposit, then APAH shall promptly execute such documents as may be required to cause the Deposit Deed of Trust to be released. In the event this Agreement is terminated in accordance with the terms hereof, for any reason that would permit APAH to obtain the Deposit, then upon the return to APAH of the Deposit, including the Released Portion of the Deposit, APAH shall promptly execute such documents as may be required to cause the Deposit Deed of Trust to be released. As used in this Agreement, the term the "**Released Portion of the Deposit**" shall refer to any portion of the Deposit which is released to the Post pursuant to the provisions of this Section 3.

(a) Escrow Agent shall hold the Deposit and make delivery of the Deposit to the party entitled thereto under the terms of this Agreement. Escrow Agent shall invest the Deposit in an FDIC-insured, interest-bearing bank account with Bank of America, N.A. (the "**Depository**") and all interest and income thereon shall become part of the Deposit and shall be remitted to the party entitled to the Deposit pursuant to this Agreement. APAH and the Post consent to the selection of Bank of America, N.A. as the Depository. Escrow Agent shall have no liability in the event of failure, insolvency or inability of the Depository to pay such funds, or accrued interest upon demand or withdrawal.

(b) Escrow Agent shall hold and apply the Deposit in strict accordance with the terms of this Agreement. The tax identification numbers of the parties shall be furnished to Escrow Agent upon request and APAH shall provide the relevant tax forms

to Escrow Agent regarding interest earned on the Deposit (including, without limitation, Form 1099)

(c) If prior to the Land Closing either party makes a written demand upon Escrow Agent for payment of the Deposit, Escrow Agent shall give written notice to the other party of such demand. If Escrow Agent does not receive a written objection from the other party to the proposed payment within five (5) Business Days after the giving of such notice, Escrow Agent is hereby authorized to make such payment. If Escrow Agent does receive such written objection within such 5-Business Day period, Escrow Agent shall continue to hold such amount until otherwise directed by written instructions from the parties to this Agreement or a final judgment or arbitrator's decision. However, Escrow Agent shall have the right at any time to deliver the Deposit and interest thereon, if any, with a court of competent jurisdiction in the state in which the Property is located. Escrow Agent shall give written notice of such delivery to the Post and APAH. Upon such delivery, Escrow Agent shall be relieved and discharged of all further obligations and responsibilities hereunder. Notwithstanding the foregoing, prior to the expiration of the Feasibility Period, the escrow established hereunder for the Deposit shall be a "sole order" escrow for the benefit of APAH (meaning that Escrow Agent shall act solely in accordance with the instructions of APAH until the expiration of the Feasibility Period with respect to the Deposit). Without limiting the generality of the foregoing, if on or prior to the expiration of the Feasibility Period, APAH delivers notice to Escrow Agent stating that APAH has elected to terminate this Agreement pursuant to the provisions of Section 5, then Escrow Agent shall refund to APAH the Deposit without any requirement that Escrow Agent first notify or obtain any approval or consent of the Post as provided above.

(d) The parties acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, and that Escrow Agent shall not be deemed to be the agent of either of the parties and shall not be liable for any act or omission on its part unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence. The Post and APAH jointly and severally shall indemnify and hold Escrow Agent harmless from and against all costs, claims and expenses, including reasonable attorneys' fees, incurred in connection with the performance of Escrow Agent's duties hereunder, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith, in willful disregard of this Agreement or involving gross negligence by Escrow Agent.

(e) The parties shall deliver to Escrow Agent an executed copy of this Agreement. Escrow Agent shall execute the signature page for Escrow Agent attached hereto which shall confirm Escrow Agent's agreement to comply with the provisions of this Section 3.

(f) Escrow Agent, as the person responsible for the Land Closing and the Unit Closing (as hereinafter defined) transactions within the meaning of Section 6045I(2)(A) of the Internal Revenue Code of 1986, as amended (the "Code"), shall file all necessary information, reports, returns, and statements regarding the transaction required by the Code including, but not limited to, the tax reports required pursuant to

Section 6045 of the Code. Further, Escrow Agent agrees to indemnify and hold APAH, the Post, and their respective attorneys and brokers harmless from and against any losses resulting from Escrow Agent's failure to file the reports Escrow Agent is required to file pursuant to this Section.

4. PURCHASE PRICE. The total purchase price ("**Purchase Price**") for the Property payable by APAH at the Land Closing shall be an amount equal to the *greatest* of the following amounts: (a) Six Million and 00/100 Dollars (\$6,000,000.00); (b) an amount equal to Fifty Dollars (\$50.00) multiplied by the Gross Residential Square Footage (as hereinafter defined); or (c) an amount equal to Fifty Thousand and 00/100 Dollars (\$50,000.00) for each residential unit approved by Arlington County as described in Section 7 below. As used in this Agreement, "**Gross Residential Square Footage**" shall mean the total horizontal surface area contained within the Residential Unit measured from the exterior faces of exterior walls; excluding all horizontal area contained within the Garage and the Post Unit as stated in the residential column of the Gross Floor Area Tabulations set forth in the 4.1 Use Permit Application approved in connection with the Zoning Approvals. Without limiting the foregoing and solely for purposes of example, if the Project contains 140,000 square feet of Gross Residential Square Footage, the Purchase Price would be \$7,000,000. If the Project contains 115,000 square feet of Gross Residential Square Footage, the Purchase Price would be \$6,000,000. In no event shall the Purchase Price, as calculated herein, be less than \$6,000,000.00. At the Land Closing, APAH shall receive a credit of the Deposit, including any Released Portion of the Deposit, against the Purchase Price.

5. FEASIBILITY PERIOD.

(a) Duration of Feasibility Period. The "**Feasibility Period**" shall refer to the period beginning on the Effective Date and expiring at 5:00 PM local time on the 90th calendar day thereafter.

(b) Available Plans, Reports and Permits. Within five (5) Business Days following the Effective Date, to the extent the following items are in the Post's possession or control, the Post shall deliver to APAH the following items (i) all documents listed on **Exhibit B** attached hereto, and (ii) any other documents, statements, plans, reports, permits, corporate documents pursuant to which the Post holds the Property, and other materials regarding the Property, including, but not limited to, any survey, soils reports, architectural and engineering drawings, permits, zoning applications and/or appeals, environmental reports, real estate tax information, title reports and/or policies (collectively, the "**Post Materials**"). APAH shall have full right and authority to contact governmental authorities in the County, in the Commonwealth of Virginia, and any other governmental authorities for the sole purpose of gathering information in connection with the transaction contemplated by this Agreement; provided, however, in the event that any meeting is scheduled between APAH and the County to discuss any matter relating to the Post Program Specifications (as hereinafter defined in Section 7(d) below), APAH must contact the Post's Representative (as hereinafter defined) at least two (2) Business Days in advance by telephone to inform

the Post of APAH's intended meeting and to allow the Post the opportunity to attend such meeting if the Post desires.

(c) APAH's Investigation of the Property and Studies. During the term of the Agreement, APAH and its agents shall have the right to enter upon the Property, subject to reasonable advance notice to the Post and upon providing the Post the opportunity to be present thereat, and to make inspections and investigations of the condition of the Property which it may deem necessary (collectively, the "**APAH Studies**"), which shall be undertaken at APAH's expense; provided that APAH shall not make any intrusive or invasive testing of the Land or improvements located thereon without the prior written consent of the Post, which may be withheld for any reason. Notwithstanding the foregoing, the Post hereby agrees that APAH shall be permitted to conduct all environmental testing in accordance with the provisions of Section 7(k) of this Agreement. If damage has been caused to the Property by APAH or its agents, then APAH shall restore any such damage caused by APAH or its agents to substantially the condition existing prior to such entry thereon. This obligation to restore shall expressly survive the Land Closing or any termination of this Agreement.

(d) Indemnification. Commencing on the Effective Date, APAH hereby indemnifies and agrees to hold the Post harmless against and from all claims, demands and liabilities for the Post's actual damages of any type or arising out of or incident to APAH's entry onto the Land or investigation of the Property (whether occurring prior to or after the Effective Date), including attorneys' fees, for nonpayment for services rendered to APAH, for mechanics liens resulting from nonpayment for services rendered to APAH, or for death or injury to any person or damage to property; provided, however, APAH shall not be liable to the Post in connection with the discovery by APAH of pre-existing conditions on the Property, unless and only to the extent negligently, willfully or knowingly exacerbated by APAH. This indemnification and agreement to hold harmless shall survive Land Closing or the termination of this Agreement.

(e) APAH Determination. During the Feasibility Period, APAH shall determine, in its sole discretion, the suitability and acceptability of matters or conditions pertaining to the Property including, without limitation, applicable zoning, title condition, financing, environmental condition (subject to the provisions of Section 7(k)) and all other requirements and constraints regarding APAH's development plan and intended use of the Property. If at any time during the Feasibility Period APAH elects not to proceed with the purchase for any reason or no reason whatsoever, then upon written notice sent by APAH to the Post prior to the expiration of the Feasibility Period, APAH may terminate this Agreement and the Deposit shall be returned to APAH by the Escrow Agent and the parties shall have no further obligations hereunder except for those obligations which specifically survive such termination. If APAH terminates this Agreement prior to the expiration of the Feasibility Period, APAH shall provide to the Post copies of its non-confidential third-party studies related to the Property (e.g., survey, geotechnical studies and civil engineering studies) with no representation or warranty of any kind – such obligation to survive any termination of this Agreement.

(f) **Post Program Specifications.** During the Feasibility Period, APAH and the Post shall meet with APAH's architect for the purposes of confirming in writing the initial design, initial construction and subsequent operation of the Post Space (including, but not limited to, confirmation of the amount of square footage, parking and other programmatic requirements for the Post Space) – which shall be attached hereto and incorporated herein by reference as **Exhibit C** and herein referred to as the "**Post Program Specifications**".

6. **TITLE.** Title to the Property will be conveyed by special warranty deed, and will be good and marketable, free and clear of all liens and encumbrances, and shall be insurable at standard rates and insured by a nationally recognized ALTA title insurance company of APAH's choice. Title to the Property shall be deemed good and marketable if a nationally recognized title insurance company agrees to insure fee simple title to the Property and issue to APAH, at standard premium rates, an owner's title insurance policy subject only to the Permitted Exceptions (the "**Approved Condition of Title**").

(a) Promptly after the Effective Date, APAH shall order at APAH's expense from a title insurance company of APAH's choice (the "**Title Company**") a report on title and/or a title commitment (the "**Title Report**") for the Property. In addition, APAH may, at its sole cost and expense, order a survey of the Property (the "**Survey**"). Promptly upon receipt thereof, APAH shall deliver to the Post copies of the Title Report and Survey (and any revisions thereto from time to time). APAH shall give written notice (the "**Objection Notice**") to the Post by no later than twenty (20) calendar days prior to the expiration of the Feasibility Period of any objections to or defects of title disclosed by the Title Report or the Survey ("**Objections**"). (However, it is understood that without any notice being required from APAH, at or prior to Land Closing the Post shall be obligated to satisfy all monetary encumbrances not caused by APAH or its agents against the Property, including but not limited to encumbrances evidenced by deeds of trust, tax liens, judgments, mechanic's liens or similar evidences of indebtedness). Within ten (10) calendar days after receiving the Objection Notice from APAH, the Post shall inform APAH as to whether the Post shall cure or cause the cure of such Objections (an "**Objection Response**"). If an Objection Response is not timely given or not given at all, the Post shall be deemed to have elected *not* to cure any Objections. If the Post elects to cure or cause the cure of some or all of such Objections pursuant to an Objection Response, the Post shall do so before the Land Closing; provided, however, the Post shall be entitled to reasonable adjournments of the Land Closing to cure such Objections. In the event that the Post declines (or is deemed to have declined) to cure or agree to cause the cure of such Objections prior to or at the Land Closing, then APAH shall have the option to either (i) accept title as shown by the Title Report and Survey with respect to such Objections that the Post declines or is deemed to have declined to cure and proceed to Land Closing hereunder without any adjustment, reduction or abatement of the Purchase Price (which shall be deemed Permitted Exceptions), OR (ii) terminate this Agreement at the end of the Feasibility Period in accordance with the terms and conditions of Section 5(e). If APAH fails to timely exercise such right to terminate, APAH shall be deemed to selected to proceed under option (i) above.

(b) Fee simple title to the Property is to be conveyed at the time of the Land Closing to APAH in the Approved Condition of Title, subject to the following (all of which shall be deemed "**Permitted Exceptions**"):

(i) All matters shown in the Title Report and the Survey, other than (A) those Objections, if any, which the Post has agreed to cure pursuant to an Objection Response under Section 6(a), (B) the title exceptions that Title Company shall be willing to omit as exceptions to coverage or except with affirmative insurance (upon the receipt of a standard owner's affidavit, but at no additional cost to APAH) against collection out of or enforcement against the Property, (C) the standard exception regarding the rights of parties in possession, and (D) the standard exception pertaining to taxes and assessments, which shall be limited to taxes and assessments not yet due and payable as of the Land Closing Date;

(ii) Applicable zoning and governmental regulations, proffers and ordinances including, without limitation, Land Use Applications (as hereinafter defined), Zoning Approvals (as hereinafter defined) and the Ancillary Project Documents (as hereinafter defined); and

(iii) Any defects in or objections to title to the Property, or title exceptions or encumbrances, arising by, through or under APAH.

(c) The Post covenants and agrees that during the term of this Agreement the Post will not take or consent to any action, or fail to act in any way, without the prior written consent of APAH that would create a defect ("**Subsequent Defect**") the result of which would cause title to the Property to differ from the Approved Condition of Title, except that the Post may take such actions as are required or permitted by the terms of this Agreement to cure title defects noted by APAH. If title cannot be conveyed to APAH in accordance with Section 6(b) because of any Subsequent Defect(s), then APAH shall have the option, at APAH's sole discretion, either to:

(i) terminate this Agreement in its entirety and have the entire Deposit returned to APAH, in which event the parties shall have no further liability hereunder except for those obligations which specifically survive such termination, OR

(ii) pursue APAH's remedies, including, but not limited to, specific performance in accordance with Section 14(b) of this Agreement.

(d) Commencing on the Effective Date and concluding on the Land Closing Date, except as expressly provided for relating to the Land Use Applications, Ancillary Project Documents and Zoning Approvals, (i) the Post shall not execute or approve the execution of any easements, rights-of-way, covenants, conditions, restrictions or encumbrances with respect to the Property without first obtaining the written approval of APAH, which approval shall not be unreasonably withheld, conditioned or delayed, (ii) the Post shall not further mortgage or encumber the Property (except in connection with the Deposit Deed of Trust), without first obtaining the written

approval of APAH, which approval shall not be unreasonably withheld, conditioned or delayed, or (iii) enter into any contracts of sale, agreements or any proffers, entitlements, development conditions, or similar commitments affecting the Property. If this Agreement is terminated prior to the Land Closing, (y) the foregoing prohibitions shall be deemed null and void and shall not have any further application to the Post, and (z) the Post may pursue any and all efforts to market the Property for sale to a third party.

7. LAND USE APPROVALS; COOPERATION BY APAH AND THE POST.

(a) Land Use Agreements. APAH intends to obtain the necessary approvals to develop the Property and to construct certain improvements thereon, as generally described in the Recitals. Without limiting the generality of the foregoing, APAH shall prepare for the Post's prior review and approval one or more land use applications, re-zonings, special use permits, site plans and other filings with respect to the Property (the "**Land Use Applications**") in order to develop the Property upon terms and conditions acceptable to APAH, including but not limited to the following: (i) a Special General Land Use Study Request (the "**GLUP**"), (ii) a General Land Use Plan amendment to put into effect the results of the Special Land Use Study, (iii) a rezoning application for the site consistent with the recommended GLUP designation, (iv) a 4.1 site plan application intended to optimize the Affordable Housing Program opportunities in the County, and (v) a Use Permit (the "**Use Permit Application**") for the construction and beneficial use of the Post Unit and twenty (20) vehicular parking spaces located within the Garage for the Post's exclusive use (collectively, the "**Post Parking Spaces**"). Collectively, the Post Unit and the Post Parking Spaces are referred to herein as the "**Post Space**". During the submission and prosecution of all Land Use Applications and pursuit of the Zoning Approvals, the Post and APAH shall use their best effort to preserve the Post's existing use permit issued by the County (the "**Existing Post Use Permit**") during the time period prior to the vacation by the Post of the Property, as contemplated by Section 7(j) below.

(b) Post's Cooperation. The Post and APAH will use commercially reasonable good faith efforts to closely cooperate with respect to the preparation and prosecution of the Land Use Applications and pursuit of the Zoning Approvals as may be required in order for APAH to develop the Project. The Post shall, at no cost, expense or liability to the Post, join in and execute any such applications, consents, disclosures, affidavits, development conditions or such other documents reasonably required by APAH, its lenders, the County, or any other governmental agency, with regard to the proposed development by APAH of the Property (collectively, "**Ancillary Project Documents**"); provided, however, such Ancillary Project Documents shall be at no cost or expense of the Post and shall not obligate the Post to pay any amounts or perform any actions in excess of those expressly provided for in this Agreement or in the Regime Documents. This obligation to cooperate shall remain effective and ongoing after any and all approvals of the Land Use Applications by the County (such approvals being collectively defined as the "**Zoning Approvals**") and concluding on the Land Closing, it being understood and agreed that amendments and revisions to the Zoning Approvals may be necessary on an ongoing basis prior to the Land Closing.

During the term of this Agreement and prior to the Land Closing, the Post shall also join in and execute any such applications, consents, disclosures, affidavits or other such documents required by APAH, its lenders, the County, or any other governmental agency, with regard to the design, financing and construction process.

(c) Milestone Schedule. Within ten (10) Business Days after the Effective Date, APAH shall prepare and submit to the Post for the Post's review and reasonable approval a proposed milestone schedule for the pursuit of the Zoning Approvals, including the preparation of the plans, documents and materials required therefor (collectively, "**Milestone Schedule**"). APAH and the Post shall, in good faith, endeavor to agree upon the Milestone Schedule not later than thirty (30) calendar days after the Effective Date. The approved Milestone Schedule is referred to in this Agreement as the "**Approved Milestone Schedule**." APAH shall use commercially reasonable, good faith efforts to pursue the Zoning Approvals in a manner consistent with the Approved Milestone Schedule, and APAH shall keep the Post fully and timely informed as to APAH's progress and efforts. From time to time at the Post's request, APAH shall provide to the Post a written update as to APAH's adherence with the Approved Milestone Schedule. APAH and the Post may periodically update the Milestone Schedule to reflect the then current schedule for pursuit of the Zoning Approvals. The Parties acknowledge and agree that the Approved Milestone Schedule shall be non-binding and a failure to achieve specific milestones or adhere to the Approved Milestone Schedule shall not be a default under this Agreement or a condition precedent to either party's obligations.

(d) Post Approval Rights. Within ninety (90) calendar days after the Effective Date, APAH shall provide to the Post, for the Post's review and approval, documents consisting of the initial design, initial construction and subsequent operation of the Post Space in compliance with the Post Program Specifications. Thereafter, the Post will continue to provide to APAH, for APAH's review and approval, any such revisions to such documents that APAH will need in order to process the Land Use Applications and pursuit of approvals for the development of the Project and the Post Space. Upon the mutual written agreement of the Post and APAH during the Land Use Application process, the Post Program Specifications may be revised from time to time. APAH shall cause schematic design plans and permit drawings to be prepared for the Post Space, consistent with the Post Program Specifications, as may be required in order for APAH to obtain the Zoning Approvals (said schematic design plans and permits drawings are collectively defined as the "**Plans and Drawings**").

At least ten (10) Business Days prior to the initial submission of any document or material relating to the Land Use Applications and/or Zoning Approvals ("**Initial Submission Materials**") to governmental and/or quasi-governmental agencies or their respective representatives, APAH shall submit such Initial Submission Materials to the Post's Representative for the Post's approval of any elements thereof impacting the Post Space and/or the Post Program Specifications (which approval shall not be unreasonably withheld, conditioned or delayed) advising such parties of the submission and that certain deemed approval provisions of this Section 7(d) shall apply in the event the Post fails to timely respond to APAH's submission of the Initial Submission

Materials. Within ten (10) Business Days after receipt of such Initial Submission Materials, the Post shall deliver to APAH written notice setting forth any of the Post's suggested modifications in connection with the Post Space and/or the Post Program Specifications (the "**Post Modifications**") and/or approval in connection with the Post Space and/or the Post Program Specifications. If the Post fails to deliver written notice of the Post Modifications to APAH within such ten (10) Business Days period, then the Post's approval of such Initial Submission Materials shall be deemed to have been given. If, upon receipt of the Post Modifications, APAH desires to take exception thereto, APAH may do so as soon as reasonably practicable after APAH's receipt thereof, and, in such event, the parties shall work together in good faith to agree on the Post Modifications. In the event of dispute, APAH will use commercially reasonable efforts to meet the Post Program Specifications and the Post Modifications in keeping with the most recent previously approved design of the Post Space. Both APAH and the Post agree that no modifications to the Post Space will be made that would require an amendment to the 4.1 Use Permit Application approved in connection with the Zoning Approvals. Unless APAH shall take exception to the Post Modifications as described above, then it will be deemed that the Post Modifications acceptable to APAH, and APAH shall modify the Initial Submission Materials to reflect the Post Modifications. Upon the approval or deemed approval of the Initial Submission Materials by the Post or upon the revision of the Initial Submission Materials to reflect any agreed upon Post Modifications, APAH shall commence the process of submitting the Land Use Applications and pursuing the Zoning Approvals pursuant to the Initial Submission Materials. In the event that material additions, changes or other modifications to the Initial Submission Materials are proposed by governmental and/or quasi-governmental agencies or their respective representatives, APAH or any party of interest in the Land Use Applications and/or Zoning Approvals during the process of pursuing the Zoning Approvals, which would impact the Post Space and/or the Post Program Specifications, APAH shall submit any such material additions, changes or other modifications to the Post for the Post's approval in the same manner required pursuant to this Section 7(d); provided, however, the Post and APAH shall have three (3) Business Days to review and respond accordingly. In addition, and notwithstanding anything to the contrary contained herein, the Post shall be permitted to withhold and/or condition its consent of any materials pursuant to this Section 7(d), if in the Post's reasonable business judgment, such materials would create any liability for the Post or any affiliates of the Post in excess of those obligations contemplated by this Agreement.

(e) APAH's Commitment. Other than the Zoning Approvals, in no event shall APAH have the right, without first obtaining the Post's written consent, to make any commitments to any governmental and/or quasi-governmental agencies or their respective representatives or other persons or entities that will affect or bind (i) the Post Unit after the Unit Closing, or (ii) the Property prior to the Land Closing that is not otherwise expressly contingent upon APAH completing the Land Closing. APAH shall at all times represent that APAH is only a contract-purchaser, and not the owner, of the Property. APAH agrees to provide a copy of any document or agreement requiring the Post's signature to the Post's attorneys by electronic mail for the Post's attorneys' review.

(f) Status Reports. Commencing on the Effective Date, APAH shall provide written status reports to the Post no less frequently than once per month or more frequently if requested by the Post on APAH's efforts to consummate the transaction contemplated by this Agreement, and APAH shall use its best efforts to schedule periodic meetings with the County to discuss solely the Post Space and/or Post Program Specifications. In addition, APAH shall provide a written report to the Post immediately upon the occurrence of an event that would materially affect the Post's Conditions Precedent (as hereinafter defined). If requested by the Post from time-to-time, APAH shall arrange for in-person meetings or telephone conferences with the Post and APAH's land use counsel on a reasonable basis and at mutually convenient times or locations, at no cost and expense to the Post, for the purpose of discussing the Zoning Approvals. In addition, APAH shall provide the Post with copies of all material correspondence, communications and notices to and from APAH pertaining to the status of the Land Use Applications and/or the Zoning Approvals and all other governmental and quasi-governmental authorizations and approvals necessary for the intended development of the Project. For purposes of this Section 7(f), the material correspondence, communications and notices shall (i) be limited to correspondence and communication which involves the Post Space and/or Post Program Specifications, and (ii) exclude those communications of a purely administrative or ministerial nature.

(g) Professionals; Development Materials. APAH hereby agrees that, in the event that the transaction evidenced by this Agreement does not close for any reason except for a default by the Post pursuant to this Agreement, the Post may (a) engage any architects, engineers, planners and other parties retained by APAH in furtherance of submitting and prosecuting the Land Use Applications and/or pursuing the Zoning Approvals, whether directly or as subcontractors to other parties (the "**Professionals**") to continue to perform professional services for the Post or its designee pursuant to a separate written agreement between such Professional and the Post or the Post's designee, which agreement shall provide that the Post or the Post's designee shall be responsible for all payments to such Professionals incurred in connection with such agreement, and (b) utilize any plans, specifications, drawings or other work product generated by the Professionals, specifically excluding any budgets prepared by or on behalf of APAH and any proprietary materials of APAH or materials related to APAH's programming (collectively, the "**Development Materials**"). To the fullest extent not prohibited by applicable law, APAH shall cause the Professionals to waive their rights to assert any liens against the Property on account of the non-payment of any fees due under their agreements from APAH. Upon termination of this Agreement for any reason, except for a default by the Post pursuant to this Agreement, APAH shall assign to the Post all of APAH's rights in and to such of the Development Materials as the Post may elect to assume, if any, to the extent APAH is not prohibited from assigning the same.

(h) Mechanic's Liens. In the event any Professional, or any party retained by any Professional or any subcontractor, files a mechanic's lien against the Property in connection with any work performed by or on behalf of APAH, APAH shall either, at its sole expense, within twenty (20) calendar days after such lien is filed, (i) cause the lien

to be bonded off in a manner reasonably satisfactory to the Post, or (ii) satisfy such lien in full, and provide evidence of satisfaction to the Post. Any failure by APAH to either bond off or satisfy such lien within such 20-day period shall constitute a default by APAH hereunder.

(i) APAH's Indemnification. APAH hereby indemnifies the Post against and holds the Post harmless from any and all penalties, fines, liens, claims, causes of action, damages, liabilities, costs and expenses of any type or nature (including but not limited to reasonable attorneys' fees and costs) asserted by any third parties against the Post for which APAH has expressly assumed responsibility or otherwise arising out of APAH's activities under this Section 7. The foregoing indemnification and hold harmless obligations shall survive any termination of this Agreement or the occurrence of the Land Closing.

(j) Existing Post Facilities. The Post shall be solely responsible for managing the operations of those portions of the existing building and associated improvements located on the Property as of the Effective Date (the foregoing, "**Existing Post Facilities**") subject only to the provisions of Section 7(k) and Section 13(b) of this Agreement. The Post shall be entitled to retain all revenues derived from the use of the Existing Post Facilities through and including the Land Closing Date. The parties hereby acknowledge that it is intended that the Existing Post Facilities will be demolished immediately following the Land Closing. At any time prior to the termination of this Agreement, APAH may request the Post and all tenants and occupants pursuant to the Leases (as hereinafter defined) to vacate the Existing Post Facilities by notifying the Post in writing of APAH's intention to proceed with the Land Closing (the "**Relocation Notice**"). Upon receipt of the Relocation Notice, the Post shall commence vacating the Property and de-commissioning the improvements located thereon and shall vacate the Property within one hundred and twenty (120) days of receipt of the Relocation Notice. Subject to the provisions of Section 7(k) and Section 13(b), the Post is hereby authorized to remove and/or dispose of any furniture, fixtures, equipment or improvements located on the Property prior to the Land Closing and any and all improvements located on the Property at the Land Closing shall be deemed abandoned unless otherwise mutually agreed to otherwise by the parties. Upon the complete vacation of the Property by the Post and all tenants and occupants pursuant to the Leases in accordance with the Relocation Notice, the Deposit (excluding any Released Portion of the Deposit) shall be released to the Post and shall be deemed earned by the Post and become non-refundable to APAH except in the event of the Post's default as set forth in this Agreement. The Deposit, as released, shall be applied toward the Purchase Price at the Land Closing.

(k) Post's Environmental Covenants. Prior to the expiration of the Feasibility Period, APAH shall commission at APAH's sole cost and expense a Phase 1 environmental site assessment of the Property prepared in accordance with applicable ASTM standards, and, if such Phase 1 environmental site assessment recommends that a Phase 2 environmental site assessment of the Property be conducted, APAH shall, promptly thereafter, commission, at APAH's sole cost and expense, a Phase 2 environmental site assessment of the Property prepared in accordance with applicable

ASTM standards (as applicable, the "**Environmental Report**"). If the Environmental Report recommends environmental remediation of all or a portion of the Property ("**Environmental Remediation**"), then APAH shall have the option to either (i) terminate this Agreement by written notice to the Post and receive a refund of the Deposit, or (ii) promptly cause a good faith budget/cost estimate to be prepared at APAH's sole cost and expense by a third-party environmental consultant setting forth the anticipated costs of such Environmental Remediation (the "**Environmental Cost Estimate**"). In the event that APAH selects option (ii) above, APAH shall promptly provide written notice thereof to the Post accompanied by the Environmental Report and the Environmental Cost Estimate. Within fifteen (15) calendar days after receiving the Environmental Cost Estimate from APAH, the Post may inform APAH in writing as to whether the Post shall engage a third-party environmental consultant for the purpose of validating or preparing an alternative environmental cost estimate and/or any conclusions in the Environmental Report (such response being the "**Alternative Cost Estimate**"). If such Alternative Cost Estimate is not timely given or not given at all, the Post shall be deemed to have accepted the Environmental Cost Estimate. If the Alternative Cost Estimate is timely given, the parties shall have twenty (20) Business Days from the date of APAH's receipt of the Alternative Cost Estimate to agree on any adjustments and revisions to the Environmental Cost Estimate. In the event that the parties fail to agree on any adjustments and revisions to the Environmental Cost Estimate within said twenty (20) Business Day period, then APAH shall have the option to elect, by written notice to the Post given within ten (10) calendar days after the expiration of said twenty (20) Business Day period to either (i) accept the Alternative Cost Estimate, or (ii) terminate this Agreement and receive a refund of the Deposit. If APAH fails to deliver such written notice prior to the expiration of such ten (10) calendar day period, APAH shall be deemed to have elected to accept the Alternative Cost Estimate. As used in this Agreement, the term "**Environmental Remediation Costs**" shall mean the Environmental Cost Estimate or Alternative Cost Estimate as agreed (or deemed agreed) to by APAH and the Post pursuant to the provisions of this Section 7(k). Subject to the Environmental Cost Cap (as hereinafter defined), the amount of the Environmental Remediation Costs shall be placed into escrow at the Land Closing from the Purchase Price proceeds, pursuant to an escrow agreement to be entered into by the parties at the Land Closing (the "**Environmental Escrow Agreement**") solely for purposes of paying for the actual third-party costs of remediating the Environmental Remediation – with the net proceeds to be delivered to the Post. Notwithstanding anything to the contrary set forth in this Section 7(k), in no event shall the Post's liability for payment of any Environmental Remediation Costs exceed, in the aggregate, the lesser of (a) the Environmental Remediation Costs, or (b) a cap of Five Hundred Thousand and No/100 Dollars (\$500,000.00) (the "**Environmental Cost Cap**") – without regard to the projected amount of the costs of Environmental Remediation under the Environmental Cost Estimate or the Alternative Cost Estimate or the actual costs incurred. APAH shall be responsible for all Environmental Remediation Costs above the Environmental Cost Cap. Any and all Environmental Remediation required pursuant to the provisions of this Section 7(k) shall be performed after the Land Closing by or at the direction of APAH. The Post agrees and covenants (the "**Environmental Covenants**") that the Post will take no action or fail to take any action after the date that APAH has

obtained the Environmental Report which would cause the Property to contain any Hazardous Materials (as hereinafter defined) in violation of any local or federal law, regulation or ordinance as set forth in Section 8(c).

8. POST'S REPRESENTATIONS, WARRANTIES, AND COVENANTS. Except, in all cases, for any fact, information or condition disclosed in the Title Report, the Survey, the Permitted Exceptions or the Post Materials, or which is otherwise known by APAH prior to the Land Closing, the Post makes the following representations and warranties (the "**Post's Representations**"), which shall be true, accurate and correct in all material respects as of the Effective Date, and shall continue to be true, accurate and correct on an ongoing basis through and concluding on the Land Closing Date:

(a) Authority. The execution and delivery of this Agreement by the Post and the consummation by the Post of the transaction contemplated by this Agreement are within its authority and all requisite action shall have been taken to make this Agreement valid and binding on the Post in accordance with its terms and no consent of any of the Post's directors, officers or members are required to so empower or authorize the Post. The compliance with or fulfillment of the terms and conditions hereof will not conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any contract to which the Post is a party or by which the Post is otherwise bound, which conflict, breach or default would have a material adverse effect on the Post's ability to consummate the transaction contemplated by this Agreement. This Agreement is a valid and binding agreement enforceable against the Post in accordance with its terms. The Post shall take all necessary further action to provide additional approvals as may be reasonably required by the Escrow Agent at or prior to the Land Closing.

(b) No Legal Bar. To the Post's actual knowledge, the execution by the Post of this Agreement and the consummation by the Post of the transaction hereby contemplated does not, and will not at any time (i) result in a breach of or default under any indenture, agreement, instrument or obligation to which the Post is a party and which affects all or any portion of the Property, or (ii) constitute a violation of any governmental requirement.

(c) No Default. To the Post's knowledge, the Post is not in default under any mortgage, deed of trust, loan agreement, or other agreement to which the Post is a party or which affects any portion of the Property.

(d) Litigation. There are no material claims, causes of action or other litigation or proceedings pending or, to the Post's actual knowledge, threatened in respect to the ownership, operation or environmental condition of the Property or any part thereof (including disputes with tenants, members, mortgagees, governmental authorities, utility companies, contractors, adjoining land owners or suppliers of goods or services).

(e) Hazardous Substances. To the Post's actual knowledge, the Post has not taken or failed to take any actions which would cause the Property to contain any waste, debris or contamination which is in violation of any local or federal law, regulation or ordinance, including the following: (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder; (iii) any "regulated substance" as defined in Virginia Code §62.1-44.34:8 (1950), and regulations promulgated thereunder; (iv) any "hazardous substance" as defined by the Virginia Waste Management Act, Virginia Code §10.1-1400 et. seq., and regulations promulgated thereunder; (v) any substance the presence of which on the Property is prohibited by any law similar to those set forth in this Section; and (vi) any other toxic or hazardous substances or materials, whether products or wastes, that require special handling in collection, storage, treatment or disposal under any federal, state or local law, statute, ordinance or regulation, or under any court or administrative order or decree, or under any private agreement (collectively, "**Hazardous Materials**"). To the Post's actual knowledge, the Property does not contain and has not contained any underground storage tanks.

(f) Intentionally Deleted.

(g) No Unrecorded Commitments. The Post has not subjected the Property to any commitments for contributions or assessments of money or land, and has not entered into any contracts of sale, rights of first refusal or similar rights with regard to the Property.

(h) Violation. The Post has not received written notice of any violations of any health, safety, pollution, zoning or other laws, ordinances, rules or regulations with respect to the Property, which have not been heretofore entirely corrected. In the event the Post receives written notice of any such violations during the term of this Agreement prior to the Land Closing, the Post shall (i) promptly provide APAH with copies of all documents evidencing any such violation and (ii) use all commercially reasonable efforts to correct such violation to the satisfaction of the applicable regulatory entity.

(i) Condemnation. The Post has not received any written condemnation notice from a governmental entity with respect to all or part of the Property and, to the Post's actual knowledge, none are pending or threatened.

(j) Intentionally Deleted.

(k) Possession. To the Post's knowledge, there are no adverse parties in possession of the Property or any part thereof, and no party has been granted any option, purchase contract, license, lease or other right or interest relating to the use, purchase or possession of the Property, or any part thereof, except for the tenants or

occupants who have entered into leases or licenses with the Post; true and complete copies of said leases and/or licenses are attached as Exhibit D (the "Leases").

(l) Assessments. The Post has no knowledge of any special assessments having been levied, threatened or pending against all or any part of the Property, and the Post has no actual knowledge of any intended special assessments.

(m) Bills for Labor. All bills and claims for labor performed and materials furnished to or for the benefit of the Property at the direction of the Post have been paid in full, and there shall be no mechanics' liens or materialmen's liens, whether or not perfected, on or affecting any portion of the Property. Any bills, claims or liens relating to or arising from APAH's activity on the Property are expressly excluded from the provisions of this warranty. In connection with this warranty, the Post agrees to execute any affidavits and/or customary agreements which may be required by APAH's title insurance company in order for APAH to obtain from such title insurance company an owner's policy of title insurance covering the Property without exception for mechanics' liens or rights of parties in possession.

(n) Cemeteries. To the Post's knowledge, there are no cemeteries, graveyards or similar burial plots on the Property.

The Post agrees to notify APAH of any state of facts which would constitute a breach of, or render inaccurate, any of the foregoing representations and warranties, within seven (7) calendar days after becoming aware of said state of facts. Notwithstanding anything to the contrary set forth in this Agreement, the Post Representations shall survive the Land Closing until the Unit Closing Date at which time they shall merge into the Unit Deed.

8.1 AS-IS. Except as otherwise expressly set forth in the Post's Representations:

8.1.1 The Property is expressly purchased and sold "AS IS," "WHERE IS," and "WITH ALL FAULTS."

8.1.2 The Purchase Price and the terms and conditions set forth herein are the result of arm's-length bargaining between entities familiar with transactions of this kind, and said price, terms and conditions reflect the fact that APAH shall have the benefit of, but is not relying upon, any information provided by the Post or the Broker (as hereinafter defined) or statements, representations or warranties, express or implied, made by or enforceable directly against the Post or the Broker, including, without limitation, any relating to the value of the Property, the physical or environmental condition of the Property, any state, federal, county or local law, ordinance, order or permit; or the suitability, compliance or lack of compliance of the Property with any regulation, or any other attribute or matter of or relating to the Property (other than any covenants of title contained in the Post Deed, as hereinafter defined, conveying the Property and the Post's Representations).

8.1.3 APAH, its successors and assigns, and anyone claiming by, through or under APAH, hereby fully releases the Post's Indemnified Parties (defined in Section 18(s)) from, and irrevocably waives its right to maintain, any and all claims and causes of action that it or they may now have or hereafter acquire against the Post's Indemnified Parties with respect to any and all losses arising from or related to any defects, errors, omissions in the Post's Materials or other conditions affecting the Property. The parties hereto acknowledge that the liability of the Post relating to any covenants of title contained in the Post Deed (as hereinafter defined) conveying the Property or the Post's Representations shall not be affected by this Section 8.1.3.

8.1.4 APAH represents and warrants that, as of the Effective Date hereof and as of the Land Closing Date, it has and shall have reviewed and conducted such independent analyses, studies (including, without limitation, environmental studies and analyses concerning the presence of lead, asbestos, water intrusion and/or fungal growth and any resulting damage, PCBs and radon in and about the Property), reports, investigations and inspections as it deems appropriate in connection with the Property. If the Post provides or has provided any documents, summaries, opinions or work product of consultants, surveyors, architects, engineers, title companies, governmental authorities or any other person or entity with respect to the Property, including, without limitation, the offering prepared by the Broker, APAH and the Post agree that the Post has done so or shall do so only for the convenience of both parties, APAH shall not rely thereon and the reliance by APAH upon any such documents, summaries, opinions or work product shall not create or give rise to any liability of or against the Post's Indemnified Parties. APAH acknowledges and agrees that, except as set forth in the Post's Representations, no representation has been made and no responsibility is assumed by the Post with respect to current and future applicable zoning or building code requirements or the compliance of the Property with any other laws, rules, ordinances or regulations, the financial earning capacity or expense history of the Property, the continuation of contracts, continued occupancy levels of the Property, or any part thereof, or the continued occupancy by tenants of any Leases or, without limiting any of the foregoing, occupancy at the Land Closing.

8.2 DEFINITION OF THE POST'S KNOWLEDGE. Any representations and warranties made "to the knowledge of the Post" shall not be deemed to imply any duty of inquiry. For purposes of this Agreement, the term the Post's "knowledge" shall mean and refer only to actual knowledge of Robert Romano, the Post Commander as of the Effective Date (the "**Post Commander**"), and shall not be construed to refer to the knowledge of any other partner, officer, director, agent, employee or representative of the Post, or any affiliate of the Post, or to impose upon the Post Commander any duty to investigate the matter to which such actual knowledge or the absence thereof pertains, or to impose upon the Post Commander any individual personal liability.

9. PURCHASER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS. APAH makes the following representations and warranties ("**APAH's Representations**"), which shall be true, accurate and correct in all material respects as

of the Effective Date and shall continue to be true, accurate and correct on an ongoing basis:

(a) Organization; Qualification. APAH is a corporation, duly organized, validly existing, and in good standing under the laws of the Commonwealth of Virginia, and has the requisite power and authority to enter into this Agreement, and to consummate the transactions contemplated by the terms of this Agreement.

(b) Authority. The execution and delivery of this Agreement by APAH and the consummation by APAH of the transaction contemplated by this Agreement are within its authority and all requisite action shall have been taken to make this Agreement valid and binding on APAH in accordance with its terms and no consent of any of APAH's partners, directors, officers or members are required to so empower or authorize APAH. The compliance with or fulfillment of the terms and conditions hereof will not conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any contract to which APAH is a party or by which APAH is otherwise bound, which conflict, breach or default would have a material adverse effect on APAH's ability to consummate the transaction contemplated by this Agreement. This Agreement is a valid and binding agreement enforceable against APAH in accordance with its terms.

(c) Litigation. No pending or, to the knowledge of APAH, threatened litigation exists which if determined adversely would restrain the consummation of the transactions contemplated by this Agreement or would declare illegal, invalid or non-binding any of APAH's obligations or covenants to the Post.

(d) Reliance. Other than the Post's Representations, APAH has not relied on any representation or warranty made by the Post or any representative of the Post (including, without limitation, any brokers representing either party to this transaction) in connection with this Agreement and the acquisition of the Property.

10. PROJECT REPRESENTATIVES. The Post agrees to appoint one person as its designated representative for the purpose of responding to all requests related in any manner to the provisions of Section 7 and Section 15 herein (the "**Post Representative**"), and the act of the Post Representative shall be deemed sufficient to bind the Post to such decisions, approvals or other actions. Initially, the Post Representative shall be the Post Commander. The Post shall provide notice to APAH of any change in the Post Representative, which notice shall provide all necessary contact information. APAH agrees to appoint one person as its designated representative with requisite authority to approve plans, drawings, specifications, change orders, charges and/or approvals required of APAH pursuant to this Agreement (the "**APAH Representative**"), and the act of APAH's Representative shall be deemed sufficient to bind Purchaser to such decisions, approvals or other actions. APAH shall provide notice to the Post of any change in APAH Representative, which notice shall provide all necessary contact information. The designation of APAH's Representative or the Post's Representative shall not change any obligations of the parties under this

Agreement with regard to giving notices to each of the parties in accordance with this Agreement.

11. CONDITIONS.

11.1 PURCHASER'S CONDITIONS. APAH's obligations to proceed with the Land Closing under this Agreement shall be subject to and conditioned upon the fulfillment of the following conditions precedent (the "**APAH's Conditions Precedent**"):

(a) Except for adverse changes caused by APAH or its agents, there shall have been no material adverse changes to the environmental condition of the Property, since the Effective Date, and there shall be no pending or open actions by any governmental authority relating to the environmental conditions on the Property which, in APAH's reasonable discretion, if adversely determined, would restrain the consummation of any of the transactions contemplated by this Agreement.

(b) The Post shall have complied in all material respects with all terms, requirements and provisions in this Agreement to be complied with, fulfilled or performed by the Post hereunder.

(c) Each of the Post's representations and warranties set forth in this Agreement shall in fact be true and correct in all material respects as of the Land Closing Date.

(d) There are no uncorrected violations of any laws, ordinances, rules or regulations of any governmental authority or pending litigation which affect the Property which, in APAH's reasonable discretion, if adversely determined, would restrain the consummation of any of the transactions contemplated by this Agreement or declare illegal, invalid or nonbinding any of the covenants or obligations of the Post hereunder.

(e) No governmental authority or quasi-governmental authority shall have imposed (or publicly announced its intention to impose) a moratorium or suspension of the issuance or building permits or of water or sewer facilities or permits, or shall have taken (or published or announced its intention to take) any other action that APAH reasonably determines would prohibit APAH from constructing the Project in connection with the Zoning Approvals.

(f) The Leases shall have been terminated, free and clear of any and all rights of any party and the Post shall have provided APAH with evidence of such termination.

(g) The condition of title to the Property as of the Land Closing Date shall be in the Approved Condition of Title.

(h) APAH shall have obtained all Zoning Approvals and building permits, acceptable to APAH in its discretion, from the County in compliance with the

terms hereof, with all appeal periods having expired with no appeals having been filed or with any appeals that have been filed having been fully and finally denied or rejected in favor of APAH or otherwise fully and finally resolved on terms and conditions in a manner acceptable to APAH in its reasonable discretion exercised in good faith.

(i) APAH shall have obtained all acquisition, construction and permanent loan financing acceptable to APAH in compliance with the terms hereof.

Notwithstanding anything to the contrary set forth in this Agreement, there are no conditions to APAH's obligation to proceed with the Land Closing except as expressly set forth in this Section 11.1. In the event that any one or more of the APAH's Conditions Precedent are not satisfied on or prior to the Land Closing, then APAH may, in its sole and absolute discretion, promptly elect to (a) terminate this Agreement by giving written notice to the Post and the Deposit shall be returned to APAH by the Escrow Agent and the parties shall have no further obligations hereunder except for those obligations which specifically survive such termination, or (b) to waive satisfaction of one or more of said APAH's Conditions Precedent, and proceed to the Land Closing (except that APAH shall not be permitted to waive APAH's Condition Precedent set forth in Section 11.1(h) above without the written consent of the Post), or (c) if such failure constitutes a default by the Post pursuant to Section 14(b) hereof, exercise any of APAH's remedies pursuant to Section 14(b).

11.2 SELLER'S CONDITIONS. The Post's obligation to close with respect to conveyance of the Property under this Agreement shall be subject to and conditioned upon the fulfillment of the following conditions precedent (the "**Post's Conditions Precedent**");

(a) All of the documents and funds required to be delivered by APAH to the Post at the Land Closing pursuant to the terms and conditions hereof shall have been delivered (including, without limitation, payment of the Purchase Price and delivery of an executed the Post Unit Escrow Agreement (as hereinafter defined);

(b) Each of APAH's Representations shall be true in all material respects as of the Land Closing Date; and

(c) The Zoning Approvals shall have been issued and all appeal periods shall have expired with no appeals having been filed or litigation threatened in writing (specifically excluding any litigation filed or threatened by the Post or any members, officers or agents of the Post or any party asserting any claims against the Post, APAH, the Land or the Project by reason of such party's relationship to the Post), which, if adversely determined would restrain the consummation of any of the transactions contemplated by this Contract; or if any appeals have been filed, said appeals shall have been fully and finally denied or rejected in favor of APAH and the Post or otherwise fully and finally resolved on terms and conditions and in a manner acceptable to the Post in its reasonable discretion exercised in good faith.

There are no conditions to the Post's obligation to Close except as expressly set

forth in this Section 11.2.

12. LAND CLOSING.

(a) The consummation of the transactions associated with the conveyance of the Property from the Post to APAH (the "**Land Closing**") shall take place on or before June 30, 2020 – the exact date of which shall be the later of (i) that date designated by APAH upon not less than thirty (30) calendar days' notice to Post, or (ii) that date which is in compliance with the Relocation Notice provisions set forth in Section 7(j). APAH may schedule the Land Closing at any time by providing thirty (30) calendar days' prior written notice to the Post. Notwithstanding anything to the contrary set forth in this Agreement, APAH shall have the one time right to extend Land Closing until June 30, 2021, upon written notice to the Post and Escrow Agent given on or before June 1, 2020 (the "**Land Closing Extension Notice**"); provided, however, APAH shall not be permitted to give the Land Closing Extension Notice and extend the Land Closing after APAH issues the Relocation Notice (the actual date on which the Land Closing occurs is referred to herein as the "**Land Closing Date**"). In the event that APAH shall so deliver the Land Closing Extension Notice, APAH shall immediately deliver to the Post an additional One Hundred Thousand and No/100 Dollars (\$100,000.00) (the "**Extension Fee**"), which shall be deemed earned by the Post at the time of delivery and shall be non-refundable to APAH except in the event of a default by the Post pursuant to Section 14(b). Notwithstanding anything to the contrary set forth in this Agreement, the Extension Fee, if paid to the Post pursuant to the provisions of this Section 12(a), shall be credited against the Purchase Price at the Land Closing.

(b) The Land Closing shall occur on the Land Closing Date and be held at the offices of Escrow Agent or the Title Company. The parties acknowledge that the Land Closing may occur through delivery of the Land Closing documents by the Post and APAH to the Escrow Agent, and delivery of the funds necessary for Land Closing by APAH to Escrow Agent by wire transfer of funds, so that the parties will not need to personally attend the Land Closing.

(c) Any real estate taxes and rents shall be pro-rated for the Property as of the Land Closing Date. The Post shall pay for the grantor's tax (including the Regional Congestion Relief Fee). The Post shall also pay for the preparation of release documents, and the recording fees for the release of any monetary encumbrances, and one-half of the Land Closing fee charged by the Title Company/settlement agent. Each party shall pay its own attorneys' fees. APAH shall pay all transfer taxes (excluding the grantor tax and the Regional Congestion Relief Fee) relating to the transfer of the Property to APAH, all mortgage recording taxes, and all use, gross receipts or similar taxes relating to the transfer of the Property or any part thereof, and all title insurance premiums and fees required to be paid by APAH with respect to the title policy issued relating to the conveyance of the Property. All other costs of the Land Closing, including recording fees for the deed, are to be paid by APAH.

(d) At the Land Closing, the Post shall execute and/or deliver such documents, affidavits, certificates or other items required pursuant to this Agreement, or reasonably requested by the Escrow Agent, including but not limited to the following:

(i) A special warranty deed (the "**Post Deed**") in the form attached as **Exhibit E**, subject to the Permitted Exceptions conveying title to the Property to APAH in accordance with Section 6 herein;

(ii) A title affidavit or an indemnity in a form reasonably acceptable to the Post, which is sufficient to enable the Title Company to delete the standard pre-printed exceptions to the title insurance policy to be issued pursuant to the title commitment accompanying the Title Report; provided however, that the Post shall not be obligated to provide a title affidavit or an indemnity form addressing the pre-printed exceptions related to the Survey if APAH has not provided a Survey to the Title Company as referenced in Section 6;

(iii) A certificate executed by the Post stating the United States Taxpayer Identification Number for the Post and stating that the Post is not a foreign person as defined in the Internal Revenue Code;

(iv) The Post Unit Escrow Agreement;

(v) The Environmental Escrow Agreement (if applicable);

(vi) A certificate restating as of the Land Closing date all of the Post's Representations;

(vii) The Post's counterpart signature to a settlement statement (the "**Settlement Statement**") setting forth the Purchase Price, with Land Closing adjustments and pro-rations as set forth in this Agreement (including but not limited to credits for the Deposit and calculation of the Post Unit Estimated Value, as the same are described in this Agreement); and

(viii) Resolutions, certificates of good standing, and such other organizational documents as the Title Company shall reasonably require evidencing the Post's authority to consummate this transaction.

(e) At the Land Closing, APAH shall execute and/or provide such documents, affidavits, certificates or other items required pursuant to this Agreement, or reasonably requested by the Escrow Agent:

(i) A certificate restating as of the Land Closing Date all of APAH's Representations;

(ii) APAH's counterpart signature to the Settlement Statement;

(iii) Such other certificates, agreements and other documents as may be reasonably requested by the Escrow Agent in order to permit the Escrow Agent

to issue a title policy reflecting that APAH holds good and marketable title to the Property, subject to the provisions in Section 6 herein;

(iv) The full Purchase Price (with credit for the Deposit), plus or minus the adjustments or pro-rations required by this Agreement;

(v) The Post Unit Escrow Agreement; and

(vi) The Environmental Escrow Agreement (if applicable).

(f) At the Land Closing, a portion of the net Purchase Price proceeds equal to one hundred percent (100%) of the Post Unit Estimated Value (determined in accordance with Section 15(f)) shall be deposited by the Post into escrow (the "**Post Unit Escrow**") pursuant to an escrow agreement in the form attached hereto as **Exhibit H** (the "**Post Unit Escrow Agreement**"). In addition, if an Environmental Escrow Agreement is entered into between the parties, then the amount equal to 100% of the Environmental Remediation Costs shall also be deposited from the proceeds due to the Post. The parties acknowledge that the balance of the net Purchase Price proceeds not otherwise held pursuant to the Post Unit Escrow Agreement or the Environmental Escrow Agreement shall constitute the sole property of the Post and shall not be construed to be held in trust or otherwise subject to the Post Unit Escrow or this Agreement following the consummation of the Land Closing.

(g) At the Land Closing, APAH shall receive a credit against the Purchase Price in the amount of Forty-Five Thousand and No/100 Dollars (\$45,000.00) (the "**Post's Loan Contribution**"). The parties acknowledge that the Post's Loan Contribution is intended to defray any and all interest payments and loan costs as may be incurred by APAH in connection with the loan to be obtained by APAH for the purpose of funding the construction of the Post Unit prior to the Commencement Date (as defined in the Post Unit Escrow Agreement) and the Post's Loan Contribution shall be the maximum amount of contribution on the part of the Post irregardless of whether the actual interest payments exceed Forty Five Thousand and No/100 Dollars (\$45,000.00).

13. CONDEMNATION; RISK OF LOSS.

(a) Risk of Loss. Until recordation of the Post Deed, the risk of loss or damage to the Property or any portion thereof is assumed by the Post. Upon recordation of the Post Deed, the risk of loss or damage to the Property or any portion thereof is assumed by APAH.

(b) Casualty Damage. If the Property is damaged or destroyed by fire or other casualty prior to the Land Closing Date ("**Casualty Damage**"), then the Post shall have no obligation to make any repairs and shall notify APAH in writing of such Casualty Damage and this transaction shall be closed in accordance with the provisions of this Agreement (notwithstanding such Casualty Damage) without set-off or deduction

and the Post shall retain all right, title and interest in all insurance proceeds associated with such Casualty Damage for application to the Post's business in the Post's sole unfettered discretion. Notwithstanding anything to the contrary set forth in this Section 13(b), in the event that any Casualty Damage results in any damage to the Land so as to require any additional environmental remediation (other than the Environmental Remediation set forth in Section 7(k)), the Post shall be responsible for all costs incurred by APAH in connection with any such damage to the Land or additional environmental remediation; provided, however, the Post's obligation to pay such costs shall be limited to the Environmental Cost Cap such that the Post's maximum liability to pay for any environmental remediation associated with Casualty Damage and Environmental Remediation Costs shall be calculated in the aggregate. In the event that, in the aggregate, the costs for any environmental remediation associated with Casualty Damage and Environmental Remediation Costs shall exceed the Environmental Cost Cap, notwithstanding anything to the contrary set forth in this Section 13(b), the Post shall assign any insurance proceeds actually received by the Post (or any rights in and to any insurance proceeds to the extent the same have not been received by the Post as of the Land Closing Date) to APAH in an amount equal to the amount by which the costs for any environmental remediation exceed the Environmental Cost Cap.

(c) Eminent Domain. In the event of the institution of any proceedings by any governmental authority which shall relate to the taking or proposed taking (a "Taking") of any portion of the Property by eminent domain, the Post shall notify APAH within ten (10) Business Days after the Post's receipt of notification thereof, and, in the event that such Taking involves a material portion of the Property, APAH shall thereafter have the right and option to terminate this Agreement by giving the Post written notice of APAH's election to terminate with ten (10) Business Days after receipt by APAH of the notice from the Post and the Deposit shall be delivered to the Post as earned. For purposes of this Section, a taking shall be deemed to involve a material portion of the Property if the taking will affect more than five percent (5%) of the area of the Land, or materially increase the cost or lengthen the schedule for APAH's development. Should APAH elect not to terminate, the Post shall assign to APAH all of its right, title and interest in all awards in connection with any such taking. With regard to condemnation proceedings, APAH and the Post shall work cooperatively and in good faith, and the Post shall not negotiate or litigate or compromise any claim in connection with such taking without the prior written consent of APAH. APAH shall have the right to participate in any such action or proceeding. For purposes of this Section, pursuit of the Zoning Approvals and any and all other approvals associated with the Project shall not constitute proceedings by a governmental authority relating to the taking or proposed taking of any material portion of the Property by eminent domain.

14. DEFAULT.

(a) APAH's Default. If APAH defaults on its obligations hereunder to (i) deliver the Deposit (or any other deposit or payment required of APAH hereunder), (ii) deliver to the Post the deliveries specified under Section 12(e) on the Land Closing Date, or (iii) deliver the Purchase Price in accordance with Section 12(e) and close on

the purchase of the Property on the Land Closing Date, or if APAH defaults on any of its other material obligations under this Agreement, and such default continues for more than ten (10) Business Days after written notice from the Post, then APAH shall forfeit the Deposit and the Escrow Agent shall deliver the Deposit to the Post, neither party shall be obligated to proceed with the purchase and sale of the Property and the Post may terminate this Agreement by written notice to APAH. The Deposit is liquidated damages and recourse to the Deposit is, except for APAH's indemnity obligations hereunder and the Post's right to recover attorneys' fees, the Post's sole and exclusive remedy for APAH's failure to perform its obligation to purchase the Property or breach of a representation or warranty. The Post expressly waives the remedies of specific performance and additional damages for such default by APAH. THE POST AND APAH ACKNOWLEDGE THAT THE POST'S DAMAGES WOULD BE DIFFICULT TO DETERMINE, AND THAT THE DEPOSIT IS A REASONABLE ESTIMATE OF THE POST'S DAMAGES RESULTING FROM A DEFAULT BY APAH IN ITS OBLIGATION TO PURCHASE THE PROPERTY. THE POST AND APAH FURTHER AGREE THAT THIS SECTION 14(a) IS INTENDED TO AND DOES LIQUIDATE THE AMOUNT OF DAMAGES DUE THE POST, AND SHALL BE THE POST'S EXCLUSIVE REMEDY AGAINST APAH, BOTH AT LAW AND IN EQUITY, ARISING FROM OR RELATED TO A BREACH BY APAH OF ITS OBLIGATION TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, OTHER THAN WITH RESPECT TO APAH'S INDEMNITY OBLIGATIONS HEREUNDER AND THE POST'S RIGHT TO RECOVER ATTORNEYS' FEES. UNDER NO CIRCUMSTANCES MAY THE POST SEEK OR BE ENTITLED TO RECOVER ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, SPECULATIVE OR INDIRECT DAMAGES, ALL OF WHICH THE POST SPECIFICALLY WAIVES, FROM APAH FOR ANY BREACH BY APAH OF ITS COVENANTS OR ITS OBLIGATIONS UNDER THIS AGREEMENT.

(b) Post's Default. In the event (i) the Post defaults on its obligations hereunder to deliver to Escrow Agent the deliveries specified under Section 12(d) on the Land Closing Date, or to close on the sale of the Property on the Land Closing Date, or (ii) the Post defaults prior to the Land Closing Date on its material obligations under this Agreement, and such default continues for more than ten (10) Business Days after written notice from APAH, at APAH's election and as APAH's exclusive remedy, APAH may either (Y) terminate this Agreement (whereupon the Deposit shall be returned to APAH and the parties shall have no further obligations hereunder except for those obligations which specifically survive such termination), and; or (Z) subject to the conditions below, seek specific performance of the Post's obligation to close on the sale of the Property pursuant to this Agreement (but not damages). APAH may seek specific performance of the Post's obligation to close on the sale of the Property pursuant to this Contract only if, as a condition precedent to initiating such litigation for specific performance, APAH shall (I) not otherwise be in material default under this Agreement; and (II) file suit therefor with the court on or before the ninetieth (90th) day after the date of the Post's default. If APAH fails to file an action for specific performance within ninety (90) calendar days after the date of the Post's default, then APAH shall be deemed to have elected to terminate the Contract in accordance with subsection (Y) above. THE POST AND APAH FURTHER AGREE THAT THIS SECTION 14(B) IS INTENDED TO AND DOES LIMIT THE AMOUNT OF DAMAGES DUE APAH AND THE REMEDIES

AVAILABLE TO APAH, AND SHALL BE APAH'S EXCLUSIVE REMEDY AGAINST THE POST, BOTH AT LAW AND IN EQUITY ARISING FROM OR RELATED TO A BREACH BY THE POST OF ITS COVENANTS OR ITS OBLIGATION TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THIS CONTRACT OTHER THAN THE POST'S ENVIRONMENTAL COVENANTS IN SECTION 7(K). UNDER NO CIRCUMSTANCES MAY APAH SEEK OR BE ENTITLED TO RECOVER ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, SPECULATIVE OR INDIRECT DAMAGES, ALL OF WHICH APAH SPECIFICALLY WAIVES, FROM THE POST FOR ANY BREACH BY THE POST OF ITS COVENANTS OR ITS OBLIGATIONS UNDER THIS AGREEMENT. APAH SPECIFICALLY WAIVES THE RIGHT TO FILE ANY LIS PENDENS OR ANY LIEN AGAINST THE PROPERTY UNLESS AND UNTIL IT HAS IRREVOCABLY ELECTED TO SEEK SPECIFIC PERFORMANCE OF THIS CONTRACT AND HAS FILED AND IS DILIGENTLY PURSUING AN ACTION SEEKING SUCH REMEDY.

Notwithstanding anything in the foregoing provisions to the contrary, in the event the Post (i) violates any of the Environmental Covenants in Section 7(k) , (ii) through the action or inaction of the Post creates or causes to be created any Subsequent Defect, or (iii) conveys the Property to a third-party in violation of this Agreement, APAH shall be entitled to, at its option, have the right to (Q) terminate this Agreement whereupon the Deposit shall be returned to APAH and the Post shall be liable for APAH's third party costs and filing application costs, (R) maintain any remedy available at law or equity, including but not limited to specific performance and the Post shall be liable for APAH's third party costs and filing application costs, and/or (S) with respect to the defaults described in (i) and/or (ii) above, proceed with the Land Closing and the Post shall be liable for APAH's third party costs and filing application costs and any and all costs associated with remedying such violation of the Environmental Covenants in Section 7(k) and/or Subsequent Defects that restrain the consummation of any of the transactions contemplated by this Agreement as determined by APAH in its sole discretion exercised in a commercially reasonable manner (the foregoing, collectively referred to herein as the "**Material Default Costs**"). In furtherance of the foregoing, APAH shall be entitled to deduct from the Purchase Price those Material Default Costs evidenced by reasonably detailed reports by third parties engaged by APAH to remedy such violation of the Environmental Covenant and/or Subsequent Defects.

15. POST SPACE.

(a) Construction filings. The Plans and Drawings as approved by Arlington County in connection with the Zoning Approvals (the "**County Approved Plans and Drawings**") shall be processed by APAH with Arlington County in order to obtain necessary construction and building permits for the Project. Notwithstanding the foregoing, upon written notice to the Post, APAH shall be permitted without first obtaining the Post's consent to make changes to the County Approved Plans and Drawings that are not material (i.e. customary "field" changes that do not affect the functionality or capacity of the Post Space, the Post Program Specification, costs or schedule) as may be required (i) in APAH's reasonable discretion, (ii) by any governmental authority, or (iii) to address an unforeseen circumstances arising during

construction; provided, however, any such changes shall be in material compliance with Post Program Specifications.

(b) Regime Documents. The parties hereto intend that (i) the Post Unit shall consist of a delineated air rights unit; and (ii) the Residential Unit shall consist of a delineated air rights unit separate from the Post Unit and encompassing of the remainder of the Property and the air rights above the Post Unit, together with appurtenant amenities, including without limitation, the Garage, the Exterior Space, driveways and drive aisles, sidewalks, landscaping, and certain other improvements and appurtenances shared with the Post Unit. APAH (at its sole cost and expense) shall prepare the documents necessary to devise the foregoing rights and obligations between APAH and the Post including, without limitation, (x) a reciprocal easement agreement for perpetual appurtenant rights for the benefit of the Post for ingress and egress over and across, exclusive parking rights to the Post Parking Spaces in the Garage, (y) the Unit Deed (defined below) and (z) the First Right Documents (defined below) (collectively, the "**Regime Documents**"), each compliant with the terms and conditions listed on **Exhibit F** attached hereto and incorporated herein by reference. No later than that date which is ninety (90) calendar days prior to the Land Closing, APAH shall deliver drafts of the Regime Documents to the Post for review, comment and approval in accordance with the review and approval provisions of Section 7(d). Notwithstanding anything to the contrary set forth in this Section 15(b) or in **Exhibit F**, the Post acknowledges that provisions of the Regime Documents shall be subject to the review and approval of any of APAH's lenders making loans in connection with the Project, and in connection therewith, some revisions to the Regime Documents and the terms and conditions set forth in **Exhibit F** may be requested – in which case the Post agrees to use commercially reasonable good faith efforts to promptly review and comment on any such requested revisions from APAH's lenders. The parties agree to use commercially reasonable good faith efforts to negotiate such requested revisions with APAH's lenders in a manner so as assure the ultimate delivery of the Project in a form consistent with terms and conditions of **Exhibit F**.

(c) Construction of the Post's Space. After the Land Closing Date, APAH will diligently proceed with and continue until completion (i) the construction of the Project as required by the Zoning Approvals and in accordance with the County Approved Plans and Drawings and the Post Program Specifications, and (ii) the Post Space in accordance with all applicable laws and regulations, Post Program Specifications and the County Approved Plans and Drawings. The construction of the Project shall include the creation of those shell improvements intended for the exclusive use and enjoyment of the Post in the condition described in the Post Program Specifications for the Post Unit but not the interior improvements to the Post Unit (the "**Post Shell Improvements**"). The Post hereby acknowledges that the Post, at the Post's sole cost and expense, shall be responsible for installing, and paying for, any and all interior improvements to the Post Space, including but not limited to equipment, furniture, and trade fixtures.

(d) Substantial Completion of the Post's Space. When the Post's Space is Substantially Complete (defined below), APAH shall provide written notice (the

"**Substantial Completion Notice**") to the Post. No later than ten (10) Business Days after the Post's receipt of the Substantial Completion Notice, representatives of the Post and APAH shall inspect the Post Space and mutually establish a list of deficiencies (the "**Inspection Report**"). APAH shall cause all deficiencies set forth in the Inspection Report to be repaired within sixty (60) calendar days. APAH shall not be responsible for correcting any deficiencies in the Post Space that are not included on the Inspection Report. At the Post Unit Closing (defined below), APAH shall assign to the Post all assignable contractor warranties with respect to the Post Space and those portions of the Project constituting Post Program Specifications, pursuant to the General Assignment (as hereinafter defined). "**Substantially Completed**" shall mean the Post Space has been completed in accordance with the County Approved Plans and Drawings, the Post Program Specifications and pursuant to all applicable government requirements (including, without limitation, a certificate of occupancy or local equivalent for the beneficial use and enjoyment of the Post Unit by the Post), other than (i) minor, non-material variations, (ii) variations due to the unavailability of specified equipment or materials or due to unforeseen field conditions (in which case the party responsible for such completion shall use commercially reasonable efforts to minimize the nature and extent of such variation(s)), and (iii) minor defects in workmanship of the nature of "punch-list" items, provided that the same do not prevent the Post from occupying the Post Unit lawfully.

(e) Post Unit Closing.

(i) APAH will convey to the Post fee simple title to the Post Unit by a special warranty deed (the "**Unit Deed**"), together with a perpetual easement right to the Post Parking Spaces (the "**Unit Closing**") on or before the earlier to occur of the following: (1) that date which is Forty-Two (42) months following the Land Closing Date (the "**Outside Post Unit Closing Date**"), or (2) ninety (90) calendar days following that date on which the Post Space is Substantially Complete (the actual date on which the Unit Closing occurs is referred to herein as the "**Unit Closing Date**"). APAH may schedule the Unit Closing at any time by providing thirty (30) calendar days' prior written notice to the Post. Title to the Post Unit shall be good and marketable, free and clear of all liens and encumbrances, and shall be insurable and insured by a nationally recognized ALTA title insurance company of the Post's choice at standard rates subject only to the Regime Documents and all encumbrances in connection with the Zoning Approvals and any standard title exceptions regarding (I) the rights of parties in possession (which shall be limited to parties in possession pursuant to the written agreements) and (II) pertaining to taxes and assessments (which shall be limited to taxes and assessments not yet due and payable as of the Unit Closing Date). The consideration to be listed on the Unit Deed shall be the Final Value (defined in Section 15(f) below).

(ii) The Unit Closing shall occur on the date of Unit Closing Date and be held at the offices of Escrow Agent or the Title Company. The parties acknowledge that the Unit Closing may occur through delivery of the Unit Closing documents by the Post and APAH to the Escrow Agent, and delivery of the funds (if

any) necessary for the Unit Closing by the Post to Escrow Agent by wire transfer of funds, so that the parties will not need to personally attend the Unit Closing.

(iii) Any real estate taxes and rents shall be pro-rated for the Post Unit as of the Unit Closing Date. The Post shall pay for the grantor's tax, one-half of the Unit Closing fee charged by the Escrow Agent for facilitating settlement and all title insurance premiums and fees required to be paid by the Post with respect to the title policy issued relating to the conveyance of the Post Unit. Each party shall pay its own attorneys' fees. APAH shall pay the Regional Congestion Relief Fee and any and all costs associated with the release of any mortgage or deed of trust secured by the Post Unit. APAH shall pay for the preparation of release documents, one-half of the Unit Closing fee charged by the Escrow Agent for facilitating settlement and the recording fees for the release of any monetary encumbrances. All other costs of the Unit Closing, including recording fees for the deed, are to be paid by the Post.

(iv) APAH represents and warrants (the "**APAH Post Unit Representations**") the following statements shall be true, complete, accurate and correct in all material respects as of the Unit Closing Date:

(A) The consummation by APAH of the transaction contemplated by the Unit Closing does not, and will not at any time (I) result in a breach of or default under any indenture, agreement, instrument or obligation to which APAH is a party and which affects all or any portion of the Post Unit, or (II) constitute a violation of any governmental requirement.

(B) APAH is not in default under any mortgage, deed of trust, loan agreement, or other agreement to which APAH is a party or which affects any portion of the Post Unit.

(C) There are no material claims, causes of action or other litigation or proceedings pending or, to the APAH's actual knowledge, threatened in respect to the ownership, operation or environmental condition of the Post Unit or any part thereof (including disputes with mortgagees, governmental authorities, utility companies, contractors, or suppliers of goods or services).

(D) APAH has not taken or failed to take any actions which would cause the Post Unit to contain any Hazardous Materials (as defined in Section 8(e) hereof).

(E) APAH has not subjected the Post Unit to any commitments for contributions or assessments of money or land or air rights, except as set forth in the Regime Documents, and has not entered into any contracts of sale, rights of first refusal or similar rights with regard to the Post Unit.

(F) APAH has not received written notice of any violations of any health, safety, pollution, zoning or other laws, ordinances, rules or regulations with respect to the Post Unit, which have not been heretofore entirely corrected.

(G) APAH has no knowledge of any special assessments having been levied, threatened or pending against all or any part of the Post Unit, and APAH has no actual knowledge of any intended special assessments.

(H) All bills and claims for labor performed and materials furnished to or for the benefit of the Post Unit at the direction of the APAH have been paid in full, and there shall be no mechanics' liens or materialmen's liens, whether or not perfected, on or affecting any portion of the Post Unit. In connection with this warranty, APAH agrees to execute any affidavits and/or customary agreements which may be required by the Post's title insurance company in order for the Post to obtain from such title insurance company an owner's policy of title insurance covering the Post Unit without exception for mechanics' liens or rights of parties in possession.

(I) The Post Space built by APAH or its agents comply with all applicable codes, laws and regulations (including the Americans with Disabilities Act).

(J) No party has any security interest in the Post Unit.

(K) The Post Space has been built in a good and workmanlike manner conforming in quality and design with the Post Program Specifications.

Except as otherwise expressly set forth in the APAH Post Unit Representations, General Assignment and the Regime Documents, the Post Unit shall be conveyed to the Post in "AS IS," "WHERE IS," and "WITH ALL FAULTS."

(v) At the Unit Closing, APAH shall execute and/or deliver such documents, affidavits, certificates or other items required pursuant to this Agreement, or reasonably requested by the Escrow Agent, including but not limited to the following: (1) the Unit Deed subject only to the Regime Documents and the First Right Document; (2) a title affidavit or an indemnity in a form reasonably acceptable to APAH sufficient to enable the Title Company to delete the standard pre-printed exceptions to the title insurance policy to be issued in association with the Unit Closing; (3) APAH's counterpart signature to a settlement statement (the "**Unit Settlement Statement**") setting forth the Final Value as the consideration for the Unit Deed, with Unit Closing adjustments and pro-rations as set forth in this Agreement (including, but not limited to, a return to the Post of any net Purchase Price proceeds held in accordance with the Post Unit Escrow Agreement in excess of the Final Value); (4) a general assignment to the Post of all assignable contractor warranties with respect to the Post Space (the "**General Assignment**"); and (5) such other certificates, agreements and other documents as may be reasonably requested by the Escrow Agent (including, without limitation, any estoppels under the Regime Documents).

(vi) At the Unit Closing, the Post shall execute and/or deliver such documents, affidavits, certificates or other items required pursuant to this Agreement, or reasonably requested by the Escrow Agent, including but not limited to

the following: (1) the Post's counterpart signature to the Unit Settlement Statement; (2) payment of the Final Value of the Post Unit, plus or minus the adjustments or pro-rations required by this Agreement; and (3) the Regime Documents.

(vii) In the event the Unit Closing does not occur on or before the Outside Post Unit Closing Date, then the Post shall have the option to elect, by written notice (the "**Unit Closing Termination Notice**") to APAH, with a copy to Escrow Agent, to terminate this Agreement after which (1) neither party shall be obligated to proceed with the conveyance of the Post Unit from APAH to the Post, (2) the Escrow Agent shall deliver to the Post the entire proceeds held pursuant to the Post Unit Escrow Agreement, and (3) neither party shall have any liability under this Agreement.

(vii) From and after the Land Closing Date and until the Unit Closing Date, the Post shall have no obligation or liability associated with the Post Unit and APAH shall bear all responsibility for the Post Unit including, without limitation all risk of loss, the operation and maintenance of the Post Unit, and all taxes and insurance of the Post Unit. From and after the Unit Closing Date, as more specifically provided for in the Regime Documents, the Post shall be responsible for all costs and expenses associated with (i) the operation and maintenance of the Post Unit, and (ii) installing, and paying for, any and all improvements to the Post Space, including but not limited to equipment, furniture, and trade fixtures.

(f) Post Unit Value and Final Value. An estimated value for the Post Unit (which shall include good faith estimates of costs for the Post Unit, the Post Garage Spaces and associated costs) shall be determined by APAH pursuant to a formula attached hereto as **Exhibit G** (with the dollar amount of this estimate being defined herein as the "**Post Unit Estimated Value**"). No later than that date which is ninety (90) calendar days prior to the Land Closing, APAH shall deliver to the Post a good faith estimate of the Post Unit Estimated Value (the "**Post Unit Value Preliminary Statement**"). No later than that date which is ninety (90) calendar days prior to the Unit Closing Date, APAH shall provide a draft reconciliation statement (the "**Post Unit Value Reconciliation Statement**") comparing the Post Unit Estimated Value to the actual construction costs for the Post Space calculated in accordance with the formula attached hereto as **Exhibit G**. At the request of the Post, APAH shall provide reasonably detailed supporting documentation evidencing such actual construction costs for the Post Space. Fifteen (15) calendar days prior to the Unit Closing, APAH shall provide a final certification (the "**Final Value Certification**") of the actual costs incurred based on the formula attached hereto as **Exhibit G** ("**Final Value**"). APAH will commission a cost certificate by a third-party accountant familiar with construction pricing methodology (including, without limitation, cost segregation and value scheduling practices) to verify that the costs are appropriately apportioned in accordance with the formula attached hereto as **Exhibit G**.

(g) APAH Guarantee. At the Land Closing, APAH shall provide a written construction guarantee to the Post, which shall consist of a guarantee that APAH will complete construction of the Post Space and the Garage on or before the Outside Closing Date in accordance with the County Approved Plans and Drawings, Post

Program Specifications and all applicable laws and regulations, as set forth in this Agreement.

(h) Dispute Resolution. Notwithstanding anything to the contrary set forth in this Agreement, claims, disputes or other matters in controversy after the Land Closing Date arising out of or related to this Section 15 shall be subject to mandatory mediation as a condition precedent to litigation in a court of competent jurisdiction. The Post and APAH shall endeavor to resolve their claims by private mediation, and the parties shall select an attorney who is familiar with construction law and is experienced in construction mediation to serve as the mediator. A request for mediation shall be made in writing and delivered to the other party to this Agreement. APAH and the Post shall share in the mediator's fee equally, and agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. If the mediation does not result in a settlement of the dispute or claim, then the parties may proceed to litigation to pursue their right to prosecute any proceedings at law and/or in equity against the other and/or to recover damages for any such violation or default (including, but not limited to, the remedy of specific performance – the parties hereby agreeing that specific performance is an appropriate remedy to make available to the Post since the remedies available at law may be inadequate to make the Post whole in the event of a default by APAH to consummate the Unit Closing). If the mediation does not result in a settlement of the dispute or claim and it shall become necessary for either party to employ an attorney to enforce or defend any of such rights or remedies under this Section 15 outside of mediation, then the reasonable attorneys' fees and litigation and enforcement costs incurred by the prevailing party shall be paid by the non-prevailing party in such action.

(i) Survival. The terms and conditions of this Section 15 shall survive Land Closing.

16. REAL ESTATE BROKER. The Post and APAH each represent and warrant to the other that, except for Avison Young (the "**Broker**"), who is owed a commission by the Post, neither party has dealt with any real estate broker, agent or finder in connection with this Agreement and that no right to or claim for commission or other compensation has been created by the actions of either with respect to this Agreement. The Post and APAH hereby indemnify and agree to hold the other harmless against all loss, liability and expense, including reasonable attorney fees and costs suffered by the other due to any breach of the foregoing warranties. This indemnification and agreement to hold harmless shall survive the termination of this Agreement.

17. NOTICES. Any notice, request, demand, instruction, or other communication to be given to either party hereunder shall be in writing and made either by hand-delivery, or sent by Federal Express or a comparable overnight mail service, or mailed by U.S. registered or certified mail, return receipt requested, postage prepaid to APAH and the Post, at their respective addresses set forth below. Notices may also be sent to other addressees listed below, but are not required to be sent to such other parties. Notice shall be deemed to have been given upon receipt or refusal of delivery

of said notice. For purpose of calculating time limits which run from the giving of a particular notice, the time shall be calculated from actual receipt of the notice. The addressees and addresses for the purpose of this Section may be changed by giving notice. Unless and until such written notice is received, the last addressee and address stated herein shall be deemed to continue in effect for all purposes hereunder.

If to APAH: Nina Janopaul
Arlington Partnership for Affordable Housing
4318 North Carlin Springs Road
Arlington, VA 22203

And a Copy to: Walsh Colucci Lubeley & Walsh, PC
2200 Clarendon Boulevard
Suite 1300
Arlington, VA 22201
Attention: William A. Fogarty

If to the Post: American Post Legion No. 139
3445 Washington Boulevard
Arlington, Virginia 22201
Attn: Post Commander

With a Copy to: Tenenbaum & Saas, P.C.
4504 Walsh Street
Suite 200
Chevy Chase, MD 20815
Attention: Brian M. Grindall

If to the Post's
Representative: 3701 S. George Mason Drive
Suite 2511N
Falls Church, VA 22041
Attn: Post Commander

18. MISCELLANEOUS.

(a) Waiver of Breach. The failure of any party hereto to enforce any provision of this Agreement shall not be construed to be a waiver of such or any other provision, nor in any way to affect the validity of all or any part of this Agreement or the right of such party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach. No waiver, amendment, release, or modification of this Agreement shall be established by conduct, custom, or course of dealing and all waivers must be in writing and signed by the waiving party.

(b) Counterparts/Facsimile and Email Signatures. This Agreement may be executed in any number of identical counterparts, any one and all of which shall constitute the Agreement of the parties and each of which shall be deemed an original. This Agreement may be executed by facsimile signatures or electronic delivery of signatures which shall be binding on the parties hereto, with original signatures to be delivered as soon as reasonably practical thereafter.

(c) Assignment. This Agreement is not assignable by APAH without the prior written approval of the Post. Notwithstanding the foregoing, APAH may assign this Agreement, without the prior written approval of the Post, to an entity in which APAH is a member and has primary managerial control of "APAH's" interests in the transactions contemplated by this Agreement, so long as (a) APAH is not released from its liability hereunder, and (b) APAH provides written notice to the Post of any proposed assignment no later than ten (10) Business Days prior to the Land Closing. The Post may assign the Post's right, title and interest in the Agreement relating to the conveyance of the Post Unit (including, without limitation, the right to direct delivery of the Unit Deed) to an entity in which the Post is a member and has managerial control, so long as (a) the Post is not released from its liability hereunder, and (b) the Post provides written notice to APAH of any proposed assignment no later than ten (10) Business Days prior to the date of conveyance of the Post Unit.

(d) Binding Effect, Amendment. This Agreement shall not be binding on either party until executed by both APAH and the Post. Neither the Escrow Agent's nor the Broker's execution of this Agreement shall be a prerequisite to its effectiveness. No modification or amendment of this Agreement shall be of any force or effect unless in writing executed by both the Post and APAH.

(e) Attorneys' Fees. In the event either party hereto commences litigation against the other to enforce its rights hereunder, the prevailing party shall be entitled to reasonable attorneys' fees and costs incidental to such litigation.

(f) Governing Law. This Agreement shall be interpreted in accordance with the internal laws of the Commonwealth of Virginia, both substantive and remedial, without regard to conflicts of laws principles.

(g) Entire Agreement. This Agreement sets forth the entire agreement between the Post and APAH relating to the Property and the subject matter hereof, and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties.

(h) Time of the Essence. Time is of the essence in the performance of all obligations by APAH and the Post under this Agreement.

(i) Computation of Time. Any time period provided for in this Agreement which ends on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. on the next full Business Day.

(j) Construction of Agreement. All of the parties to this Agreement have participated freely in the negotiation and preparation hereof; accordingly, this Agreement shall not be more strictly construed against any one of the parties hereto.

(k) Survival Provisions Relating to Land Closing. For purposes of the consummation of the Land Closing transaction, the provisions of this Section 18(k) shall govern the effect of merger and survival principles of the Agreement and the Post Deed. Except for (i) all of the provisions of this Article 18; (ii) Sections 3, 5(c), 5(d), Section 7(g), 8.1, 13(a), 15 and 16; (iii) any other provisions in this Agreement, that by their express terms survive the termination of this Agreement or survival of either the Land Closing or the Unit Closing; and (iv) any payment or indemnity obligation of APAH or the Post under this Agreement (the foregoing (i), (ii), (iii) and (iv) referred to herein as the "**Land Closing Survival Provisions**"), none of the terms and provisions of this Agreement shall survive the termination of this Agreement. If this Agreement is not so terminated, then all of the terms and provisions of this Agreement (other than the Land Closing Survival Provisions which shall survive the Land Closing) shall be merged into the Post Deed and shall not survive Closing.

(l) Survival Provisions Relating to Unit Closing. For purposes of the consummation of the Unit Closing transaction, the provisions of this Section 18(l) shall govern the effect of merger and survival principles of the Agreement and the Unit Deed. Except for (i) all of the provisions of this Article 18; (ii) Section 15; (iii) any other provisions in this Agreement, that by their express terms survive the termination of this Agreement or survival of either the Land Closing or the Unit Closing; and (iv) any payment or indemnity obligation of APAH or the Post under this Agreement (the foregoing (i), (ii), (iii) and (iv) referred to herein as the "**Unit Closing Survival Provisions**"), none of the terms and provisions of this Agreement shall survive the termination of this Agreement. If this Agreement is not so terminated, then all of the terms and provisions of this Agreement (other than the Unit Closing Survival Provisions which shall survive the Unit Closing) shall be merged into the Unit Deed and shall not survive Closing.

(m) Partial Invalidity. In the event that any portion of this Agreement is determined to be unconstitutional, unenforceable or invalid, such portion of this Agreement shall be stricken from and construed for all purposes not to constitute a part of this Agreement, and the remaining portion of this Agreement shall remain in full force and effect and shall, for all purposes, constitute this entire Agreement.

(n) Business Day. "**Business Day**" shall mean Monday through Friday, except for federal holidays or holidays otherwise recognized by the Commonwealth of Virginia. Any reference in this Agreement to a specific time shall refer to the time in the time zone where the Property is located. If the last day of a time period falls on a weekend or legal holiday, then the next Business Day shall be considered the end of the time period.

(o) Effective Date. "**Effective Date**" shall have the meaning ascribed such term on page 1 of this Agreement.

(p) Exhibits and Schedules. All Exhibits and Schedules, whether or not annexed hereto, are a part of this Agreement for all purposes.

(q) Construction. No provision of this Agreement or the Development Agreement shall be construed in favor of, or against, any particular party by reason of any presumption with respect to the drafting of this Agreement; both parties, being represented by counsel, having fully participated in the negotiation of this instrument.

(r) Confidentiality. The Post and APAH shall not disclose the terms and conditions contained in this Agreement and shall keep the same confidential, provided that each may disclose the terms and conditions of this Agreement (a) as required by law, (b) to consummate the terms of this Agreement, including, but not limited, as may be required in connection with the Zoning Approvals, or any financing relating thereto, or (c) to its lenders, attorneys and accountants. Any information obtained by APAH in the course of its inspection of the Property, and any Post's Materials provided by the Post to APAH hereunder, shall be confidential and APAH shall be prohibited from making such information public to any other person or entity other than its consultants, without the Post's prior written authorization, which may be granted or denied in the Post's sole discretion. In addition, each party shall use its reasonable efforts to prevent its agents and consultants from divulging any such confidential information to any unrelated third parties except for the limited purpose of analyzing and investigating such information for the purpose of consummating the transaction contemplated by this Agreement.

(s) No Personal Liability of Officers, Trustees or Directors. APAH acknowledges that this Agreement is entered into by the Post which is a not-for-profit Virginia corporation, and APAH agrees that none of the Post's managers, members, employees, officers, directors, trustees, shareholders, counsel, representatives, or agents (the "**Post's Indemnified Parties**") shall have any personal liability under this Agreement or any document executed in connection with the transactions contemplated by this Agreement. The Post acknowledges that this Agreement is entered into by APAH which is a not-for-profit Virginia corporation, and the Post agrees that none of APAH or APAH's managers, members, employees, officers, directors, trustees, shareholders, counsel, representatives, or agents shall have any personal liability under this Agreement or any document executed in connection with the transactions contemplated by this Agreement.

(t) No Recording. Except upon the occurrence of a failure by the Post to proceed with the Land Closing or a failure by APAH to proceed with the Unit Closing, APAH shall not cause or allow this Agreement or any contract or other document related hereto (except the Deposit Deed of Trust, the Post Deed, Unit Deed or Regime Documents may be recorded in accordance with the terms hereof), or any memorandum or other evidence hereof, to be recorded or become a public record without the Post's prior written consent, which consent may be withheld at the Post's sole discretion. If APAH records this Agreement, or other document related hereto, or any memorandum or other evidence hereof without the Post's prior written consent (except as expressly set forth in this Section 18(t)), APAH shall be in default under this

Agreement. APAH hereby appoints the Post as APAH's attorney-in-fact to prepare and record any documents necessary to affect the nullification and release of the Contract or other memorandum or evidence thereof from the public records. This appointment shall be coupled with an interest and irrevocable.

(u) Relationship of Parties. APAH and the Post acknowledge and agree that the relationship established between the parties pursuant to this Agreement is only that of a seller and a purchaser of property. Neither APAH nor the Post is, nor shall either hold itself out to be, the agent, employee, joint venturer or partner of the other party.


(v) WAIVER OF JURY TRIAL. THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, and intending to be legally bound, APAH and the Post have executed this Agreement under seal as of the dates indicated below.

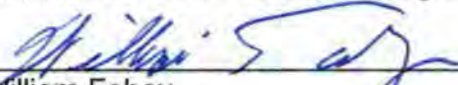
APAH:

ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC., a Virginia corporation

By:  (Seal)
Name: Nina Janopaul
Title: President
Date: 6/30/17

Post:

ARLINGTON POST NO. 139, DEPARTMENT OF VIRGINIA, AMERICAN LEGION, a Virginia corporation

By:  (Seal)
Name: William Fahey
Title: Post Commander
Date: 29 June 2017

EXHIBITS LIST:

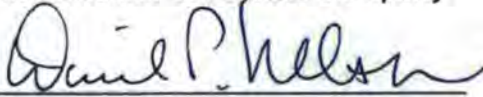
- Exhibit A: Legal Description of Land
- Exhibit B: List of Due Diligence Materials
- Exhibit C: Post Program Specifications
- Exhibit D: List of Existing Leases
- Exhibit E: Post Deed Form
- Exhibit F: Regime Documents Mandatory Provisions
- Exhibit G: Post Unit Value Formula
- Exhibit H: Post Unit Escrow Agreement

ESCROW AGENT SIGNATURE PAGE

The undersigned executes the Agreement to which this signature page is attached for the purpose of agreeing to the provisions of Section 3 of the Agreement, hereby establishes _____ June 30, 2017 as the date of opening of escrow and designates 16-002075 as the escrow number assigned to this escrow.

ESCROW AGENT:

Commonwealth Land Title Company

By: 

Name: David P. Nelson

Title: Vice President

Exhibit A
Legal Description of the Land

[TO BE ATTACHED PRIOR TO EXECUTION]

Exhibit "A"
Legal Description

All that certain lot, piece or parcel of land situate, lying and being in the County of Arlington, Virginia and more particularly described as follows:

BEGINNING at a stake in the north line of Garrison Road, a corner common to the property of L.C. Ball, said stake being N 84°05'W 1.04 feet from a set granite stone at an angle of the north line of said Road; thence with the north line of the said Road N 84°05'W 258.88 feet to a stake in the line common to lots numbered 2 and 3 on the plat recorded in Deed Book J-4, at page 74; thence with the line common to said lots N 2°17'E 312.74 feet to the south line of a one acre tract now owned by Victor Olmstead; thence with the south line of said conveyance S 86°58'E 216.06 feet to a point in the line common to Lots 1 and 2, S 2°17'W 201.63 feet to a stake in said line; thence S 85°09' E 42.24 feet to the southwest corner of the graveyard conveyance; thence S 4°07'W 122.6 feet to the beginning; containing 1.60212 acres more or less.

LESS AND EXCEPT that portion of the property containing 6,800 square feet, more or less, conveyed to Emma Ambrose, widow, by deed recorded in Deed Book 372 at page 556, among the Land Records of Arlington County, Virginia.

LESS AND EXCEPT that portion of the property containing 6,895 square feet, more or less, conveyed to Bingham F. Burner and Pearle E. Burner, his wife, by deed recorded in Deed Book 429 at page 527, among the Land Records of Arlington County, Virginia.

LESS AND EXCEPT that portion of the property conveyed to the County Board of Arlington County Virginia, a body corporate, by deed recorded in Deed Book 457 at page 405, among the land records of Arlington County, Virginia.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No. 15-086-011

(End of Exhibit "A")

Exhibit B
List of Due Diligence Materials to be Supplied by the Post

To the extent in the Post's possession and control:

(a) All surveys and surveyor certificates, site plans, building plans (as-built and permit set), specifications, and architectural drawings relating to the Property and the improvements.

(b) All, environmental reports, zoning, access, cross access/amenity easements list, and similar documents relating to the Property.

(c) All certificates of occupancy and licenses issued for the Property and the improvements.

(d) All certificates evidencing all fire, liability and other insurance policies (including special hazard) presently in effect with respect to the Property.

(e) Intentionally Deleted

(f) Copies or access to any contracts that are assumable by APAH related to the Property or the Post, licenses, maintenance agreements, concessions, occupancy or use restriction agreements applicable to the Property, together with any amendments, clarifications or letter agreements concerning such leases or occupancies.

(g) A copy of any notice of proposed taking, condemnation or special assessment with respect to the Property.

(h) Intentionally Deleted.

(i) Intentionally Deleted.

(j) Intentionally Deleted.

(k) A list of all threatened (in writing), pending or ongoing claims or lawsuits and all outstanding judgments relating to the Property or the Post.

(l) Copies of all permits, reports, notices, correspondence and other documents related to hazardous or toxic materials, substances or wastes related to, found or disposed of in or on the Property, including any permits, reports, notices, correspondence or other documents sent to or received from any federal, state or local agency, and any abatement plans.

(m) A description of underground storage tanks at the Property, if any, including age, material with which constructed, maintenance and testing records, what they contain or contained and whether they have been registered with EPA or state and local agencies.

(n) Any notices from Arlington County, the State of Virginia, or any department or agency thereof pertaining to the Property.

(o) Evidence of any property tax abatement for the Property.

(p) Evidence of compliance with the Post's governing documents for the authorization of the transaction contemplated by this Agreement, including but not limited to copies of notices and a list of members certified by the Post.

Exhibit C
Post Program Specifications

[TO BE ATTACHED IN ACCORDANCE WITH SECTION 5(f)]

Exhibit D
Copies of Existing Leases

[SEE ATTACHED]

**ARLINGTON POST 139, AMERICAN LEGION
FACILITIES USE AGREEMENT**

This Agreement is made and entered into this 1st day of May, 2013 by and between Arlington Post 139, The American Legion, at 3445 North Washington Boulevard, Arlington, VA 22201, hereinafter called the "Post," and RHLP-DC, LLC (DBA Red Hook Lobster Pound-DC), 1235 Linden Place, N.E., Washington, D.C 20002, hereinafter called the "Caterer," for use of the Post kitchen facilities, other space, and parking area located in Arlington County, Virginia.

WITNESSETH THAT:

1. EMPLOYMENT:

a. In consideration of the mutual terms, covenants and conditions set forth herein, the Post hereby enters into an agreement with the Caterer to allow it certain and specific use of Post facilities as described herein, and the Caterer hereby accepts that appointment in mutual agreement as to all items listed as part of this Agreement.

b. This agreement represents the exclusive use of the Post's kitchen facilities from 4:30 A.M. to 5:00 P.M., MONDAY through FRIDAY. After hours operation, to include use of the facilities during certain weekends must be approved by the Club Manager or the Post Executive Committee. The Caterer will provide a schedule of use to the Club Manager taking into account the activities of the Post and the Auxiliary Unit 139.

c. The Caterer will not use the Auxiliary storage room in the main hall (entrance to the stage) for storage. The Caterer may store limited non-food commodities behind the back curtain of the stage. No equipment or perishable food products will be stored on the stage.

d. Entrance into the ceremonial guard storage room will remain accessible at all times.

2. TERM:

a. The starting date under this Agreement shall be May 1, 2013. Thereafter, if not terminated, this agreement will continue until May 1, 2014. This Agreement shall automatically renew at the end of the original term for successive terms of one (1) year each unless either party gives written notice to the other of its intention to terminate or re-negotiate at least ninety (90) days prior to the end of any term.

b. This Agreement may be terminated without cause or with cause, and without penalty or termination fee by either party, by written notice to the other party.

(1) The 'without cause' termination date will be effective at midnight on the last day of the calendar month which is no earlier than ninety (90) days after such written notice.

(2) The 'with cause' termination date will be effective at midnight on the last day of the calendar month which is no earlier than twenty (20) days after such written notice.

c. If for any reason whatsoever, the Post Charter or the Caterer License is terminated as established by their governing documents, this Agreement shall terminate accordingly.

d. If a petition for bankruptcy is filed by or against the Caterer or in the event that the Caterer shall make an assignment for the benefit of creditors, or take advantage of any federal or state bankruptcy or

e. The emergency exit door near the stage (leading from the main hall) must remain locked at all times when not in use.

f. The Caterer will ensure that the entrance to the main hall is secured at all times when not in use.

6. OTHER POST FACILITIES:

a. Services performed and commodities provided by the Caterer primarily support carryout food service only, but may require use of other Post facilities as noted herein. The Post will be compensated as noted herein for the use of these additional post facilities. Funds will be pro-rated and provided to the Post monthly.

b. The Caterer will not rearrange or realign any of the Post facilities or equipment without the prior written approval of the Post Commander or the Post Executive Committee.

c. Post Ice Room. The Caterer may install (and remove) at its own expense an additional ice machine in this room. The installer will use the existing floor drain, and tap into the existing water line but will avoid use of the Post's water filter. The Caterer grants to the Post the right of first refusal to purchase it at termination if the Caterer determines no further use for itself. The Caterer will not utilize additional space in this room for storage of any of their equipment, food, or food service paraphernalia. It must remain clear at all times when not used for its intended purpose.

d. Kitchen Store Room. The Caterer is authorized primary use of the kitchen store room to stage their commodities. These commodities will be made available to support Post functions. No equipment will be installed in this space.

e. Steam Room. The Caterer does not retain exclusive use of the steam room but will compensate the Post for its use in the monthly amount of \$203.00. It is understood that any Post function takes precedence on use of the steam room. The Caterer is authorized to use this space for storage of its light food service paraphernalia. However, the Caterer must clear this space whenever the room is to be used by others for its intended primary purpose.

f. Office/Storage Space. The Post will make available adequate office/storage space for use by the Caterer in an accessible area that is agreeable to both parties. No food preparation activity will be conducted in this space. The Caterer will compensate the Post for use of this space in the monthly amount of \$254.00. The Caterer or the Post reserves the right to terminate use of this space at anytime, and if terminated, the Caterer will remove its equipment and restore the space to its original condition within 90 days following notice of termination, normal wear and tear accepted.

g. Post Refrigeration Equipment. The Caterer is authorized exclusive use of the existing Post refrigeration equipment on a space available basis. The Caterer will ensure that adequate refrigeration capacity is reserved and clearly identified for storage of products required to support Post food service events.

h. Caterer Refrigeration Equipment. The Caterer is authorized to install (and remove) their refrigeration equipment for their exclusive use at no cost to the Post and at a location acceptable to the Post. Such equipment will be removed by the Caterer at the termination of this Agreement. Should the Post be required to remove this equipment, the Caterer will reimburse the Post for any cost associated with removal Caterer Refrigeration Equipment.

i. Commercial Grade Coffee Brewer. The Caterer is authorized but not required to provide and install a commercial grade coffee brewer at no cost to the Post. The Post Auxiliary may use the brewer to

support its functions when not in use by the Caterer. Such brewer will be removed by the Caterer at the termination of this Agreement. Should the Post be required to remove it, the Caterer will reimburse the Post for any cost associated with removal.

j. Kitchen Equipment Maintenance. The Caterer shall incur the cost and responsibility to maintain all kitchen equipment, i.e., refrigeration, cooking apparatus, and utensils in good working order, normal wear and tear accepted.

k. Grille Rendering Container. The Caterer shall be responsible for the disposal of the excess fat collected in the rendering container at no cost to the Post. The Caterer is authorized to select the contractor licensed to perform the removal.

l. Grille Hood Filters. The Caterer shall be responsible for the required maintenance, cleaning and replacement of the filters in the hood. The Caterer is authorized to select the contractor licensed to perform the cleaning.

m. Parking.

(1) The Post will make available seven (7) parking spaces for the exclusive use by the Caterer and its associates during its normal business hours. The Caterer is authorized to park only the three (3) delivery vans overnight to include weekends. However, in the event of a scheduled Post or other User's social event that requires capacity parking, the Caterer must coordinate overnight parking with the Club Manager or the Post Executive Committee.

(2) The Caterer will provide the tag numbers of their seven (7) vehicles to the Club Manager or to the Parking Monitor on duty.

(3) The Caterer and its associates utilize the parking spaces at their own risk. The Post, its members, employees, guests, invitees, and licensees assume no liability for damages to the Caterer's vehicles while on Post property. If the Caterer believes its vehicles are thought to have been damaged by any of the Post members or affiliates, the Caterer must notify the Club Manager on duty or the Post Executive Committee immediately. A representative of the Post will be engaged to determine causation and to assess the damages before assuming any responsibility.

(4) The reserved spaces for the Commander and the Club Manager can be used by the Caterer with permission.

n. Telephone Line. The Caterer shall be responsible for all cost to install, use (all charges and taxes) and maintain a dedicated telephone service for their exclusive use. The Caterer shall arrange for the removal of this equipment at the termination of this Agreement. Should the Post be required to remove it, the Caterer will reimburse the Post for any cost associated therewith.

o. Mail Box. The Post interposes no objection to the Caterer's use of the Post's current mailing address or to the shared use of the Post mailbox while this agreement is in force. Should the Caterer desire, their exclusive mailbox may be installed at an external location acceptable to the Post and at no cost to the Post. Caterer's mailbox will be removed at the termination of this agreement. This Agreement in no way is interpreted to mean that the Post address serves as the main organizational Headquarters for the Caterer.

7. ADDITIONAL SERVICES:

a. Post Functions. Should the Post schedule a dining-in special event, the Caterer agrees to clear and make the Post facilities available for each event. At a minimum, the Caterer is made aware of the Post functions supporting Memorial Day and Veterans Day that may involve the serving of food. The Post is responsible for cleanup and restoration of the main hall to its original condition before use.

b. Caterer Functions. The main hall schedule is maintained at the Club bar. A Post function takes precedence over one scheduled by the Caterer. Should the Caterer require exclusive use of the Post main hall for their sponsored event, coordination with the Club Manager or the Post Executive Committee must be conducted to ensure no conflict exists with scheduled activities of the Post. The Caterer will compensate the Post in the amount of \$2,000.00 for a five (5) hour event prior to use of the hall. The Caterer is responsible for set-up, security, own beer license, on-site licensed food manager, cleanup, and restoration of the main hall to its original condition before use. The Caterer must be familiar with and abide by all County ordinances concerning noise.

c. Auxiliary Unit 139. It is understood that Unit 139 exercises an active role in support to Veterans and American Legion programs. Use of the Post facilities to support the Auxiliary scheduled events takes precedence over those of the Caterer. Close coordination must be maintained between the Caterer and the Auxiliary to ensure no conflict with their planned/scheduled events. The Club Manager on duty or the Post Executive Committee can be contacted for the keys to ensure the kitchen is available for Auxiliary use. At a minimum, the Caterer is made aware of the Auxiliary hosted functions Hearts Apart that is usually conducted the second Thursday of the month beginning at 5:00 P.M.); and a breakfast (usually conducted the first Sunday of the month during the months of September to June). After use, the Auxiliary is responsible for cleanup and restoration of the Kitchen to its original condition.

d. Pavilion/Picnic Area. The maximum capacity of this area is 200 persons. The schedule for use of this facility is maintained at the Club bar. The Caterer will compensate the Post in the amount of \$600.00 for a four (4) hour minimum use. Compensation beyond the four (4) hour minimum will be at the rate of \$150.00 per hour. The Caterer (or User) is responsible for cleanup and restoration of this area to its original condition after use.

e. BASILONE Lounge. The schedule for use of this facility is maintained at the Club bar. The Caterer will compensate the Post the normal charges established by the House Committee for use of this facilities.

f. Additional Post facilities may be used only with the prior written approval of the Post Executive Committee. The Club Manager or Post Executive Committee will relate the Post authorization for such additional use to the Caterer.

8. SUCCESSORS AND ASSIGNS:

This Agreement shall inure to the benefit of, and constitute a binding obligation upon the contracting parties, their respective successors and assigns. The Caterer may assign or transfer any of its rights and obligations under this Agreement with the prior written consent of the Post Executive Committee. Withholding such consent without cause is the sole discretion of the Post Executive Committee.

9. RELATIONSHIP:

a. All authorized actions performed by the Caterer under the provisions of this Agreement shall be done as its own Agent and all obligations or expenses incurred hereunder shall be for the account, on behalf, and at the expense of the Caterer unless otherwise specified in this Agreement.

b. The Post shall not be obligated to pay overhead expenses of the Caterer's off-site office including salaries and office expenses. The Post shall not be obligated to make any advance to or from the account of the Post or to pay any sum, except out of funds held or provided as aforesaid, nor shall the Post be obligated to incur any liabilities or obligations for the account of the Caterer.

10. INSURANCE:

a. The Caterer shall, at its cost and expense, secure and maintain insurance coverage in full force and effect as required by this Agreement. All insurance coverage shall include the Post as an additional named insured. All renewals, cancellations or other matters that might materially affect the Caterer's insurance coverage shall be brought to the immediate attention of the Post Club Manager, the Post House Committee or the Post Executive Committee.

b. Prior to the commencement of any activity or use of the Post facilities by the Caterer pursuant to this Agreement, the Caterer shall submit an original Certificate of Insurance to the Post Club Manager confirming coverage for the limits of liability as addressed below. **No use of Post facilities shall begin prior to the receipt of this certificate.**

c. Bodily injury insurance, with limits of not less than \$100,000 for each person and \$300,000 each accident.

d. Property damage liability coverage in the aggregate amount of not less than \$300,000 for each occurrence and public liability in the amount of not less than \$50,000 for each person/occurrence.

e. Automobile and equipment coverage with limits of not less than \$100,000 per occurrence and contingent liability of \$300,000. This coverage shall also include medical payments to third parties of at least \$5,000 per occurrence.

f. Workmen's compensation insurance as required by local and state law and regulations.

g. The Caterer hereby further covenants that all employees and sub-contractors are properly insured pursuant to the terms of this agreement.

11. INDEMNIFICATION:

a. Caterer hereby agrees to indemnify, defend, reimburse, and hold the Post, its members and employees, guests, invitees, and licensees free and harmless from any claims, proceeding, judgments, damages, or injuries to person or property caused by or arising from the negligence or willful acts of the Caterer or its employees.

b. Subject to the same limitations, the Caterer agrees to reimburse the Post for any moneys which the Post is reasonably required to pay out in connection with, or as an expense in defense of, any claim, civil or criminal action, proceeding, charge or prosecution made, instituted or maintained against the Post, affecting or due to the condition or Caterer's use of the Post property.

c. The provisions of this Article shall survive the termination of this Agreement but this shall not be

construed to mean that the liability of either the Post or the Caterer shall survive as to other provisions of this Agreement.

12. ENTIRE AGREEMENT:

This Agreement constitutes the full understanding of the parties hereto, and no variance or modification thereto shall be valid and enforceable except by Supplemental Agreement in writing executed and approved in the same manner as this Agreement.

13. SEVERABILITY:

The provisions of this Agreement are severable and if any provision or part thereof is held illegal or inapplicable to any person or circumstance such illegality or inapplicability shall not affect or impair any part of the remaining provisions or part of this Agreement.

14. GOVERNING LAW:

a. The laws of the Commonwealth of Virginia shall govern the interpretation of and conduct of all matters related to this agreement.

b. The terms "law" or "laws" as used in this Agreement means all applicable constitutional provisions, statutes or ordinances, codes and rules and regulations of any governmental body having jurisdiction over the parties of the Agreement.

15. COUNTERPARTS:

This Agreement may be executed in counterparts, each of which, when so executed, may be considered an original.

16. NO IMPLIED WAIVER:

No failure or delay by the Post or by the Caterer in exercising any right or remedy under this Agreement and no course of dealing between the Post and the Caterer shall operate as a waiver of any such right or remedy nor shall any single or partial exercise of any right or remedy of the Post or the Caterer under this Agreement preclude any further exercise of such right or remedy. The rights and remedies available to the Post and the Caterer are cumulative and not exclusive of any other rights and remedies provided by law or equity.

17. ATTORNEYS' FEES:

In the event either party to this Agreement is required to file a legal action because of a breach hereof, the costs of the action, including, but not limited to, reasonable attorneys' fees as determined by the Court, shall be paid to the prevailing party. The venue for said action shall be the court of relevant jurisdiction in Arlington County, Virginia.

18. NOTICE:

All notices and communications required under this Agreement shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested, or a commercially recognized express mail

carrier addressed to the applicable party at the address set forth below, or to such address as either party may from time to time specify by written notice to the other. Notices shall be effective on the date of receipt.

If to the Post: Commander
 Arlington Post 139
 American Legion
 3445 N. Washington Boulevard
 Arlington, Virginia 22201

If to the Caterer: Leland Morris
 RHLP-DC, LLC (DBA Red Hook Lobster Pound-DC)
 1235 Linden Place. N.E.
 Washington, DC 20002.

19. BINDING AUTHORITY:

Whoever signs this Agreement has the authority to sign and each has the authority to bind their organization to the provisions of this Agreement.

20. IN WITNESS WHEREOF, the parties have affixed or caused to be affixed their respective signatures on the 1st day of May, 2013.

By: _____
 Charlie Viars, Commander
 Arlington Post 139, American Legion

By: _____
 Leland Morris, President
 RHLP-DC, LLC (DBA Red Hook Lobster Pound-DC)

Exhibit E
Form of the Post Deed

This Deed was prepared outside of the Commonwealth of Virginia

Consideration: \$ _____
Assessed Value: \$ _____
Tax Parcel Nos.: \$ _____

THIS INSTRUMENT WAS PREPARED BY
(AND AFTER RECORDING, PLEASE RETURN TO):

Attn: _____

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made as of _____, 201__ by and ARLINGTON POST NO. 139, DEPARTMENT OF VIRGINIA, AMERICAN LEGION, a Virginia corporation, Grantor for indexing purposes ("Grantor"), whose address is [____], to and for the benefit of _____, Grantee for indexing purposes ("Grantee"), whose address is c/o _____.

WITNESSETH:

THAT FOR AND IN CONSIDERATION OF the sum of _____ (\$ _____), at or before the sealing and delivery of these presents, the receipt and sufficiency of which are hereby acknowledged, the Grantor does hereby grant, bargain, sell and convey, with Special Warranty of Title, unto Grantee all that certain parcel of land situate in Arlington County, Virginia, and being more particularly described on Exhibit A attached hereto (the "Real Estate"), together with all buildings and other improvements located in or on the Real Estate; and together with all easements, licenses, rights-of-way, rights, appurtenances and privileges belonging or appertaining to said Real Estate (collectively, the "Property").

TO HAVE AND TO HOLD the Property, unto the use, benefit and behoof of the Grantee, its successors and assigns, forever, in fee simple absolute, subject to (i) taxes not yet due and payable for the calendar year of _____ and thereafter and the special taxes becoming a lien after the date of this Special Warranty Deed; and (ii) all easements, covenants, conditions, encumbrances and restrictions of public record.

No other covenants or warranties express or implied are given by this Special Warranty Deed. Notwithstanding any provision to the contrary, Grantor makes no warranties of any nature or kind, whether statutory, express or implied, with respect to

the physical condition of the Property (including without limitation any and all improvements located thereon and/or comprising a part thereof), and Grantee by its acceptance of this Deed accepts the physical condition of the property "AS IS, WITH ALL FAULTS."

[SIGNATURE ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Grantor has caused this Special Warranty Deed to be executed as of the date first above written.

GRANTOR:

[]

a Virginia corporation

By: _____

Name:

Title:

EXHIBIT A

Legal Description of Real Estate

All that certain Real Estate situate in Arlington County, Virginia, more particularly described as follows:

Exhibit F
Regime Document Mandatory Provisions

1. **Capitalized Terms Defined Herein** Except as otherwise expressly set forth herein, each capitalized term shall have the meaning ascribed to such term in the Agreement.

2. **Project Components.** Pursuant to the Agreement, the Post has agreed to sell the Land to APAH, and APAH has agreed to develop the Land as a mixed-use project consisting of a single integrated building (the "**Building**") including: (i) an estimated six thousand (6,000) square feet of first floor space (the "**Post Unit**"), together with appurtenant rights for access, ingress and egress over parking facilities to, from and among public rights-of-way, the Post Unit, the Residential Unit, the Garage and Exterior Space; (ii) a residential component consisting of approximately one hundred sixty-five (165) residential units to be constructed by or for APAH over a portion of the Property (excluding that portion of the Property consisting of the Post Unit) (the "**Residential Unit**"); (iii) structured shared parking facilities, driveways and drive aisles (collectively the "**Garage**") and (iv) sidewalks, landscaping, and certain other exterior improvements and appurtenances (collectively, the "**Exterior Space**") (all of the foregoing, collectively, the "**Project**"). The parties agreed to structure the operational integration of the Residential Unit and the Post Unit by encumbering the Land with certain easements, covenants, conditions and restrictions to be contained within a Declaration of Covenants (a "**Declaration**") to be recorded concurrently with, or prior to, the Post Unit being conveyed to the Post in accordance with the terms and conditions of Section 15 of the Agreement.

APAH intends to create two or more separate air rights parcels, with one air rights parcel for the Post Unit and one or more air rights parcels for the Residential Unit, the Garage and the Exterior Space, with all such parcels to be created by a Deed and Plat of Subdivision. Upon receiving the Post's prior approval, APAH will submit the necessary documents to Arlington County for review and approval (the "**County Subdivision Documents**"). Upon receiving approval by Arlington County, APAH shall record the County Subdivision Documents at or prior to the Land Closing. The Post shall execute all necessary documents to provide, at APAH's sole cost and expense, for the subdivision, including but not limited to the Deed of Subdivision if it is determined by APAH that the County Subdivision Documents need to be recorded before the conveyance of the Land. If the County Subdivision Documents are recorded prior to the Deed of Conveyance, then the Deed of Conveyance legal description will consist of all of the air rights parcels. The parties acknowledge that the County Subdivision Documents, and the creation of air rights parcels, may not be approved by the lenders for APAH and/or may not be approved by Arlington County for this Project. APAH shall use commercially reasonable good faith efforts to diligently pursue and obtain such approval by APAH's lenders; provided, however, in the event that such approval is not obtained notwithstanding such efforts on the part of APAH, the parties shall work in good faith to provide for alternative means of creating conveyable properties consistent

with the Post Program Specifications and subject in all event to the incorporation of those items noted below as "Post Only", "Shared" and "APAH Primary".

The parties anticipate that the Project will consist of numerous components, which will be described in the Declaration, each of which shall be depicted on the Plans and Drawings (as defined in the Agreement), subject to specific approval rights of the Post as set forth in the Agreement. As of the Effective Date of the Agreement, a complete and precise portrayal of such components is not feasible due to the nascent stage of the development efforts of the Project and the extent of the sharing of the use or maintenance of such components requires confirmation upon the completion of the Plans and Specifications. As such, the following list of a general nature with the understanding that a list of actual components will become a part of the Declaration, and will be used to deal with maintenance, repair and replacement provisions along with corresponding easement rights:

- | | |
|--|--|
| <p><u>"Residential Unit"</u>
(APAH Only)</p> | <p>Consisting of gross floor area ("GFA") as depicted the County Approved Plans and Drawings plus ancillary spaces for exclusive use of the Residential Unit on all levels of the Building.</p> |
| <p><u>"Post Unit"</u>
(Post Only)</p> | <p>Consisting of approximately 6,000 SF of GFA as described in the Post Program Specifications and the County Approved Plans and Drawings, plus easement rights as set forth in the Declaration, including, without limitation, the perpetual right to the exclusive use of certain of parking spaces, with the Post Unit being located on the ground floor of the Building.</p> |
| <p><u>"Residential Garage"</u>
(APAH Only)</p> | <p>Consisting of those vehicular parking spaces located within the Garage that are not part of the Post Unit Garage component, subject to service areas that need to be located within the basement level of the Building (to be established by easement in the Declaration).</p> |
| <p><u>"Post Unit Garage"</u>
(Post Only)</p> | <p>Consisting of twenty (20) vehicular parking spaces (referred to in the Agreement as the Post Parking Spaces) as described in the Post Program Specifications and the County Approved Plans and Drawings subject to service space and equipment areas that need to be located within the basement level of the Building (to be established by easement in the Declaration) and customary access, ingress and egress easements associated with public rights of way, the Post Unit and those items noted as "Shared".</p> |
| <p><u>"Drive Aisle"</u>
(Shared)</p> | <p>Consisting of one or more dedicated internal drive aisles and/or ramps leading to and from the public right-of-way at ground level to Garage.</p> |

<p><u>"Residential Lobby"</u> (APAH Primary)</p>	<p>Residential Lobby (Ground Floor), but the Post shall have the responsibility to pay for maintenance and repair for a share of any portions of the Residential Lobby that are actually used by the Post.</p>
<p><u>"Post Shafts"</u> (Post Only)</p>	<p>Consisting of shafts and vertical chases (and related roof rights) supporting the Post Unit.</p>
<p><u>"Residential Shafts"</u> (APAH Only)</p>	<p>Consisting of shafts and vertical chases (and related roof rights) supporting the Residential Unit.</p>
<p><u>"Residential Elevator"</u> (APAH Only)</p>	<p>Consisting of elevator shafts and elevators exclusive to Residential Unit.</p>
<p><u>"Garage Elevator"</u> (Shared)</p>	<p>Consisting of elevator shafts and elevators from the basement level of Garage to the Residential Lobby, subject to infrequent usage by the Post as necessary for the Post Unit invitees to access the Post Unit (without requirement that the Post contribute to the maintenance of the Residential Lobby).</p>
<p><u>"Service Areas"</u> (Shared)</p>	<p>Consisting of service corridors, loading docks, water meter rooms, electrical rooms and waste disposal rooms that are shared.</p>
<p><u>"Exterior of the Building"</u> (APAH Primary)</p>	<p>APAH shall have the responsibility to maintain, at its cost, the exterior of the Building, including the roof, but the Post shall have responsibility to pay for any maintenance and repairs related to its façade and windows.</p>
<p><u>"Shared Exterior Space"</u> (Shared)</p>	<p>Consisting of exterior hardscape and landscaped areas intended for common pedestrian access, use and enjoyment, subject to infrequent usage by the Post as necessary in support of the Post's ceremonial use, flag standard and monument sign maintenance – excluding the APAH Exterior Space.</p>
<p><u>"APAH Exterior Space"</u> (APAH Only)</p>	<p>Consisting of areas located outside of the Building that are restricted to the general public such as courtyards, outdoor swimming pools, playgrounds or other similar amenities intended for the exclusive use and enjoyment of the residents of the Residential Unit.</p>

The foregoing components are sometimes individually or collectively referred to as "Project Components". When one of the foregoing Project Components is to be designated in the Declaration as "APAH Only" or "Post Only", such designation should be construed to mean either that the component in question will be owned by the benefitted user, in fee simple, or, if located within property owned by the other party, that exclusive perpetual easements or other rights to use such area will be granted by such party to the benefitted user under the Declaration (with the cost of repair, replacement and maintenance thereof to be paid by the benefitted user). When one of the foregoing Project Components is shown as being Shared, such component will be owned by one of the parties, subject to easements for shared use in favor of all parties under the Declaration, and subject to obligations for sharing maintenance, repair and replacement costs (with the Declaration to govern the relative sharing percentages for item(s) in question). The parties agree that assessment percentages for shared costs of maintenance, repair and replacement of Shared Components is intended to be based upon the combined GFA of the Post Unit and the Residential Unit as the denominator, the GFA of each unit as the numerator.

3. Declaration. The Declaration shall be recorded senior to any security interest encumbering the Residential Unit, the Post Unit or any other applicable portions of the Project (all of which will be subject thereto), or recorded subject to an appropriate subordination instrument which subordinates any senior security instrument to the Declaration, and will include, without limitation, the following provisions:

(a) Cross-easements for ingress and egress over, and the use of, the exterior portions of the Project, including sidewalks, entrances to parking ramps, private roadways and drive aisles, and other exterior improvements;

(b) Cross-easements for shared service/loading areas, and any other shared utilities areas and access thereto;

(c) Maintenance provisions which will (i) provide in part for separate maintenance of certain Project Components, and shared maintenance, repair and replacement of other Project Components, consistent with the applicable provisions of Section 2 above), (ii) establish the parties' obligation, if any, to perform such maintenance, repair or replacement, and to pay for a share of the operating and maintenance, repair and replacement costs associated with any shared maintenance, repair and replacement, consistent with the applicable provisions of Section 2 above, and (iii) provide for remedies, including self-help, if the responsible party is not performing;

(d) Encroachment easements for lateral and subjacent support and for any improvements constructed in conformance with the Approved Plans and Drawings benefiting one Project Component, but located outside of such Project Component;

(e) Insurance provisions, which may include the appointment of an insurance trustee, to provide for maintaining adequate insurance on all improvements and other

shared Project Components, and for the restoration thereof in the event of casualty or condemnation;

(f) Allocations of GFA for the intended use of the Post Unit Project Component and Residential Unit Project Component, which may be used to provide for assessment percentages, and allocation of parking spaces which may be used to provide for assessment percentages.

(g) Restrictions (for the benefit of all owners) on the use of any portion of the Project for certain obnoxious uses typically prohibited in Class A retail and residential buildings;

(h) Allocations of Land Use Approval responsibilities between the Residential Project Component and the Post Unit Project Components under any final entitlements for the Project, consistent with the provisions of the Agreement;

(i) Provisions for maintenance and upkeep of the Project in conformity with the Approved Plan and Drawings;

(j) Although the Residential Unit Project Component will generally have control of the roof top, a proportionate portion of the roof top (based on GFA) will be allocated for non-exclusive ancillary and supporting uses and benefit of the Post Unit Project Component (including, without limitation, HVAC facilities and facilitation of the uses intended for the Post Shaft), ("**Post Unit Roof Use**") the owner and occupants of the Post Unit Project Component will be granted access to the portion of the roof designated for the Post Unit Roof Use, and to connect through shafts and/or vertical chases from the ground floor portions of the Post Unit Project Component to the Post Unit Roof Use, subject to the reasonable review and approval of the owner of the Residential Unit, subject to the obligation of the Post to be responsible for maintenance and repair costs;

(k) Liens to secure payment of assessments and further include liens against the Post Unit Project Component to secure assessment payment obligations of the parties thereunder;

(l) Restrictions, rules, procedures and limitations relating to the use of the loading dock and associated trash rooms;

(m) Other provisions consistent with the terms, covenants and conditions set forth in the Agreement and the Approved Plans and Drawings which are contemplated to survive the Unit Closing; and

(n) Provisions approved by APAH and the Post (each in their sole unfettered discretion) that are typically associated with projects of similar size and uses, such as the allocation of utility costs and maintenance of utility lines.

4. **Right of First Offer.** In addition to the foregoing, the Declaration shall include the following terms and conditions:

4.1 **Offer Notice.** Subject to the rights of any Exempt Transferee (defined below), commencing on the date the Post takes initial possession of the Post Unit and continuing so long as the Post or an Affiliate of the Post owns the Post Unit, APAH shall have a right of first offer (a "**Right of First Offer**") to purchase all (but not less than all) of the Post Unit, subject to and in accordance with the terms of this Section. In the event the Post shall determine, in its sole discretion, that it desires to sell the Post Unit other than in an Exempt Transfer (as such term is defined below), the Post shall notify APAH in writing of such intent and of the asking price (the "**Offer Price**") pursuant to which the Post will be marketing the Post Unit for sale or entering into any agreement to sell the Post Unit (such notice, the "**Offer Notice**") and the time frames related to closing. For the purpose of this Section, "sale of the Post Unit" includes the sale or conveyance of all or substantially all of the ownership interest in the "Post" and shall exclude any Exempt Transfer. The Offer Notice from the Post shall contain the following phrase in all bold font in a conspicuous manner – "Notice of Offer to Purchase the Post Unit – Failure to Respond Within Thirty (30) Days May Result in the Termination of APAH's Rights."

4.2 **Exercise Notice.** APAH shall have thirty (30) days after its receipt of any applicable Offer Notice to notify the Post in writing that it elects to purchase the Post Unit (an "**Exercise Notice**") at the Offer Price stated in the Offer Notice and under the terms of Section 4.3 below. If APAH declines or fails to send an Exercise Notice to the Post within thirty (30) days after APAH's receipt of the Offer Notice, the Post shall be free to market the Post Unit for sale to the public at such price and on such terms as the Post deems appropriate in its sole and absolute discretion.

4.3 **Other Terms of Sale.** If APAH delivers an Exercise Notice to the Post, the Post shall prepare and deliver to APAH a draft Agreement of Purchase and Sale that contains commercially reasonable customary terms, including without limitation, customary representations and warranties by the Post relating to the Post Unit and limited to the Post's actual knowledge, associated with an "as is, where is" conveyance of fee simple title to real property (a "**PSA**") which provides for the sale of the Post Unit at the applicable Offer Price, in accordance with the following additional terms and conditions: (a) except as hereafter provided, the Post shall have a non-contingent binding obligation to sell, and APAH shall have a non-contingent binding obligation to purchase (subject to APAH's rights during the Study Period (defined below) and any applicable conditions to closing in the PSA), the Post Unit at the applicable Offer Price; (b) APAH shall post a good faith deposit within three (3) business days after execution of the PSA in an amount equal to (10%) of the applicable Offer Price, with the Washington, D.C. office of a national title company office selected by the Post as escrow agent, which deposit shall be held in an interest bearing escrow account and which, together with any interest accrued thereon, shall constitute full and complete liquidated damages in the event of any default by APAH under the PSA beyond the expiration of any applicable grace or notice and cure period; (c) APAH will be granted a 30-day study period, during which APAH may terminate the PSA for any reason whatsoever and the deposit shall be fully refundable ("**Study Period**") within which to

evaluate the Property, including review of title, survey, environmental matters, and such other matters as APAH deems appropriate, and to make such other studies as it elects, and during such period; and The Post shall provide (at no cost or expense to The Post) APAH, no later than the commencement of the Study Period, with access to materials typically and customarily delivered to purchasers in sale transactions for developed commercial properties; (d) if APAH does not elect to consummate the sale transaction prior to 5:00 p.m. Eastern Time on the last day of the Study Period by written notice to the Post, the PSA shall automatically terminate and the deposit shall automatically be refunded to APAH; (e) closing shall take place on a date designated by APAH upon five (5) business days prior written notice to the Post, but in no event later than thirty (30) days after the end of the Study Period, at such location in the Washington, D.C. metropolitan area as APAH may reasonably designate; (f) if APAH terminates the sale transaction at the end of the Study Period, the deposit (plus interest accrued thereon) shall be returned to APAH, less any sums applied to repair or restore any physical damage to the Property caused by APAH (or APAH's agents) during the course of its Study Period activities, and this Right of First Offer shall thereupon be null and void and of no further force and effect; (g) upon payment of the applicable Offer Price for the Post Unit, insurable and marketable fee simple title to the Post Unit will be conveyed by the Post to APAH by special warranty deed, free and clear of monetary liens, but subject to (i) this Declaration, (ii) any and all zoning matters as of the date of the Exercise Notice, (iii) any and all other legal requirements, (iv) standard exceptions typically found in a form owner's title insurance policy that are not otherwise typically deleted after the title company's receipt of a customary owner's affidavit, which the Post shall deliver to APAH's title company at closing under the PSA, and (v) all other matters of record in existence as of the date of the PSA; (h) the Post Unit will, subject to the terms of the PSA otherwise be conveyed on as "as-is, where-is" basis, with all faults, provided any representation or warranty breached by the Post due to the Post's fraud shall extend beyond closing and shall not be merged into the deed; (i) APAH's sole remedy for the Post's default or non-performance will be either specific performance, or termination of the PSA and return of its deposit; provided that if the remedy of specific performance is not feasible or available, APAH shall have all rights at law and/or equity; (j) the Post's sole remedy for APAH's default or non-performance will be the forfeiture of APAH's deposit (plus interest accrued thereon), and nullification of this Right of First Offer; (k) in the event of any litigation to enforce the PSA, the non-defaulting party shall also be entitled to recover from the defaulting party its reasonable attorneys' fees and court costs incurred in enforcing the PSA; (l) all income and expenses with respect to the Post Unit will be prorated to the date of closing; (m) APAH will pay all recordation and transfer taxes associated with the conveyance of the Post Unit other than the Virginia grantor's tax (including any congestion relief fee), which such grantor's tax will be paid by the Post; (n) other than the Post's attorneys' fees associated with the transaction and APAH's attorneys' fees associated with the transaction, which attorneys' fees will each be paid by the respective party, all other closing costs (such as, but not limited to, due diligence expenses, title insurance premiums, survey expenses, settlement charges and the like) will be borne by APAH; (o) except as provided in Section 5.6.5, APAH may not assign its interest as buyer under the PSA to a party that is not an Affiliate of APAH; (p) such PSA will contain a commercially reasonable provision requiring each party to

cooperate (at no additional expense or liability) with the other party if the other party wishes to structure the purchase or sale as part of a tax-free exchange pursuant to Section 1031 of the Internal Revenue Code; and (q) such PSA will contain other customary terms and provisions for a purchase contract of commercial real estate in the greater Washington, D.C. metropolitan area, but none that would modify the financial terms of the sale in any material respect, or that would create post-closing liability of any kind on the part of the buyer and/or seller except as provided above. The Post and APAH shall negotiate the terms thereof in good faith, and APAH shall mutually endeavor to execute such agreement within sixty (30) business days after its receipt of the initial draft of such PSA.

4.4 Failure to Exercise or Proceed. In the event APAH (a) fails or declines to exercise its Right of First Offer within the requisite time periods under this Section 5.6, or (b) fails or declines to execute and deliver a PSA within the requisite time period after a draft PSA complying with Section 5.6.3 is provided to APAH (and provided further that The Post is negotiating in good faith as set forth above), or (c) elects to terminate a PSA as of the end of the Study Period, then APAH's Right of First Offer shall thereby be extinguished and be of no further force and effect, and the Post shall have the right to sell the Post Unit or any part thereof to any other party without any further notification to APAH. If APAH (or such designee) defaults in its obligation to purchase the Post Unit beyond the expiration of any applicable grace or notice and cure period after exercising this Right of First Offer, then in addition to the Post's retention of APAH's good faith deposit, APAH shall be deemed to have fully and forever waived this Right of First Offer, which shall thereupon be deemed nullified. In no event will APAH file a *lis pendens* against the Post Unit in connection with any dispute as to the enforcement of this Section unless (a) APAH has commenced and filed an action or claim to enforce its rights under the terms of this Section, (b) such *lis pendens* solely relates to an action for specific performance associated with The Post's default of the terms of the PSA, and (c) provided further that upon the consummation of any such action, such *lis pendens* shall be immediately released by APAH at APAH's sole cost and expense.

4.5 Right to Designate Affiliate as Grantee. APAH shall have the right to designate an Affiliate to whom title to the Property shall be conveyed at closing, provided such assignment shall not in any way (a) constitute an assignment of this Declaration by APAH, nor (b) relieve APAH of any of its obligations hereunder, including specifically with respect to this Section.

4.6 Exempt Transfer. APAH agrees that APAH's Right of First Offer under this Section shall not apply to any option to transfer or occurrence of a transfer of fee simple title or a conveyance of a leasehold interest relating to the Post Unit constituting an Exempt Transfer. For purposes of this Section 4.6, an "**Exempt Transfer**" means a transfer of fee simple title or a conveyance of a leasehold interest in the Post Unit, to any (a) subsidiary or affiliate of the Post (including any subsidiary or affiliate of a successor the Post); (b) current or future mortgagee, holder of a security interest or other such lienholder (or assignee thereof) with an interest in the Post Unit or an interest in the Post (whether such interest is obtained by grant or by foreclosure or conveyance of title in lieu of foreclosure); or (c) a tenant or lessee of the Post using and occupying

the Post Unit for retail purposes conducting business to the public (each of the foregoing parties being referred to herein as an "**Exempt Transferee**").

5. Veteran's Residency Covenant. In addition to the foregoing, the Declaration shall include the terms providing that APAH agrees to use commercially reasonable good faith efforts to make residential units located within the Residential Unit available for use and occupancy by veterans of the United States Armed Forces (including the United States Coast Guard and the United States Merchant Marine) (collectively, "**U.S. Veterans**"). In furtherance of the foregoing, APAH agrees to actively market the residential units located within the Residential Unit for occupancy by U.S. Veterans.

EXHIBIT G
Post Unit Estimated Value

Pursuant to Section 15(f) of the Agreement, the Post Unit Estimated Value (and eventually the Final Value, as said term is defined therein) shall be determined pursuant to the following formula:

- (1) Exclusive Post Space Costs: 100% of costs attributable to the Exclusive Post Space Costs (as said term is defined below); and
- (2) Post's Project Costs Share: a percentage share attributed to the Post for the Project Costs (as said term is defined below); and
- (3) Post's Parking Garage Share: a percentage share attributed to the Post for the Parking Garage Costs (as said term is defined below); and
- (4) Contingency: contingency equal to 15% of the dollar value for items #1, 2 and 3. (only the actual amount used for contingency, if any, will be included in the Final Value)

These first three items are more particularly described as follows:

1. EXCLUSIVE POST SPACE COSTS:

The "Exclusive Post Space Costs" are defined as the costs for the Post Shell Improvements to be constructed by APAH (as said term is defined in Section 15(c) of the Agreement). By way of example and not limitation, the costs for the Post Shell Improvements shall include the costs of improvements to be constructed pursuant to the Post Program Specifications (as said term is defined in the Agreement), including improvements such as entrances to the Post Unit, signage, utilities and systems (whether or not such improvements are located within the Post Unit itself); the security system for the Post Space; County-required payments attributed solely to the Post Space; and other hard and soft costs that are attributable solely to the development and construction of the Post Space.

2. THE POST'S PROJECT COSTS SHARE:

The Post Unit Estimated Value shall include a pro-rata share of the Project Costs, as defined below. The percentage of the pro-rata share for the Post shall be based on the gross square footage of the Post Space (the "Post Gross Square Footage"), as the numerator, and the combination of the Gross Residential Square Footage, as said term is defined in Section 4 of the Agreement, and the Post Gross Square Footage, as the denominator. The Post Gross Square Footage will be based on the Plans and Drawings approved by the County.

The "Project Costs" are defined as all out-of-pocket third party hard and soft costs incurred (or, as applicable, estimated to be incurred) by APAH in connection with the planning, development, and construction of the Project, which shall include, without limitation, cost and fees incurred in connection with (i) the preparation, filing, and processing of the Land Use Applications and the Zoning Approvals (including legal costs); (ii) the preparation, filing, and processing of the Plans and Drawings; (iii) obtaining all required governmental approvals and permits; (iv) general building costs incurred to design and construct the

Building including, without limitation, overall building superstructure, general contractor, third-party and county fees; insurance during construction, all contractor costs and fees, contingency amounts, General Conditions, Contractor's Profit and Contractor's Overhead; and (v) all engineering, legal, architectural and other normal and customary consultant fees.

The "Project Costs" shall exclude (1) all costs of APAH's due diligence investigations (including, without limitation, all title examination charges, title insurance premiums, survey costs, UCC searches and engineering and environmental studies) including, without limitation, APAH Studies (as defined in the Agreement) – which costs and expenses shall be borne solely by APAH; (2) any and all costs and expenses associated with environmental remediation of all or a portion of the Property – which costs and expenses the parties acknowledge are accounted for exclusively in Section 7(k) and Section 13(b) of the Agreement; (3) APAH's attorneys' fees or the Post's attorneys' fees; and (4) any and all costs and expenses incurred as a result of APAH's breach of the Agreement or default under the documents governing the Loan (as defined in the Post Unit Escrow Agreement) or the Contract (as defined in the Post Unit Escrow Agreement).

3. THE POST'S PARKING GARAGE SHARE:

The Post Unit Estimated Value shall include the Post's pro-rata share of the Parking Garage Costs, as defined below. The percentage of the pro-rata share for the Post shall be based on the number of exclusive spaces available for the Post as the numerator, and the total number of parking spaces available for the Project, excluding loading spaces, as the denominator.

The "Parking Garage Costs" are defined as (i) all out-of-pocket hard costs incurred (or, as applicable, estimated to be incurred) by APAH in connection with the construction of the parking garage for Project, which shall include, without limitation, excavation, sheeting/shoring, related site costs, concrete, concrete structure to grade, vertical circulation to grade and all interior walls, systems and finishes related to the Garage, and (ii) the following soft costs: the fees of the general contractor, including but not limited to General Conditions, Contractor's Profit and Contractor's Overhead, which are able to be attributed directly to the construction of the Garage.

EXAMPLE

The following example is provided for illustration purposes only, based on these arbitrary assumptions:

1. Exclusive Post Space Costs: \$500,000
2. Project Costs: \$50,000,000
3. Parking Garage Costs: \$2,000,000
4. Gross Residential Square Footage: 194,000 sf
5. Post Gross Square Footage: 6,000 sf
6. Post's percentage share of Project Costs: 3%
7. Parking Spaces: 175 total (20 for exclusive use of Post; 155 for exclusive use of APAH.)
8. Post's percentage share of Parking Garage Costs: 11.4%

Based upon these assumptions, the Post Unit Estimated Value would be calculated as follows:

1. Exclusive Post Space Costs: \$500,000

2. The Post's Project Cost Share: \$1,500,000 (3% of \$50,000,000)
3. The Post's Parking Garage Share: \$228,000. (11.4% of \$2,000,000)

As a result, the total Post Unit Estimated Value would **\$2,228,000**

FINAL VALUE

APAH shall use this Post Unit Estimated Value formula upon completion of the Project, in order to provide the Post a certification of the Final Value, as said term is defined in Section 15 of the Agreement, it being understood that actual amounts reflected in the Final Value may be different than those amounts provided in the estimates for the Post Unit Value. It is acknowledged that there will be no line item for "Contingency" in the Final Value.

EXHIBIT H
Form of Post Unit Escrow Agreement

THIS POST UNIT ESCROW AGREEMENT (this "**Escrow Agreement**") is made and entered into as of [___], 20__ (the "**Effective Date**"), by and among **ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC.**, a Virginia corporation ("**APAH**"), and **ARLINGTON POST NO. 139, DEPARTMENT OF VIRGINIA, AMERICAN LEGION**, a Virginia corporation (the "**Post**") and Commonwealth Land Title Insurance Company, a Nebraska corporation (the "**Escrow Agent**").

RECITALS

R.1 APAH is the owner of certain land located at 3445 Washington Boulevard, Arlington, Virginia, and more particularly described in **Exhibit A** attached hereto and made a part hereof (the "**Land**"). The Land is the subject of development efforts by APAH to construct a mixed-use project (as more particularly described in the Sale Agreement, the "**Project**"). The Project includes an estimated six thousand (6,000) square feet of first floor space (the "**Post Unit**"), together with appurtenant rights for ingress and egress over and parking facilities in the Garage.

R.2 APAH entered into that certain construction contract dated [___] (the "**Contract**") with ___ (the "**Contractor**") for the construction of the Project.

R.3 APAH and Post entered into an Agreement of Purchase and Sale dated [___], 2017 (the "**Sale Agreement**") whereby APAH purchased the Land from the Post in return for the payment of the Purchase Price and the agreement to construct the Post Unit and then convey the Post Unit to the Post. Pursuant to the terms and conditions of the Sale Agreement, the Post has agreed to escrow a portion of the Purchase Price equal to the Post Unit Estimated Value to pay for the completion of the construction of the Post Unit pursuant to the terms of this Escrow Agreement.

NOW, THEREFORE, for Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. **Recitals.** The Recitals set forth above are true and correct and are incorporated herein as a substantive part of this Escrow Agreement.

2. **Defined Terms: Rules of Construction.** When used in this Escrow Agreement, capitalized terms that are not otherwise defined below shall have the meanings given such terms in the Sale Agreement and in the Recitals set forth above. In the event of any irreconcilable conflict between any term or provision of this Escrow Agreement and any term or provision of the Sale Agreement, such term or provision of this Escrow Agreement shall control. The following terms shall have the respective meanings set forth below:

"Approved Financial Institution" shall mean a federally-insured financial institution approved by the Post.

"Business Day" shall mean any day of the week other than Saturday, Sunday or a day on which banking institutions in Washington, D.C., are obligated or authorized by law to close for the normal conduct of banking business.

"Completion Security Funds" shall have the meaning set forth in Section 4 herein.

"Commencement Date" shall mean the date on which the Project is sixty percent (60%) completed in accordance with the County Approved Plans and Drawings (as defined in the Sales Agreement) and all applicable government requirements as evidenced by the certificate of APAH's architect on a standard AIA form.

"Defaulting Party" shall have the meaning set forth in Section 7 herein.

"Development Work Costs" shall mean all costs of the Project (including all hard costs and all soft costs related thereto) and any other costs to be incurred in the completion thereof.

"Disbursement" shall mean a disbursement by Escrow Agent of any portion of the Completion Security Funds for the purpose of paying Development Work Costs pursuant to this Escrow Agreement.

"Escrow Agent Fees" shall have the meaning set forth in Section 9 herein.

"Final Disbursement" shall have the meaning set forth in Section 5.4 herein.

"Final Request for Disbursement" shall have the meaning set forth in Section 5.4 herein.

"Governmental Authority" shall mean the United States of America, the Commonwealth of Virginia, Arlington County, any political subdivision of any of the foregoing, and any agency, department, commission, board, bureau or instrumentality of any of them which exercises jurisdiction over the Property, or any activity or operation thereon.

"Holdbacks" shall mean the retainage with respect to direct construction costs of the Project as provided in Section 5.1.2.

"Loan" shall mean one or more loans obtained by APAH in connection with the construction and completion of the Project.

"**Non-Defaulting Party**" shall have the meaning set forth in Section 7 herein.

"**Parties**" shall mean the Post, APAH and Escrow Agent.

"**Party**" shall mean the Post, APAH or Escrow Agent.

"**Person**" shall mean an individual, corporation, trust, association, unincorporated association, estate, partnership, joint venture, limited liability company or any other legal entity.

"**Project Budget**" shall mean the Post Unit Value Preliminary Statement prepared by APAH and approved by the Post. A copy of the approved Post Unit Value Preliminary Statement is attached hereto as **Exhibit B** and made a part hereof.

"**Request for Disbursement**" shall mean (a) an invoice for the actual Development Work Costs incurred on or before the twenty-fifth (25th) day of the immediately preceding calendar month accompanied by (i) a monthly accounting statement of the actual Development Work Costs incurred as of such twenty-fifth (25th) day of the immediately preceding calendar month, and (ii) a copy of the then approved Project Budget; and (b) a certificate statement by APAH confirming the satisfaction of all Disbursement Conditions. A form of the Request for Disbursement is attached hereto as **Exhibit C** and made a part hereof.

3. **Appointment of Escrow Agent.** APAH and the Post hereby appoint Escrow Agent to act as escrow agent under this Escrow Agreement. The Escrow Agent hereby accepts such appointment and agrees to hold the Completion Security Funds (as hereinafter defined) delivered to Escrow Agent and to perform its other duties in accordance with the terms of this Escrow Agreement. Escrow Agent acknowledges receipt of a copy of the Sale Agreement.

4. **Completion Security Funds.**

4.1. By the execution and delivery hereof, Escrow Agent hereby acknowledges receipt of the sum of _____ (\$_____) (the "**Completion Security Funds**"). The Post and APAH acknowledge that the amount of the Completion Security Funds is equal to the Post Unit Estimated Value provided for in Section 15(f) of the Sales Agreement. The Escrow Agent agrees to retain and disburse the Completion Security Funds in accordance with the terms of this Escrow Agreement.

4.2. The Escrow Agent shall hold all of the Completion Security Funds delivered to it pursuant to the terms of this Agreement in escrow. The Completion Security Funds shall be deposited into a separate escrow account established with an Approved Financial Institution for purposes of this Escrow Agreement (the "**Escrow Account**"). The Escrow Agent shall invest Completion Security Funds as directed by the Post, in the Post's sole discretion, from time to time; provided, however, sufficient

principal of the Completion Security Funds shall be available for Disbursements at the times and in accordance with the terms of this Escrow Agreement. Whenever Escrow Agent is required under the terms of this Escrow Agreement to remit Completion Security Funds from the Escrow Account, Escrow Agent shall promptly liquidate sufficient investments to permit such Disbursement to be made. All interest or other income earned on the Completion Security Funds shall remain the sole property of the Post at all times and shall not be added to the Escrow Account but shall be held by Escrow Agent and disbursed as directed by the Post, in Post's sole discretion, from time to time.

5. Disbursements of the Completion Security Funds.

5.1. Disbursement Amounts.

5.1.1 Subject to the terms of this Agreement, the Completion Security Funds are intended to defray actual and reasonable costs shown on the Project Budget of (a) labor performed on the Post Unit and equipment and materials incorporated into the Post Unit, and (b) materials suitably stored on the Land intended for incorporation into the Post Unit.

5.1.2 The amount of each Disbursement shall be subject to a Holdback in an amount equal to 15% of such costs. The undisbursed amounts of the Completion Security Funds in the Escrow Account shall at no time be less than the aggregate amount of the Holdbacks to date.

5.1.3 The aggregate of all Disbursements shall be limited to the maximum amount of the Completion Security Funds and shall be further limited to the amount shown for each category on the Project Budget. If APAH becomes aware of any change in the approved costs set forth in the Project Budget which would increase, change or cause a reallocation of the costs as shown on the Project Budget, APAH shall immediately notify the Post in writing and promptly submit a proposed revised Project Budget to the Post for the Post's reasonable approval. The Post shall have no obligation to make further Disbursements, unless and until the revised Project Budget is approved by the Post in the Post's reasonable discretion; provided that it shall not be unreasonable for the Post to withhold its approval of any revised Project Budget which requires additional funds to be deposited into the Escrow Account in excess of Completion Security Funds.

5.2. Requests for Disbursement.

5.2.1 Commencing on that date (the "**Commencement Date**") on which the Improvements are sixty percent (60%) completed in accordance with all applicable laws and regulations, the Post Program Specifications and the County Approved Plans and Drawings (as defined in the Sales Agreement), APAH may submit Requests for Disbursement in accordance with this Escrow Agreement. On or before the fifth (5th) day of the calendar month in which the Commencement Date occurs and each calendar

month thereafter, APAH may provide to the Post and Escrow Agent a Request for Disbursement.

5.2.2 The initial Request for Disbursement shall include the representation and warranty by APAH to the Post and to Escrow Agent that the Project is sixty percent (60%) completed in accordance with the County Approved Plans and Drawings and all applicable government requirements. APAH acknowledges that the Post is relying on the foregoing representation and warranty to induce the Post to permit the release of the Completion Security Funds from the Escrow Account to APAH.

5.2.3 As a condition to the payment of any Requests for Disbursement (including, without limitation, the Initial Disbursement and the Final Disbursement), APAH shall satisfy or cause to be satisfied the following conditions (the "**Disbursement Conditions**"): (a) APAH shall have delivered original, signed and notarized AIA Forms G702/703 (or such equivalent certificate required by the Contractor under the Loan) to the Post, (b) APAH shall have delivered to the Post written evidence (in form reasonably acceptable to the Post) of all risk or builder's risk insurance policy covering the Post Unit and naming the Post as an additional named insured, and (c) APAH shall have executed and delivered a written statement to the Post and to Escrow Agent certifying the following statements are true, complete and correct as of the date of the applicable Request for Disbursement: (i) to APAH's knowledge, APAH is in compliance in all material respects with all terms, requirements and provisions in the Sales Agreement, this Escrow Agreement, the Contract and the any and all documents governing the Loan to be complied with, fulfilled or performed by the APAH and relating to the construction and delivery of the Post Unit, (ii) to APAH's knowledge, there are no uncorrected violations of any laws, ordinances, rules or regulations of any governmental authority or pending litigation which affect the Project which if adversely determined, would prohibit or materially impair APAH's ability to deliver the Post Unit to the Post on or before the Outside Closing Date and (iii) any and all work prior to the date of the Request for Disbursement is in compliance with all applicable laws and regulations, Post Program Specifications and the County Approved Plans and Drawings. APAH acknowledges that the Post is relying on the representations and warranties contained in each Request for Disbursement to induce the Post to permit the release of the Completion Security Funds from the Escrow Account to APAH.

5.3. Payment of Disbursements. On or before the date that is ten (10) Business Days after the delivery to the Post and Escrow Agent of a Request for Disbursement, Escrow Agent shall make a Disbursement to APAH from the Completion Security Funds held by Escrow Agent in the Escrow Account for the amount stated in the Request for Disbursement.

5.4. Final Disbursement. APAH shall be entitled to the full amount of the balance of the Completion Security Funds in the Escrow Account representing Holdback funds (the "**Final Disbursement**") upon fulfillment of the following conditions (the "**Final Disbursement Conditions**"): (a) APAH shall have delivered the Substantial Completion Notice (as defined in the Sales Agreement) to the Post, (b) the Post and

APAH shall have completed the Inspection Report (as defined in the Sales Agreement); (c) APAH shall have delivered to the Post a final waiver of lien with respect to the Post Space (as defined in the Sale Agreement) (saving and excepting any retainage held for such punch list items); (d) the Post Unit shall be Substantially Completed (as defined in the Sales Agreement); and (e) the Post shall have accepted the Post Space. Upon the fulfillment of the Final Disbursement Conditions, APAH shall provide a written request to Escrow Agent and the Post for Final Disbursement (the "**Final Request for Disbursement**"). Escrow Agent shall deliver the Final Disbursement to APAH within five (5) Business Days after the date of receipt by the Post and Escrow Agent of the Final Request for Disbursement. Following the delivery of the Final Disbursement, any Completion Security Funds remaining in the Escrow Account shall be immediately delivered to the Post.

5.5 Unit Closing Termination Notice. Notwithstanding anything to the contrary set forth in this Escrow Agreement, in the event that any time after the Outside Post Unit Closing Date, the Post shall deliver the Unit Closing Termination Notice (as defined in the Sale Agreement), any Completion Security Funds remaining in the Escrow Account shall immediately be delivered to the Post.

6. Limitation of Obligation. Notwithstanding anything to the contrary contained herein, APAH hereby specifically acknowledges and agrees that the Post's obligations to and liability in respect to this Escrow Agreement are and at all times shall be limited to the Completion Security Funds, and in the event that APAH is unsuccessful in its attempts to satisfy its obligations with respect to this Escrow Agreement, APAH's sole right or remedy against the Post, the Post's constituents and such of the Post's constituents' members, managers, employees and agents shall be the Completion Security Funds to which it may become entitled as set forth pursuant to Section 7 herein. The Post and APAH specifically acknowledges that nothing herein contained is intended or shall be construed to alter, amend, modify or in any way extend the obligations of the Post and APAH as set forth in the Sale Agreement.

7. Default. In the event that one of the Parties (the "**Defaulting Party**") defaults in its obligations under this Escrow Agreement, the other Party (the "**Non-Defaulting Party**") shall have the right to prosecute any proceedings at law and/or in equity against such Defaulting Party to prevent the Defaulting Party from defaulting upon the provisions of this Escrow Agreement, and/or to recover damages for any such violation or default, including, but not limited to, the remedy of specific performance (where such Defaulting Party is required to pay any amount due from such Defaulting Party hereunder), the Parties hereby agree that specific performance is an appropriate remedy to make available to the Parties since the remedies available at law may be inadequate to make the Non-Defaulting Party whole in the event of a default by the other Party under this Escrow Agreement. If it shall become necessary for the Non-Defaulting Party to employ an attorney to enforce or defend any of such Non-Defaulting Party's rights or remedies hereunder, then the reasonable attorneys' fees and litigation and enforcement costs incurred by the prevailing party shall be paid by the non-prevailing party in such action.

8. Duties of Escrow Agent.

8.1. The duties of Escrow Agent under this Escrow Agreement shall be entirely administrative, and not discretionary, and are limited specifically to the duties expressly stated herein.

8.2. The Escrow Agent shall have no responsibility hereunder except for the performance by it in good faith of the acts to be performed by it hereunder, and Escrow Agent shall have no liability except for its own willful misconduct or gross negligence. The duties and obligations of Escrow Agent shall be determined solely by the provisions of this Escrow Agreement and Escrow Agent shall not be liable to any party except for the performance of such duties and obligations as are specifically set out in this Escrow Agreement. In the event of a dispute among the Parties (except disputes arising from Escrow Agent's willful misconduct or gross negligence), the Post and APAH shall hold Escrow Agent harmless from any claims, damages, costs, expenses and fees of any kind and nature whatsoever, including reasonable attorneys' fees.

8.3. The Escrow Agent shall be reimbursed on an equal basis by the Post and APAH for any reasonable expenses incurred by Escrow Agent arising from a dispute with respect to the amount held in escrow, including the cost of any legal expenses and court costs incurred by Escrow Agent, should Escrow Agent deem it necessary to retain an attorney with respect to the disposition of the amount held in escrow.

8.4. Subject to the conditions of Section 8.5 herein, in the event of a dispute between the Post and APAH respecting the disposition of the Completion Security Funds, Escrow Agent may, but shall not be obligated to, implead the Completion Security Funds (or the portion thereof in dispute), as applicable, into the appropriate court for Arlington County, Virginia pending resolution of such dispute, and in that case Escrow Agent shall have no further obligations hereunder with respect to the impleaded amount.

8.5. Each Request for Disbursement of Completion Security Funds and the Final Request for Disbursement hereunder shall be delivered in accordance with the terms hereof. In the event of any dispute as to any Request for Disbursement or the Final Request for Disbursement, as evidenced by written notice from the Post to Escrow Agent and APAH given prior to the time of the applicable Disbursement, Escrow Agent may release any portion of the Completion Security Funds which are not in dispute and may withhold the contested amount or deposit the amount in dispute into the appropriate court for Arlington County, Virginia and shall interplead Post and APAH in accordance with the terms hereof.

9. Fees and Expenses. Except as otherwise provided herein, each Party shall pay its own fees and expenses incurred in connection with this Escrow Agreement. The charges and fees of Escrow Agent (the "**Escrow Agent Fees**") shall be paid on an equal basis such that the Post shall be responsible for paying fifty percent (50%) of

Escrow Agent Fees and APAH shall be responsible for paying fifty percent (50%) of Escrow Agent Fees; provided, however, if any Escrow Agent Fees are incurred as a result of a default by either Party, then such Defaulting Party shall be solely responsible for any Escrow Agent Fees incurred by reason of such default. No portion of the Completion Security Funds may be applied to the payment of such Escrow Agent Fees. The Escrow Agent's fee schedule is attached hereto as **Exhibit D** and made a part hereof.

10. Notices. All notices and other communications required under the terms of this Escrow Agreement shall be in writing and shall be deemed to have been duly given (a) upon receipt, if delivered by hand, or (b) three (3) Business Days after mailing, if mailed, postage prepaid, by certified mail, return receipt requested, or (c) upon the earlier of the Business Day following sending or actual delivery if sent by Federal Express or other nationally recognized overnight courier service or Express Mail, or (d) upon receipt, if delivered by facsimile where a printed confirmation of delivery is obtained:

If to the Post, to: American Post Legion No. 139
3445 Washington Boulevard
Arlington, Virginia 22201
Attn: Post Commander

With a copy to: Tenenbaum & Saas, P.C.
4504 Walsh Street
Suite 200
Chevy Chase, MD 20815
Attention: Brian M. Grindall

If to APAH, to: Nina Janopaul
Arlington Partnership for Affordable Housing
4318 North Carlin Springs Road
Arlington, VA 22203

And a copy to: Walsh Colucci Lubeley & Walsh, PC
2200 Clarendon Boulevard
Suite 1300
Arlington, VA 22201
Attention: William A. Fogarty

If to Escrow Agent, to: Commonwealth Land Title Insurance Company
1620 L Street
4th Floor
Washington, D.C. 20036
Attn: David Nelson

Any of the Parties may affect a change of address by written notice to the other Parties hereto. Any notice required or permitted by this Escrow Agreement to be given by a

Party to any other Party may be given by legal counsel for such Party, and notice so given shall have the effect as if such notice were given by the Party.

11. **Law Governing.** This Escrow Agreement and the obligations of the Parties hereunder shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

12. **Entire Agreement; Amendments.** This Escrow Agreement contains the entire agreement between the parties relating to the subject matter hereof. Amendments or changes may be made to this Escrow Agreement by, and only by, setting the same forth within a document duly executed by each party, and an alleged amendment or change herein which is not so documented shall not be effective as to any Party.

13. **Captions.** The titles of the sections in this Escrow Agreement shall have no effect and shall neither limit nor amplify the provisions of the Escrow Agreement itself.

14. **Successors and Assigns.** This Escrow Agreement, and all of the terms, provisions and conditions hereof, shall be binding upon and shall inure to the benefit of the Parties hereto, and their respective legal representatives, successors and assigns as contemplated by the terms of the Sale Agreement; provided, however, that this Escrow Agreement is intended for the sole and exclusive benefit of the Parties hereto and, with the exception of the rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Escrow Agreement is intended or shall be construed to give to any Person other than the Parties hereto any legal or equitable right, remedy or claim under or in respect of this Escrow Agreement or any covenants, conditions or provisions herein contained. Without limiting the generality of the foregoing in any manner, nothing contained herein shall be deemed to establish any trust fund for the benefit of any third party, nor to impose any liability upon Escrow Agent to pay or be chargeable with any claims for labor or material incurred in connection with the construction of the work by APAH, or for any other debts, obligations or liabilities of APAH or any affiliates of APAH.

15. **Exhibits.** The following Exhibits and Schedules are attached hereto and made a part hereof for all purposes.

Exhibit A	Description of Land
Exhibit B	Approved Project Budget
Exhibit C	Form of Request for Disbursement
Exhibit D	Escrow Agent Fee Schedule

16. **Counterparts.** This agreement may be executed in counterparts, each of which will be deemed to be an original, but all of which will constitute one and the same document.

17. **Facsimile Signatures.** Each Party may execute this Escrow Agreement by delivery to the other Parties of a facsimile copy hereof evidencing such Party's signature. The Party executing by facsimile shall promptly thereafter provide a signed original counterpart hereof to the other parties; provided, that the non-delivery of such a signed counterpart shall not affect the validity or enforceability hereof.

18. **Notices regarding Construction Contract or Loan.** APAH shall give the Post prompt notice of any notice of breach or default relating to the Construction Contract or the Loan.

19. **Covenants regarding the Loan.** APAH shall defend, indemnify and hold the Post harmless from and against all liabilities, claims, damages, costs and expenses (including, but not limited to, legal fees and disbursements) in any actions or proceedings now or hereafter pending or threatened against the Post or the Completion Security Funds arising out of any Loan or the Contract or resulting from any action by any party claiming any right, title or interest by or through a Loan or the Contract. Upon demand by the Post, APAH shall defend any action or proceeding brought against the Post against which APAH has herein agreed to defend the Post or the Post may elect to conduct its own defense at the expense of APAH. The provisions of this subsection shall survive the termination of this Agreement, the Land Closing and the Post Unit Closing.

[SEE ATTACHED SIGNATURE PAGES]

IN WITNESS WHEREOF, and intending to be legally bound, APAH, the Post and the Escrow Agent have executed this Escrow Agreement under seal as of the dates indicated below.

APAH:

ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC., a Virginia corporation

By: _____ (Seal)
Name: _____
Title: _____
Date: _____

Post:

ARLINGTON POST NO. 139, DEPARTMENT OF VIRGINIA, AMERICAN LEGION, a Virginia corporation

By: _____ (Seal)
Name: _____
Title: _____
Date: _____

Escrow Agent:

COMMONWEALTH LAND TITLE COMPANY

By: _____
Name: _____
Title: _____

EXHIBIT A

Description of Land

EXHIBIT B

Project Budget

EXHIBIT C

Form of Request for Disbursement

EXHIBIT D

Escrow Agent Fee Schedule

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT ("First Amendment") is made and effective as of this 4th day of March, 2019 (the "**Effective Date**"), by and between **ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC.**, a Virginia corporation (herein referred to as "**APAH**"); and **ARLINGTON POST NO. 139, DEPARTMENT OF VIRGINIA, AMERICAN LEGION**, a Virginia corporation (hereinafter referred to as the "**Post**").

RECITALS:

WHEREAS, the Post and APAH entered into a Purchase and Sale Agreement dated June 30, 2017, for the purchase and sale of property identified therein ("**Agreement**"); and

WHEREAS, the parties desire to amend the Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, APAH and the Post agree as follows:

1. INCORPORATION. The recitals hereinabove contained are hereby incorporated herein by reference as if more fully set forth herein.

2. LAND DESCRIPTION. The parties acknowledge that the historical legal description, attached as Exhibit A to the Agreement, has been updated with a description prepared by Walter L. Phillips, Incorporated, as set forth in their survey dated July 28, 2017, revised through March 1, 2018, and attached hereto as Exhibit A-1 (the "**WLP Description**").

3. SPECIAL WARRANTY DEED AND QUITCLAIM DEED. At the Land Closing, the Post shall execute and deliver the following two (2) separate deeds:

(a) A special warranty deed of the property described in Exhibit A of the Agreement, in the form attached to the Agreement as Exhibit E, subject to the Permitted Exceptions conveying title to the Property to APAH in accordance with Section 6 herein (which special warranty deed shall constitute the "**Post Deed**" for purposes of the Agreement); and

(b) A quitclaim deed (the "**Quitclaim Deed**") of the property described in Exhibit A-1, (the "**Quitclaim Property**") in a reasonable and customary format, which expressly waives any warranties of any type or kind whatsoever, express or implied.

APAH acknowledges and agrees that (i) the Post does not warrant the title to the Quitclaim Property and (ii) because the Post is conveying the Quitclaim Property without any warranty or recourse of any kind whatsoever, the Post makes no express or implied

representations to any portion of the Quitclaim Property that extends beyond the boundaries of the property described in **Exhibit A**.

4. **ENVIRONMENTAL MATTERS.** Pursuant to Section 7(k) of the Agreement, the parties acknowledge that APAH has provided to the Post the Environmental Cost Estimate, as said term is defined therein. The parties agree that the Environmental Remediation Cost, as defined therein, is in the amount of \$200,000.00. The parties further acknowledge that this amount shall be placed in escrow at the Land Closing, all as more specifically set forth in Section 7(k) of the Agreement.

5. **EXHIBIT F. Exhibit F** is hereby amended by deleting the current text of the second paragraph of Section 2 and replacing with the following: about initiating the County deed of subdivision process.

APAH shall proceed with a subdivision of the Property by use of the Virginia condominium statutes, creating air rights units pursuant to a Declaration of Condominium and related documents (the "**Condominium Documents**") intended only to function as a device to create at least two (2) separate conveyable air right parcels, with one air rights parcel for the Post Unit and one or more air rights parcels for the Residential Unit, the Garage and the Exterior Space. Upon receiving the Post's prior approval, APAH will submit the Condominium Documents to Arlington County for review and approval, if required by Arlington County. Upon receiving approval by Arlington County (if so required), and upon receiving prior written approval from the Post, APAH shall record the Condominium Documents at or prior to the Land Closing. The Post shall execute all necessary documents to provide, at APAH's sole cost and expense, for such division of the Property, if it is determined by APAH that the Condominium Documents need to be recorded before the conveyance of the Land. The Condominium Documents shall (a) be consistent with the Post Program Specifications, (b) be subject in all event to the incorporation of those items noted below as "Post Only", "Shared" and "APAH Primary" and (c) provide that no condominium assessments, fees or any other such charge shall be levied, imposed or otherwise required of the Post or the Post Unit at any time.

6. **GROSS RESIDENTIAL SQUARE FOOTAGE.** The parties agree that the Gross Residential Square Footage, as said term is identified in Section 4 of the Agreement, is deemed to be 175,723 square feet.


7. **MISCELLANEOUS.** As modified herein, the Agreement remains in full force and effect, including, but not limited to, the provisions of Section 18(b) of the Agreement, which allows for counterpart signatures and electronic delivery of signatures. The "Effective Date" of this First Amendment shall have the meaning ascribed to such term on page 1 of this First Amendment.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, and intending to be legally bound, APAH and the Post have executed this First Amendment under seal as of the dates indicated below.


APAH:

ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC., a Virginia corporation

By:  (Seal)
Name: Nina Janopaul
Title: President
Date: March 4, 2019

Post:

ARLINGTON POST NO. 139, DEPARTMENT OF VIRGINIA, AMERICAN LEGION, a Virginia corporation

By:  (Seal)
Name: Robert Romano
Title: Post Commander
Date: March 4, 2019

ATTACHMENT

EXHIBIT A-1: WLP Description

Exhibit "A-1"
As-Surveyed Legal Description by Walter L. Phillips
ALTA/NSPS land Title Survey – Arlington Post No. 139 – Department of Virginia
The American Legion

All that certain lot, piece or parcel of land situate, lying and being in the County of Arlington, Virginia and more particularly described as follows:

Beginning at a point in the north right-of-way line of Washington Boulevard, said point being N 03° 08' 07" W, 2.13 feet from the southeast corner of now-or-formerly 1404 N Hancock St Investment L.L.C.; thence with 1404 N Hancock St Investment L.L.C. and continuing with: Durham's Addition to Clarendon, Lot 19; the terminus of 12th Rd. North as recorded in Deed Book 280 at Page 486; and Durham's Addition to Clarendon, Lot 10, N 03° 08' 07" W, 302.72 feet to an iron pipe, said point being the southwest corner of now-or-formerly Young Men's Christian Association of the City of Washington; thence with Young Men's Christian Association of the City of Washington, thence N 87° 36' 53" E, 216.06 feet to a point; thence S 03° 08' 07" E, 200.70 feet to a point in the north line of now-or-formerly The Pham and Nguyen Family Trust; thence with The Pham and Nguyen Family Trust, S 79° 24' 53" W, 12.90 feet to a point; thence S 85° 49' 53" W, 62.55 feet to a point; thence 40.02 feet with the arc of a curve bearing to the right and having a radius of 370.30 feet (tangent length 20.03 feet, chord length 40.00 feet, chord bearing S 02° 36' 07" E) to a point; thence S 00° 29' 53" W, 65.17 feet to a point in the north right-of-way line of Washington Street; thence with the north right-of-way line of Washington Street, N 89° 30' 07" W, 136.48 feet to the point of beginning and containing an area of 58,250 square feet, or 1.3372 acres, more or less.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No. 15-086-011

(End of Exhibit "A-1")

PROPERTY TRANSFER AGREEMENT
(American Legion Site)

THIS PROPERTY TRANSFER AGREEMENT ("Agreement") is made as of March 11, 2019, by and among ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC., a Virginia nonprofit corporation ("APAH"), POST EAST FOUR LIMITED PARTNERSHIP, a Virginia limited partnership ("Post East") and POST WEST NINE LIMITED PARTNERSHIP, a Virginia limited partnership ("Post West").

RECITALS

A. APAH and Arlington Post No. 139, Department of Virginia, American Legion, a Virginia corporation ("Legion"), entered into that certain Purchase and Sale Agreement, dated June 30, 2017, as amended (the "Purchase Agreement"), pursuant to which APAH has the right to purchase from Legion certain land and the improvements thereon located at 3445 Washington Boulevard in Arlington County, Virginia (the "Property").

B. APAH desires to assign its rights under the Purchase Agreement to Post East and Post West.

C. Post East and Post West desire to purchase the Property as tenants-in-common and then immediately transfer portions of the Property to Post East and Post West individually, as further described herein, in order to accommodate the development of two multifamily residential rental projects to be financed with tax credit equity from the federal low-income housing tax credit program.

AGREEMENTS

NOW, THEREFORE, for and in consideration of the premises and mutual covenants contained herein, and of other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties hereto) APAH, Post East and Post West hereby agree as follows:

1. **Assignment of Purchase Agreement.** APAH shall assign its purchaser interest in the Purchase Agreement to Post East and Post West, and Post East and Post West shall purchase the Property, as contemplated by the Purchase Agreement, as tenants-in-common. Post East shall pay 40.64% and Post West shall pay 59.36% of the purchase price described in Section 4 of the Purchase Agreement.

2. **Land Condominium Regime.**

(a) Immediately upon purchasing the Property as tenants-in-common, Post East and Post West, as co-declarants, shall subject the Property to a land condominium regime (the "Condominium") containing six land condominium units. Post East intends to construct an 80 unit project using 4% tax credits (the "4% Project") on the East Unit (the "East Unit") and Post West intends to construct an 80 unit project using 9% tax credits (the "9% Project") on the West Unit (the "West Unit"). Post West intends to construct upon Legion Unit 1, Legion Unit 2, Legion

Unit 3 and Legion Unit 4 (collectively, the "Legion Units") commercial space to be transferred to Legion upon completion of construction (the "Legion Project").

(b) Immediately upon creating the Condominium, Post East and Post West shall transfer fee simple ownership of the East Unit to Post East and fee simple ownership of the West Unit and the Legion Units to Post West. Post East will construct the 4% Project upon the East Unit and Post West will construct the 9% Project and Legion Project upon the West Unit.

3. **Miscellaneous.**

(a) This Agreement shall inure to the benefit of the parties' successors and assigns.

(b) The provisions of this Agreement will be governed by the laws of the Commonwealth of Virginia.

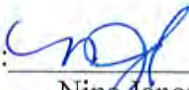
(c) This Agreement may be executed in counterparts, and delivery of an electronic copy shall have the same legal effect as delivery of an originally signed document.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Property Transfer Agreement as of date first written above.

APAH:


ARLINGTON PARTNERSHIP FOR
AFFORDABLE HOUSING, INC., a Virginia
nonstock corporation

By:  _____
Nina Janopaul, President

POST EAST:

POST EAST FOUR LIMITED PARTNERSHIP, a
Virginia limited partnership


By: Post East Four Development Corporation, a
Virginia corporation, its general partner

By:  _____
Nina Janopaul, President

POST WEST:

POST WEST FOUR LIMITED PARTNERSHIP, a
Virginia limited partnership

By: Post West Nine Development Corporation, a
Virginia corporation, its general partner

By:  _____
Nina Janopaul, President

General Information

Owner ARLINGTON POST NO 139 DEPARTMENT OF VIRGINIA THE AMERICAN		Legal Description NR CLARENDON 56092 SQ FT	
Mailing Address 3445 WASHINGTON BLVD ARLINGTON VA 22201		Trade Name AMERICAN LEGION POST 139	
Year Built 1947	Units N/A	EU# N/A	
Property Class Code 215-Gen Comm - other	Zoning R-5/C-2	Lot Size 56092	
Neighborhood# 970000	Map Book/Page 053-02	Polygon 15086011	
Site Plan N/A	Rezoning N/A	Tax Exempt 4 - Charitable Organization or Lodge Owned No	

Assessment History

Effective Date	Change Reason	Land Value	Improvement Value	Total Value
1/1/2019	01- Annual	\$3,394,100	\$226,200	\$3,620,300
1/1/2018	01- Annual	\$3,394,100	\$220,000	\$3,614,100
1/1/2017	01- Annual	\$3,394,100	\$220,300	\$3,614,400
1/1/2016	01- Annual	\$3,295,400	\$216,300	\$3,511,700
1/1/2015	01- Annual	\$3,141,200	\$213,300	\$3,354,500
1/1/2014	01- Annual	\$2,855,300	\$207,300	\$3,062,600
1/1/2013	01- Annual	\$2,855,300	\$212,000	\$3,067,300
1/1/2012	01- Annual	\$2,855,300	\$215,900	\$3,071,200
1/1/2011	01- Annual	\$2,855,300	\$213,100	\$3,068,400
1/1/2010	01- Annual	\$2,855,300	\$213,900	\$3,069,200

F

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



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: Post West Nine

Address of Development: 3445 Washington Boulevard, Arlington, VA 22201

Name of Owner: Post West Nine Limited Partnership

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: Joanna R. Borowska, AIA

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:

128,605.46	(A) Total gross floor area in (sq. ft.) for the entire development
31,885.99	- (B) Unheated floor area (breezeways, balconies, storage)
0.00	- (C) Nonresidential, (commercial income producing) area
96,719.47	= (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	924.03		14		12,936.42
2 Bedrooms Garden	1,231.10		49		60,323.90
3 Bedrooms Garden	1,379.95		17		23,459.15
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			80	Total	96,719.47 **

* 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	549.25	6	3295.50
Mix 2	1 BR - 1 Bath	566.16	6	3396.96
Mix 3	1 BR - 1 Bath	744.13	1	744.13
Mix 4	1 BR - 1 Bath	559.65	1	559.65
Mix 5	2 BR - 1.5 Bath	894.62	10	8946.20
Mix 6	2 BR - 1.5 Bath	862.04	6	5172.24
Mix 7	2 BR - 1.5 Bath	801.00	6	4806.00
Mix 8	2 BR - 1.5 Bath	883.10	6	5298.60
Mix 9	2 BR - 1.5 Bath	897.47	2	1794.94
Mix 10	2 BR - 1.5 Bath	838.61	2	1677.22
Mix 11	2 BR - 1.5 Bath	795.49	2	1590.98
Mix 12	2 BR - 1.5 Bath	891.03	2	1782.06
Mix 13	2 BR - 1.5 Bath	969.24	3	2907.72
Mix 14	2 BR - 1.5 Bath	964.28	3	2892.84
Mix 15	2 BR - 1.5 Bath	887.98	6	5327.88
Mix 16	2 BR - 1.5 Bath	836.43	1	836.43
Mix 17	3 BR - 2 Bath	937.67	4	3750.68
Mix 18	3 BR - 2 Bath	1259.21	1	1259.21
Mix 19	3 BR - 2 Bath	1039.94	6	6239.64
Mix 20	3 BR - 2 Bath	1035.12	6	6210.72
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		80	68489.60

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

DEV Name: Post West Nine

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.

76.47 b.i,ii Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls (excluding triangular gable end area, doors, windows, kneewalls, columns, retaining walls, stairwells and any features that are not a part of the façade)
Community buildings are to be included in percentage calculations.

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

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

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

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

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

OR

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

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

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

OR

FALSE l. Fire Suppression - Cooking surfaces are equipped with fire suppression features

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

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

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

DEV Name: Post West Nine

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

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

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

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

Building Structure:

Number of Stories

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

Accessibility:

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

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

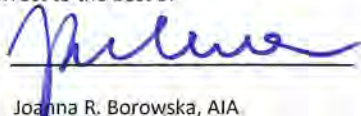
Check one or none of the following point categories, as appropriate:

- X 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.

DEV Name: Post West Nine

As architect of record for the above referenced development, the above certifications are correct to the best of my knowledge.

Signed:	
Printed Name:	<u>Joanna R. Borowska, AIA</u>
Title:	<u>Project Manager</u>
Virginia Registration #:	<u>0401014660</u>
Phone:	<u>(571) 620-7867</u>
Date:	<u>02/28/19</u>

NOTE TO ARCHITECT: If representations 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: Post West Nine



**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: 80

The total number of rental units in this development: 80

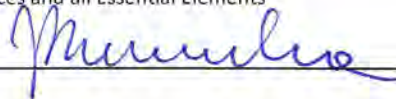
NOTE: For Elderly Developments, 100% of the units in the development must meet the Universal Design standards in order to qualify for points.

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 vhma.com or no points will be awarded:

- Overall building plans identifying the location of Universal Design dwelling units, and the means of vertical transportation (if applicable), along the accessible route (Minimum scale 1/8"=1'-0"). Include a legend and Universal Design General Notes section. Anything other than a fully handicap accessible elevator must have been presented to and approved by VHDA for this project at least two weeks prior to submission of reservation application.
- Site plan and building plans identifying accessible pedestrian routes from all Universal Design units to accessible parking, leasing office, community room, laundry facility, mailboxes, garbage collection areas and public transportation pick up areas. Architect must identify running slope and cross slope of route, and consider any obstructions. Include required number of accessible parking spaces, a legend for the accessible route, and a Universal Design general notes section.
- Enlarged Universal Design unit plans (Minimum scale 1/4"=1'-0") identifying clearances and all Essential Elements

Signed: 

Printed Name: Joanna R. Borowska, AIA
Architect of Record
(same individual as on page 7)

Date: 02/28/19

DEV Name: Post West Nine



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

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.

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

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

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

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

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


Signed: 

Date: 3.8.19

Printed Name: Matt Waring

RESNET Rater

Resnet Provider Agency
Viridiant

Signature 

Provider Contact and Phone/Email

Sean Evanson-Shanley sean.evanson-shanley@viridiant.org
(804) 212-1936



Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-08
 Registry ID: Unregistered
 Ekotrope ID: yL00WVA2

HERS® Index Score:

73

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

Annual Savings

\$467

*Relative to an average U.S. home

Home:

3445 Washington Blvd., Arlington, VA
 22203

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	4.0
Cooling	0.8
Hot Water	5.1
Lights/Appliances	11.9
Service Charges	
Generation (e.g. Solar)	0.0
Total:	21.9

This home meets or exceeds the criteria of the following:

Energy Star v3

Rating Completed by:

Energy Rater: Matt Waring
 RESNET ID: 6729287

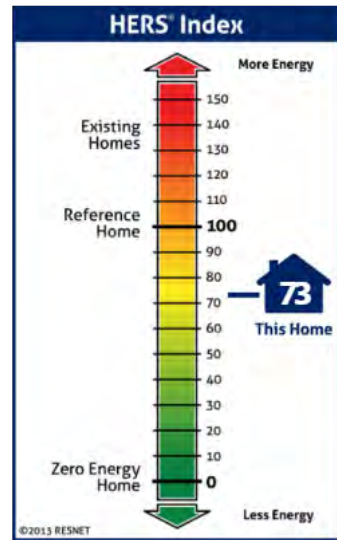
Rating Company: Viridiant
 1431 W. Main Street, Richmond, VA 23220

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



Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 3/8/19 at 6:30 AM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	American Legion Post
Conditioned Floor Area:	605 sq. ft.
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 8.2 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 14.5 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	25.0 CFM • 50.5 Watts
Duct Leakage to Outside:	24 CFM25 (3.97 / 100 s.f.)
Above Grade Walls:	R-23
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Certificate of Completion

Joanna Borowska

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

Virginia Housing Development Authority



Josh Holloway

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

Jovan Burton

Jovan Burton
Tax Credit Allocation Coordinator

Providing free Wi-Fi at Post West Nine

Overview

1.) Security and Maintenance

- a. Contract with an IT provider to install and maintain a firewall at the router level to prevent intrusion attempts.
- b. Use same IT provider to maintain the deployed technology.

2.) Education

- a. Provide computer basics and internet safety training intermittently as optional for residents to attend. Include lessons as part of package to disburse to residents.
 - i. Lessons included on page 4.
- b. Include disclaimers and internet security guidance in the Acceptable Use Policy (page 2) and the Acknowledgment (page 3) about inherent risks in using the internet.

Acceptable Use Policy

Residents of Post West Nine must agree to and follow the acceptable use policy when using the Post West Nine network.

1. All Post West Nine Residents must adhere to all federal and state laws when using Post West Nine's network, services and/or internet access.
2. Spam may not be distributed using mail servers connected to the Post West Nine network. Any computer on the Post West Nine network that is infected with spam generating software and that distributes spam, with or without the Owner's knowledge or consent, may be disconnected from or denied access to the Post West Nine network at the discretion of Post West Nine.
3. Viruses, malware, or other malicious code may not be distributed using computers connected to the Post West Nine network. Any computer on the Post West Nine network that is infected with malicious code and distributes malicious software, even without the Owner's knowledge or consent, may be disconnected from the network at the discretion of Post West Nine.
4. Illegal file sharing is not allowed, and computers engaged in such activity may not be connected to the Post West Nine network. Any computer on the Post West Nine network that is infected with illegal file sharing software and distributes copyrighted materials, even without the Owner's knowledge or consent, may be disconnected from the Post West Nine network at the discretion of Post West Nine.
5. The service is designed for personal, general Internet use including streaming, web surfing, e-mail access, and all other possible legal online activities. Residents are not allowed to host **public servers** of any kind or use static IPv4 IP addresses. Post West Nine may disconnect Residents who use the service for activities deemed to exceed typical residential use.
6. You agree to allow personnel of Post West Nine and its partners reasonable access to your unit for proper maintenance of equipment.
7. The Access Points being distributed **are property of Post West Nine** and may not be removed from the premises. Should your time at Post West Nine come to an end, you may **not** take the access point with you. Doing so may result in a charge or forfeiture of your security deposit.
8. Like any commercially provided Internet Connection, this service is subject to usage monitoring. Anonymity is not guaranteed on the internet. Post West Nine Staff will **not** have access to browsing data, however Post West Nine **will** be alerted by the data center, the connection provider, should they detect a unit misusing the service as outlined in sections 1, 2, 3, 4, or 5. Gross misuse may result in the entire building being cut off by the data center, disrupting your neighbors as well.
9. Using the internet has inherent risks, be aware of the sites you navigate to, make sure they are using https (which you can verify by looking at the status bar) and don't give out personal information unless you have verified the legitimacy of a website.
10. Post West Nine's Acceptable Use Policy may change without notice. All changes will be shared via flyers before taking effect.

Acknowledgement of Goods Received

Unit Number _____

First Name _____

Last Name _____

E-mail _____

By signing below, you acknowledge the following:

- 1.) You are currently living at Post West Nine and you have been walked through the following materials:
 - a. Post West Nine’s Acceptable Use Policy
 - b. This acknowledgement form
- 2.) That you are receiving **one** access point for your household, and it is currently installed in your unit.
- 3.) That the access point you are receiving is the property of Post West Nine. You do **not** own this Access Point. Should your time at Post West Nine come to an end, you may **not** take the access point with you. Doing so may result in an additional charge or forfeiture of your security deposit.
- 4.) Should an issue arise with your connectivity you will follow the included troubleshooting guide. If connectivity issues persist, please alert the leasing office giving them your name and unit number or email apahlaptopreport@gmail.com with the subject “Connectivity issues, [your unit number here]” Include your name and unit number again in the message body.
 - a. If you damage or break the Access Point by accident or negligence you may be charged for replacing the unit.
 - b. If the Access Point or power cable fails on its own, you will **not** be charged for replacing the unit.
 - c. The Access Point should not be moved to another unit without previous authorization from Post West Nine or APAH staff.

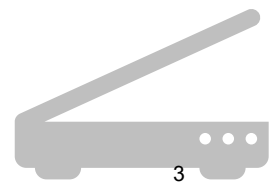
x _____
Signature

_____/_____/_____
Day / Month / Year



**Arlington Partnership
For Affordable Housing**

All materials are the property of the Arlington Partnership for Affordable Housing, Inc.



Lesson 1 Part 1

Introduction to Computing

Introduction

- ▶ Who We Are
- ▶ What You Will Learn
- ▶ Class time 6PM until 730PM
- ▶ Class Etiquette
 - Breaks, cell phones, questions
- ▶ You get out of it what you put into it

A Computer is:

- ▶ A **machine** that manipulates/processes data (inputs) according to a set of instructions and produces/displays an output
- ▶ Combination of hardware and software



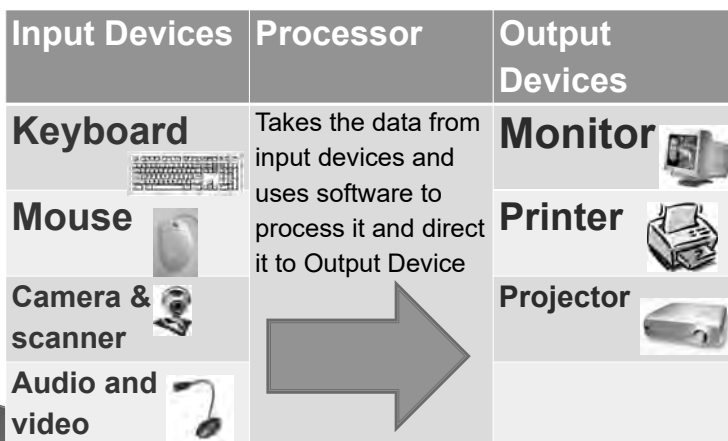
3

Hardware and Software

- **Hardware** – Physical parts of the computer. Anything that you can touch.
- **Software** – Instruction sets that run on **hardware** that create files, perform calculations, and display webpages (kind of like a cookbook)

3

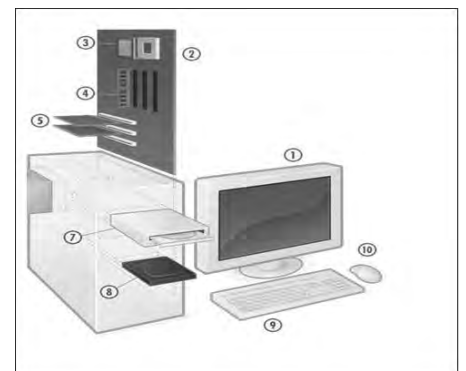
How A Computer Works



5

Hardware

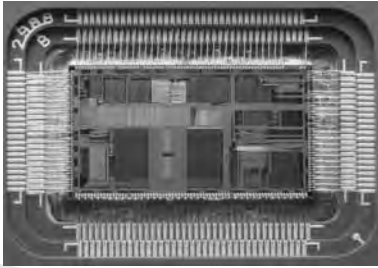
- The Hardware Parts*
- Output Device**
 1. Monitor (Screen)
 - Processing**
 2. Mother Board
 3. Central Processing Unit (CPU)
 - Storage**
 4. Memory Cards – RAM
 5. Circuit Board
 7. CD Rom Drive
 8. Hard Drive
 - Input Devices**
 9. Keyboard
 10. Mouse



4

Central Processing Unit (CPU)

- ▶ The CPU is an electronic circuit that can execute software in MIPS (millions of instructions per second!)
- ▶ The CPU is the “brain” of the computer



Mouse

- ▶ Desktop Mouse



- ▶ Touchpad – laptop mouse













7

Mouse Functions

- ▶ Click = Press Left Button (**Select**)
- ▶ Double Click = Press Left Button Twice Quickly (**Open**)
- ▶ Right Click = Press Right Button (**Options**)

Cursor Shapes

- While you are waiting for your document to open the cursor might change shape, from  to 
- While the cursor looks like  just be patient while the computer is busy
- Drag your mouse around the document and notice how the cursor changes shape, from  to 
- When you see  click
- Adjust the size of text boxes windows, panes and cells using arrows    

Keyboard

- ▶ Input Device with alpha, numeric, punctuation, symbols, and navigation keys



Home Row: asdf jkl;

10

Software

- ▶ Operating System – The software that works with the hardware to control the computer’s operations. Most computers have Microsoft Windows (such as Windows 7, Windows Vista)
- ▶ Programs – The software that users interact with to perform their work. Common applications include Microsoft Word, Excel, PowerPoint, Internet Explorer, and Firefox. Google Chrome

Turning On the Computer



Practice: Ctrl + Alt + Del → Enter



Logging Onto Laptop with Student ID & Password



Opening a Program

- Use the Start button to access "All Programs"



- Then select the program that you want to open



Exercise – Typing Practice

- Open the program "Microsoft Office Word"
Start > All Programs > Microsoft Office > Microsoft Office Word
- Key in the following Home keys 10 times:
asdf jkl; [Enter]
- Key in the following 10 times:
Your name. Press SHIFT key for upper case letters.

Exercise – More Typing Practice

- Key in the following 5 times:
Today's date: November 7, 2016
- Key in the following 5 times:
. , ; : / ? ' "
- Key in the following 5 times:
Your favorite movie or music.

Turning Off or Shut Down Computer



Lesson 1 Part 2

Introduction to Computing

Agenda

- ▶ Computer Desktop
- ▶ Files and Folders
- ▶ Windows
- ▶ Memory
- ▶ Keyboarding

Desktop

- ▶ What do you keep on a regular desktop?
 - Pens, paper, stapler, paper clips
- ▶ What is a Computer Desktop?
 - Place to store frequently accessed programs, files, photos, etc.



3

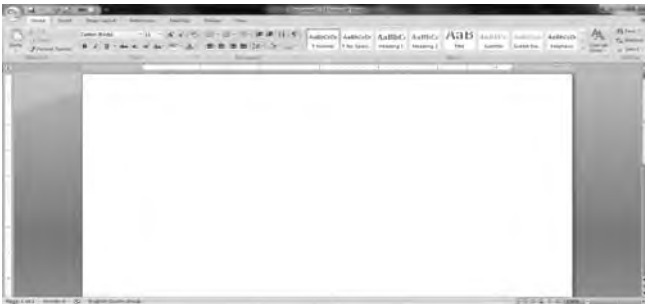
Opening a Program

- Use the Start button to access “All Programs”
- Then select the program that you want to open



Windows and MS Word

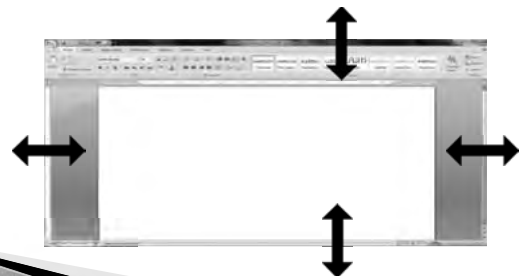
- ▶ Open program → Microsoft Word



5

Windows

- ▶ Exercises:
 - Minimize, Maximize, Close button
 - Resize window to tall and thin
 - Resize window to short and wide

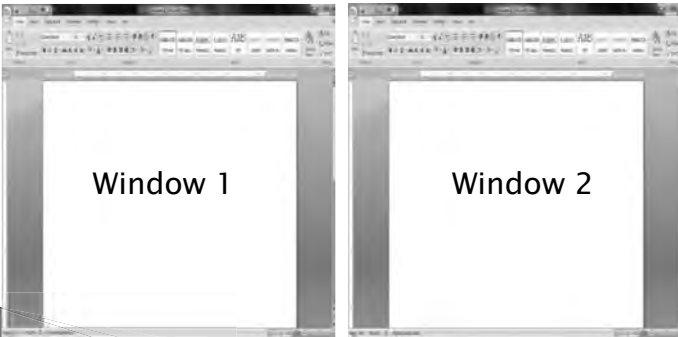


7

6

Windows

- ▶ Exercise:
 - Open two windows and place side by side. Why?



Files and Folders



- ▶ File = electronic version of a document, spreadsheet, presentation, etc.



- ▶ Folder = used to organize files

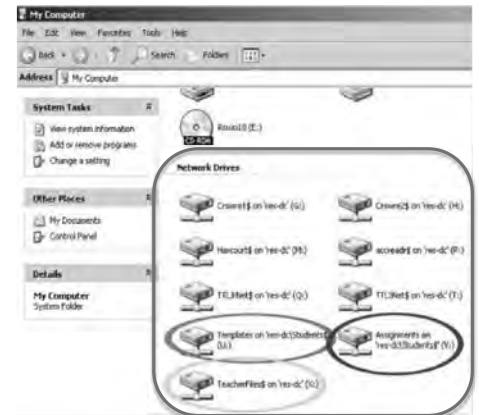


Memory

- ▶ Places to store files:
 - Hard Drive - My Documents on the computer
 - DVD - 
 - Flash Drive - 
 - The "Cloud" -
 - Discussion of Pros and Cons for each type of memory

Memory

- ▶ Another place to store files:
 - Network Drive
 - Company's data system
 - Used only by members of that company

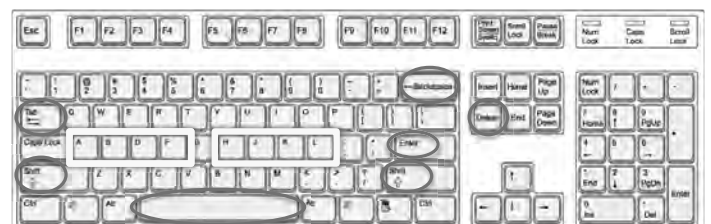


File Exercises

- ▶ Save new Word document
 - File > Save As
 - Choose a file name and save in My Documents
- ▶ Create new folder in My Documents
 - Name the folder "Class"
 - Create 3 files in Word: "Resume" "Budget" and "Jobs"
 - Select and Drag each file into the "Class" folder

Keyboarding

- ▶ Home Row
- ▶ Backspace and Delete
- ▶ Space Bar
- ▶ Shift
- ▶ Enter
- ▶ Tab



Keyboarding Practice

- ▶ Type three sentences in “Resume” file.
- ▶ REMEMBER TO SAVE YOUR DOCUMENT.
- ▶ Type three sentences in “Jobs” file.
- ▶ REMEMBER TO PRACTICE EACH DAY.
- ▶ QUESTIONS!!!!????

Turning Off or Shut Down Computer



13

Lesson 2

Internet Security
Navigating the Internet
Social Media
Voice over Internet Protocol (VoIP)/Chat

Agenda Part 1

- ▶ Computer Security—Why?
- ▶ Create Strong Passwords
- ▶ Backup/Save Your Data
- ▶ Online Banking Primer
- ▶ Buying Things Online
- ▶ Online Tracking

Computer Security—Why?

- ▶ **Anti-Virus Software**
 - Microsoft Security Essentials (free), McAfee, Norton: scans your computer for potential viruses.
- ▶ **Flash Drives**
 - Be careful using flash drives from other people.
- ▶ **Updates**
 - Always click 'YES' to Anti-Virus and Windows Updates.
- ▶ **Firewall**
 - NEVER disable the Windows Firewall (ON by default)

Create Strong Passwords

- ▶ **All passwords must be airtight strong.**
 - Reduces chances of hacking and ID theft.
- ▶ **At least 10 characters with lower case, upper case, and special characters !@#%&***
 - Can create a unique phrase or sentence that no one knows or is published. No birthdates, 12345, ABCDE, social security #.
 - Write down each password and place somewhere safe.
- ▶ **Use different passwords for EACH account.**
 - Computer
 - Online Banking
 - Social Media: Facebook, Twitter, Instagram

Create Strong Passwords

- ▶ **Class Exercise:**
 - Create a password together
 - **At least 10 characters with lower case, upper case, and special characters !@#%&***

Back Up Your Data

- ▶ **SAVE, SAVE, SAVE**
 - Save your files early and often!
- ▶ **Backups**
 - Computers can crash one day. Hard drives can become corrupted and viruses can erase files.
 - Periodically save a copy of your files to a flash drive or backup hard drive.
- ▶ **Cloud Storage**
 - Google Drive, Drop Box, backup files regularly
- ▶ **Magnets**
 - NEVER put a magnet near a computer. Can wipe data off the hard drive and ruin the monitor.



Online Banking

- ▶ Online Banking
 - Only access online banking sites from home computer.
 - Never access on a shared computer.
- ▶ Key in URL addresses in Browser.
- ▶ Don't automatically click links in email.
www.bankofamerica.com
not same as
www.bankofamerica.com.fakewebsite.exe
This is a **DANGEROUS** link.

7

Buying Things Online

- ▶ Only purchase items from well-known websites.
- ▶ Ensure the URL contains **https** and the lock symbol before entering credit card info.
- ▶ NEVER wire money as payment.



8

Online Tracking 1

- ▶ Websites remember where you have visited like Google & Facebook.
 - Why? So they can target sales ads to fit your interests.
- ▶ Also, sites are saved on the web browser.
 - To remove:
 - Firefox: History > Clear Recent History
 - Chrome: Clear Browsing Data

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Online Tracking 2

- ▶ Prevent Online Tracking
 - Sign out of email when searching online.
 - Use Private Browsing.
- ▶ Firefox: Preferences > Privacy > Tracking
- ▶ Chrome: File > New incognito window

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Agenda Part 2

- ▶ Popular Uses of the Internet
- ▶ Internet Vocabulary
- ▶ Cable Internet Service & Connection
- ▶ Web Browser
- ▶ Format of URL Web Address
- ▶ Finding Stuff on the Internet

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Popular Uses of the Internet

To do this	What to use
▶ View Websites	▶ Browsers: Firefox, Chrome, Safari, Opera
▶ Send & receive messages & documents	▶ Gmail, Outlook, Yahoo
▶ Send and receive short text messages	▶ Cell phone carriers
▶ Locate places on a map & get directions	▶ Google maps, Mapquest, Rand McNally

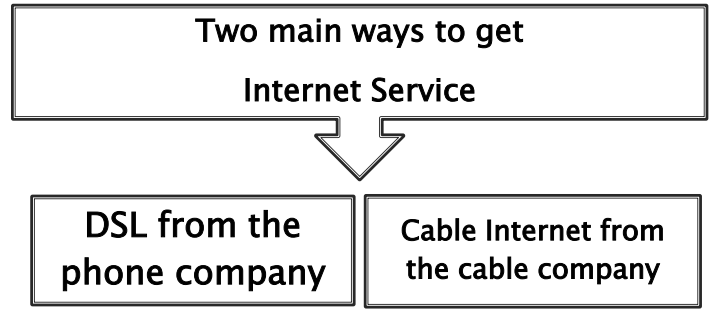
11

12

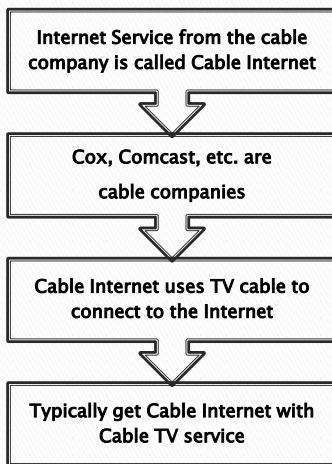
Internet Vocabulary

- ▶ Website: One organization’s location on the Web.
- ▶ Browser: Software used to explore or “surf” the Web.
- ▶ URL: Address used to go to a website.
- ▶ Link: Text or picture when clicked with your mouse takes you quickly to a website.
 - www.nytimes.com

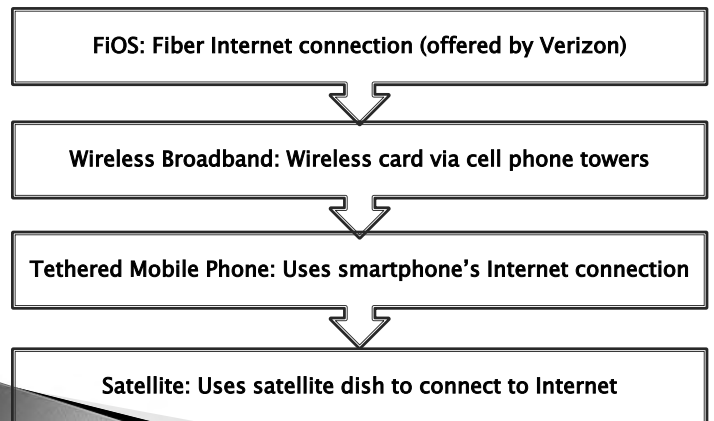
How Do I Get Internet Service?



Cable Connection



Other Types of Internet Service



Connecting to the Internet

- ▶ Computer connects with cables to router



OR

- ▶ Computer connects wirelessly to router = Wi-Fi



- ▶ Caveats, snooping, intercepting signals

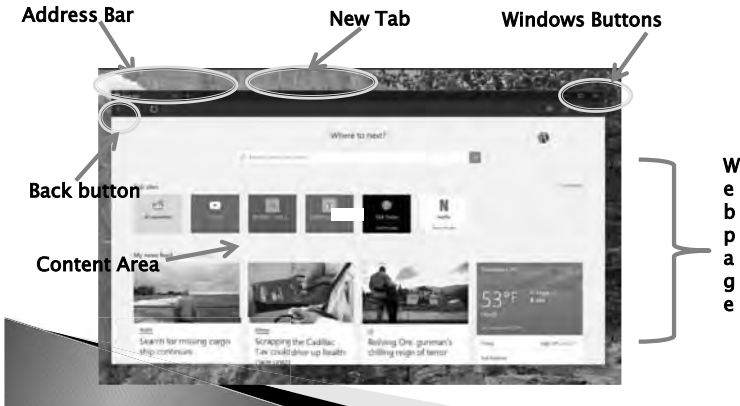
Web Browsers

- ▶ An Application used to view web pages and navigate websites on the Internet
- ▶ Opera, Firefox, Safari, Chrome, Microsoft Edge



MS Edge Web browser

Parts to a Browser Window



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Navigating Backward & Forward



- ▶ While browsing the internet, the Browser remembers websites visited.
- ▶ Use Back Button to return to previous sites.
- ▶ Use Forward Button to go in reverse direction.
- ▶ Often, when opening a new link, the website will appear in a new Tab or window.

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Format of URL Web Address

www.washingtonpost.com

Often starts with "www" = Worldwide Web

Domain Name

Type of website

- Commercial (.com)
- Non-profit (.org)
- Educational (.edu)
- Government (.gov)

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SEARCHING on the Internet

Question: Over 10 billion websites, how do I find the right one?

Answer: Use a search engine & key words.



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SEARCHING the Internet (cont'd)

▶ For example, find information about the Amazon River in South America.

▶ In the search box, key in Amazon River.



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Interpreting Search Results

- Results page shows hundreds of websites or "hits."
- Each "hit" shows:
 - Blue link that takes you to the website.
 - Sample of text from the website.
 - URL of the website (in green).

Number of websites about the Amazon River

One of the hits



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Your Turn on the Internet

- ▶ Find the name and height of the tallest mountain in the world.
- ▶ Find the name of the winner of the World Cup.
- ▶ Find an image of the Washington Wizards logo.
- ▶ Using Google maps, find directions from Arlington City (your address in this building) to a Harris Teeter market.

Email Communications

- ▶ Email is a way to send electronic messages to anyone in the world instantly.
- ▶ Email Services:
 - Gmail
 - Outlook (reinvented Hotmail)
 - Yahoo!
 - AOL Mail

PC Magazine
<http://www.pcmag.com/article2/0,2817,2408983,00.asp>

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Email Security

- ▶ Most common way for a computer to be infected with a virus or get hacked.
- ▶ Be wary of suspicious looking emails
 - “You just won a prize!”
 - “Your account has been locked.”
 - Pay attention to poor grammar, awkward, and unprofessional writing—signs of potential danger.
- ▶ NEVER
 - Open an email from someone you don’t know
 - Open attachments that end in .exe .com .bat
 - Click on links inside emails

Email Addresses

- ▶ Must use an email address to send message to another person.
- ▶ Contains a username and a domain separated by the ‘@’ symbol.
- ▶ The ‘@’ symbol stands for the word “at.”
- ▶ Example: john.smith@gmail.com

Email Address vs. URL

- ▶ Email Address
 - Identifies a person or entity
 - Always has the @ symbol
 - Shows the email service provider
 - Example: **john.smith@gmail.com**
- ▶ URL
 - Identifies a website
 - Usually begins with www, name of website, extension
 - Example: **www.carpentersshelter.org**

Sign Up/Sign In to Email

- ▶ If you already have an email account, sign into your account.
- ▶ If you don’t have an email account, create one by going to www.gmail.com
 - Click “Create an Account” button **CREATE AN ACCOUNT**
 - Enter a name, username, and create a password.
 - Make sure your password has at least 10 characters with lower case, upper case, and special characters.
 - See next slide.

Create Strong Passwords

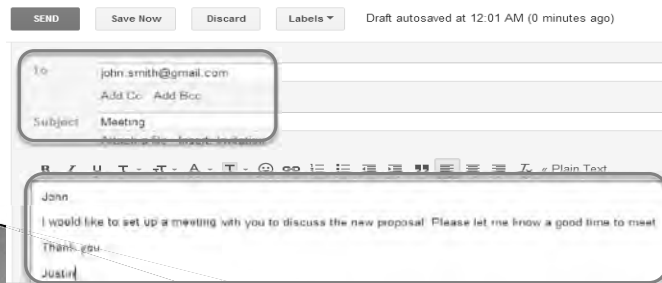
- ▶ At least 10 characters with lower case, upper case, and special characters !@#\$\$%&
- ▶ Can create a unique phrase or sentence that no one knows or is published.
- ▶ No birthdates, 12345, ABCDE, social security #.
- ▶ Write down each password and place somewhere safe.

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Compose an Email

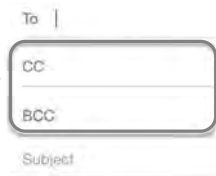
- ▶ Click on the Compose button 

- ▶ Three parts to an email:
 - To, Subject, and Message



CC and BCC

- ▶ Carbon Copy (CC)
 - Send a copy of the email to your supervisor.
- ▶ Blind Carbon Copy (BCC)
 - Send a copy of the email to your supervisor, but do not want the client to know.
 - Not recommended to do. Can **forward** a copy to your supervisor afterwards.



Reply, Reply All, Forward

- ▶ Reply – send an email **back to someone** who sent you an email.
- ▶ Reply All – send an email back to **everyone** who was on the email.
- ▶ Forward – send an email that you received to **someone else**.



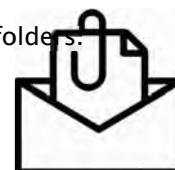
Exercise

- ▶ Send an email to someone in class.
- ▶ Ask them “What is your favorite restaurant?”
- ▶ Open the email that you receive.
- ▶ Reply with the name of your favorite restaurant.

Attachments



- ▶ Email can be used to send files.
 - Documents, Spreadsheets, Presentations, Images.
- ▶ File size typically limited to 20–25 MB (megabytes).
- ▶ Click ‘Attach a file’ button and locate the file.
 - Typically in ‘Documents’ or ‘Pictures’ folders.
 - Drag & Drop feature available.



Exercise

- ▶ Create a Word document
 - Type three sentences describing your dream job.
 - Save the document as 'Resume' in 'Documents' folder.
- ▶ Compose and send an email to someone in class with 'Resume' document attached.

Email Etiquette

- ▶ Resist using Reply All unless applicable. Just use Reply.
- ▶ Don't use BCC (may make message look suspicious).
- ▶ Don't forward "chain letters" or jokes (especially at the office).
- ▶ Don't send anything negative about a person or your company. Why?
 - Any email you send at work may be read by your employer.

Email Etiquette (cont'd)

- ▶ Don't send anything in an email you would be uncomfortable seeing on the front page of a newspaper.
- ▶ Emails can get forwarded to anyone anywhere.
- ▶ NEVER open email attachments from people you don't know.
 - Most common way to infect a computer virus.

Voice over IP (VoIP)/Chat Communications

- ▶ Voice over IP and Chat tools are a way to communicate with someone on another computer or Smart Phone
- ▶ Applications include: SKYPE, G-Chat and Google Video, Facebook Messenger, WhatsApp, Face Time, etc.



Voice over IP (VoIP)/Chat Communications (cont'd)

- ▶ Applications have many similar features and allow you to chat or share video or have person to person video chats, live
- ▶ Applications are available for free and downloadable to your desktop
- ▶ To enjoy enhanced features you can pay extra

Turning Off your Computer



APAH Lesson 3

Advanced Internet Topics

Agenda

- › Arlington Co. Dept. of Human Services website
- › Arlington Co. Government Website
- › “Common Sense Media” (resources for families/parents)
- › Library Websites & resources
- › “Lynda.com” free to residents with library card
- › Resume resources and websites
- › Job Searching hints
- › Applying for jobs online

Arlington Co. Human Services Main page

- › Multi purpose site for all your needs
 - <https://departments.arlingtonva.us/dhs>



Arlington Co. Human Services (Cont'd)

- › “Cards” displaying varied content of interest



Arlington Co. Human Services Website (Cont'd)

- › The Resident Housing link was selected.



Arlington Co. Govt. Website

- › URL of website: <https://www.arlingtonva.us/>



Arlington Human Services Website (Cont'd)

- ▶ Many aspects of site available in Spanish



Common Sense Media - Why?

- ▶ Website to assist with families with Children URL: <https://www.commonsensemedia.org/>



Common Sense Media

- ▶ Independent Non-profit organization that attempts to assist families and their kids in navigating the web and all data out there,
- ▶ Provide Movie and Book Reviews,
- ▶ Best movies for kids along with reviews,
- ▶ Age appropriate information on media.



Arlington Library "Lynda" Website

- ▶ Lynda.com is a learning website available to Arlington County residents with a valid library card (Now run by *LinkedIn* learning)



"Lynda.com" Website (Cont'd)

- ▶ On line courses, certifications, Learn software, creative, and business skills to achieve your personal and professional goals. Join today to get access to thousands of courses.



Resume Resources

- ▶ Get assistance with writing your resume from many sources on line.



Resume Resources

- ▶ Get assistance with writing your resume from many sources on line. Indeed.com:



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Resume Resources

- ▶ Get assistance with writing your resume from many sources on line.

- ▶ **Monster.com:** <https://www.monster.com/career-advice/article/resume-writing-help>
- ▶ **Indeed.com:** <https://www.indeed.com/forum/gen/Resume-Tips/Do-professional-resume-writers-really-help/t533665>
- ▶ **Create a Free Resume online:** <https://resume-help.org/>



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Applying online for jobs

- ▶ **Linked In,**
- ▶ **USA.gov**
- ▶ **Indeed.com**
- ▶ **Careerbuilder.co**
- ▶ **Monster.com**



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Job Searching hints

- ▶ Sign up for Linked In with your resume
- ▶ Have a professional email address not a frivolous one,
- ▶ Go to job fairs with copies of your resume,
- ▶ Target each application to the job opportunity
- ▶ Use online learning like Lynda.com to develop your skills and marketability,
- ▶ Practice job interviewing with a mentor or friend or teacher.
- ▶ Research, research!!!

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Applying online for jobs (cont'd)

- ▶ **DO's:**
- ▶ Check company website and apply from that site
- ▶ Tailor your resume to that position. Good idea to have a couple of resumes, why?
- ▶ Update your Linked-In site, as people will solicit job offers to you. Examples
- ▶ Write a cover letter for the job and attach it with your application if possible.

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Applying online for jobs (cont'd)

- ▶ **DONT's:**
- ▶ Type lazily, make spelling mistakes (no excuses) and that grammar is correct. First impressions!
- ▶ Never use 'auto fill' when applying, why?
- ▶ Leave any blanks, always complete the entire application,
- ▶ Save your work as you go along,
- ▶ There is a lot of competition out there, put your best foot forward at all times!

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Turning Off your Computer



G

Zoning Certification Letter
(MANDATORY)



2100 Clarendon Boulevard, Suite 1000, Arlington, VA 22201
TEL 703-228-3883 FAX 703-228-3896 www.arlingtonva.us

DATE: March 4, 2019

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

RE: ZONING CERTIFICATION

Name of Development: Post West Nine

Name of Owner/Applicant: Post West Nine Limited Partnership

Name of Seller/Current Owner: Arlington Post No. 139, Department of Virginia, American Legion

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:
3445 Washington Boulevard, Arlington, VA 22201
(also currently designated RPC# 15-086-011)

Legal Description:
See legal description attached as Exhibit "A-1"

Proposed Improvements:

<input checked="" type="checkbox"/>	New Construction:	<u>80</u>	# Units	<u>1</u>	# Buildings	<u>128,605.46</u>	Total Floor Area Sq. Ft.
<input type="checkbox"/>	Adaptive Reuse:	_____	# Units	_____	# Buildings	_____	Total Floor Area Sq. Ft.
<input type="checkbox"/>	Rehabilitation:	_____	# Units	_____	# Buildings	_____	Total Floor Area Sq. Ft.

Current Zoning: "C-O-2.5" allowing a density of 115* units per acre, and the following other applicable conditions:

At its meeting on February 23, 2019, the County Board approved an amendment to the General Land Use Plan to change the site's land use designation from "Service Commercial" and "Semi-Public" to "Medium Office-Apartment-Hotel"; rezoned the site to "C-O-2.5" Mixed Use District; and approved Site Plan # 449 to construct, with conditions, a 7-story, mixed-use building with 160 affordable units.

* under the site plan approval, the density for the property is 125 units per acre

Other Descriptive Information:

The development will redevelop the site of American Legion Post # 139. The existing, aging structure and surface parking will be demolished and replaced with a new mid-rise multifamily affordable housing building that will include community facilities (on-site leasing/property management/resident services offices, community rooms, central laundry) and underground parking. There will be a mix of 1, 2, and 3 bedroom units, all of which will be affordable.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

- The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.
- The development described above is an approved non-conforming use. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.


Signature

Arlova J. Vonhm
Printed Name

Zoning Administrator
Title of Local Official or Civil Engineer

703-228-3883
Phone:

3/4/19
Date:

Exhibit "A-1"
As-Surveyed Legal Description by Walter L. Phillips
ALTA/NSPS land Title Survey – Arlington Post No. 139 – Department of Virginia
The American Legion

All that certain lot, piece or parcel of land situate, lying and being in the County of Arlington, Virginia and more particularly described as follows:

Beginning at a point in the north right-of-way line of Washington Boulevard, said point being N 03° 08' 07" W, 2.13 feet from the southeast corner of now-or-formerly 1404 N Hancock St Investment L.L.C.; thence with 1404 N Hancock St Investment L.L.C. and continuing with: Durham's Addition to Clarendon, Lot 19; the terminus of 12th Rd. North as recorded in Deed Book 280 at Page 486; and Durham's Addition to Clarendon, Lot 10, N 03° 08' 07" W, 302.72 feet to an iron pipe, said point being the southwest corner of now-or-formerly Young Men's Christian Association of the City of Washington; thence with Young Men's Christian Association of the City of Washington, thence N 87° 36' 53" E, 216.06 feet to a point; thence S 03° 08' 07" E, 200.70 feet to a point in the north line of now-or-formerly The Pham and Nguyen Family Trust; thence with The Pham and Nguyen Family Trust, S 79° 24' 53" W, 12.90 feet to a point; thence S 85° 49' 53" W, 62.55 feet to a point; thence 40.02 feet with the arc of a curve bearing to the right and having a radius of 370.30 feet (tangent length 20.03 feet, chord length 40.00 feet, chord bearing S 02° 36' 07" E) to a point; thence S 00° 29' 53" W, 65.17 feet to a point in the north right-of-way line of Washington Street; thence with the north right-of-way line of Washington Street, N 89° 30' 07" W, 136.48 feet to the point of beginning and containing an area of 58,250 square feet, or 1.3372 acres, more or less.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No. 15-086-011

(End of Exhibit "A-1")

H

Attorney's Opinion
(MANDATORY)

GALLAGHER
EVELIUS & JONES LLP
ATTORNEYS AT LAW

March 12, 2019

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

RE: 2019 Tax Credit Reservation Request

Name of Development: Post West Nine
Name of Owner: Post West Nine Limited Partnership

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 12, 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.
3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section of 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. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.

7. The nonprofit organization's ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

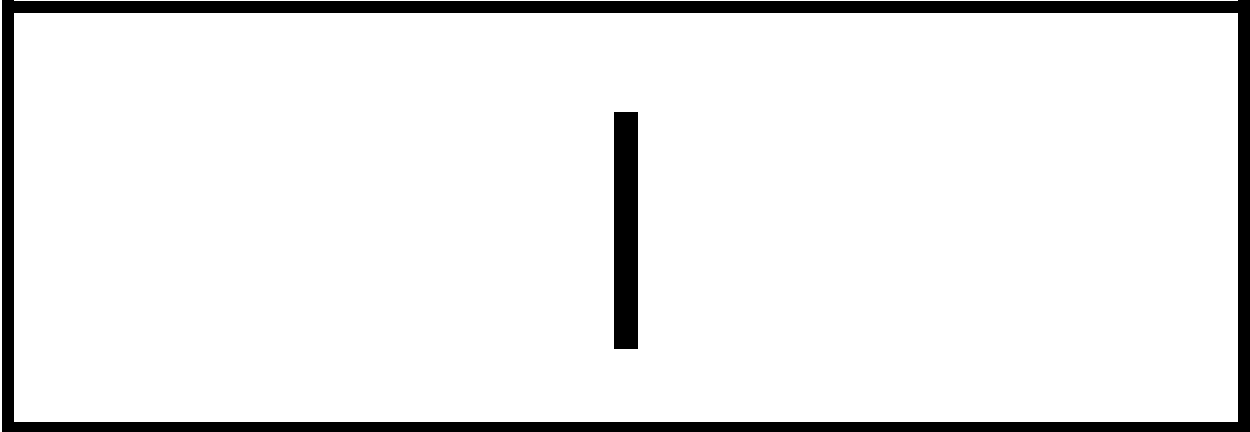
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions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

GALLAGHER EVELIUS & JONES LLP


By: Kenneth Gross, Esquire
Its: Partner



Nonprofit Questionnaire

(MANDATORY for points or pool)



Non-profit Questionnaire

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

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

1. General Information

- a. Name of development: Post West Nine
- b. Name of owner/applicant: Post West Nine Limited Partnership
- c. Name of non-profit entity: Arlington Partnership for Affordable Housing, Inc.
- d. Address of principal place of business of non-profit entity:
4318 N. Carlin Springs Road, Arlington, VA 22203

Indicate funding sources and amount used to pay for office space:
APAH owns its office space outright. Real estate taxes and utilities are paid from general operations.

- e. Tax exempt status: 501(c)(3) 501(c)(4) 501(a)
- f. Date of legal formation of non-profit (must be prior to application deadline); 9/25/1989
evidenced by the following documentation:
State Corporation Commission Certification, Articles and Bylaws (available upon request)
- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):
12/1990
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):
To sponsor, develop, administer, and otherwise provide, on a nonprofit basis, housing for low and moderate income families and individuals in Arlington, Virginia or elsewhere in the United States.
- i. Expected life (in years) of non-profit:
50+

Non-profit Questionnaire, cont'd

- j. Explain the anticipated future activities of the non-profit over the next five years:
APAH will continue to be involved in the development, preservation and management of affordable housing assets.
APAH also works to increase community awareness of the affordable housing crisis through presentations to local civic and business groups.
- k. How many full time, paid staff members does the non-profit and, if applicable, any other non-profit organization(s) ("related non-profit(s)") of which the non-profit is a subsidiary or to which the non-profit is otherwise related have (i.e. by shared directors, staff, etc.)?
23 How many part time, paid staff members? 0
- Describe the duties of all staff members:
Duties associated with managing multifamily rental housing, development, preservation and management of affordable assets. Staff roster includes: CEO, CFO, Chief of Staff, VP of Real Estate Development, Director of Real Estate Development, Associate Director of Real Estate Development, Director of Community Impact, Director of Community Relations, controller, asset manager, project managers and associates of real estate development, volunteer manager, communications manager, resident services coordinators, and administrative and support staff. Job descriptions available upon request.
- l. Does the non-profit share staff with any other entity besides a related non-profit described above?
 Yes No If yes, explain in detail: _____
- m. How many volunteers does the non-profit and, if applicable, any related non-profit have?
Varies year to year, but typically ranges from 100 to 120 people.
- n. What are the sources and manner of funding of the non-profit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development
Arlington County grants; individual and corporate donations; United Way contributions; Other fundraising grants; Asset Management and Financial Oversight Fees from properties; Development fees; and other Service Agreements.
- o. List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:
See attached roster. Additional information available upon request.

2. Non-profit Formation

- a. Explain in detail the genesis of the formation of the non-profit:
APAH was established in 1989 by long-term community residents concerned about the diminishing supply of affordable rental housing for low and moderate income individuals and families. Some of the founders remain active today. The first project was acquired in 1991.

Non-profit Questionnaire, cont'd

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

Yes No If yes, explain in detail:

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

Yes No If yes, explain:

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

Yes No If yes, explain:

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

Yes No, If yes, explain:

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

Yes No

- g. Explain in detail the past experience of the non-profit including, if applicable, the past experience of any other related non-profit of which the non-profit is a subsidiary or to which the non-profit is otherwise related (by shared directors, staff, etc.):

APAH and its subsidiaries and affiliates, Rosslyn Ridge Development Corporation, Cameron Commons Development Corporation, and Queen's Court Development Corporation being non-profit entities that own real estate, have acquired and developed 16 properties since 1989 with a total of over 1,500 units, including units currently under construction as follows: Gilliam Place East and West (173 total units, expected PIS before 12/31/2019); and Fisher House II (68 units, expected PIS in stages from Sept. 2018-May/June 2019).

- h. If you included in your answer to the previous question information concerning any related non-profit, describe the date of legal formation thereof, the date of IRS 501(c)(3) or 501(c)(4) status, its expected life, its charitable purposes and its relationship to the non-profit.

Rosslyn Ridge Development Corporation (RRDC): Formation date August 2, 1995, IRS 501(c)(3) determination letter January 1996.
Cameron Commons Development Corporation: Formation date June 21, 2001, IRS 501(c)(3) determination letter October 2001.
Queen's Court Development Corporation: Formation date August 2, 1995, IRS 501(c)(3) determination letter January 1996. Additional information available upon request.

3. Non-profit Involvement

Non-profit Questionnaire, cont'd

a. Is the non-profit assured of owning an interest in the Development (either directly or through a wholly owned subsidiary) throughout the Compliance Period (as defined in §42(i)(1) of the Code)?

Yes No

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

Yes No

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

Yes No

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

b. (i) Will the non-profit be the managing member or managing general partner?
 Yes No If yes, where in the partnership/operating agreement is this provision specifically referenced?

A wholly owned subsidiary, Post West Nine Development Corporation, will be the managing general partner.

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

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

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

See Section 4.8 within Tab A.

Recordable agreement attached to the Tax Credit Application as TAB V

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

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

Yes No If yes,

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

APAH will coordinate and supervise all aspects of the development of the property including collaboration with architects, engineers, general contractor, lenders and others.

(ii) Describe the nature and extent of the non-profit's involvement in the operation or

Non-profit Questionnaire, cont'd

management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):
APAH, through Post West Nine Development Corporation, will actively manage the asset and supervise the work of a
VHDA-approved third-party management company that will be responsible for daily operations and maintenance.

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

Project Manager (450 hours): Budgeting, Construction Finance, Construction Oversight, Credit Delivery, VP of Real Estate Development (100 hours): Construction Finance, Construction Oversight, Credit Delivery, Director of Real Estate Development (100 hours): Construction Finance, Construction Oversight, Credit Delivery, CFO (100 hours): Financial/Budget Monitoring, LIHTC monitoring and delivery, CEO (100 hours): Project and Staff Oversight, Asset Management Staff (120 hours): oversight of operations and third party management.

- e. Explain how the idea for the proposed development was conceived. For example, was it in response to a need identified by a local neighborhood group? Local government? Board member? Housing needs study? Third party consultant? Other?

The American Legion Post 139 in Arlington County selected APAH from a pool of competitive proposals in 2016 to redevelop their aging, underutilized site into a affordable housing development, co-located with a newly constructed Legion Post condo facility. The concept and approvals process included a county-driven local special area planning study for several parcels in the vicinity ("Virginia Square"), and then a site plan process for the development project. The planned new affordable residential units will address needs outlined in the County's adopted Affordable Housing Master Plan.

- f. List all general partners/managing members of the Owner of the Development (one must be the non-profit) and the relative percentages of their interests:

Post West Nine Development Corporation is the General Partner and 0.01% owner of Post West Nine Limited Partnership, which will own the property. Post West Nine Development Corporation is a wholly-owned subsidiary of APAH and will remain the general partner. APAH will be the initial 99.99% limited partner of Post West Nine Limited Partnership and will transfer its interest to the investors upon sale of the low income housing tax credits.

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

Not applicable.

- h. Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development? Yes No If yes, (i) explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

- (ii) Explain how this relationship was established. For example, did the non-profit solicit proposals from several for-profits? Did the for-profit contact the non-profit and offer the services?

- i. Will the non-profit or the Owner (as identified in the application) pay a joint venture partner

Non-profit Questionnaire, cont'd

or consultant fee for providing development services? Yes No If yes, explain the amount and source of the funds for such payments.

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

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

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

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

Not applicable.

- n. Is the non-profit involving any local, community based non-profit organizations in the development, role and operation, or provision of services for the development? Yes No If yes, explain in detail, including the compensation for the other non-profits:

APAH actively seeks public support and feedback for projects from local organizations and community/civic associations. Local non-profits will provide resident services collaboratively with APAH and are typically not compensated.

Non-profit Questionnaire, cont'd

4. Virginia and Community Activity

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

b. Define the non-profit's geographic target area or population to be served:
Washington DC Metropolitan Area, including Northern Virginia.

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

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

Most recently, APAH developed Columbia Hills East and West (229 total affordable units) utilizing LIHTC. APAH is currently building Gilliam Place East and West, and Fisher House II (a rehab) in Arlington County. With these and others, APAH owns and operates over 1,500 units all located in Arlington County. APAH is involved in several local housing advocacy groups and is a leader in local efforts in support of more affordable housing.

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

APAH regularly seeks input from residents, including through resident surveys, resident participation in APAH committees, and resident meetings, as well as informal conversations with APAH staff. Currently, two APAH residents are full members of the APAH board.

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

Yes No

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

Yes No If yes, explain:

APAH has strong philanthropic support from diverse sources in and beyond Arlington County, typically reaching nearly \$1 million annually. Each year, our Celebrate Home! annual benefit raises more than \$500,000 from businesses and individuals to support our resident services program and other APAH activities. Grants from private foundations, community organizations, and government agencies provide both restricted and unrestricted funding for pre-development, resident programs, and other priority projects.

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

APAH had extensive meetings with civic and community group during the Special GLUP Study "Plus" process to examine an aggregate 9.4-acre site, which included the project site (2016-2017), and again during the rezoning and 4.1 site plan process (2018-2019), specifically around the Legion project and site, that garnered public approval on February 23, 2019.

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

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

Non-profit Questionnaire, cont'd

- (ii) elected representatives of low-income neighborhood organizations? Yes No
- i. Are no more than 33% of the members of the board of directors representatives of the public sector (i.e. public officials or employees or those appointed to the board by public officials)? Yes No
- j. Does the board of directors hold regular meetings which are well attended and accessible to the target community? Yes No If yes, explain the meeting schedule:
Quarterly board meetings are conducted on a regular schedule. Committee meetings are held on a quarterly basis. All meetings are conducted in Arlington.
- k. Has the non-profit received a Community Housing Development Organization (CHDO) designation, as defined by the U. S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? Yes No
- l. Has the non-profit been awarded state or local funds for the purpose of supporting overhead and operating expenses? Yes No If yes, explain in detail:
APAH receives Affordable Housing Investment Fund (AHIF) funds from Arlington County; these funds comprise less than 1% of APAH's annual budget.
- m. Has the non-profit been formally designated by the local government as the principal community-based non-profit housing development organization for the selected target area? Yes No If yes, explain:
The Washington DC Metro Area is home to multiple, substantial non-profit affordable housing organizations that help address affordable housing needs within the region.
- n. Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? Yes No If yes, note each such application including: the development name and location, the date of application, the non-profit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).
In this current LIHTC cycle, APAH is submitting a 9% application for Mt. Sterling Senior 9% B in which it is acting as a joint venture partner with Edmondson & Gallagher, a for-profit developer. In 2006, APAH partnered with the Paradigm Companies to develop the Parc Rosslyn Apartments in Arlington County. The project was financed using tax-exempt bonds and placed in service in 2008. APAH was a 50% Co-General Partner until 2013, when APAH purchased the remaining general partner interest from Paradigm. Additional information available upon request.
- o. Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? Yes No If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).
See List of LIHTC Developments (Schedule A) in Tab D.
- p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? Yes No If yes, explain:

Non-profit Questionnaire, cont'd

- q. Has the non-profit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the VHDA Housing Funds? Yes No If yes, explain:

See List of LIHTC Developments (Schedule A) in Tab D.

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

APAH is a participant in Arlington County's Annual Consolidated Plan Review and supports the County's Affordable Housing Production Goals. APAH actively participated in the County's process to create a Affordable Housing Master Plan that was adopted in September 2015. The Master Plan was the product of a 3-year intensive review of housing needs and resources, and is monitored and evaluated on an annual basis.

- s. Has the non-profit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community? Yes No If yes, explain the plan:

See Paragraph (r) above.

5. Attachments

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

The undersigned Owner and non-profit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for non-profit participation contained in the Plan or Section 42 of the Internal Revenue Code.

2/15/19
Date

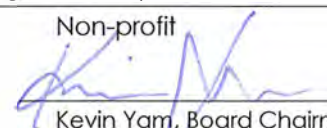
Post West Nine Limited Partnership
By: Post West Nine Development Corporation
its General Partner

Owner/Applicant
By: 
Nina Janopaul
Its: President

Title

2/15/2019
Date

Arlington Partnership For Affordable Housing, Inc.

Non-profit
By: 
Kevin Yam, Board Chairman

Non-profit Questionnaire, cont'd

By:  _____
Executive Director
Nina Janopaul, President/CEO

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

September 25, 1989

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

ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING, INC,

to comply with the requirements of law, and confirms payment of all related fees.

Therefore, it is ORDERED that this

CERTIFICATE OF INCORPORATION

be issued and admitted to record with the articles of incorporation in the Office of the Clerk of the Commission, effective September 25, 1989.

The corporation is granted the authority conferred on it by law in accordance with the articles, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By


Commissioner

CORPACPT
CIS20436
89-09-19-0104

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Person to Contact: Jim Joseph

Telephone Number: (202) 566-3893

Refer Reply to: E:EO:R:1-1

Date:

DEC 18 1990

Arlington Partnership for
Affordable Housing, Inc.
1802 N. Wakefield Street
Arlington, VA 22207

Employer Identification Number: 54-1515133
Key District: Baltimore
Accounting Period Ending: December 31
Foundation Status Classification: 509(a)(2)
Advance Ruling Period Begins: September 25, 1989
Advance Ruling Period Ends: December 31, 1993
Form 990 Required: Yes

Dear Applicant:

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

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in the section(s) shown above.

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must submit to your key District Director information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Arlington Partnership for Affordable Housing, Inc.

benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your key district office.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. If your gross receipts each year are not normally more than \$25,000, we ask that you establish that you are not required to file Form 990 by completing Part I of that Form for your first year. Thereafter, you will not be required to file a return until your gross receipts exceed the \$25,000 minimum. For guidance in determining if your gross receipts are "normally" not more than the \$25,000 limit, see the instructions for the Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. The maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, and supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is a failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

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

Form **872-C**

(Rev. March 1986)

Department of the Treasury—Internal Revenue Service

Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

(See Form 1023 instructions for Part IV, line 3.)

OMB No. 1545-0056
Expires 3-31-89

To be used with Form 1023. Submit in duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period.

Arlington Partnership For Affordable Housing, Inc.

(Exact legal name of organization)

1802 N. Wakefield St., Arlington, Virginia 2220 } and the

(Number, street, city or town, state, and ZIP code)

District Director
of Internal Revenue
Baltimore, MD

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, then the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year December 31, 1989

Name of organization	Date
Arlington Partnership For Affordable Housing, Inc.	November 6, 1989

Officer or trustee having authority to sign	
Signature ▶ <i>Thomas P. Leckey</i>	Thomas P. Leckey, President

District Director	Date
<i>Phil Dixon</i>	1-24-90

By ▶ *B. Jefferson-White - Group Manager*

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
31 HOPKINS PLAZA
BALTIMORE, MD 21201

DEPARTMENT OF THE TREASURY

Date: **MAY 17 1994**

ARLINGTON PARTNERSHIP FOR
AFFORDABLE HOUSING INC
1802 N WAKEFIELD ST
ARLINGTON, VA 22207

Employer Identification Number:
54-1515133
Case Number:
524126086
Contact Person:
MRS. M. SMITH
Contact Telephone Number:
(410) 962-7963
Our Letter Dated:
December 1990
Addendum Applies:
Yes

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(2).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,


District Director

Enclosure:
Addendum

ARLINGTON PARTNERSHIP FOR

Guidelines under which private foundations may rely on this determination, for gifts, grants, and contributions made after March 13, 1989, were liberalized and published in Rev. Proc. 89-23, Cumulative Bulletin 1989-1, page 844.

You are required to make available for public inspection a copy of your exemption application, and supporting documents, and this exemption letter. If you are required to file an annual information return, you are also required to make a copy of the return available for public inspection for three years after the return is due. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is a failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

APAH Board of Directors

2019

Kevin Yam, Chair

Managing Director, Iron Point Partners

Susan Ingraham Bell, Vice Chair

Independent Planning Consultant

Matthew Birenbaum, Treasurer

CIO, AvalonBay Communities, Inc.

John Milliken, Secretary

Senior Fellow in Residence, GMU

Rich Jordan, At Large

Managing Director, Potomac Investment Properties

Yvonne Aiken, Community Member

Administrative Assistant

Randy Anderson

President/CEO, The National Capital Bank of Washington

Rita Bamberger

Senior Vice President, The Holladay Corporation

Cecilia Cassidy

Executive Director, Columbia Pike Revitalization Organization (CPRO)

George Covucci

Partner, Arnold & Porter LLP (retired)

Michael Geary

Founder, Geary-O'Hara Family Foundation

Julie Gould

Former President, Mercy Loan Fund

Jay Harris

Principal, Fair Collections & Outsourcing

Ted Hicks, Community Member

Property Manager (retired); Personal Injury Investigator (retired)

Paul Holland

Environmental Consultant

Nina Janopaul

President/CEO, APAH

Erica Khatchadourian

CFO, AFL-CIO Housing Investment

Rev. Andrew Merrow

Rector, St. Mary's Episcopal Church

Kathie Panfil

Ind. Education Management Professional

Nancy Rase

Co-founder, Homes for America

Buzz Roberts

President/CEO, National Association of Affordable Housing Lenders

Michael Spotts

President, Neighborhood Fundamentals, LLC

Andy VanHorn

Executive Vice President, JBG Smith



Arlington Partnership
For Affordable Housing

J

Relocation Plan

(MANDATORY, if tenants are displaced)

This deal does not require
information behind this tab.

K

Documentation of
Development Location:

K.1

Revitalization Area
Certification



KENDRA JACOBS
CLERK TO
THE COUNTY BOARD

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE COUNTY BOARD

2100 CLARENDON BOULEVARD, SUITE 300
ARLINGTON, VIRGINIA 22201-5406
(703) 228-3130 • FAX (703) 228-7430
E-MAIL: countyboard@arlingtonva.us



MEMBERS
CHRISTIAN DORSEY
CHAIR
LIBBY GARVEY
VICE CHAIR

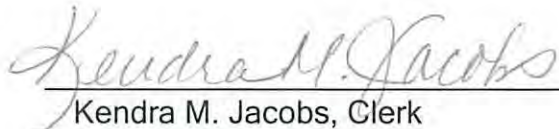
KATIE CRISTOL
ERIK GUTSHALL
MATT DE FERRANTI

CERTIFICATION

I hereby certify that at its February 23, 2019 Regular Meeting, on a motion by LIBBY GARVEY, VICE CHAIR, seconded by MATT DE FERRANTI, MEMBER, and carried by a vote of 5 to 0, the voting recorded as follows: Christian Dorsey, Chair - Aye, Libby Garvey, Vice Chair - Aye, Katie Cristol, Member - Aye, Erik Gutshall, Member - Aye, and Matt de Ferranti, Member - Aye, the County Board of Arlington, Virginia, approved the **C.M. RECOMMENDATIONS** in the attached County Manager's report dated February 21, 2019 (supplemented by the attached report dated February 22, 2019), "**SUBJECT: Allocation of \$5,790,000 in Fiscal Year 2019 Affordable Housing Investment Fund (AHIF) loan funds to Arlington Partnership for Affordable Housing (APAH) for construction of a new affordable housing development at American Legion Post 139, 3445 Washington Boulevard, and Adoption of a Revitalization Area Resolution per Virginia Code Section 36-55.30:2 for the purpose of obtaining allocation points in support of a Low Income Housing Tax Credit (LIHTC) application.**"

Given under my hand this 1st day of March 2019.

SEAL


Kendra M. Jacobs, Clerk
Arlington County Board



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of February 23, 2019**

DATE: February 21, 2019

SUBJECT: Allocation of \$5,790,000 in Fiscal Year 2019 Affordable Housing Investment Fund (AHIF) loan funds to Arlington Partnership for Affordable Housing (APAH) for construction of a new affordable housing development at American Legion Post 139, 3445 Washington Boulevard, and Adoption of a Revitalization Area Resolution per Virginia Code Section 36-55.30:2 for the purpose of obtaining allocation points in support of a Low Income Housing Tax Credit (LIHTC) application.

C. M. RECOMMENDATIONS:

1. Allocate \$5,790,000 in AHIF loan funds (101.495130.91102) to APAH, or its designated County-approved ownership affiliate, to assist with the cost of development and construction of eighty (80) units of a one hundred sixty (160)-unit, affordable housing, mixed-use development at American Legion Post 139, 3445 Washington Boulevard (101.456300.91102) (Site). The proposed loan of AHIF funds will be a subordinated, residual receipts loan based upon the loan terms and conditions set forth in Attachment 1, subject to final terms memorialized in a financing commitment and final loan documents approved by the County Board.

2. Adopt the attached resolution (Attachment 2) to designate the Site as a "Revitalization Area."

ISSUES: There are no known issues with respect to the requested allocation.

SUMMARY: APAH is seeking allocation of AHIF loan funds to assist with the development and construction of eighty (80) new affordable housing units at a site owned by American Legion Post 139 (Legion) and located at 3445 Washington Boulevard, as shown on Figure 1 (Site). Eighty (80) of the units are to be financed with 9% LIHTCs in a project to be known as Post West Nine. This is a request for allocation of \$5.79 million in AHIF funds for Post West Nine.

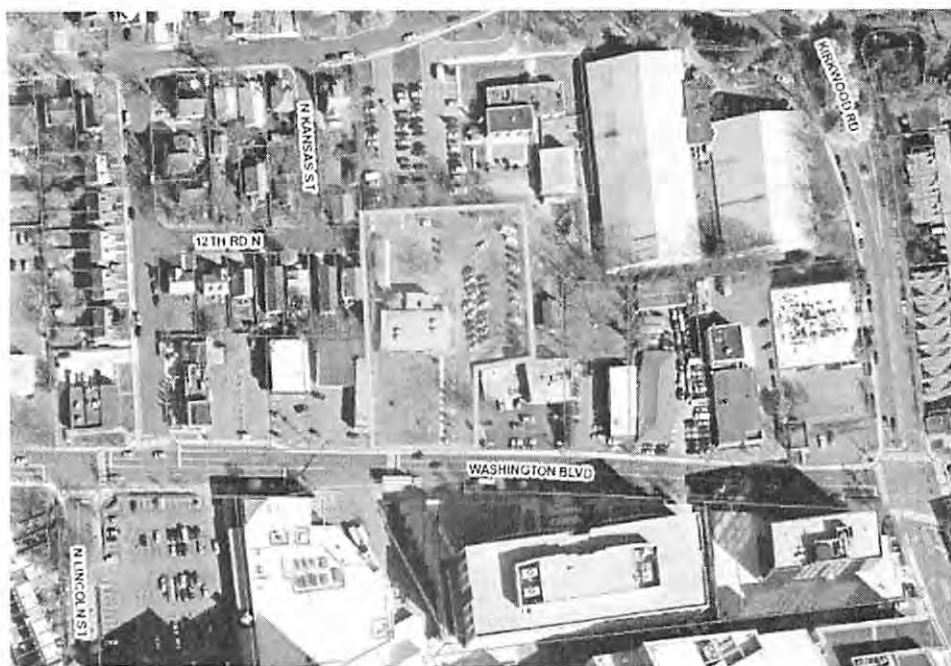
County Manager: *mgs/awb*

County Attorney: *HAH* *BAH*

Staff: Yoomie Ahn, CPHD - Housing Division

25.

Figure 1. Site Map



Post West Nine will have a twin project financed with 4% LIHTCs in a project to be known as **Post East Four**, also proposed as an eighty (80)-unit, new construction project. APAH intends to request \$5.375 million in AHIF funds for Post East Four in Fiscal Year 2020. The combined, one hundred sixty (160)-unit, hybrid 9%/4% development is shown in the renderings attached to this report ([Attachment 3](#)).

BACKGROUND: The Site is situated 0.30 miles from the Virginia Square-GMU Metro station. The Site is improved with a rapidly aging and deteriorating building built in 1959. The building does not comply with the federal Americans with Disabilities Act. It also needs significant upgrades and a new roof for the Legion to continue to occupy and use the premises. After determining in recent years that the building had outlived its useful life, the Legion sought a development partner with whom it could redevelop the Site and create a new facility with programming that would meet the needs of veterans. In 2017, the Legion selected APAH as its development partner and the parties entered into a purchase and sale agreement for the Site.

In 2016 and throughout 2017, APAH and the Legion participated in the Washington Boulevard/Kirkwood Road Special General Land Use Plan (GLUP) Study “Plus” process and engaged in public outreach. APAH subsequently developed a project financing proforma and submitted two applications for AHIF and federal funds under the County’s Fiscal Year (FY) 2019 Notice of Funding Availability. The two applications for Post West Nine and Post East Four were successful in garnering County staff recommendations to commence the loan negotiation and public process.

In view of the size of the combined request and the FY 2019 project pipeline, staff recommended that the AHIF request be split over two fiscal years. As APAH intends to apply to the Virginia

Housing Development Authority (VHDA) for 9% LIHTCs for Post West Nine in March 2019, APAH's request for allocation of AHIF funds for Post West Nine must be considered prior to the submission of a 9% LIHTC application.

DISCUSSION: The total request for local funding for both Post West Nine and Post East Four will be approximately \$11.17 million. This section discusses the specifics of the \$5.79 million Post West Nine AHIF allocation request within the context of the combined development.

Affordable Housing Program: The affordable housing program will consist of a total of one hundred sixty (160) newly constructed CAFs in the two projects, consisting of forty-eight (48) one-bedroom units, eighty-seven (87) two-bedroom units, and twenty-five (25) three-bedroom units, with affordability ensured for 75 years. While the site plan allows APAH to change the applicable imputed income limitation of a CAF, subject to approval by the County Manager or his designee, at this time, the proposed unit type and affordability mix is shown in the table below:

Unit Type	Post West Nine 9% LIHTC Project					Post East Four 4% LIHTC Project					Total Both Projects	
	30% AMI	50% AMI	60% AMI	80% AMI	Total	30% AMI	50% AMI	60% AMI	80% AMI	Total	Units	Percent
1BR	8	6	0	0	14	0	12	22	0	34	48	30%
2BR	0	26	7	16	49	0	4	24	10	38	87	54%
3BR	0	0	5	12	17	0	4	4	0	8	25	16%
Total	8	32	12	28	80	0	20	50	10	80	160	100%

One-hundred percent (100%) of the units (all 160 apartments) will be affordable to households earning up to 80% AMI. The development will also include lower-income units affordable at 30%, 50%, and 60% AMI (5%, 33%, and 39% of the units, respectively). Subject to final financing terms, it is anticipated that the majority of the development will be comprised of family-sized units (70%), with the remaining 30% being one-bedroom units. The average imputed income limitation designated for all units will not exceed 60% of AMI.

Of Post West Nine's 80 units, APAH is proposing that approximately 10% will be affordable to eligible households earning up to 30% of Area Median Income (AMI), 40% will be affordable to eligible households earning up to 50% of AMI, 15% will be affordable to eligible households earning up to 60% of AMI, and 35% will be affordable to eligible households earning up to 80% of AMI.¹ The average of the imputed income limitations designated for all eighty (80) units will not exceed 60% of AMI. This affordability mix will serve a wide range of working Arlington households, ranging from approximately \$24,630 for a single person household in a 30% AMI unit to \$93,760 for a family of four in an 80% AMI unit.

As proposed, Post West Nine would meet multiple Goals, Objectives and Policies of the Affordable Housing Master Plan (AHMP) adopted by the County Board in 2015.

¹ For AMI rent and income limits, see Rent and Income Limits for Arlington County Affordable Housing Programs.

AHMP Policy #	Description
1.1.1	Development of 80 net new <u>Committed Affordable Units (CAFs)</u> obtained through the County's Site Plan process and through financial assistance from the County
1.1.4	Development of 80 net new CAFs to the inventory of affordable housing in the Rosslyn-Ballston corridor, an area with less than 50% of a projected 5,000 affordable units needed by 2040
1.1.5 & 3.4.1	Commitment of affordability for 75 years
1.1.6	Commitment of 8 units affordable to households earning up to 30% AMI and 32 units affordable to households earning up to 50% AMI
1.1.8	Addition of 66 family-sized units to the County's CAF inventory, consisting of 49 two-bedroom units and 17 three-bedroom units
1.1.9 & 3.2.2	Production of 80 net new CAFs within transit corridors consistent with the County's adopted land use plans and policies
2.3.2 & 2.5.2	Provision of 8 permanent supportive housing units
2.5.3	Addition of 8 Type A accessible units, thereby helping to maintain a sufficient supply of CAF units accessible for persons with physical disabilities
3.3.1 & 3.3.2	EarthCraft Gold and ENERGY STAR Multifamily High Rise certifications with ENERGY STAR Portfolio Manager reporting for 10 years, in furtherance of the County's Community Energy Plan goals and AHMP policy of encouraging water conservation in affordable housing

AHIF Loan Request: APAH has requested an allocation of \$5,790,000 in AHIF funds (**AHIF Loan**) for Post West Nine (\$72,375 per unit). This request is in line with recent AHIF loans for new construction, 9% tax credit projects which have ranged from approximately \$64,000 to \$126,000 per CAF unit.

The AHIF Loan will be secured by a subordinated deed of trust and repayable from project cash flow, referred to as residual receipts. The loan term will be thirty-eight (38) years and the interest rate will be 1.00% compound interest that begins to accrue upon completion of construction. During construction, the AHIF Loan will not bear any interest as units must be constructed and occupied to generate rental income, which would then be applied towards loan repayment. Additional proposed loan terms and conditions for the AHIF Loan, subject to final financing terms, are set forth in Attachment 1 to this report.

Development Budget and Financing Package: As previously mentioned, APAH intends to finance Post West Nine as a 9% low income housing tax credit project and Post Four East as a 4% low income housing tax credit project. The anticipated total development cost for Post West Nine is \$38,236,139, of which 12% is acquisition cost, 65% is for construction hard costs, 8% is for soft costs, 5% for financing costs, and 10% for developer fee and reserves.

The anticipated financing package for Post West Nine will include a VHDA first mortgage (including taxable bonds, REACH and REACH Plus), tax credit equity, the proposed AHIF

Loan, and a seller note from the Legion. Projected sources and uses of funds, subject to negotiation of final loan terms, are as follows:

SOURCES OF FUNDS		USES OF FUNDS	
VHDA Loans ¹	\$ 8,969,282	Acquisition Costs	\$ 4,608,400
Tax Credit Equity	\$21,476,857	Construction Hard Costs	\$24,853,340
County AHIF Loan	\$ 5,790,000	Soft Costs	\$ 2,949,407
Seller Note	\$ 2,000,000	Financing Costs	\$ 2,026,238
		Developer Fee and Reserves	\$ 3,798,754
Total Sources	\$38,236,139	Total Uses	\$38,236,139

¹ It is anticipated that VHDA will loan the following funds to Post West Nine: \$3,989,282 in taxable bond proceeds, \$2,100,000 from its REACH program, and \$2,880,000 from its REACH Plus program.

Anticipated Timeline and Future County Board Requests: Contingent upon County Board approval of an allocation for the 9% AHIF Loan, APAH will apply for 9% LIHTC in March 2019. Should APAH's application be successful in receiving an award of 9% LIHTC, APAH will apply for 4% LIHTC for Post East Four, the companion project to Post West Nine. Once APAH has secured the 4% LIHTC, County staff will bring forward a request to the County Board for approval of financing commitments for Post West Nine and Post East Four prior to closing on the financing. Thereafter, the County Board will be asked to approve loan and subordination documents for the proposed \$5.79 million AHIF loan for Post West Nine (based upon the proposed loan terms and conditions set forth in Attachment 1 as finally negotiated), as well as loan and subordination documents for the proposed financing for Post East Four. Assuming further that APAH secures commitments for all other funding sources needed to finance both projects, construction financing closing could take place in the Spring of 2020.

Following construction closing, APAH would begin demolition of the existing American Legion Post 139 building and construction of the two tax credit projects. Construction is anticipated to be completed no later than December 2022.

Estimated Number of Students Generated by the Development: The Site is currently zoned for Taylor Elementary School, Swanson Middle School, and Washington-Liberty High School (formerly known as Washington-Lee High School). When both Post West Nine and Post East Four are fully built and occupied in 2022, middle school student residents will attend Hamm Middle School (formerly known as New Neighborhood Middle School at Stratford Site) in accordance with new boundaries established by Arlington Public Schools (APS).

Based upon current housing unit characteristics and student generation factors, APS estimates the following number of students to be generated at the Post West Nine and Post East Four projects:

APS Schools	Number of Students
Elementary School (K-5)	54
Middle School (6-8)	13
High School (9-12)	30
Total	97

The estimates are generated by APS using the housing characteristics presented at the time of the AHIF application and using 2018-2019 student generation factors and reflect the Hamm Middle School boundary that will take effect in the 2019-2020 school year. Should these housing unit characteristics or the student generation factors change, then the student generation estimates would also change.

Further, according to data provided by the applicant from a recent, newly constructed CAF development in APAH’s portfolio, less than 20% of the school-age children who moved in were new to the Arlington County school system. The majority, 82% of the student residents, were previously enrolled in and attending schools in Arlington County.

Revitalization Area Resolution: The Virginia Housing Development Authority (VHDA) administers a highly competitive, state-wide process for 9% LIHTC projects. It awards application points to affordable housing projects meeting specific criteria and ultimately awards the 9% LIHTCs to the projects with the most points. In addition to seeking an allocation of AHIF funds in order to obtain application points, APAH also is seeking adoption of a Revitalization Area Resolution to garner points for its 9% LIHTC project application. A project is eligible for 15 “Revitalization Area” points if it is located in a “Revitalization Area”, as defined in Virginia Code § 36-55.30:2. A “Revitalization Area” must be designated by a local jurisdiction. The County Board has designated such areas by resolution in the past. Most recently, in February 2018, the County Board approved a Revitalization Area Resolution for the Central United Methodist Church site located at 4201 N. Fairfax Drive and the Queens Court site located at 1801 N. Quinn Street, also for the purpose of garnering points for a 9% LIHTC project application.

The American Legion development site satisfies the statutory requirement of a “Revitalization Area” because, if not rehabilitated, the existing American Legion Post 139 building is likely to deteriorate due to its dilapidated condition. In addition, development of the area would benefit Arlington County but such area lacks affordable housing options needed to induce community development and nonprofit enterprises to locate in the area, thereby enabling low and moderate-income persons and families to live and remain in such area. Moreover, investment “is not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe, and sanitary housing and supporting facilities that will meet the needs of low and moderate-income persons and families in such area.” The American Legion development will meet those needs by adding one hundred sixty (160) units of affordable housing, thereby creating an economic mix of residents in the area. The proposed resolution for the American Legion Post 139 Revitalization Area, attached as Attachment 2, will allow the Post West Nine project to claim Revitalization Area points, thereby making the project’s 9% LIHTC application more competitive. If a future project located outside of the American Legion Post 139 Revitalization

Area seeks Revitalization Area points on a 9% LIHTC application, another resolution would be needed at that time.

PUBLIC ENGAGEMENT: Level of Engagement - Collaborate

As proposed, Post West Nine would meet multiple Goals, Objectives and Policies of the Affordable Housing Master Plan (AHMP) adopted by the County Board in 2015. There is strong community interest in the project which has been presented to and reviewed by multiple commissions and advisory groups, as well as the County Manager and the County Board.

Civic Association/Community Process: The Site is located in the Ballston-Virginia Square neighborhood. Over the course of three years, APAH and the Legion have met with neighbors near the Site, the Ballston-Virginia Square Civic Association, the Military and Veterans Affairs Committee, and the Housing Commission. APAH and the Legion also participated in the Washington Boulevard/Kirkwood Road GLUP Study “Plus” process, commencing in October 2016 and ending in July 2017. In 2017, APAH and the Legion held two open houses and arranged a tour of an APAH property for neighbors and community members. In the summer and fall of 2018, APAH and the Legion attended Ballston-Virginia Square Civic Association meetings to share the specifics of the proposed site plan application. The association provided a letter dated June 13, 2018 in support of APAH’s funding request. On February 7, 2019, the association wrote a letter expressing concerns related to building height, setbacks, parking, and vehicular access, among other site plan-related issues.

Planning Commission: APAH and County Planning Division staff presented the proposed site plan to the Planning Commission on February 11, 2019. The Planning Commission voted unanimously to recommend approval of the site plan to the County Board.

The site plan process having concluded, the site plan has been advertised, along with the associated General Land Use Plan (GLUP) Amendment and rezoning, for consideration by the County Board at its February 2019 meeting.

Housing Commission: APAH and County Housing Division staff presented the AHIF Loan request for Post West Nine as an information item to the Housing Commission at its January 17, 2019 meeting. Subsequently, at its February 14, 2019 meeting, the Housing Commission considered the allocation request for the AHIF Loan. The Commission voted unanimously (8-0) to support the allocation request and sent a letter of support to the County Board dated February 19, 2019. In addition, the Commission further recommended (by vote of 6-0 with 2 abstentions) that the County’s share of the Residual Receipts be set at 50%. Housing staff prefers the County’s share of Residual Receipts to be set at 60%, however, Housing staff and APAH have agreed that the exact percentage of the County’s share of Residual Receipts will be determined at the time the Board approves the financing commitments for both projects.

FISCAL IMPACT: There are sufficient unallocated AHIF funds to support the request for the AHIF Loan. In addition, it is anticipated that the inclusion of 8 permanent supportive housing (PSH) units at Post West Nine will have a fiscal impact upon the County’s PSH program budget.

The full year incremental cost increase to the budget is estimated to be approximately \$121,707 per fiscal year upon project completion and occupancy (anticipated 2022).

ATTACHMENT 1

Post West Nine Proposed AHIF Loan Terms and Conditions – \$5,790,000

1. Arlington Partnership for Affordable Housing or its designee (**Applicant**) shall execute an Affordable Housing Investment Fund Loan Agreement (**AHIF Loan Agreement**) and other related loan instruments, as drafted and finalized by the County Attorney, in a form acceptable to the County Manager and the County Attorney and subject to County Board approval.
2. The Applicant shall include these AHIF Loan Terms and Conditions when requesting proposals from senior lenders and investors. If any terms are negotiated between the Applicant and other parties that contradict or deviate in any way from these Loan Terms and Conditions, the Applicant must submit a request to the County Board to consider revision of these Loan Terms and Conditions as necessary to conform to the negotiated terms between the Applicant and such other parties.
3. Within 30 days of receipt of final third-party debt and equity commitments, the Applicant shall submit a final sources and uses table for approval by the County Manager or his designee. If project contingency funds are deemed unnecessary to support the project, staff will seek County Board approval at a later meeting to de-obligate the funds in order to make such funds available for other AHIF projects. The applicant will use its best efforts to contain project costs and to seek additional financing sources such that the contingency funds will be surplus to the project and correspondingly subtracted from the AHIF loan amount.
4. American Legion Post 139 shall provide \$2,000,000 in seller take-back financing to the project. The AHIF Loan shall be secured in third lien position by the real property upon which the project shall be constructed, subordinate only to a senior lender and the Legion.
5. The AHIF Loan shall be repayable from the project's Residual Receipts, as defined in the AHIF Loan Agreement. As set forth in the related promissory note, and subject to an Event of Default (as defined in the AHIF Loan Agreement), the unpaid principal balance of this AHIF Loan shall accrue at 1.0% interest as called for in the related promissory note. The loan term shall be for thirty-eight (38) years from the date of the project's construction closing.
6. Beginning in the first operating year of the project and each subsequent year during the loan term, the County shall receive a percentage of the project's Residual Receipts as an annual payment towards the AHIF Loan. The exact percentage of Residual Receipts will be determined at the time the Board approves the financing commitments for Post West Nine and Post East Four. Residual Receipts as defined in the AHIF Loan Agreement, shall specifically include, but not be limited to, the amount by which gross revenues exceed annual debt service payments, approved operating expenses, payments to a replacement reserve, and priority payment fees for resident and asset management services. Other fees or payments must be paid from the Applicant's portion of Residual Receipts.
7. As a condition to the funding of Post West Nine, the Applicant shall provide a \$2,200,000 sponsor loan and a \$1,250,000 cash developer contribution to Post East Four, both of which

shall be funded during the construction period. The sponsor loan shall be repaid over time from the Applicant's portion of Residual Receipts.

8. The Applicant must comply with the affordable housing set-aside for the rental units in Post West Nine as follows: eight (8) of the units will be restricted to households earning up to thirty percent (30%) of the AMI; thirty-two (32) of the units will be restricted to households earning up to fifty percent (50%) of the AMI; twelve (12) units will be restricted to households earning up to sixty percent (60%) of the AMI; and the remaining twenty-eight (28) units will be restricted to households earning up to eighty percent (80%) for 75 years from the date the complex is placed in service with the unit mix as shown in the table in the "Affordable Housing Program" section of the Housing Division staff report.
9. The Applicant agrees that the affordable rents shall be established in accordance with low income housing tax credit rents as published annually by the Virginia Housing Development Authority (VHDA) for the unit size, minus a utility allowance (if applicable) as per the Utility Allowance Schedule annually approved by the U.S. Department of Housing and Urban Development (HUD) for the Arlington County, Virginia Housing Choice Voucher Program or other manner as permitted by applicable federal regulations and approved by the County or, if such LIHTC rents are not published by VHDA, then in accordance with HUD rent limits set for Arlington County.
10. The Applicant shall create a minimum of eight (8) fully accessible Type A units for persons with disabilities, and will fully cooperate with an affirmative marketing program to market these units to households in need of such accommodation.
11. The Applicant will execute an agreement with Arlington County's Department of Human Services to provide a minimum of eight (8) (up to a maximum of sixteen (16)) permanent supportive housing units. The Applicant agrees to designate and provide at least six (6) one-bedroom, one (1) two-bedroom, and one (1) three-bedroom permanent supportive housing units. The units shall be designated at either 50% or 60% of AMI, with at least two-thirds at 50% of AMI. At least one (1) three-bedroom unit will be designated at 50% of AMI. These may or may not be the same units as the fully accessible Type A units referred to in Section 10 above.

ATTACHMENT 2
Revitalization Area Resolution

RESOLUTION OF THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA
DESIGNATING THE AMERICAN LEGION POST 139 SITE A REVITALIZATION AREA
PURSUANT TO VIRGINIA CODE § 36-55.30:2

WHEREAS, pursuant to Section 36-55.30:2 of the Code of Virginia of 1950, as amended, the County Board of Arlington County desires to designate the site of the American Legion Post 139, located at 3445 Washington Boulevard (the "Revitalization Area") and shown on Exhibit A hereto, as a revitalization area;

WHEREAS, the proposed redevelopment of the American Legion Post 139 site is planned to correct and replace dilapidated and deteriorating interior and exterior conditions, including water damage, plumbing, roofing, HVAC, and Americans with Disabilities Act issues, among others, and will bring affordable housing to the area;

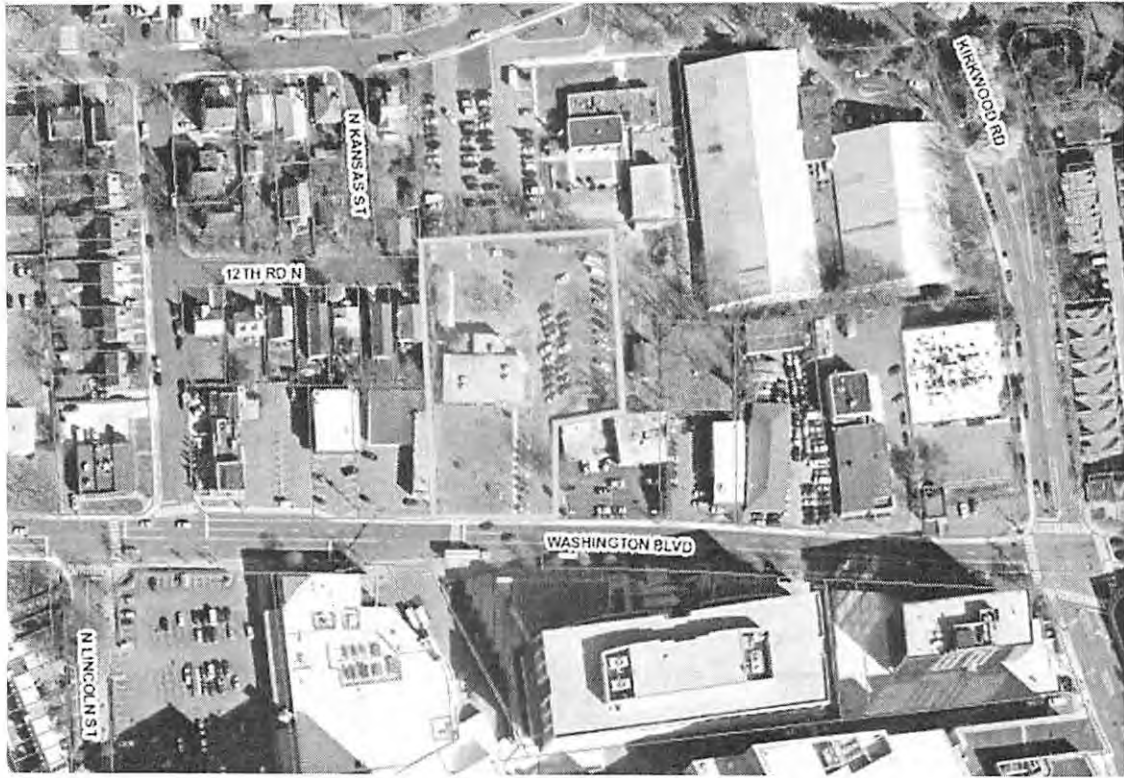
WHEREAS, the affordable housing development proposed in the Revitalization Area will provide a critical source of affordable housing for current and future low and moderate-income residents whose tenancy and local employment is essential to implementing the goals of the County's Affordable Housing Master Plan and to the Revitalization Area's future economic development and sustainability;

NOW, THEREFORE, BE IT HEREBY DETERMINED as follows:

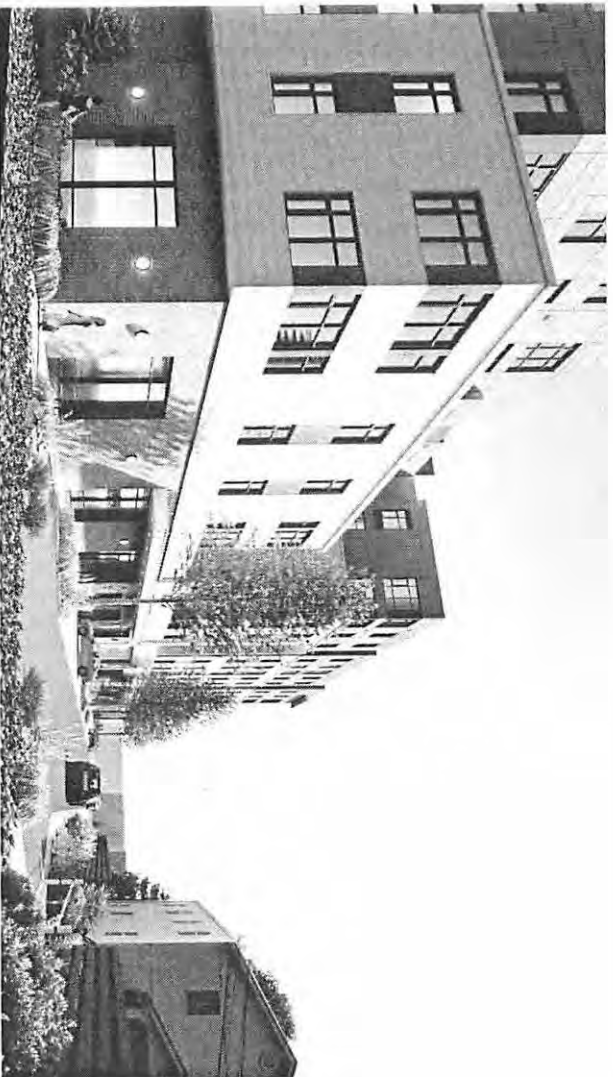
The above referenced development is located in a Revitalization Area, in the County of Arlington, Virginia. The revitalization area meets the requirements of Virginia Code Section 36-55.30:2 in that "(i)(b) the industrial, commercial or other economic development of such area will benefit the city or county, but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area."

EXHIBIT A

Revitalization Area Map



ATTACHMENT 3
Project Renderings





ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of February 23, 2019**

SUPPLEMENTAL REPORT

DATE: February 22, 2019

SUBJECT: Allocation of up to \$5,790,000 in Fiscal Year 2019 Affordable Housing Investment Fund loan funds to Arlington Partnership for Affordable Housing for construction of 80 units of affordable housing at American Legion Post 139, 3445 Washington Boulevard; Adoption of Revitalization Area Resolution for the Site per Virginia Code Section 36-55.30:2 for the purpose of a Low Income Housing Tax Credit application

DISCUSSION: This supplemental report is provided (1) to delete language in Section 3 of Attachment 1 Post West Nine Proposed AHIF Loan Terms and Conditions - \$5,790,000 to the staff report dated February 21, 2019 with respect to project contingency funds, and (2) to clarify that Section 11 of the same attachment applies to permanent supportive housing units to be provided in Post West Nine and Post East Four. The proposed revisions of Sections 3 and 11 of Attachment 1 are as follows:

Revised Section 3 of Attachment 1:

3. Within 30 days of receipt of final third-party debt and equity commitments, the Applicant shall submit a final sources and uses table for approval by the County Manager or his designee. ~~If project contingency funds are deemed unnecessary to support the project, staff will seek County Board approval at a later meeting to de-obligate the funds in order to make such funds available for other AHIF projects. The applicant will use its best efforts to contain project costs and to seek additional financing sources such that the contingency funds will be surplus to the project and correspondingly subtracted from the AHIF loan amount.~~

Revised Section 11 of Attachment 1:

11. The Applicant will execute an agreement with Arlington County's ~~Department of Human Services~~ to provide a minimum of eight (8) (up to a maximum of sixteen (16)) permanent supportive housing (PSH) units. The Applicant agrees to designate and provide at least six (6) one-bedroom, one (1) two-bedroom, and one (1) three-bedroom PSH units at Post West Nine and at least one (1) three-bedroom unit at Post East Four. The units shall be designated at either 50% or 60% of AMI, with at least two-thirds at 50% of AMI. ~~At least one (1) three-bedroom unit will be designated at 50% of AMI.~~ These may or may not be the same units as the fully accessible Type A units referred to in Section 10 above.

County Manager: *mg5/AMB*

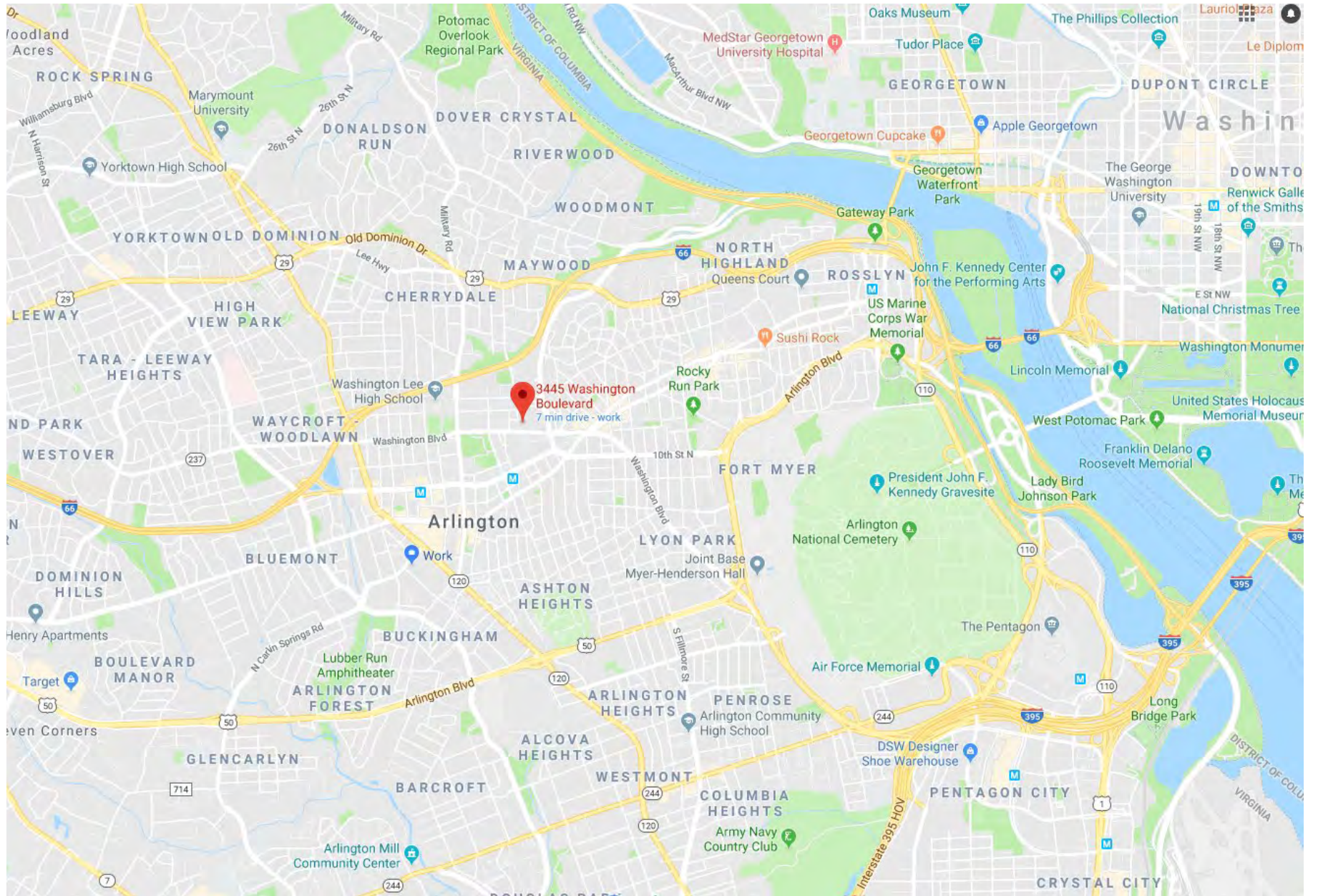
County Attorney: *AJH* *BAH*

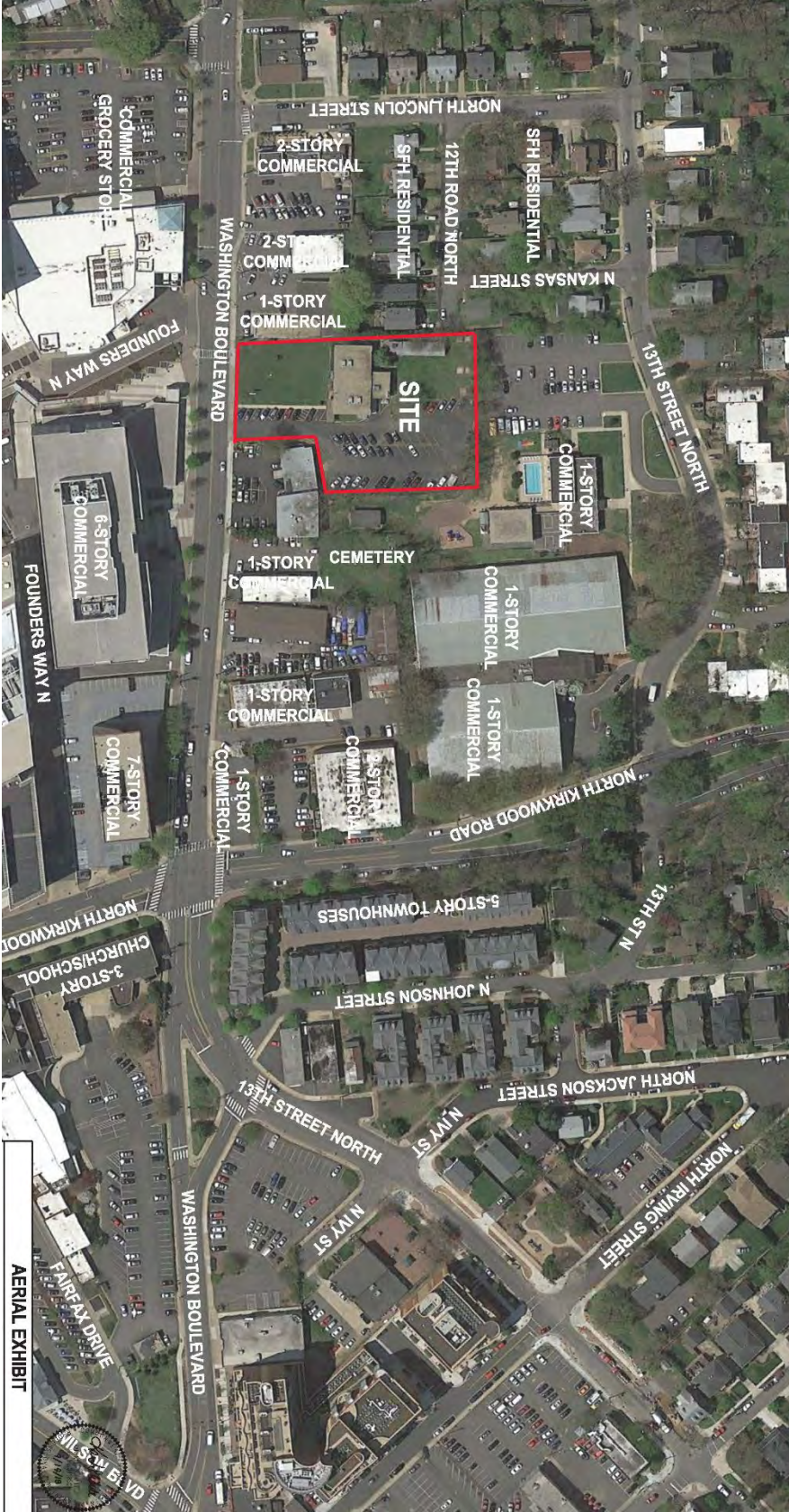
Staff: Yoomie L. Ahn – CPHD Housing Division

25.

K.2

Location Map





AERIAL EXHIBIT



Site Address: 3445 Washington Blvd, Arlington, VA 22201

Subjects

Project: Post West Nine

Owner: Post West Nine Limited Partnership

Project: Post East Four

Owner: Post East Four Limited Partnership

K.3

Surveyor's Certification of
Proximity to Public
Transportation

Surveyor's Certification of Proximity to Transportation

DATE: March 1, 2019

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

RE: 2019 Tax Credit Reservation Request
Name of Development: Post West Nine
Name of Owner: Post West Nine Limited Partnership

Gentlemen:

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

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

- 2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or ¼ mile to the nearest access point to an existing public bus stop.



Walter L. Phillips, Inc.

Karen L. W. White, P.E.
Director of Urban Planning and Engineering



L

PHA/Section 8 Notification
Letter



PHA or Section 8 Notification Letter

Development Name: Post West Nine

Tracking #: 2019-C-21

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: February 25, 2019

TO: Department of Human Services
2100 Washington Boulevard
Arlington, VA 22204

ATTN: Section 8 or PHA Waiting List Administrator

RE: PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Post West Nine
Name of Owner: Post West Nine Limited Partnership

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 4/1/2022 (date).

The following is a brief description of the proposed development:

Development Address:

3445 Washington Boulevard, Arlington, VA 22201

Proposed Improvements:

<input checked="" type="checkbox"/> New Constr.:	<u>80</u>	# units	<u>1</u>	# Bldgs
<input type="checkbox"/> Adaptive Reuse:	<u> </u>	# units	<u> </u>	# Bldgs
<input type="checkbox"/> Rehabilitation:	<u> </u>	# units	<u> </u>	# Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ <u> </u>	/ month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ <u>574 - 1,014</u>	/ month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ <u>1,210 - 1,635</u>	/ month
<input checked="" type="checkbox"/> 3 Bedroom Units:	\$ <u>1,694 - 1,879</u>	/ month
<input type="checkbox"/> 4 Bedroom Units:	\$ <u> </u>	/ month

Other Descriptive Information:

Post West Nine will be part of the redevelopment of a site that has an existing, aging American Legion Post #139 building complex that will be demolished and replaced with a new mid-rise construction of affordable multifamily. Amenities will include onsite leasing/property management, community rooms, onsite resident services office, central laundry, and garage. Includes a mix of 1BR, 2BR, and 3BR units.

PHA or Section 8 Notification Letter

The development is in close proximity to public transit.

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (703)276-7444.

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

Sincerely yours,



Name

Nina Janopaul, President, Post West Nine Development Corporation

Title for Post West Nine Limited Partnership

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

Seen and Acknowledged By: Vanessa A. Street

Printed Name: VANESSA A. STREET

Title: Executive Director Housing Choice Voucher Program

Phone: 703-228-1455

Date: 2/25/2019

M

Locality CEO Response
Letter



OFFICE OF THE COUNTY MANAGER

2100 Clarendon Boulevard, Suite 302, Arlington, VA 22201
TEL 703-228-3120 FAX 703-228-3218 TTY 703-228-4611 www.arlingtonva.us

Locality CEO Letter

March 11, 2019

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

VHDA Tracking Number: 2019-C-21
Development Name: Post West Nine
Name of Owner/Applicant: Post West Nine Limited Partnership

Dear Mr. Bondurant:

The construction or rehabilitation of the above-named development and the allocation of federal housing tax credits available under IRC Section 42 for said development will help to meet the housing needs and priorities of Arlington County. Accordingly, Arlington County supports the allocation of federal housing tax credits requested by Post West Nine Limited Partnership for this development.

Yours truly,

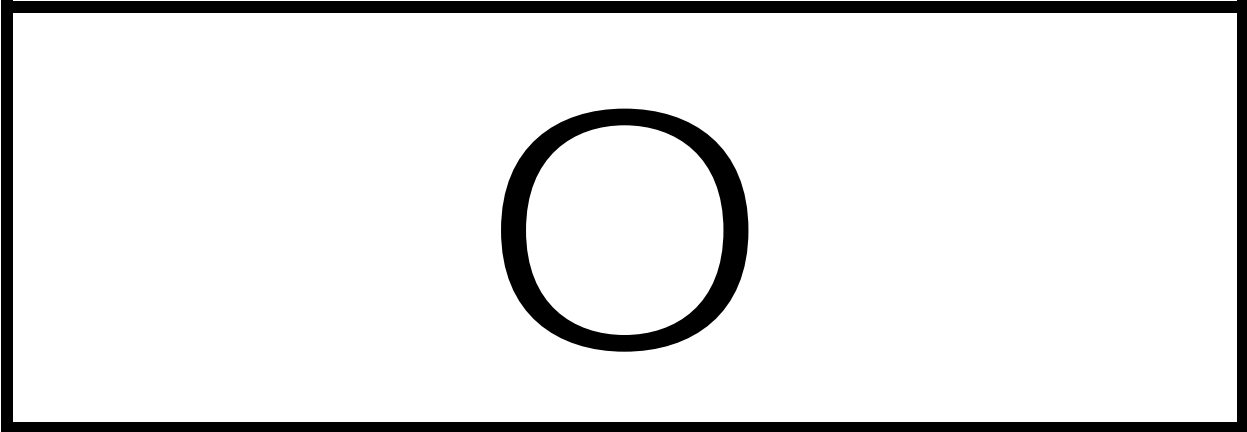
A handwritten signature in blue ink that reads "Mark Schwartz".

Mark Schwartz
County Manager

N

Homeownership Plan

This deal does not require
information behind this tab.



O

Plan of Development
Certification Letter

This deal does not require
information behind this tab.

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



DEPARTMENT OF HUMAN SERVICES
Economic Independence Division: Housing Assistance Bureau

2100 Washington Blvd., 3rd Floor, Arlington, VA 22204
TEL 703-228-1350 FAX 703-228-1169 TTY 703-228-1398 www.arlingtonva.us

March 5, 2019

Ms. Nina Janopaul
Arlington Partnership for Affordable Housing (APAH)
4318 N. Carlin Springs Road
Arlington, VA 22203

Re: Post West Nine Limited Partnership Project-Based Assistance and First Preference for Target Populations

Dear Ms. Janopaul:

The Arlington County Department of Human Services (DHS) is committed to providing the Post West Nine Limited Partnership with project-based rental assistance for eight (8) apartments (PBA Units). The project-based rental assistance will be funded using the County's equivalent Permanent Supportive Housing Project-Based Rental Assistance, dependent upon sufficient appropriated local funding. Post West Nine meets the prerequisites for such assistance from the County and was reviewed in accordance with all necessary County processes and approved for the receipt of rental assistance.

This rental assistance will be for DHS Qualified Households who earn 40% or less of the Area Median Income (AMI) and need supportive housing. Qualified Households include persons who have a mental, cognitive, or physical disability, are working with a DHS Case Manager, and have a critical housing need.

The Qualified Households will pay 30% of their adjusted income in rent and the County will provide monthly rental assistance payments up to the approved rent level. The units shall be designated at either 50% or 60% of AMI, with at least two-thirds at 50% of AMI. As participants in the County's Permanent Supportive Housing Program, these Households, in addition to having case management services, will be offered support services such as mental health treatment, counseling, job and life-skills training and the County will monitor their tenancy.

The standard contract term is five years and is renewable with five year increments, dependent upon funding availability, up to the 15-year tax credit compliance period. We would be available to discuss specific contract terms with you at any time and look forward to working on the contract agreement prior to completion of the construction planned at Post West Nine.

Further, DHS is committed to providing a first preference in its tenant referrals to the Owner and its waiting list with respect to the PBA Units for the target population, as confirmed by the Virginia Department of Medical Assistance Services or the Virginia Department of Behavioral Health and Development Services.

Sincerely,

A handwritten signature in blue ink that reads "Nicole Harmon".

Nicole Harmon
Housing Assistance Bureau Chief

R

Documentation of
Operating Budget

M. OPERATING EXPENSES

Administrative:		Use Whole Numbers Only!
1. Advertising/Marketing		\$600
2. Office Salaries		\$67,750
3. Office Supplies		\$3,600
4. Office/Model Apartment	(type _____)	\$0
5. Management Fee		\$44,200
3.50% of EGI	\$552.50 Per Unit	
6. Manager Salaries		\$0
7. Staff Unit (s)	(type _____)	\$0
8. Legal		\$2,500
9. Auditing		\$13,500
10. Bookkeeping/Accounting Fees		\$0
11. Telephone & Answering Service		\$4,960
12. Tax Credit Monitoring Fee		\$3,000
13. Miscellaneous Administrative		\$14,556
Total Administrative		\$154,666
Utilities		
14. Fuel Oil		\$0
15. Electricity		\$31,750
16. Water		\$19,950
17. Gas		\$14,000
18. Sewer		\$39,425
Total Utility		\$105,125
Operating:		
19. Janitor/Cleaning Payroll		\$0
20. Janitor/Cleaning Supplies		\$1,750
21. Janitor/Cleaning Contract		\$21,000
22. Exterminating		\$5,100
23. Trash Removal		\$7,800
24. Security Payroll/Contract		\$0
25. Grounds Payroll		\$0
26. Grounds Supplies		\$5,000
27. Grounds Contract		\$0
28. Maintenance/Repairs Payroll		\$51,134
29. Repairs/Material		\$4,200
30. Repairs Contract		\$0
31. Elevator Maintenance/Contract		\$11,500
32. Heating/Cooling Repairs & Maintenance		\$4,000
33. Pool Maintenance/Contract/Staff		\$0
34. Snow Removal		\$750
35. Decorating/Payroll/Contract		\$0
36. Decorating Supplies		\$1,020
37. Miscellaneous		\$9,614
Totals Operating & Maintenance		\$122,868
Taxes & Insurance		
38. Real Estate Taxes		\$154,772
39. Payroll Taxes		\$5,183
40. Miscellaneous Taxes/Licenses/Permits		\$12,500
41. Property & Liability Insurance		\$30,850
42. Fidelity Bond		\$0
43. Workman's Compensation		\$1,800
44. Health Insurance & Employee Benefits		\$11,166
45. Other Insurance		\$5,070
Total Taxes & Insurance		\$221,341
Total Operating Expense		\$604,000
Total Operating Expenses Per Unit	\$7,550	C. Total Operating Expenses as % of EGI 47.89%
Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)		\$24,000
Total Expenses		\$628,000

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



viridiant

February 14, 2019

Ryan Nash
Arlington Partnership for Affordable Housing
3445 Washington Boulevard
Arlington, Virginia 22201
rnash@apah.org

RE: Post West Nine

Dear Mr. Nash,

Please see the following Preliminary Utility Allowance (UA) for Post West Nine located in Arlington, Virginia. The electric utility allowance projections were generated utilizing Dominion Energy rates. Water and sewer projections were generated using Arlington County rates. The utility rates are current within 90 days of the date of this letter. Below is a table depicting the highest UA by each bedroom type. Should you have any questions do not hesitate to contact me.

EARTHCRAFT PRELIMINARY UA*			ALLOWANCES BY BEDROOM SIZE		
Utilities	Type of Utility	Paid by	1-bdr	2-bdr	3-bdr
Heating	Electric	Tenant	\$14	\$17	\$20
Air Conditioning	Electric	Tenant	\$7	\$8	\$9
Cooking	Electric	Tenant	\$5	\$7	\$8
Lighting	Electric	Tenant	\$22	\$25	\$31
Hot Water	Electric	Tenant	\$13	\$15	\$18
Water	-	Tenant	\$8	\$12	\$16
Sewer	-	Tenant	\$16	\$24	\$32
Trash	-	Owner	-	-	-
Total UA for costs paid by tenant			\$85	\$108	\$134

**These allowances are only for use by Post West Nine as EarthCraft project.*

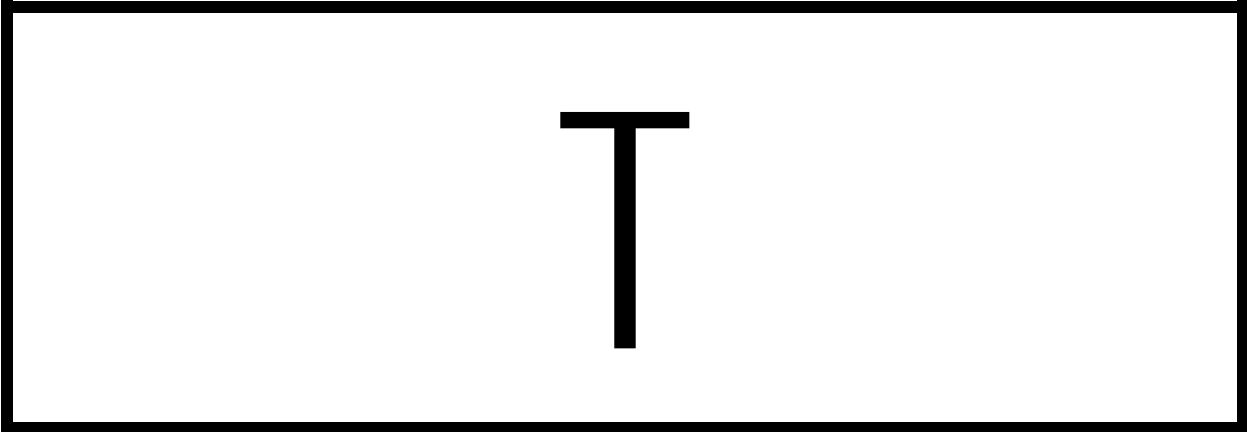
Sincerely,

Rob McRaney
Business Relations Manager, Viridiant

S

Supportive Housing
Certification

This deal does not require
information behind this tab.



T

Funding Documentation



DEPARTMENT OF COMMUNITY PLANNING HOUSING AND DEVELOPMENT
Housing Division

One Courthouse Plaza 2100 Clarendon Blvd., Suite 700 Arlington, VA 22201
TEL 703.228.3760 FAX 703.228.3834 TTY 703.228.4611 www.arlingtonva.us

February 28, 2019

Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220-6500
Attn: Tax Credit Allocation Staff

Re: Financing Commitment for Post West Nine/American Legion Post 139 Site

Ladies and Gentlemen:

At its February 23, 2019 meeting, the County Board of Arlington County, Virginia (**County**) approved and committed an allocation of funds (**Commitment**) to make an Affordable Housing Investment Fund (**AHIF**) permanent loan in the principal amount of \$5,790,000 (**Loan**) to Arlington Partnership for Affordable Housing, Inc. (**APAH**), or its designated affiliate Post West Nine Limited Partnership. The Loan is intended to provide financing for 80 units of affordable housing to be known as Post West Nine (**Project**).

The Loan will bear interest at the rate of zero percent during a construction and lease-up period of three (3) years and, thereafter, at the rate of one percent (1%) for an additional thirty-five (35) years. The total term of the Loan will be thirty-eight (38) years. Repayment of the Loan will be subject to available cash flow from the Project.

APAH has represented that the Project will comply with all requirements and restrictions in its application for financing from the Virginia Housing Development Authority (**VHDA**). The County hereby consents to reliance on the Commitment by VHDA in connection with their review of the application for a reservation of Low-Income Housing Tax Credits for the Project.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Cristeal".

David Cristeal
Director, Housing Division
Arlington County



KENDRA JACOBS
CLERK TO
THE COUNTY BOARD

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE COUNTY BOARD

2100 CLARENDON BOULEVARD, SUITE 300
ARLINGTON, VIRGINIA 22201-5406
(703) 228-3130 • FAX (703) 228-7430
E-MAIL: countyboard@arlingtonva.us



MEMBERS
CHRISTIAN DORSEY
CHAIR
LIBBY GARVEY
VICE CHAIR

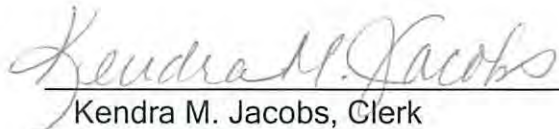
KATIE CRISTOL
ERIK GUTSHALL
MATT DE FERRANTI

CERTIFICATION

I hereby certify that at its February 23, 2019 Regular Meeting, on a motion by LIBBY GARVEY, VICE CHAIR, seconded by MATT DE FERRANTI, MEMBER, and carried by a vote of 5 to 0, the voting recorded as follows: Christian Dorsey, Chair - Aye, Libby Garvey, Vice Chair - Aye, Katie Cristol, Member - Aye, Erik Gutshall, Member - Aye, and Matt de Ferranti, Member - Aye, the County Board of Arlington, Virginia, approved the **C.M. RECOMMENDATIONS** in the attached County Manager's report dated February 21, 2019 (supplemented by the attached report dated February 22, 2019), "**SUBJECT:** Allocation of \$5,790,000 in Fiscal Year 2019 Affordable Housing Investment Fund (AHIF) loan funds to Arlington Partnership for Affordable Housing (APAH) for construction of a new affordable housing development at American Legion Post 139, 3445 Washington Boulevard, and Adoption of a Revitalization Area Resolution per Virginia Code Section 36-55.30:2 for the purpose of obtaining allocation points in support of a Low Income Housing Tax Credit (LIHTC) application."

Given under my hand this 1st day of March 2019.

SEAL


Kendra M. Jacobs, Clerk
Arlington County Board



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of February 23, 2019**

DATE: February 21, 2019

SUBJECT: Allocation of \$5,790,000 in Fiscal Year 2019 Affordable Housing Investment Fund (AHIF) loan funds to Arlington Partnership for Affordable Housing (APAH) for construction of a new affordable housing development at American Legion Post 139, 3445 Washington Boulevard, and Adoption of a Revitalization Area Resolution per Virginia Code Section 36-55.30:2 for the purpose of obtaining allocation points in support of a Low Income Housing Tax Credit (LIHTC) application.

C. M. RECOMMENDATIONS:

1. Allocate \$5,790,000 in AHIF loan funds (101.495130.91102) to APAH, or its designated County-approved ownership affiliate, to assist with the cost of development and construction of eighty (80) units of a one hundred sixty (160)-unit, affordable housing, mixed-use development at American Legion Post 139, 3445 Washington Boulevard (101.456300.91102) (Site). The proposed loan of AHIF funds will be a subordinated, residual receipts loan based upon the loan terms and conditions set forth in Attachment 1, subject to final terms memorialized in a financing commitment and final loan documents approved by the County Board.
2. Adopt the attached resolution (Attachment 2) to designate the Site as a "Revitalization Area."

ISSUES: There are no known issues with respect to the requested allocation.

SUMMARY: APAH is seeking allocation of AHIF loan funds to assist with the development and construction of eighty (80) new affordable housing units at a site owned by American Legion Post 139 (Legion) and located at 3445 Washington Boulevard, as shown on Figure 1 (Site). Eighty (80) of the units are to be financed with 9% LIHTCs in a project to be known as Post West Nine. This is a request for allocation of \$5.79 million in AHIF funds for Post West Nine.

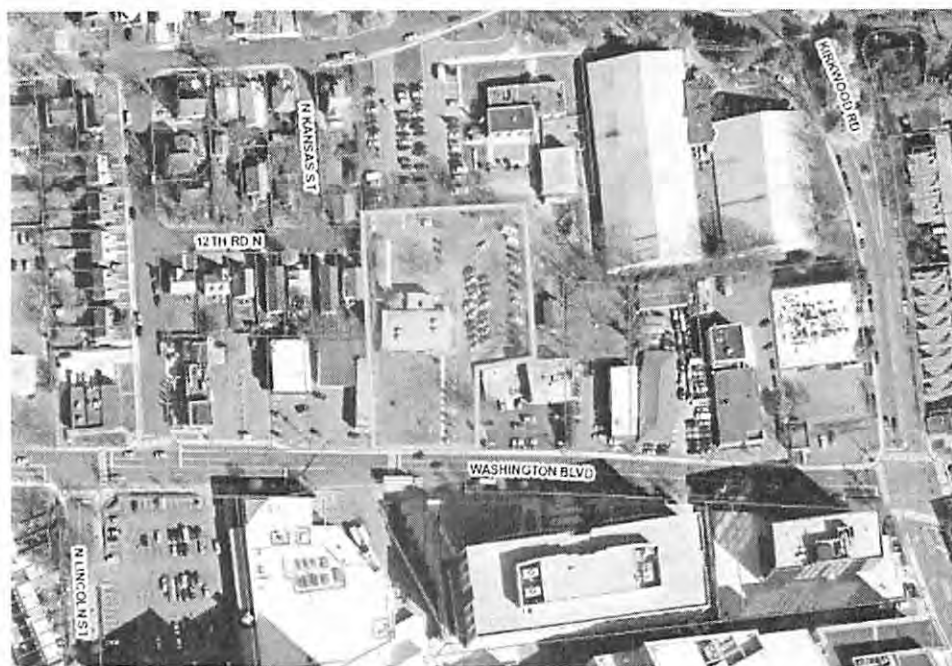
County Manager: *mgs/awb*

County Attorney: *HAH* *BAH*

Staff: Yoomie Ahn, CPHD - Housing Division

25.

Figure 1. Site Map



Post West Nine will have a twin project financed with 4% LIHTCs in a project to be known as **Post East Four**, also proposed as an eighty (80)-unit, new construction project. APAH intends to request \$5.375 million in AHIF funds for Post East Four in Fiscal Year 2020. The combined, one hundred sixty (160)-unit, hybrid 9%/4% development is shown in the renderings attached to this report ([Attachment 3](#)).

BACKGROUND: The Site is situated 0.30 miles from the Virginia Square-GMU Metro station. The Site is improved with a rapidly aging and deteriorating building built in 1959. The building does not comply with the federal Americans with Disabilities Act. It also needs significant upgrades and a new roof for the Legion to continue to occupy and use the premises. After determining in recent years that the building had outlived its useful life, the Legion sought a development partner with whom it could redevelop the Site and create a new facility with programming that would meet the needs of veterans. In 2017, the Legion selected APAH as its development partner and the parties entered into a purchase and sale agreement for the Site.

In 2016 and throughout 2017, APAH and the Legion participated in the Washington Boulevard/Kirkwood Road Special General Land Use Plan (GLUP) Study “Plus” process and engaged in public outreach. APAH subsequently developed a project financing proforma and submitted two applications for AHIF and federal funds under the County’s Fiscal Year (FY) 2019 Notice of Funding Availability. The two applications for Post West Nine and Post East Four were successful in garnering County staff recommendations to commence the loan negotiation and public process.

In view of the size of the combined request and the FY 2019 project pipeline, staff recommended that the AHIF request be split over two fiscal years. As APAH intends to apply to the Virginia

Housing Development Authority (VHDA) for 9% LIHTCs for Post West Nine in March 2019, APAH's request for allocation of AHIF funds for Post West Nine must be considered prior to the submission of a 9% LIHTC application.

DISCUSSION: The total request for local funding for both Post West Nine and Post East Four will be approximately \$11.17 million. This section discusses the specifics of the \$5.79 million Post West Nine AHIF allocation request within the context of the combined development.

Affordable Housing Program: The affordable housing program will consist of a total of one hundred sixty (160) newly constructed CAFs in the two projects, consisting of forty-eight (48) one-bedroom units, eighty-seven (87) two-bedroom units, and twenty-five (25) three-bedroom units, with affordability ensured for 75 years. While the site plan allows APAH to change the applicable imputed income limitation of a CAF, subject to approval by the County Manager or his designee, at this time, the proposed unit type and affordability mix is shown in the table below:

Unit Type	Post West Nine 9% LIHTC Project					Post East Four 4% LIHTC Project					Total Both Projects	
	30% AMI	50% AMI	60% AMI	80% AMI	Total	30% AMI	50% AMI	60% AMI	80% AMI	Total	Units	Percent
1BR	8	6	0	0	14	0	12	22	0	34	48	30%
2BR	0	26	7	16	49	0	4	24	10	38	87	54%
3BR	0	0	5	12	17	0	4	4	0	8	25	16%
Total	8	32	12	28	80	0	20	50	10	80	160	100%

One-hundred percent (100%) of the units (all 160 apartments) will be affordable to households earning up to 80% AMI. The development will also include lower-income units affordable at 30%, 50%, and 60% AMI (5%, 33%, and 39% of the units, respectively). Subject to final financing terms, it is anticipated that the majority of the development will be comprised of family-sized units (70%), with the remaining 30% being one-bedroom units. The average imputed income limitation designated for all units will not exceed 60% of AMI.

Of Post West Nine's 80 units, APAH is proposing that approximately 10% will be affordable to eligible households earning up to 30% of Area Median Income (AMI), 40% will be affordable to eligible households earning up to 50% of AMI, 15% will be affordable to eligible households earning up to 60% of AMI, and 35% will be affordable to eligible households earning up to 80% of AMI.¹ The average of the imputed income limitations designated for all eighty (80) units will not exceed 60% of AMI. This affordability mix will serve a wide range of working Arlington households, ranging from approximately \$24,630 for a single person household in a 30% AMI unit to \$93,760 for a family of four in an 80% AMI unit.

As proposed, Post West Nine would meet multiple Goals, Objectives and Policies of the Affordable Housing Master Plan (AHMP) adopted by the County Board in 2015.

¹ For AMI rent and income limits, see Rent and Income Limits for Arlington County Affordable Housing Programs.

AHMP Policy #	Description
1.1.1	Development of 80 net new <u>Committed Affordable Units (CAFs)</u> obtained through the County's Site Plan process and through financial assistance from the County
1.1.4	Development of 80 net new CAFs to the inventory of affordable housing in the Rosslyn-Ballston corridor, an area with less than 50% of a projected 5,000 affordable units needed by 2040
1.1.5 & 3.4.1	Commitment of affordability for 75 years
1.1.6	Commitment of 8 units affordable to households earning up to 30% AMI and 32 units affordable to households earning up to 50% AMI
1.1.8	Addition of 66 family-sized units to the County's CAF inventory, consisting of 49 two-bedroom units and 17 three-bedroom units
1.1.9 & 3.2.2	Production of 80 net new CAFs within transit corridors consistent with the County's adopted land use plans and policies
2.3.2 & 2.5.2	Provision of 8 permanent supportive housing units
2.5.3	Addition of 8 Type A accessible units, thereby helping to maintain a sufficient supply of CAF units accessible for persons with physical disabilities
3.3.1 & 3.3.2	EarthCraft Gold and ENERGY STAR Multifamily High Rise certifications with ENERGY STAR Portfolio Manager reporting for 10 years, in furtherance of the County's Community Energy Plan goals and AHMP policy of encouraging water conservation in affordable housing

AHIF Loan Request: APAH has requested an allocation of \$5,790,000 in AHIF funds (**AHIF Loan**) for Post West Nine (\$72,375 per unit). This request is in line with recent AHIF loans for new construction, 9% tax credit projects which have ranged from approximately \$64,000 to \$126,000 per CAF unit.

The AHIF Loan will be secured by a subordinated deed of trust and repayable from project cash flow, referred to as residual receipts. The loan term will be thirty-eight (38) years and the interest rate will be 1.00% compound interest that begins to accrue upon completion of construction. During construction, the AHIF Loan will not bear any interest as units must be constructed and occupied to generate rental income, which would then be applied towards loan repayment. Additional proposed loan terms and conditions for the AHIF Loan, subject to final financing terms, are set forth in Attachment 1 to this report.

Development Budget and Financing Package: As previously mentioned, APAH intends to finance Post West Nine as a 9% low income housing tax credit project and Post Four East as a 4% low income housing tax credit project. The anticipated total development cost for Post West Nine is \$38,236,139, of which 12% is acquisition cost, 65% is for construction hard costs, 8% is for soft costs, 5% for financing costs, and 10% for developer fee and reserves.

The anticipated financing package for Post West Nine will include a VHDA first mortgage (including taxable bonds, REACH and REACH Plus), tax credit equity, the proposed AHIF

Loan, and a seller note from the Legion. Projected sources and uses of funds, subject to negotiation of final loan terms, are as follows:

SOURCES OF FUNDS		USES OF FUNDS	
VHDA Loans ¹	\$ 8,969,282	Acquisition Costs	\$ 4,608,400
Tax Credit Equity	\$21,476,857	Construction Hard Costs	\$24,853,340
County AHIF Loan	\$ 5,790,000	Soft Costs	\$ 2,949,407
Seller Note	\$ 2,000,000	Financing Costs	\$ 2,026,238
		Developer Fee and Reserves	\$ 3,798,754
Total Sources	\$38,236,139	Total Uses	\$38,236,139

¹ It is anticipated that VHDA will loan the following funds to Post West Nine: \$3,989,282 in taxable bond proceeds, \$2,100,000 from its REACH program, and \$2,880,000 from its REACH Plus program.

Anticipated Timeline and Future County Board Requests: Contingent upon County Board approval of an allocation for the 9% AHIF Loan, APAH will apply for 9% LIHTC in March 2019. Should APAH's application be successful in receiving an award of 9% LIHTC, APAH will apply for 4% LIHTC for Post East Four, the companion project to Post West Nine. Once APAH has secured the 4% LIHTC, County staff will bring forward a request to the County Board for approval of financing commitments for Post West Nine and Post East Four prior to closing on the financing. Thereafter, the County Board will be asked to approve loan and subordination documents for the proposed \$5.79 million AHIF loan for Post West Nine (based upon the proposed loan terms and conditions set forth in Attachment 1 as finally negotiated), as well as loan and subordination documents for the proposed financing for Post East Four. Assuming further that APAH secures commitments for all other funding sources needed to finance both projects, construction financing closing could take place in the Spring of 2020.

Following construction closing, APAH would begin demolition of the existing American Legion Post 139 building and construction of the two tax credit projects. Construction is anticipated to be completed no later than December 2022.

Estimated Number of Students Generated by the Development: The Site is currently zoned for Taylor Elementary School, Swanson Middle School, and Washington-Liberty High School (formerly known as Washington-Lee High School). When both Post West Nine and Post East Four are fully built and occupied in 2022, middle school student residents will attend Hamm Middle School (formerly known as New Neighborhood Middle School at Stratford Site) in accordance with new boundaries established by Arlington Public Schools (APS).

Based upon current housing unit characteristics and student generation factors, APS estimates the following number of students to be generated at the Post West Nine and Post East Four projects:

APS Schools	Number of Students
Elementary School (K-5)	54
Middle School (6-8)	13
High School (9-12)	30
Total	97

The estimates are generated by APS using the housing characteristics presented at the time of the AHIF application and using 2018-2019 student generation factors and reflect the Hamm Middle School boundary that will take effect in the 2019-2020 school year. Should these housing unit characteristics or the student generation factors change, then the student generation estimates would also change.

Further, according to data provided by the applicant from a recent, newly constructed CAF development in APAH’s portfolio, less than 20% of the school-age children who moved in were new to the Arlington County school system. The majority, 82% of the student residents, were previously enrolled in and attending schools in Arlington County.

Revitalization Area Resolution: The Virginia Housing Development Authority (VHDA) administers a highly competitive, state-wide process for 9% LIHTC projects. It awards application points to affordable housing projects meeting specific criteria and ultimately awards the 9% LIHTCs to the projects with the most points. In addition to seeking an allocation of AHIF funds in order to obtain application points, APAH also is seeking adoption of a Revitalization Area Resolution to garner points for its 9% LIHTC project application. A project is eligible for 15 “Revitalization Area” points if it is located in a “Revitalization Area”, as defined in Virginia Code § 36-55.30:2. A “Revitalization Area” must be designated by a local jurisdiction. The County Board has designated such areas by resolution in the past. Most recently, in February 2018, the County Board approved a Revitalization Area Resolution for the Central United Methodist Church site located at 4201 N. Fairfax Drive and the Queens Court site located at 1801 N. Quinn Street, also for the purpose of garnering points for a 9% LIHTC project application.

The American Legion development site satisfies the statutory requirement of a “Revitalization Area” because, if not rehabilitated, the existing American Legion Post 139 building is likely to deteriorate due to its dilapidated condition. In addition, development of the area would benefit Arlington County but such area lacks affordable housing options needed to induce community development and nonprofit enterprises to locate in the area, thereby enabling low and moderate-income persons and families to live and remain in such area. Moreover, investment “is not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe, and sanitary housing and supporting facilities that will meet the needs of low and moderate-income persons and families in such area.” The American Legion development will meet those needs by adding one hundred sixty (160) units of affordable housing, thereby creating an economic mix of residents in the area. The proposed resolution for the American Legion Post 139 Revitalization Area, attached as Attachment 2, will allow the Post West Nine project to claim Revitalization Area points, thereby making the project’s 9% LIHTC application more competitive. If a future project located outside of the American Legion Post 139 Revitalization

Area seeks Revitalization Area points on a 9% LIHTC application, another resolution would be needed at that time.

PUBLIC ENGAGEMENT: Level of Engagement - Collaborate

As proposed, Post West Nine would meet multiple Goals, Objectives and Policies of the Affordable Housing Master Plan (AHMP) adopted by the County Board in 2015. There is strong community interest in the project which has been presented to and reviewed by multiple commissions and advisory groups, as well as the County Manager and the County Board.

Civic Association/Community Process: The Site is located in the Ballston-Virginia Square neighborhood. Over the course of three years, APAH and the Legion have met with neighbors near the Site, the Ballston-Virginia Square Civic Association, the Military and Veterans Affairs Committee, and the Housing Commission. APAH and the Legion also participated in the Washington Boulevard/Kirkwood Road GLUP Study “Plus” process, commencing in October 2016 and ending in July 2017. In 2017, APAH and the Legion held two open houses and arranged a tour of an APAH property for neighbors and community members. In the summer and fall of 2018, APAH and the Legion attended Ballston-Virginia Square Civic Association meetings to share the specifics of the proposed site plan application. The association provided a letter dated June 13, 2018 in support of APAH’s funding request. On February 7, 2019, the association wrote a letter expressing concerns related to building height, setbacks, parking, and vehicular access, among other site plan-related issues.

Planning Commission: APAH and County Planning Division staff presented the proposed site plan to the Planning Commission on February 11, 2019. The Planning Commission voted unanimously to recommend approval of the site plan to the County Board.

The site plan process having concluded, the site plan has been advertised, along with the associated General Land Use Plan (GLUP) Amendment and rezoning, for consideration by the County Board at its February 2019 meeting.

Housing Commission: APAH and County Housing Division staff presented the AHIF Loan request for Post West Nine as an information item to the Housing Commission at its January 17, 2019 meeting. Subsequently, at its February 14, 2019 meeting, the Housing Commission considered the allocation request for the AHIF Loan. The Commission voted unanimously (8-0) to support the allocation request and sent a letter of support to the County Board dated February 19, 2019. In addition, the Commission further recommended (by vote of 6-0 with 2 abstentions) that the County’s share of the Residual Receipts be set at 50%. Housing staff prefers the County’s share of Residual Receipts to be set at 60%, however, Housing staff and APAH have agreed that the exact percentage of the County’s share of Residual Receipts will be determined at the time the Board approves the financing commitments for both projects.

FISCAL IMPACT: There are sufficient unallocated AHIF funds to support the request for the AHIF Loan. In addition, it is anticipated that the inclusion of 8 permanent supportive housing (PSH) units at Post West Nine will have a fiscal impact upon the County’s PSH program budget.

The full year incremental cost increase to the budget is estimated to be approximately \$121,707 per fiscal year upon project completion and occupancy (anticipated 2022).

ATTACHMENT 1

Post West Nine Proposed AHIF Loan Terms and Conditions – \$5,790,000

1. Arlington Partnership for Affordable Housing or its designee (**Applicant**) shall execute an Affordable Housing Investment Fund Loan Agreement (**AHIF Loan Agreement**) and other related loan instruments, as drafted and finalized by the County Attorney, in a form acceptable to the County Manager and the County Attorney and subject to County Board approval.
2. The Applicant shall include these AHIF Loan Terms and Conditions when requesting proposals from senior lenders and investors. If any terms are negotiated between the Applicant and other parties that contradict or deviate in any way from these Loan Terms and Conditions, the Applicant must submit a request to the County Board to consider revision of these Loan Terms and Conditions as necessary to conform to the negotiated terms between the Applicant and such other parties.
3. Within 30 days of receipt of final third-party debt and equity commitments, the Applicant shall submit a final sources and uses table for approval by the County Manager or his designee. If project contingency funds are deemed unnecessary to support the project, staff will seek County Board approval at a later meeting to de-obligate the funds in order to make such funds available for other AHIF projects. The applicant will use its best efforts to contain project costs and to seek additional financing sources such that the contingency funds will be surplus to the project and correspondingly subtracted from the AHIF loan amount.
4. American Legion Post 139 shall provide \$2,000,000 in seller take-back financing to the project. The AHIF Loan shall be secured in third lien position by the real property upon which the project shall be constructed, subordinate only to a senior lender and the Legion.
5. The AHIF Loan shall be repayable from the project's Residual Receipts, as defined in the AHIF Loan Agreement. As set forth in the related promissory note, and subject to an Event of Default (as defined in the AHIF Loan Agreement), the unpaid principal balance of this AHIF Loan shall accrue at 1.0% interest as called for in the related promissory note. The loan term shall be for thirty-eight (38) years from the date of the project's construction closing.
6. Beginning in the first operating year of the project and each subsequent year during the loan term, the County shall receive a percentage of the project's Residual Receipts as an annual payment towards the AHIF Loan. The exact percentage of Residual Receipts will be determined that the time the Board approves the financing commitments for Post West Nine and Post East Four. Residual Receipts as defined in the AHIF Loan Agreement, shall specifically include, but not be limited to, the amount by which gross revenues exceed annual debt service payments, approved operating expenses, payments to a replacement reserve, and priority payment fees for resident and asset management services. Other fees or payments must be paid from the Applicant's portion of Residual Receipts.
7. As a condition to the funding of Post West Nine, the Applicant shall provide a \$2,200,000 sponsor loan and a \$1,250,000 cash developer contribution to Post East Four, both of which

shall be funded during the construction period. The sponsor loan shall be repaid over time from the Applicant's portion of Residual Receipts.

8. The Applicant must comply with the affordable housing set-aside for the rental units in Post West Nine as follows: eight (8) of the units will be restricted to households earning up to thirty percent (30%) of the AMI; thirty-two (32) of the units will be restricted to households earning up to fifty percent (50%) of the AMI; twelve (12) units will be restricted to households earning up to sixty percent (60%) of the AMI; and the remaining twenty-eight (28) units will be restricted to households earning up to eighty percent (80%) for 75 years from the date the complex is placed in service with the unit mix as shown in the table in the "Affordable Housing Program" section of the Housing Division staff report.
9. The Applicant agrees that the affordable rents shall be established in accordance with low income housing tax credit rents as published annually by the Virginia Housing Development Authority (VHDA) for the unit size, minus a utility allowance (if applicable) as per the Utility Allowance Schedule annually approved by the U.S. Department of Housing and Urban Development (HUD) for the Arlington County, Virginia Housing Choice Voucher Program or other manner as permitted by applicable federal regulations and approved by the County or, if such LIHTC rents are not published by VHDA, then in accordance with HUD rent limits set for Arlington County.
10. The Applicant shall create a minimum of eight (8) fully accessible Type A units for persons with disabilities, and will fully cooperate with an affirmative marketing program to market these units to households in need of such accommodation.
11. The Applicant will execute an agreement with Arlington County's Department of Human Services to provide a minimum of eight (8) (up to a maximum of sixteen (16)) permanent supportive housing units. The Applicant agrees to designate and provide at least six (6) one-bedroom, one (1) two-bedroom, and one (1) three-bedroom permanent supportive housing units. The units shall be designated at either 50% or 60% of AMI, with at least two-thirds at 50% of AMI. At least one (1) three-bedroom unit will be designated at 50% of AMI. These may or may not be the same units as the fully accessible Type A units referred to in Section 10 above.

ATTACHMENT 2
Revitalization Area Resolution

RESOLUTION OF THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA
DESIGNATING THE AMERICAN LEGION POST 139 SITE A REVITALIZATION AREA
PURSUANT TO VIRGINIA CODE § 36-55.30:2

WHEREAS, pursuant to Section 36-55.30:2 of the Code of Virginia of 1950, as amended, the County Board of Arlington County desires to designate the site of the American Legion Post 139, located at 3445 Washington Boulevard (the "Revitalization Area") and shown on Exhibit A hereto, as a revitalization area;

WHEREAS, the proposed redevelopment of the American Legion Post 139 site is planned to correct and replace dilapidated and deteriorating interior and exterior conditions, including water damage, plumbing, roofing, HVAC, and Americans with Disabilities Act issues, among others, and will bring affordable housing to the area;

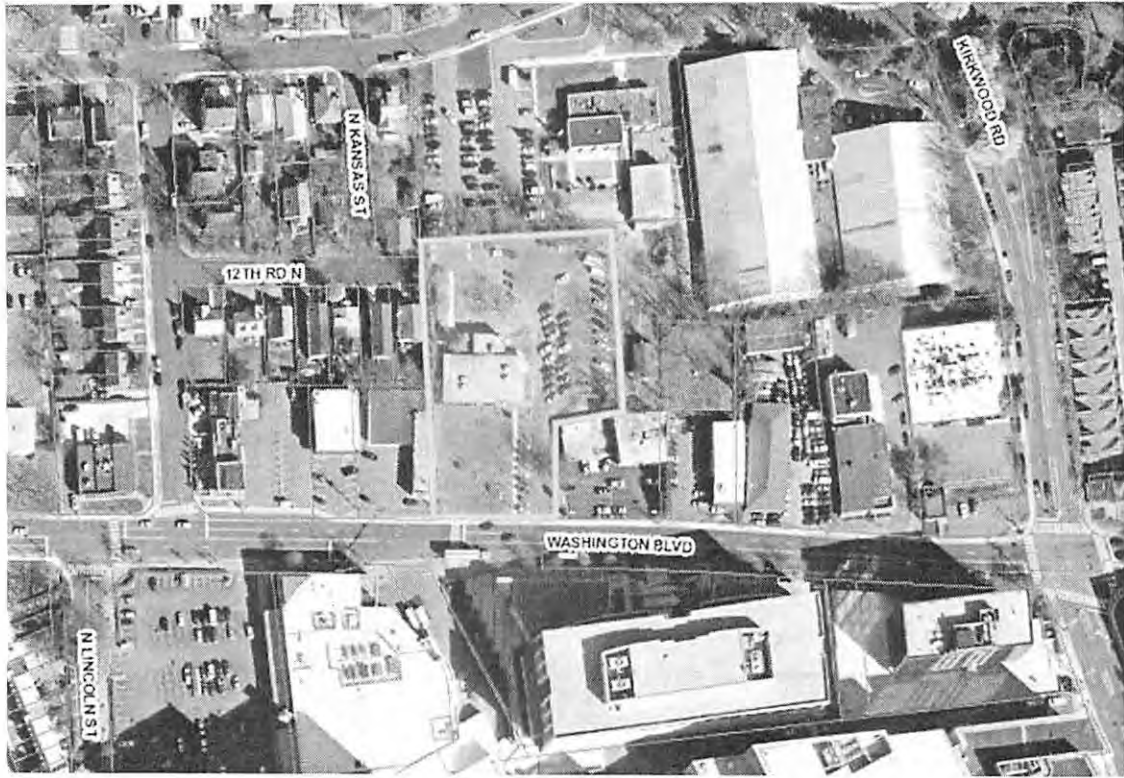
WHEREAS, the affordable housing development proposed in the Revitalization Area will provide a critical source of affordable housing for current and future low and moderate-income residents whose tenancy and local employment is essential to implementing the goals of the County's Affordable Housing Master Plan and to the Revitalization Area's future economic development and sustainability;

NOW, THEREFORE, BE IT HEREBY DETERMINED as follows:

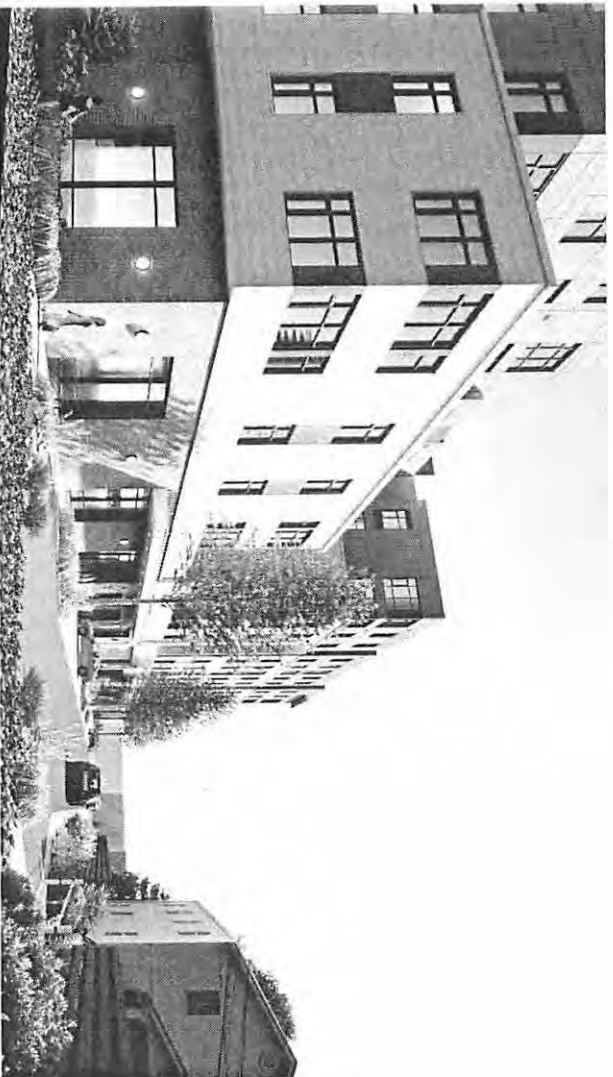
The above referenced development is located in a Revitalization Area, in the County of Arlington, Virginia. The revitalization area meets the requirements of Virginia Code Section 36-55.30:2 in that "(i)(b) the industrial, commercial or other economic development of such area will benefit the city or county, but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area."

EXHIBIT A

Revitalization Area Map



ATTACHMENT 3
Project Renderings





ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of February 23, 2019

SUPPLEMENTAL REPORT

DATE: February 22, 2019

SUBJECT: Allocation of up to \$5,790,000 in Fiscal Year 2019 Affordable Housing Investment Fund loan funds to Arlington Partnership for Affordable Housing for construction of 80 units of affordable housing at American Legion Post 139, 3445 Washington Boulevard; Adoption of Revitalization Area Resolution for the Site per Virginia Code Section 36-55.30:2 for the purpose of a Low Income Housing Tax Credit application

DISCUSSION: This supplemental report is provided (1) to delete language in Section 3 of Attachment 1 Post West Nine Proposed AHIF Loan Terms and Conditions - \$5,790,000 to the staff report dated February 21, 2019 with respect to project contingency funds, and (2) to clarify that Section 11 of the same attachment applies to permanent supportive housing units to be provided in Post West Nine and Post East Four. The proposed revisions of Sections 3 and 11 of Attachment 1 are as follows:

Revised Section 3 of Attachment 1:

3. Within 30 days of receipt of final third-party debt and equity commitments, the Applicant shall submit a final sources and uses table for approval by the County Manager or his designee. ~~If project contingency funds are deemed unnecessary to support the project, staff will seek County Board approval at a later meeting to de-obligate the funds in order to make such funds available for other AHIF projects. The applicant will use its best efforts to contain project costs and to seek additional financing sources such that the contingency funds will be surplus to the project and correspondingly subtracted from the AHIF loan amount.~~

Revised Section 11 of Attachment 1:

11. The Applicant will execute an agreement with Arlington County's ~~Department of Human Services~~ to provide a minimum of eight (8) (up to a maximum of sixteen (16)) permanent supportive housing (PSH) units. The Applicant agrees to designate and provide at least six (6) one-bedroom, one (1) two-bedroom, and one (1) three-bedroom PSH units at Post West Nine and at least one (1) three-bedroom unit at Post East Four. The units shall be designated at either 50% or 60% of AMI, with at least two-thirds at 50% of AMI. ~~At least one (1) three-bedroom unit will be designated at 50% of AMI.~~ These may or may not be the same units as the fully accessible Type A units referred to in Section 10 above.

County Manager:

County Attorney:

25.

Staff: Yoomie L. Ahn – CPHD Housing Division

ARLINGTON POST NO. 139
DEPARTMENT OF VIRGINIA, AMERICAN LEGION
3445 Washington Boulevard
Arlington, Virginia 22201

March 4, 2019

Arlington Partnership for
Affordable Housing, Inc.
4318 N. Carlin Springs Road
Arlington, Virginia 22203
Attn: Nina Janopaul, President

Re: American Legion Site – Term Sheet for Seller Financing (9% Project)

Dear Ms. Janopaul:

Arlington Post No. 139, Department of Virginia, American Legion, a Virginia corporation (the “Seller”) owns certain property located at 3445 Washington Boulevard, Arlington, Virginia 22201 (the “Site”). Arlington Partnership for Affordable Housing, Inc. (“APAH”) entered into a Purchase and Sale Agreement with Seller, dated June 30, 2017, for the purchase of the Site. APAH plans to develop upon the Site two affordable housing projects – one using 4% tax credits and the other using 9% tax credits. Each project will be owned by a separate, newly-formed partnership controlled by APAH. The owner of the 9% project will be Post West Nine Limited Partnership (the “9% Project Owner”).

We are providing you with this commitment letter to describe the terms upon which the Seller will provide the 9% Project Owner with take back financing.

Seller has approved the following loan terms:

1. Loan Amount: \$2,000,000.
2. Loan Term: 38 years, to be co-terminus with VHDA debt.
3. Interest Rate: 3.75%; begins to accrue at closing.
4. Repayment: Principal and interest repaid from project cash flow calculated using the “Residual Receipts” definition from the project’s Arlington County loan documents. Seller to receive 50% of Residual Receipts from the 9% project to be applied to accrued interest and principal.
5. Security: Deed of Trust granting a second priority lien followed by Arlington County in third priority lien. Seller’s lien will be subordinate only to a

construction loan's first priority Deed of Trust. Upon completion of construction and repayment of the construction loan, Seller's lien will be subordinate only to VHDA's permanent financing of approximately \$10,000,000 first priority Deed of Trust, and subject to an intercreditor agreement among the lenders.

6. Additional Financing: Buyer may obtain additional, subordinate financing, including one or more loans from APAH.
7. Prepayment: Permitted at any time without fee.

Please countersign below to acknowledge your agreement to the terms described in this letter. We look forward to working with you on these transactions that will create additional affordable housing units in Arlington County. Thank you.

Sincerely,

Arlington Post No. 139, Department of
Virginia, American Legion

By: Robert Romano
Name: Robert Romano
Title: Post Commander

COUNTERSIGNED:

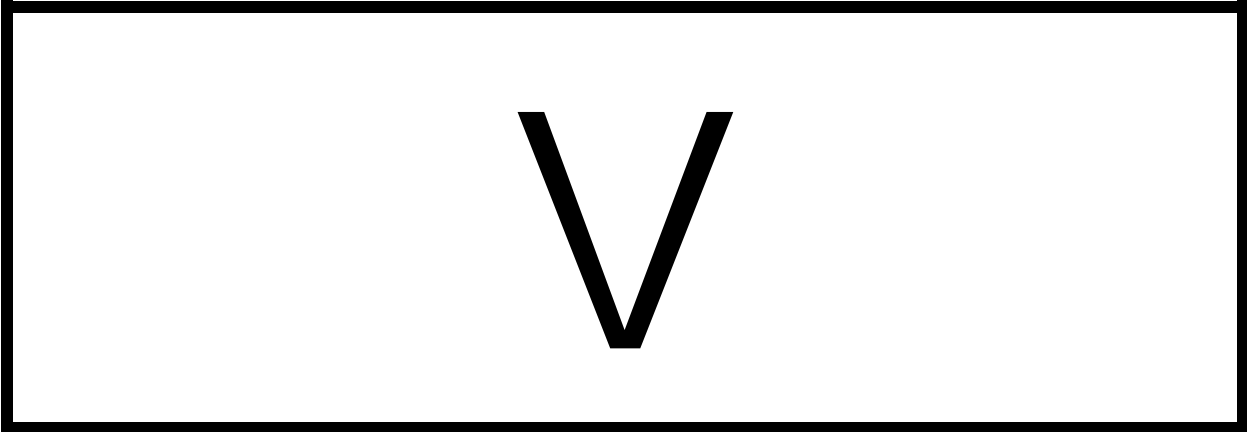
Arlington Partnership for Affordable
Housing, Inc.

By: 
Nina Janopaul, President

U

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

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information behind this tab.



V

Nonprofit or LHA Purchase
Option or Right of First
Refusal

RPC Nos.: _____

RIGHT OF FIRST REFUSAL AGREEMENT (POST WEST NINE)

THIS RIGHT OF FIRST REFUSAL AGREEMENT (this "*Agreement*"), dated and effective as of the 6 day of March, 2019 is made by and between Post West Nine Limited Partnership, a limited partnership formed under the laws of the Commonwealth of Virginia (the "*Partnership*"), and Arlington Partnership for Affordable Housing, Inc., a Virginia nonprofit corporation (the "*Purchaser*").

Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of an eighty (80) unit residential project located in Arlington, VA 22201 (the "*Project*"), to be constructed upon a portion of the land more fully described in Attachment A-1 (the "*Land*"). The Land is currently owned by Arlington Post No. 139, Department of Virginia, American Legion, a Virginia corporation (the "*Seller*"). The Partnership and Post East Four Limited Partnership, a Virginia limited partnership ("*East Owner*"), will purchase the Land as tenants-in-common and immediately, as co-declarants, subject the Land to a land condominium regime (the "*Condominium*"), which will consist of (i) one (1) land condominium unit, as more fully described in Attachment B, consistent with the plans submitted to the Virginia Housing Development Authority by the Partnership in connection with its application for low-income housing tax credits (the "*West Unit*"), (ii) the East Unit (as hereinafter defined) and (iii) the Legion Units (as hereinafter defined). Immediately upon creating the Condominium, the Partnership and East Owner shall transfer fee simple ownership of the East Unit to East Owner and shall transfer fee simple ownership of the West Unit and the Legion Units to the Partnership. The Partnership will construct the Project upon the West Unit. After completion of construction of the Project, the Partnership will transfer fee simple ownership of the Legion Units and the improvements thereon to the Seller.

The Partnership desires to give, grant, bargain, sell, and convey to Purchaser certain rights to purchase the Partnership Property, as defined below, on the terms and subject to the conditions set forth herein.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Defined Terms.** The following defined terms used in this agreement shall have the meanings specified below:

Code: The Internal Revenue Code of 1986, as amended (or any corresponding provision

Record and Return To:

of succeeding law).

Compliance Period: The entire period during which the "compliance period" described in Section 42(i)(1) of the Code shall be applicable to any building in the Project.

East Unit: The East Unit in the Condominium, which unit will be owned by East Owner, consisting of the land more fully described on Attachment C.

Legion Units: Collectively, Legion Unit 1, Legion Unit 2, Legion Unit 3 and Legion Unit 4 of the Condominium, which units will be transferred to the Seller after completion of construction of certain improvements thereon, consisting of the land more fully described on Attachment D.

Person: An individual or entity, such as, but not limited to, a corporation, general partnership, joint venture, limited partnership, limited liability company, trust, cooperative, or association and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so requires.

Project: The aggregate of all of the individual buildings and dwelling units and the common areas located in or around the Partnership Property.

Partnership Property: The Partnership's fee interest in the West Unit and in the improvements comprising a project known as Post West Nine, which will contain 80 residential units in a building located on the West Unit.

State: The Commonwealth of Virginia.

2. **Right of First Refusal.** After the end of the Compliance Period, the Partnership will not sell the Project or any portion thereof to any Person without first offering the Project for a period of forty-five (45) days to Purchaser or its assignee (if it then qualifies as an organization described in Section 42(h)(5)(C) of the Code) (the "**Buyout**"), at a price (the "**Buyout Price**") equal to the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts (other than the principal amount of indebtedness incurred within the 5-year period ending on the date of the Buyout) and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners of any limited partner of the Partnership. All costs of the Buyout, including any filing fees, shall be paid by Purchaser. In the event that Purchaser does not purchase the Partnership Property on the terms set forth above, then the right of first refusal granted herein shall lapse.

The Right of First Refusal granted hereunder is intended to satisfy the requirement of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In accordance therewith, in the event that Section 42(i)(7) of the Code is amended to permit the owner of a qualified low-income housing project to grant an "option" (as opposed to a "right of first refusal") to purchase the project at the Buyout Price without adversely affecting the Limited Partner's status as a partner of the Partnership for federal income tax purposes or limiting tax

credits that otherwise would be available to and allocable to the investor limited partner of the Partnership, then this Agreement shall be automatically amended to provide such option in lieu of the contemplated right of first refusal.

3. **Burden and Benefit.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. No party may assign this Agreement without the consent of the other party.

4. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

5. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

6. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to principles of conflicts of laws.

7. **Binding Agreement.** This Agreement shall be binding on the parties hereto, and their heirs, executors, personal representatives, successors and assigns.

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

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

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

[Signatures begin on the following page]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal Agreement as of the date first above written.

WITNESS/ATTEST:

Post West Nine Limited Partnership

By: Post West Nine Development Corporation, General Partner



By: 

Name: Nina Janopaul
Title: President

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF Arlington, to-wit:

Subscribed, sworn to and acknowledged before me by Nina Janopaul, President of Post West Nine Development Corporation, the General Partner of Post West Nine Limited Partnership, as of this 6 day of March, 2019.

[AFFIX SEAL]



Notary Public


My Commission Expires: June 30, 2020


Notary Registration Number: 7683596

Kyle R McCandless
NOTARY PUBLIC
REG. #7683596
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES JUNE 30, 2020

WITNESS/ATTEST:

Arlington Partnership for Affordable Housing, Inc.,
Purchaser



By: 

Name: Nina Janopaul
Title: President

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF ARLINGTON, to-wit:

Subscribed, sworn to and acknowledged before me by Nina Janopaul, President of
Arlington Partnership for Affordable Housing, Inc., as of this 6 day of
MARCH, 2019.

[AFFIX SEAL]



Notary Public

My Commission Expires: JUNE 30, 2020

Notary Registration Number: 7683596

Kyle R McCandless
NOTARY PUBLIC
REG. #7683596
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES JUNE 30, 2020

[Signature Pages – Right of First Refusal (Post West Nine)]

Exhibit "A-1"
As-Surveyed Legal Description by Walter L. Phillips
ALTA/NSPS land Title Survey – Arlington Post No. 139 – Department of Virginia
The American Legion

All that certain lot, piece or parcel of land situate, lying and being in the County of Arlington, Virginia and more particularly described as follows:

Beginning at a point in the north right-of-way line of Washington Boulevard, said point being N 03° 08' 07" W, 2.13 feet from the southeast corner of now-or-formerly 1404 N Hancock St Investment L.L.C.; thence with 1404 N Hancock St Investment L.L.C. and continuing with: Durham's Addition to Clarendon, Lot 19; the terminus of 12th Rd. North as recorded in Deed Book 280 at Page 486; and Durham's Addition to Clarendon, Lot 10, N 03° 08' 07" W, 302.72 feet to an iron pipe, said point being the southwest corner of now-or-formerly Young Men's Christian Association of the City of Washington; thence with Young Men's Christian Association of the City of Washington, thence N 87° 36' 53" E, 216.06 feet to a point; thence S 03° 08' 07" E, 200.70 feet to a point in the north line of now-or-formerly The Pham and Nguyen Family Trust; thence with The Pham and Nguyen Family Trust, S 79° 24' 53" W, 12.90 feet to a point; thence S 85° 49' 53" W, 62.55 feet to a point; thence 40.02 feet with the arc of a curve bearing to the right and having a radius of 370.30 feet (tangent length 20.03 feet, chord length 40.00 feet, chord bearing S 02° 36' 07" E) to a point; thence S 00° 29' 53" W, 65.17 feet to a point in the north right-of-way line of Washington Street; thence with the north right-of-way line of Washington Street, N 89° 30' 07" W, 136.48 feet to the point of beginning and containing an area of 58,250 square feet, or 1.3372 acres, more or less.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No. 15-086-011

(End of Exhibit "A-1")

ATTACHMENT B

West Unit

[Legal Descriptions of West Unit to be Attached When Available at Project Closing]

ATTACHMENT C

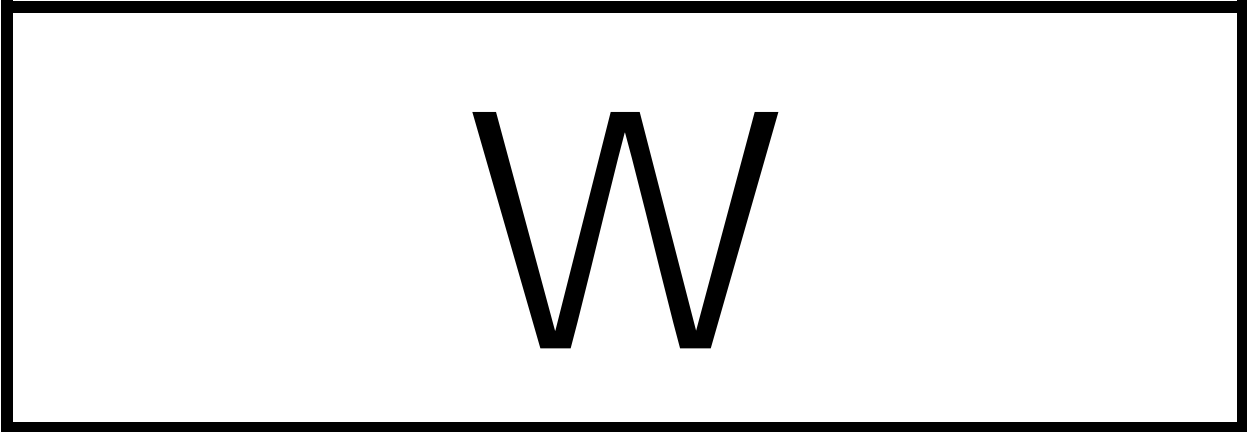
East Unit

[Legal Description for the East Unit to be Attached When Available at Project Closing]

ATTACHMENT D

Legion Units

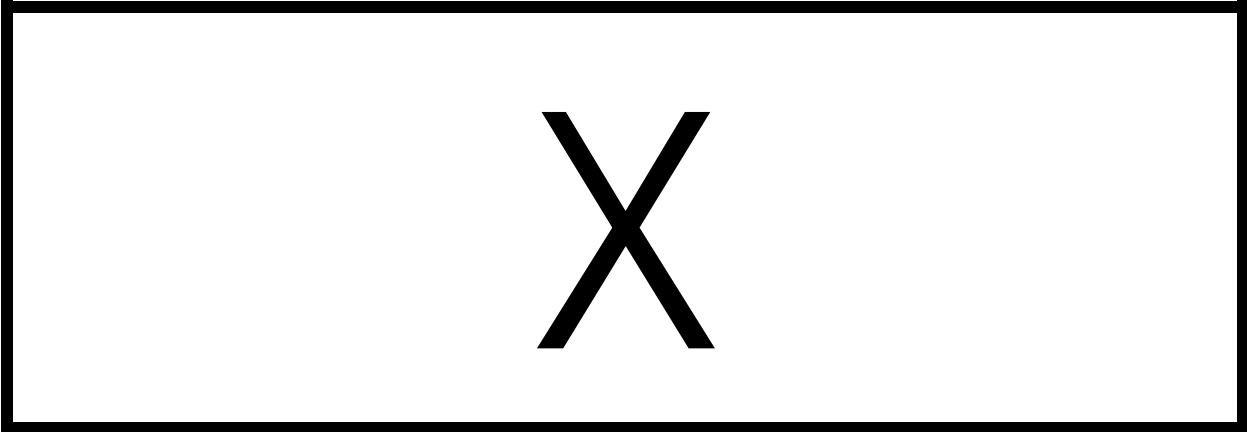
[Legal Description for the Legion Units to be Attached When Available at Project Closing]



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(Reserved)

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Marketing Plan

For units meeting accessibility requirements of HUD section

504

Post West Nine

Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act

This Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act (the "Marketing Plan") has been designed to convey to current and potential residents with disabilities that the Post West Nine apartments (the "Property") will be a new rental housing experience, with a commitment to excellent management and resident service, as well as an expectation of resident responsibility. Therefore, the majority of this plan will address ways in which property management will endeavor to secure qualified tenants, ensure quality tenancy, and provide effective management and maintenance of the Property.

Post West Nine Development Corporation, the General Partner ("General Partner") of Post West Nine Limited Partnership ("Property Owner"), will engage a VHDA-approved and qualified property management firm (the "Property Manager") to manage the operations of Post West Nine. The Property Manager will be responsible for all traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, the Property will be home to a variety of community and resident services programs.

L. Affirmative Marketing

The Property Manager is pledged to the letter and the spirit of the U.S. policy of the achievement of equal housing opportunity throughout the United States of America and will actively promote fair housing in the development and marketing of this project. The Property Manager, its Officers, Directors and employees will not discriminate on the basis of race, creed, color, sex, religion, familial status, elderliness, disability or sexual orientation in its programs or housing. They will also comply with all provisions of the Fair Housing Act (42 U.S.C 3601, et. Seq.).

When a Section 504 unit becomes vacant, the Property Manager will work to fill the unit with a qualified household. Marketing will include outreach to partner organizations and advertisement in standard marketing vehicles (e.g. Craigslist). Any unit which is designated as a unit for people with disabilities and that conforms to Section 504 of the Rehabilitation Act will be held vacant for sixty (60) days. The Property Manager will document its marketing efforts to find households with qualified disabilities during this time period. If a qualified tenant is not found, the marketing evidence will be submitted to VHDA's Program Compliance Officer and the Property Manager will request approval to rent the unit to any income-qualified household. If the request is approved, the lease will contain a provision stating that the household must agree to move to a vacant unit at the same property if a household including a person with a disability applies for the unit, and that the move will be paid for by the Property Owner.

Leasing Preference for Target Populations Identified in MOU between the Authority and the Commonwealth

Subject to appropriate federal approval, first preference on the waiting list for the eight (8) accessible units and the project-based rental subsidies will be given to target populations, as determined by the Virginia Department of Medical Assistance Services

(DMAS) or the Virginia Department of Behavioral Health and Developmental Services (DBHDS).

- Unless prohibited by an applicable federal subsidy program, a “first preference” will be given for person in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.
- The Property Manager will obtain tenant referrals from the Virginia Department of Medical Assistance Services (DMAS), Virginia Department of Behavioral Health and Developmental Services (DBHDS), or any other agency approved by the Authority.
- The Property Manager will retain a Tenant Verification Letter and Acknowledgement and Settlement Agreement of Target Population Status.
- Target population units will be confirmed by VHDA.
- Elizabeth Seward, Director, Statewide Housing Initiatives, (804) 343-5615, elizabeth.seward@vhda.com

II. Marketing and Outreach

Locating people with disabilities to occupy the units which conform to the requirements of Section 504 of the Rehabilitation Act will be accomplished as follows:

1. Networking

The Property Manager will contact local centers for independent living, disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

Aging and Disability Services
Arlington County Department of Human Services
2100 Washington Blvd., 4th Floor
Arlington, VA 22204
(703) 228-1700

Arlington County Behavioral Health Care Division
703-228-5150
<https://health.arlingtonva.us/behavioral-healthcare/>

Office of County Manager, Office of Human Rights
2100 Clarendon Blvd., Suite 318
Arlington County, VA 22201
(703) 228-3929

Community Residences
14160 Newbrook Dr.
Chantilly, VA 20151
(703) 842-2300

ENDependence Center of Northern Virginia

2300 Clarendon Blvd., Suite 250
Courthouse Plaza II
Arlington, VA 22201
www.ecnv.org
(703) 525-3268

Pathway Homes
10201 Fairfax Blvd. #200
Fairfax, VA 22030-2209
(703) 876-0390

PRS, Inc.
10455 White Granite Drive, Suite 400
Oakton, VA 22124
(703) 536-9000

Available Committed Affordable Apartments monthly list:
Arlington County CPHD
<https://housing.arlingtonva.us/get-help/rental-services/affordable-units/>

Go Section 8: Free Listing Service www.gosection8.com

www.accessva.org
Online housing registry for accessible affordable apartments

Virginia Department of Medical Assistance Services
600 East Broad Street
Richmond, VA 23219
(804) 786-7933

Virginia Department of Behavioral Health and Developmental Services
1220 Bank Street
Richmond, VA 23219
(804) 786-3921

Disability Resource Center
(703) 228-1700

Virginia Board for People with Disabilities
www.vaboard.org
804-786-0016

Virginia Department for Aging and Rehabilitative Services
5904 Old Richmond Highway Suite 410
Alexandria, VA 22303
(703) 960-3411

2. Internet Search

The Post West Nine apartments will also be listed on the following websites:

www.virginiahousingsearch.com
www.accessva.org
www.dbhds.virginia.gov
www.craigslist.org

3. Resident Referrals

Resident referrals are an additional source of marketing, by word-of-mouth. To advance the goals and objectives of this Marketing Plan, the Property Manager may choose to implement short-term referral incentives from time to time.

4. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All advertising materials related to the project will contain the Equal Housing Opportunity logo, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include, by way of example:

- **Brochures** – A simple brochure can be produced at low cost which will effectively sell the apartments and community. This brochure will include a listing of features and amenities.
- **Flyers** – A flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics and a property description to generate traffic. From time to time as necessary, flyers should include a special offer with a deadline (e.g. "Bring this flyer with you when you visit this weekend and pay no application fee!").

III. Public and Community Relations

The Property Manager will promote Equal Housing Opportunity by ensuring that all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office.

The General Partner participates in a public and community relations program that boosts the relationship between the Property Owner and the Property Manager, and local disability organizations, neighborhood civic organizations, social service programs, and other sources of potential qualified residents still to be identified.

IV. Tenant Selection and Orientation

The first contact with operations is paramount for attracting qualified residents; therefore, the management/leasing offices should convey a sense of professionalism,

efficiency, and cleanliness. The management/leasing office will be designed to provide a professional leasing atmosphere, with space set aside for resident interviews and application assistance.

The rental office will generally be open Monday through Friday from 10:00am to 6:00pm. After hours inquiries will be received by the answering services which will take messages and forward them to the Management Office to handle on the next business day.

Applicants will meet with the Property Manager or designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

Tenant Selection Criteria

Tenant Selection will include maximum income limits under the Low-Income Housing Tax Credit program. Selection criteria will also include student status guidelines pursuant to the Low-Income Housing Tax Credit program.

Management will commit that no annual minimum income requirement that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by tenants receiving rental assistance.

In line with conversations with VHDA and in accordance to federal provisions, APAH will explore a veterans preference for Post West Nine. This preference policy will be coordinated to ensure compliance with and be subordinate to VHDA's target populations and 504 priority requirements.

Selection and Qualification Criteria

A third-party credit scoring provider is used to review applicants by means of a credit scoring model to determine an applicant's ability to meet his/her rental obligations. Credit scoring utilizes a statistical model for comparing information on bill paying history, the number and type of credit accounts, late payments, outstanding debt, rental history and the age of accounts, to the performance of consumers with similar profiles. The scoring system awards points for each factor that helps predict applicant creditworthiness and the likelihood of the applicant to make payments when due. The scoring provider makes a recommendation of accept or decline based on the results.

As part of the credit approval process, each applicant is required to provide income information on the Rental Application. This information is verified via direct written contact by the leasing staff with the employer/source of income and/or written verification such as paystubs, tax returns, etc. If there is more than one applicant, the same credit approval process is performed.

Residents will also have additional qualification criteria as specifically addressed in the Affordable Housing Program.

Criminal Background Check

The Property Manager performs criminal background checks as part of the approval process for prospective residents. The criminal background check is subject to state and local landlord-tenant laws. The requirement is that a criminal background check be done on

all adult occupants, as a condition of the application and as a condition of the lease agreement. Felony convictions for violent crimes against people or property, drug-related activities, weapons related activities, larceny or sex-related crimes render an individual ineligible for occupancy.

A third-party contractor is utilized to perform these background checks, which includes a review of all available criminal records, local sex offender lists, the FBI Most Wanted List and the Office of Foreign Asset Control (OFAC) list.

As a condition of their lease agreement, residents are required to acknowledge that the landlord has the right to terminate a lease or evict a resident in the event that, after the lease has commenced, there is any subsequent discovery of a crime that would have rendered the resident ineligible for occupancy at move-in. The criminal background check policy that is implemented is subject to modification based on the Property Manager's experience with this requirement at the property.

Occupancy Standards

Both maximum and minimum per-unit occupancy standards will be established and maintained.

V. Turnover of Section 504 units

Any unit which is designated as a unit for people with disabilities and that conforms to Section 504 of the Rehabilitation Act will be held vacant for 60 days, during which marketing efforts must be documented. However, if marketing to the target population is deemed to be conducted satisfactorily on an ongoing basis throughout the year and the Manager can provide sufficient documentation to VHDA's Compliance Officer, the Manager may request the ability to lease 60-point Units, to a household not in the Target Population without the unit remaining vacant for the 60-day timeframe. "Ongoing basis" means contact to at least two (2) resources at least monthly in the manner noted below at any time the required number of units is not actually occupied by the Target Population.

Each time a vacancy occurs in a 60-point Unit, if a qualified household including a person in the Target Population is not located in the 60-day timeframe, the Property Owner or Manager may submit the evidence of marketing to VHDA's Compliance Officer and request approval to rent the unit to an income-qualified household not a part of the Target Population. If the request is approved, the lease must contain a provision that the household must move to a vacant unit of comparable size in the development if a household in the Target Population applies for the unit. The move will be paid for by the Property Owner.

If no vacant unit of comparable size is available at that time, the Target Population prospective tenant should be placed on the development's waiting list and placed in the 60-point Unit, when the first available vacant comparably sized unit becomes available to move the non-Targeted Population tenant.

NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.