
2020 Federal Low Income Housing Tax Credit Program

Application For Reservation

Deadline for Submission

9% Competitive Credits

Applications Must Be Received At VHDA No Later Than **12:00 PM**
Richmond, VA Time On **March 12, 2020**

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 2020 LIHTC APPLICATION FOR RESERVATION

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

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

Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **12:00 PM** Richmond Virginia time on **March 12, 2020**. 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 only accepts files via our work center sites on Procorem. Contact TaxCreditApps@vhda.com for access to Procorem or for the creation of a new deal workcenter. Do not submit any application materials to any email address unless specifically requested by the 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
Sheila Stone	sheila.stone@vhda.com	(804) 343-5582
Stephanie Flanders	stephanie.flanders@vhda.com	(804) 343-5939
Phil Cunningham	phillip.cunningham@vhda.com	(804) 343-5514
Pamela Freeth	pamela.freeth@vhda.com	(804) 343-5563
Aniyah Moaney	Aniyah.moaney@vhda.com	(804) 343-5518

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2020 Low-Income Housing Tax Credit Application For Reservation

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

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

2020 Low-Income Housing Tax Credit Application For Reservation

VHDA TRACKING NUMBER

2020-TEB-115

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 10/27/2020

1. Development Name: Place One Apartments

2. Address (line 1): 4222 Almora Avenue
 Address (line 2): _____
 City: Henrico State: VA Zip: 23228

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: 37.62001 Latitude: -77.50822
 (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 ▶ Henrico 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: 2004.10

7. Development is located in a **Qualified Census Tract**..... TRUE

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

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

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

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

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

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

Enter only Numeric Values below:

13. Congressional District: 7
- Planning District: 15
- State Senate District: 12
- State House District: 73

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

The property is an existing 114-unit Section 8/LIHTC multi-family garden property. It is located at 4222 Almora Avenue in Henrico, VA. The property consists of nine three-story apartment buildings that were constructed in 1980 and renovated in 2005 with Low Income Housing Tax Credits (LIHTCs) and are situated on an 8.33-acre site. All of the 114 units benefit from a Section 8 contract with tenants contributing 30% of their income towards rent.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 10/27/2020

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: _____
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: _____

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. **Requesting Credits From:**

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

or

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

For Tax Exempt Bonds, where are bonds being issued?

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

Skip to Number 4 below.

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

Definitions of types:

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

b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2019, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2019 credits pursuant to Section 42(h)(1)(E).

3. **Select Building Allocation type:**

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

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

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

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

Name of companion development:

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

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

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

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

6. **Extended Use Restriction**

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

Must Select One:

Definition of selection:

Development will be subject to an extended use agreement of 35 additional years after the 15-year compliance period for a total of 50 years.

C. OWNERSHIP INFORMATION

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

1. Owner Information:

Must be an individual or legally formed entity.

Owner Name: Place One Preservation Limited Partnership

Developer Name: Preservation Partners Development III, LP

Contact: M/M ▶ Mr. First: Charles MI: Last: Treach

Address: 21515 Hawthorne Blvd., Suite 150

City: Torrance St. ▶ CA Zip: 90503

Phone: (310) 802-6681 Ext. Fax:

Email address: chuck@preservationpartners.org

Federal I.D. No. 85-1537841 (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.

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

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

<u>Names **</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
<u>Cornucopia Development LLC</u>	<u></u>	<u>Member</u>	<u>40.000%</u>
<u>Charles Treatch</u>	<u></u>	<u>Co- Manager</u>	<u>20.000%</u>
<u>Nicholas Tufano</u>	<u></u>	<u>Co- Manager</u>	<u>15.000%</u>
<u>Preservation Partners Development III, LLC</u>	<u></u>	<u>Member</u>	<u>25.000%</u>
<u>William Szymczak</u>	<u></u>	<u>Co-Manager</u>	<u>0.000%</u>
<u></u>	<u></u>	<u></u>	<u>0.000%</u>
<u></u>	<u></u>	<u></u>	<u>0.000%</u>

needs

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. FALSE

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). TRUE

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):

Select Type: Purchase Contract
Expiration Date: 4/5/2021

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.

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

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

- a. FALSE Owner already controls site by either deed or long-term lease.
- b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 3/5/2021 .
- 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: SP Place One LP

Address: 5403 West Gray Street

City: Tampa St.: FL Zip: 33609

Contact Person: Roberta Ujakovich Phone: (813) 288-6988

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.)

Names	Phone	Type Ownership	% Ownership
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

2020 Low-Income Housing Tax Credit Application For Reservation

E. DEVELOPMENT TEAM INFORMATION

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

- | | | | |
|--------------------------|---|---------------------------|-----------------------|
| 1. Tax Attorney: | <u>Warren P. Wenzloff</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Applegate & Thorne-Thomsen</u> | | |
| Address: | <u>425 S. Financial Place, Suite 1900, Chicago, IL 60605</u> | | |
| Email: | <u>wwenzloff@att-law.com</u> | Phone: | <u>(312) 491-3321</u> |
| 2. Tax Accountant: | <u>Rob Doyle</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Dauby O'Connor & Zaleski, LLC</u> | | |
| Address: | <u>501 Congressional Blvd., Carmel, IN 46032</u> | | |
| Email: | <u>rdoyle@doz.net</u> | Phone: | <u>(317) 819-6228</u> |
| 3. Consultant: | <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 Ct. Midlothian, VA 23113</u> | | |
| Email: | <u>Rynejohnson@AstoriaLLC.com</u> | Phone: | <u>(804) 320-0585</u> |
| 4. Management Entity: | <u>Sheyla Batres</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Preservation Partners Management Group, Inc.</u> | | |
| Address: | <u>21515 Hawthorne Blvd., Suite 150, Torrance, CA 90503</u> | | |
| Email: | <u>sheyla@ppmginc.com</u> | Phone: | <u>(310) 802-6630</u> |
| 5. Contractor: | <u>Louis Ruscilli</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Ruscilli Construction Co.</u> | | |
| Address: | <u>5000 Arlington Centre Blvd., Suite 300, Columbus, OH 43220</u> | | |
| Email: | <u>lruscilli@ruscilli.com</u> | Phone: | <u>(614) 876-9484</u> |
| 6. Architect: | <u>Mark Olson</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Bialosky Cleveland</u> | | |
| Address: | <u>6555 Carnegie Avenue, Suite 200, Cleveland, OH 44103</u> | | |
| Email: | <u>olson@bialosky.com</u> | Phone: | <u>(216) 752-8750</u> |
| 7. Real Estate Attorney: | <u>Warren P. Wenzloff</u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u>Applegate & Thorne-Thomsen</u> | | |
| Address: | <u>425 S. Financial Place, Suite 1900, Chicago, IL 60605</u> | | |
| Email: | <u>wwenzloff@att-law.com</u> | Phone: | <u>(312) 491-3321</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></u> | This is a Related Entity. | <u>FALSE</u> |
| Firm Name: | <u></u> | Role: | <u></u> |
| Address: | <u></u> | | |
| Email: | <u></u> | Phone: | <u></u> |

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... TRUE
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..... TRUE
Action: (If True, provide required form in TAB Q)

Note: If there is an identity of interest between the applicant and the seller in this proposal, and the applicant is seeking points in this category, then the applicant must either waive their rights to the developer's fee or other fees associated with acquisition, or obtain a waiver of this requirement from 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)..... TRUE
- d. There are different circumstances for different buildings..... FALSE
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

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

4. Request For Exception

- a. The proposed new construction development (including adaptive reuse and rehabilitation that creates additional rental space) is subject to an assessment of up to minus 20 points for being located in a pool identified by the Authority as a pool with little or no increase in rent burdened population..... FALSE

- b. Applicant seeks an exception to this restriction in accordance with one of the following provisions under 13VAC10-180-60:
 - i. Proposed development is specialized housing designed to meet special needs that cannot readily be addressed utilizing existing residential structures..... FALSE
 - ii. Proposed development is designed to serve as a replacement for housing being demolished through redevelopment..... FALSE
 - iii. Proposed development is housing that is an integral part of a neighborhood revitalization project sponsored by a local housing authority..... FALSE

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: [Redacted]

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

Contact Person: [Redacted]

Street Address: [Redacted]

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

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

G. NONPROFIT INVOLVEMENT

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

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

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

A. FALSE

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

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

Name of qualified nonprofit:

or indicate true if Local Housing Authority

FALSE

Name of Local Housing Authority

2. FALSE

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

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

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

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	114	bedrooms	206
Total number of rental units in development	114	bedrooms	206
Number of low-income rental units	114	bedrooms	206
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	114	bedrooms	206
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.....		96,012.00	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....		0.00	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....		0.00	
g. Total Usable Residential Heated Area.....		96,012.00	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space		0.00%	
i. Exact area of site in acres	8.330		
j. Locality has approved a final site plan or plan of development.....		TRUE	
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....		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	532.00	SF	40	40
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	962.00	SF	56	56
2+ Story 3BR Townhouse	1159.00	SF	18	18
2+ Story 4BR Townhouse	0.00	SF	0	0
			114	114

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)..... 9
- b. Age of Structure:..... 40 years
- c. Number of stories:..... 3
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use:
- f. Development consists primarily of : **(Only One Option Below Can Be True)**
 - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
 - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
 - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

H. STRUCTURE AND UNITS INFORMATION

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

i. Row House/Townhouse	<u>TRUE</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). FALSE
 If true, # of Elevators. 0
 Elevator Type (if known) _____

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: None

m. Number of Proposed Parking Spaces..... 0
 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. FALSE
 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 structureNotes must indicate basic materials in structure, floor and exterior finish.
- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
 - i. Phase I environmental assessment.
 - ii. Physical needs assessment for any rehab only development.

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

6. Market Study Data:

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

Project Wide Capture Rate - LIHTC Units	4.30%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	4.30%
Project Wide Absorption Period (Months)	4-5 Months

J. ENHANCEMENTS

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

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

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

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

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

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

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

- FALSE a. A community/meeting room with a minimum of 749 square feet is provided.
- 0.00% 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.
- FALSE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- TRUE d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- FALSE e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- FALSE 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
- FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- FALSE o. All interior doors within units are solid core.
- FALSE p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- FALSE r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear

J. ENHANCEMENTS

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

2. Green Certification

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

The applicant will also obtain one of the following:

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

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

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


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

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

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

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

If not, please explain: _____

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

I. UTILITIES

1. Utilities Types:

- a. Heating Type Electric Baseboard
- b. Cooking Type Electric
- c. AC Type _____
- d. Hot Water Type Electric

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	15	25	30	0
Air Conditioning	0	0	0	0	0
Cooking	0	10	20	25	0
Lighting	0	20	25	20	0
Hot Water	0	10	20	30	0
Water	0	10	14	19	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$65	\$104	\$124	\$0

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

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

Warning: The 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 requirements of section 504 of the Rehabilitation Act.



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

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..... TRUE
(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 and Unit Delivery Schedule (**Mandatory if tenants are displaced - Tab J**)

3. Leasing Preferences

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

Organization which holds waiting list:

Contact person:

Title:

Phone Number

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

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

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

K. SPECIAL HOUSING NEEDS

4. Rental Assistance

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

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

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

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 8 Certificates

TRUE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers

FALSE State Assistance

FALSE Other: _____

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

FALSE

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

15

d. Number of units receiving assistance:

114

How many years in rental assistance contract?

20.00

Expiration date of contract:

4/1/2041

There is an Option to Renew.....

TRUE

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

L. UNIT DETAILS

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

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

a. Units Provided Per Household Type:


Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
0	0.00%	40% Area Median	0%
58	50.88%	50% Area Median	2900%
56	49.12%	60% Area Median	3360%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	
114	100.00%	Total	54.91%

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
12	10.53%	40% Area Median	480%
46	40.35%	50% Area Median	2300%
56	49.12%	60% Area Median	3360%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	
114	100.00%	Total	53.86%

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

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

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


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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	40% AMI	12	6	527.00	\$1,060.00	\$12,720
Mix 2	1 BR - 1 Bath	60% AMI	28	6	527.00	\$1,060.00	\$29,680
Mix 3	2 BR - 1 Bath	50% AMI	40	0	952.00	\$1,335.00	\$53,400
Mix 4	2 BR - 1 Bath	60% AMI	16	0	952.00	\$1,335.00	\$21,360
Mix 5	3 BR - 2 Bath	50% AMI	6	0	1147.00	\$1,600.00	\$9,600
Mix 6	3 BR - 2 Bath	60% AMI	12	0	1147.00	\$1,600.00	\$19,200
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0

L. UNIT DETAILS

Mix 15										\$0
Mix 16										\$0
Mix 17										\$0
Mix 18										\$0
Mix 19										\$0
Mix 20										\$0
Mix 21										\$0
Mix 22										\$0
Mix 23										\$0
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Mix 67										\$0
Mix 68										\$0

L. UNIT DETAILS

Mix 69									\$0
Mix 70									\$0
Mix 71									\$0
Mix 72									\$0
Mix 73									\$0
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Mix 75									\$0
Mix 76									\$0
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Mix 90									\$0
Mix 91									\$0
Mix 92									\$0
Mix 93									\$0
Mix 94									\$0
Mix 95									\$0
Mix 96									\$0
Mix 97									\$0
Mix 98									\$0
Mix 99									\$0
Mix 100									\$0
TOTALS			114	12					\$145,960

Total	114	Net Rentable SF:	TC Units	95,038.00
Units			MKT Units	0.00
			Total NR SF:	95,038.00

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

2020 Low-Income Housing Tax Credit Application For Reservation

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$100
2. Office Salaries			\$0
3. Office Supplies			\$2,000
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$58,239
	<u>3.50%</u> of EGI	<u>\$510.87</u> Per Unit	
6. Manager Salaries			\$50,000
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$1,500
9. Auditing			\$9,200
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$0
12. Tax Credit Monitoring Fee			\$0
13. Miscellaneous Administrative			\$31,270
Total Administrative			\$152,309

Utilities

14. Fuel Oil			\$0
15. Electricity			\$11,182
16. Water			\$27,814
17. Gas			\$0
18. Sewer			\$29,439
Total Utility			\$68,435

Operating:

19. Janitor/Cleaning Payroll			\$85,000
20. Janitor/Cleaning Supplies			\$1,000
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$6,000
23. Trash Removal			\$10,000
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$100
27. Grounds Contract			\$19,000
28. Maintenance/Repairs Payroll			\$0
29. Repairs/Material			\$4,500
30. Repairs Contract			\$15,000
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$0
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$50,000
Totals Operating & Maintenance			\$190,600

2020 Low-Income Housing Tax Credit Application For Reservation

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$68,000
39. Payroll Taxes	\$8,075
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$70,000
42. Fidelity Bond	\$0
43. Workman's Compensation	\$3,500
44. Health Insurance & Employee Benefits	\$25,500
45. Other Insurance	\$3,990
Total Taxes & Insurance	\$179,065

Total Operating Expense **\$590,409**

Total Operating Expenses Per Unit \$5,179 **C. Total Operating Expenses as % of EGI** 35.48%

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum) **\$57,000**

Total Expenses	\$647,409
-----------------------	------------------

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

2020 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	7/23/2020	Asia Williams
b. Site Acquisition	4/1/2021	Asia Williams
c. Zoning Approval	N/A	
d. Site Plan Approval	N/A	
2. Financing		
a. Construction Loan		
i. Loan Application	7/23/2020	Asia Williams
ii. Conditional Commitment	10/9/2020	Asia Williams
iii. Firm Commitment	1/29/2021	Asia Williams
b. Permanent Loan - First Lien		
i. Loan Application	7/23/2020	Asia Williams
ii. Conditional Commitment	10/9/2020	Asia Williams
iii. Firm Commitment	1/29/2021	Asia Williams
c. Permanent Loan-Second Lien		
i. Loan Application	N/A	
ii. Conditional Commitment	N/A	
iii. Firm Commitment	N/A	
d. Other Loans & Grants		
i. Type & Source, List	N/A	
ii. Application	N/A	
iii. Award/Commitment	N/A	
2. Formation of Owner	7/1/2020	Asia Williams
3. IRS Approval of Nonprofit Status	N/A	
4. Closing and Transfer of Property to Owner	4/1/2021	Asia Williams
5. Plans and Specifications, Working Drawings	12/15/2020	Asia Williams
6. Building Permit Issued by Local Government	3/1/2021	Asia Williams
7. Start Construction	5/1/2021	Asia Williams
8. Begin Lease-up	4/1/2021	Asia Williams
9. Complete Construction	3/31/2022	Asia Williams
10. Complete Lease-Up	10/31/2022	Asia Williams
11. Credit Placed in Service Date	10/31/2022	Asia Williams

2020 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)	0	0	0	0
b. Unit Structures (Rehab)	6,095,808	0	6,095,808	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
Total Structure	6,095,808	0	6,095,808	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	0	0	0	0
i. Site Improvements	0	0	0	0
j. Lawns & Planting	0	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	0	0	0	0
o. Site Work	0	0	0	0
p. Other Site work	0	0	0	0
Total Land Improvements	0	0	0	0
Total Structure and Land	6,095,808	0	6,095,808	0
q. General Requirements	328,320	0	328,320	0
r. Builder's Overhead (1.8% Contract)	109,440	0	109,440	0
s. Builder's Profit (5.4% Contract)	328,320	0	328,320	0
t. Bonds	62,381	0	62,381	0
u. Building Permits	150,000	0	150,000	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: Contractor's Liability	62,381	0	62,381	0
y. Other 2:	0	0	0	0
z. Other 3:	0	0	0	0
Contractor Costs	\$7,136,650	\$0	\$7,136,650	\$0

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	0	0	0	0
b. Architecture/Engineering Design Fee \$1,316 /Unit)	150,000	0	150,000	0
c. Architecture Supervision Fee \$439 /Unit)	50,000	0	50,000	0
d. Tap Fees	0	0	0	0
e. Environmental	30,000	0	30,000	0
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	6,500	0	6,500	0
i. Market Study	10,000	0	10,000	0
j. Site Engineering / Survey	10,000	0	10,000	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	385,380	0	231,228	0
n. Construction Interest (0.0% for 0 months)	955,025	0	487,265	0
o. Taxes During Construction	0	0	0	0
p. Insurance During Construction	70,000	0	70,000	0
q. Permanent Loan Fee (0.0%)	115,450	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	0	0	0	0
v. Title and Recording	35,000	0	35,000	0
w. Legal Fees for Closing	255,000	0	204,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	63,116			
z. Tenant Relocation	497,020	0	497,020	0
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	767,035	0	0	0
ad. Contingency	0	0	0	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: Lender 3rd Party Fees	50,000	0	30,000	0
(2) Other* specify: Other 3rd Party Fees	56,500	0	31,500	0
(3) Other* specify:	0	0	0	0
(4) Other* specify:	0	0	0	0
(5) Other * specify:	0	0	0	0
(6) Other* specify:	0	0	0	0
(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$3,506,026	\$0	\$1,842,513	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)	\$10,642,676	\$0	\$8,979,163	\$0
3. Developer's Fees Action: Provide Developer Fee Agreement (Tab A)	2,525,555	1,438,000	1,087,555	0
4. Owner's Acquisition Costs				
Land	1,370,000			
Existing Improvements	14,380,000	14,380,000		
Subtotal 4:	\$15,750,000	\$14,380,000		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$28,918,231	\$15,818,000	\$10,066,718	\$0

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$2,541,414

Proposed Development's Cost per Sq Foot

\$137 **Meets Limits**

Applicable Cost Limit by Square Foot:

\$164

2020 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):		
		(B) Acquisition	"30 % Present Value Credit"	(D) "70 % Present Value Credit"
			(C) Rehab/ New Construction	
1. Total Development Costs	28,918,231	15,818,000	10,066,718	0

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)

15,818,000	10,066,718	0
------------	------------	---

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>	3,020,015	0
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

13,086,733	0
------------	---

5. Applicable Fraction

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

6. Total Qualified Basis

(Eligible Basis x Applicable Fraction)

15,818,000	13,086,733	0
------------	------------	---

7. Applicable Percentage

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

3.07%	3.07%	3.07%
-------	-------	-------

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)

\$485,613	\$401,763	\$0
-----------	-----------	-----

\$887,376
Combined 30% & 70% P. V. Credit

2020 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. Suffolk Housing Authority			\$17,000,000	
2. ORIX			\$2,505,000	
3.				
Total Construction Funding:			\$19,505,000	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds <i>(Whole Numbers only)</i>	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. ORIX			\$19,505,000	\$871,970	3.25%	40.00	40.00
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$19,505,000	\$871,970			

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

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

Q. SOURCES OF FUNDS

4. Subsidized Funding

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

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$17,000,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$0
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

a.	Taxable Bonds	\$0
b.	Section 220	\$0
c.	Section 221(d)(3)	\$0
d.	Section 221(d)(4)	\$19,505,000
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: **62.37%**

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**

2020 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	\$1,781,801	(Note: Deferred Developer Fee cannot be negative.)			
iv. Other:	\$0				
ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at TAB A.					
Equity Total	<u>\$1,781,801</u>				

2. Equity Gap Calculation

a. Total Development Cost	\$28,918,231	
b. Total of Permanent Funding, Grants and Equity	-	<u>\$21,286,801</u>
c. Equity Gap		\$7,631,430
d. Developer Equity	-	<u>\$762</u>
e. Equity gap to be funded with low-income tax credit proceeds		\$7,630,668

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:			
Contact Person:		Phone:	
Street Address:			
City:		State:	
		Zip:	
b. Syndication Equity			
i. Anticipated Annual Credits		\$887,376.00	
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)		\$0.860	
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		\$887,287	
vi. Total to be paid by anticipated users of credit (e.g., limited partners)		<u>\$7,630,668</u>	
c. Syndication:	Private		
d. Investors:	Corporate		

4. Net Syndication Amount

Which will be used to pay for Total Development Costs	<u>\$7,630,668</u>
---	--------------------

5. Net Equity Factor

Must be equal to or greater than 85%	<u>85.9999723129%</u>
--------------------------------------	-----------------------

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>\$28,918,231</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$21,286,801</u>
3. Equals Equity Gap		<u>\$7,631,430</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>85.9999723129%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$8,873,759</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$887,376</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$887,376</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$887,376</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$7,784.0000</u>	
Credit per LI Bedroom	<u>\$4,307.6505</u>	
	Combined 30% & 70% PV Credit Requested	\$887,376

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		\$145,960
Plus Other Income Source (list):	<input type="text"/>	<input type="text"/>
Equals Total Monthly Income:		<u>\$145,960</u>
Twelve Months		x12
Equals Annual Gross Potential Income		<u>\$1,751,520</u>
Less Vacancy Allowance	<u>5.0%</u>	<u>\$87,576</u>
Equals Annual Effective Gross Income (EGI) - Low Income Units		<u><u>\$1,663,944</u></u>

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

Total Monthly Income for Market Rate Units:		\$0
Plus Other Income Source (list):	<input type="text"/>	<input type="text"/>
Equals Total Monthly Income:		<u>\$0</u>
Twelve Months		x12
Equals Annual Gross Potential Income		<u>\$0</u>
Less Vacancy Allowance	<u>5.0%</u>	<u>\$0</u>
Equals Annual Effective Gross Income (EGI) - Market Rate Units		<u><u>\$0</u></u>

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	<u>\$1,663,944</u>
b. Annual EGI Market Units	<u>\$0</u>
c. Total Effective Gross Income	<u>\$1,663,944</u>
d. Total Expenses	<u>\$647,409</u>
e. Net Operating Income	<u>\$1,016,535</u>
f. Total Annual Debt Service	<u>\$871,970</u>
g. Cash Flow Available for Distribution	<u>\$144,565</u>

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	1,663,944	1,697,223	1,731,167	1,765,791	1,801,106
Less Oper. Expenses	647,409	666,831	686,836	707,441	728,665
Net Income	1,016,535	1,030,392	1,044,331	1,058,349	1,072,442
Less Debt Service	871,970	871,970	871,970	871,970	871,970
Cash Flow	144,565	158,422	172,361	186,379	200,472
Debt Coverage Ratio	1.17	1.18	1.20	1.21	1.23

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,837,129	1,873,871	1,911,349	1,949,576	1,988,567
Less Oper. Expenses	750,524	773,040	796,231	820,118	844,722
Net Income	1,086,604	1,100,831	1,115,117	1,129,457	1,143,845
Less Debt Service	871,970	871,970	871,970	871,970	871,970
Cash Flow	214,634	228,861	243,147	257,487	271,875
Debt Coverage Ratio	1.25	1.26	1.28	1.30	1.31

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	2,028,338	2,068,905	2,110,283	2,152,489	2,195,539
Less Oper. Expenses	870,064	896,165	923,050	950,742	979,264
Net Income	1,158,275	1,172,740	1,187,233	1,201,747	1,216,275
Less Debt Service	871,970	871,970	871,970	871,970	871,970
Cash Flow	286,305	300,770	315,263	329,777	344,305
Debt Coverage Ratio	1.33	1.34	1.36	1.38	1.39

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

Number of BINS: 9

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).

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN BUILDING GRID
DO NOT use the CUT feature

Bldg #	BIN if known	TAX CREDIT UNITS	MARKET RATE UNITS	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit					
				Street Address 1	Street Address 2	City	State	Zip	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.	VA05-53001	18	0	4202 Almora Avenue - Building A	Henrico	VA	23228	\$2,497,579	04/01/21	3.07%	\$76,676	\$2,066,326	10/31/22	3.07%	\$63,436	\$0	\$0
2.	VA05-53002	12	0	4200 Beth Road - Building B	Henrico	VA	23228	\$1,665,053	04/01/21	3.07%	\$51,117	\$1,377,551	10/31/22	3.07%	\$42,291	\$0	\$0
3.	VA05-53003	6	0	4218 Beth Road - Building C	Henrico	VA	23228	\$832,526	04/01/21	3.07%	\$25,559	\$688,775	10/31/22	3.07%	\$21,145	\$0	\$0
4.	VA05-53004	12	0	4200 Sprengle Lane - Building D	Henrico	VA	23228	\$1,665,053	04/01/21	3.07%	\$51,117	\$1,377,551	10/31/22	3.07%	\$42,291	\$0	\$0
5.	VA05-53005	12	0	4217 Sprengle Lane - Building E	Henrico	VA	23228	\$1,665,053	04/01/21	3.07%	\$51,117	\$1,377,551	10/31/22	3.07%	\$42,291	\$0	\$0
6.	VA05-53006	24	0	4234 Sprengle Lane - Building F	Henrico	VA	23228	\$3,330,105	04/01/21	3.07%	\$102,234	\$2,755,102	10/31/22	3.07%	\$84,582	\$0	\$0
7.	VA05-53007	5	0	4266 Sprengle Lane - Building G	Henrico	VA	23228	\$693,772	04/01/21	3.07%	\$21,299	\$573,980	10/31/22	3.07%	\$17,621	\$0	\$0
8.	VA05-53008	10	0	4271 Sprengle Lane - Building H	Henrico	VA	23228	\$1,387,544	04/01/21	3.07%	\$42,598	\$1,147,959	10/31/22	3.07%	\$35,242	\$0	\$0
9.	VA05-53009	15	0	4283 Sprengle Lane - Building I	Henrico	VA	23228	\$2,081,315	04/01/21	3.07%	\$63,896	\$1,721,938	10/31/22	3.07%	\$52,863	\$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	
114				Totals from all buildings													\$0
																	\$485,613
																	\$13,086,733
																	\$401,763
																	\$0

Number of BINS: 9

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: Place One Preservation Limited Partnership
a Virginia limited partnership

By:



Its: Charles Treatch - Manager


(Title)

V. STATEMENT OF ARCHITECT

The architect signing this document is certifying that the development plans and specifications incorporate all VHDA Minimum Design and Construction Requirements (MDCR), selected LIHTC enhancements and amenities, applicable building codes and accessibility requirements.

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

Legal Name of Architect: MARK B. OLSON
Virginia License#: 17781
Architecture Firm or Company: BIRLOSKY CLEVELAND

By: 
Its: PRINCIPAL
(Title)

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

W.

LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

MANDATORY ITEMS:

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

1. READINESS:

a. VHDA notification letter to CEO (via Locality Notification Information Application)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	Y	0 or 40	40.00
d. Location in a revitalization area based on Qualified Census Tract	Y	0 or 10	10.00
e. Location in a revitalization area with resolution	N	0 or 15	0.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
Total:			<u><u>50.00</u></u>

2. HOUSING NEEDS CHARACTERISTICS:

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

2020 Low-Income Housing Tax Credit Application For Reservation

3. DEVELOPMENT CHARACTERISTICS:

a. Amenities (See calculations below)			20.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 60	60.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	N	0 or 15	0.00
e. Proximity to public transportation (within Northern VA or Tidewater)	N	0, 10 or 20	0.00
f. Development will be Green Certified	N	0 or 10	0.00
g. Units constructed to meet VHDA's Universal Design standards	0%	Up to 15	0.00
h. Developments with less than 100 units	N	up to 20	0.00
i. Historic Structure	N	0 or 5	0.00
Total:			<u>80.00</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$86,400	\$57,400

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	15.79%	Up to 15	0.00
c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	10.53%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	50.88%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	50.88%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.88%	Up to 50	0.00
Total:			<u>60.00</u>

5. SPONSOR CHARACTERISTICS:

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	N	0 or 50	0.00
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	Y	0 or 10	10.00
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>10.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	92.41
b. Cost per unit		Up to 100	-32.15
Total:			<u>60.26</u>

7. BONUS POINTS:

a. Extended compliance	35	Years	40 or 50	50.00
or b. Nonprofit or LHA purchase option	N		0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N		0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N		Up to 45	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N		0 or 10	0.00
Total:				<u>50.00</u>

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

TOTAL SCORE: 330.26

2020 Low-Income Housing Tax Credit Application For Reservation

Amenities:

All units have:	Max Pts	Score
a. Community Room	5	0.00
b. Exterior walls constructed with brick and other low maintenance materials	25	0.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00
e. Infrastructure for high speed internet/broadband	1	0.00
f. Free WiFi Access in community room	4	0.00
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	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. Shelf or Ledge at entrance within interior hallway	2	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>20.00</u>
All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>0.00</u>
Total amenities:		<u>20.00</u>

X. Development Summary

Summary Information 2020 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Place One Apartments

Cycle Type: 4% Tax Exempt Bonds Credits **Requested Credit Amount:** \$887,376
Allocation Type: 0 **Jurisdiction:** Henrico County
Total Units: 114 **Population Target:** General
Total LI Units: 114 **Owner Contact:** Charles Treach
Project Gross Sq Ft: 96,012.00
Green Certified? FALSE

Total Score
330.26

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$19,505,000	\$171,096	\$203	\$871,970

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$6,095,808	\$53,472	\$63	21.08%
General Req/Overhead/Profit	\$766,080	\$6,720	\$8	2.65%
Other Contract Costs	\$274,762	\$2,410	\$3	0.95%
Owner Costs	\$3,506,026	\$30,755	\$37	12.12%
Acquisition	\$15,750,000	\$138,158	\$164	54.46%
Developer Fee	\$2,525,555	\$22,154	\$26	8.73%
Total Uses	\$28,918,231	\$253,669		

Total Development Costs	
Total Improvements	\$10,642,676
Land Acquisition	\$15,750,000
Developer Fee	\$2,525,555
Total Development Costs	\$28,918,231

Income		
Gross Potential Income - LI Units		\$1,751,520
Gross Potential Income - Mkt Units		\$0
Subtotal		\$1,751,520
Less Vacancy %	5.00%	\$87,576
Effective Gross Income		\$1,663,944

Rental Assistance? TRUE

Proposed Cost Limit/Sq Ft: \$137
 Applicable Cost Limit/Sq Ft: \$164

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	40
# of 2BR	56
# of 3BR	18
# of 4+ BR	0
Total Units	114

Expenses		
Category	Total	Per Unit
Administrative	\$152,309	\$1,336
Utilities	\$68,435	\$600
Operating & Maintenance	\$190,600	\$1,672
Taxes & Insurance	\$179,065	\$1,571
Total Operating Expenses	\$590,409	\$5,179
Replacement Reserves	\$57,000	\$500
Total Expenses	\$647,409	\$5,679

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	12
50% AMI	58	46
60% AMI	56	56
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$1,663,944
Total Expenses	\$647,409
Net Income	\$1,016,535
Debt Service	\$871,970
Debt Coverage Ratio (YR1):	1.17

Income Averaging? TRUE

Extended Use Restriction? 50

2020 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$278.94** Credits/SF = **9.242152** Const \$/unit = **\$62,602.1930**

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

11000
400
3

*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	532.00	0.00	0.00	0.00	962.00	1,159.00	0.00
NUMBER OF UNITS	0	40	0	0	0	56	18	0
PARAMETER-(COSTS=>35,000)	0	153,300	0	0	0	178,500	209,738	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	153,300	0	0	0	178,500	209,738	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	153,300	0	0	0	178,500	209,738	0
PROJECT COST PER UNIT	0	148,394	0	0	0	268,336	323,287	0
PARAMETER-(CREDITS=>35,000)	0	10,763	0	0	0	15,375	18,066	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	10,763	0	0	0	15,375	18,066	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	10,763	0	0	0	15,375	18,066	0
PROJECT CREDIT PER UNIT	0	4,917	0	0	0	8,891	10,712	0
COST PER UNIT POINTS	0.00	1.12	0.00	0.00	0.00	-24.72	-8.55	0.00
CREDIT PER UNIT POINTS	0.00	38.12	0.00	0.00	0.00	41.43	12.86	0.00

TOTAL COST PER UNIT POINTS **-32.15**

TOTAL CREDIT PER UNIT POINTS **92.41**

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	153,300	0	0	0	178,500	209,738	(
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	153,300	0	0	0	178,500	209,738	(

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	10,763	0	0	0	15,375	18,066	(
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	10,763	0	0	0	15,375	18,066	(

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
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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 Cost Parameter	0	153,300	0	0	0	178,500	209,738	(

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	10,763	0	0	0	15,375	18,066	(
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	10,763	0	0	0	15,375	18,066	(

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2020 Low-Income Housing Tax Credit Application For Reservation

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11000
400
3

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

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

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	532.00	0.00	0.00	0.00	962.00	1,159.00	0.00
NUMBER OF UNITS	0	40	0	0	0	56	18	0
PARAMETER-(COSTS=>35,000)	0	153,300	0	0	0	178,500	209,738	0
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PARAMETER-(COSTS=>50,000)	0	153,300	0	0	0	178,500	209,738	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	153,300	0	0	0	178,500	209,738	0
PROJECT COST PER UNIT	0	148,394	0	0	0	268,336	323,287	0
PARAMETER-(CREDITS=>35,000)	0	10,763	0	0	0	15,375	18,066	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	10,763	0	0	0	15,375	18,066	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	10,763	0	0	0	15,375	18,066	0
PROJECT CREDIT PER UNIT	0	4,917	0	0	0	8,891	10,712	0
COST PER UNIT POINTS	0.00	1.12	0.00	0.00	0.00	-24.72	-8.55	0.00
CREDIT PER UNIT POINTS	0.00	38.12	0.00	0.00	0.00	41.43	12.86	0.00

TOTAL COST PER UNIT POINTS **-32.15**

TOTAL CREDIT PER UNIT POINTS **92.41**

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	153,300	0	0	0	178,500	209,738	(
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	153,300	0	0	0	178,500	209,738	(

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	10,763	0	0	0	15,375	18,066	(
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	10,763	0	0	0	15,375	18,066	(

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	153,300	0	0	0	178,500	209,738	(
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	153,300	0	0	0	178,500	209,738	(

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	10,763	0	0	0	15,375	18,066	(
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	10,763	0	0	0	15,375	18,066	(

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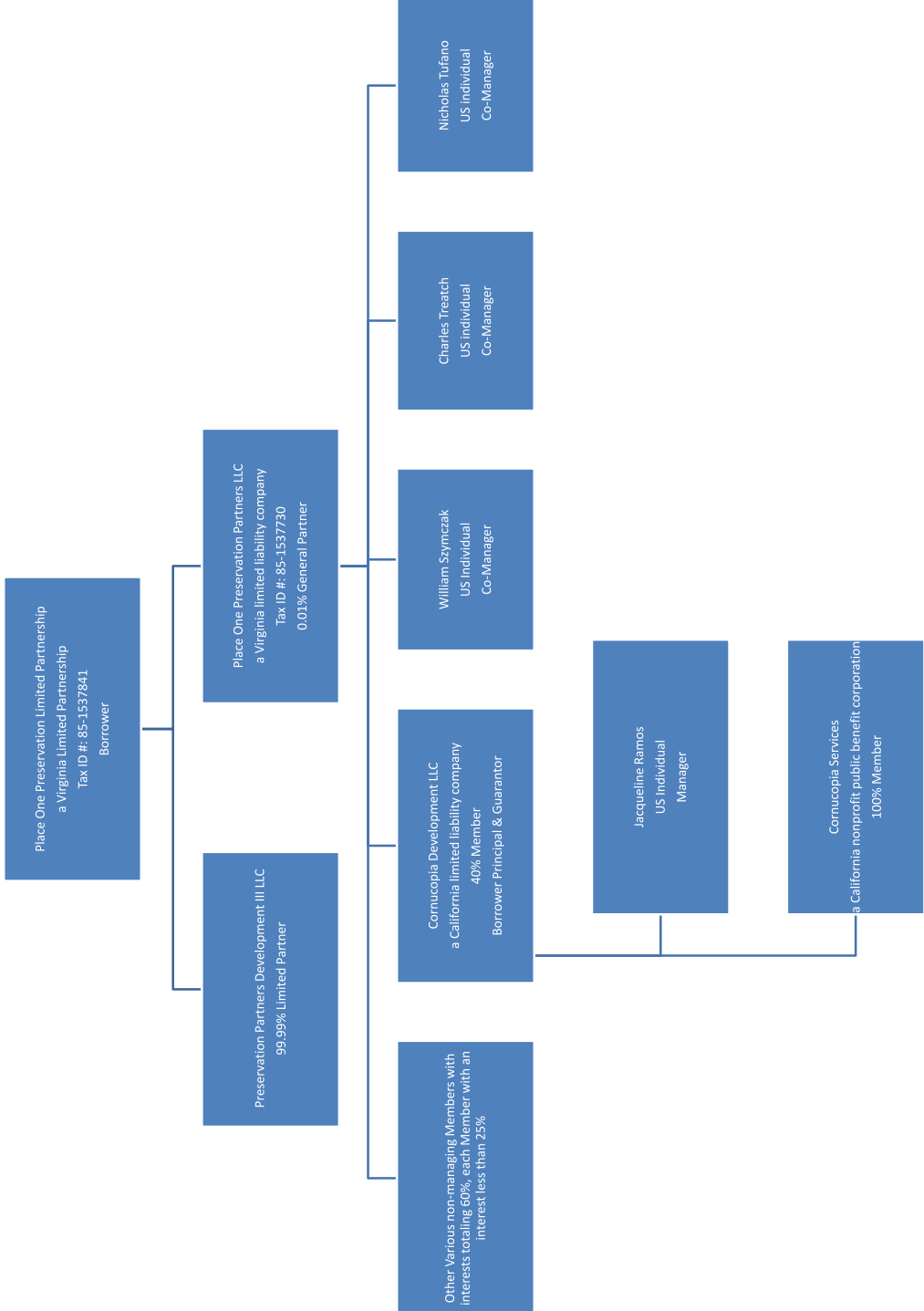
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Partnership or Operating Agreement

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



AGREEMENT OF LIMITED PARTNERSHIP

OF

PLACE ONE PRESERVATION LIMITED PARTNERSHIP

A VIRGINIA LIMITED PARTNERSHIP

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OF
PLACE ONE PRESERVATION LIMITED PARTNERSHIP
A VIRGINIA LIMITED PARTNERSHIP

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**AGREEMENT OF LIMITED PARTNERSHIP
OF
PLACE ONE PRESERVATION LIMITED PARTNERSHIP
A VIRGINIA LIMITED PARTNERSHIP**

This AGREEMENT OF LIMITED PARTNERSHIP is entered into and shall be effective as of the July 1, 2020, by and between Place One Preservation Partners LLC, a Virginia limited liability company, as the General Partner, and the entities whose names are set forth on Exhibit A attached hereto, as the Limited Partners, pursuant to the provisions of the Virginia Revised Uniform Limited Partnership Act, on the following terms and conditions:

ARTICLE 1

THE PARTNERSHIP

1.1 **Organization.** The Partners hereby agree to organize the Partnership as a limited partnership pursuant to the provisions of the Act and upon the terms and conditions set forth in this Agreement.

1.2 **Partnership Name.** The name of the Partnership shall be Place One Preservation Limited Partnership, a Virginia limited partnership and all business of the Partnership shall be conducted in such name.

1.3 **Purpose; Independent Activities.**

(a) The purpose of the Partnership is to acquire, improve, develop, lease, operate, finance and manage real property located in Henrico, Virginia and to engage in any and all activities related or incidental thereto. The Partnership shall engage in no other business.

(b) Each Partner and the stockholders, officers, directors and members of each Partner which is a corporation or other entity, may, notwithstanding this Agreement, engage in whatever activities it or they may choose, whether the same or competitive with the Partnership or otherwise, without having or incurring any obligation to offer any interest in such activities to the Partnership or any Partner. Neither this Agreement nor any activity undertaken pursuant hereto shall prevent any Partner or any stockholder, officer, director or member of any Partner from engaging in such activities, or require any Partner to permit the Partnership or any Partner to participate in any such activities, and as a material part of the consideration for the execution of this Agreement by each Partner, each Partner hereby waives, relinquishes, and renounces any such right or claim of participation.

1.4 **Principal Place of Business.** The principal place of business of the Partnership shall be 21515 Hawthorne Blvd., Suite 150, Torrance, California 90503. The General Partner may change the principal place of business of the Partnership to any other place upon 10 days' notice to the Limited Partners.

1.5 **Term.** The term of the Partnership shall commence on the date the certificate of limited partnership (the "Certificate") is filed in the office of the State Corporation Commission

of Virginia in accordance with the Act and shall continue until the winding up and liquidation of the Partnership and its business is completed following a Liquidating Event, as provided in Article XI hereof. Prior to the time that the Certificate is filed, no Person shall represent to third parties the existence of the Partnership or hold himself out as a Partner.

1.6 Filings; Agent for Service of Process.

(a) The General Partner shall cause the Certificate to be filed in the office of the State Corporation Commission of Virginia in accordance with the provisions of the Act. The General Partner shall take any and all other actions reasonably necessary to perfect and maintain the status of the Partnership as a limited partnership under the laws of Virginia. The General Partner shall cause amendments to the Certificate to be filed whenever required by the Act. Such amendments may be executed by any General Partner.

(b) The General Partner shall execute and cause to be filed original or amended Certificates and shall take any and all other actions as may be reasonably necessary to perfect and maintain the status of the Partnership as a limited partnership or similar type of entity under the laws of any other states or jurisdictions in which the Partnership engages in business.

(c) The agent for service of process on the Partnership shall be Corporation Service Company, 100 Shockoe Slip F1 2, Richmond, VA 23219 or any successor as appointed by the General Partner.

(d) Upon the dissolution of the Partnership, the General Partner (or, in the event there is no remaining General Partner, any Person elected pursuant to Section 11.2 hereof) shall promptly execute and cause to be filed certificates of dissolution in accordance with the Act and the laws of any other states or jurisdictions in which the Partnership has filed certificates.

1.7 Definitions. Capitalized words and phrases used in this Agreement have the following meanings:

"Act" means the Virginia Revised Uniform Limited Partnership Act, as amended from time to time (or any corresponding provisions of succeeding law).

"Adjusted Capital Account Deficit" means, with respect to any Limited Partner, the deficit balance, if any, in such Limited Partner's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Partner is obligated to restore pursuant to any provision of this Agreement or pursuant to Regulations Section 1.704-1(b)(2)(ii)(c) is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6) of the Regulations.

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

"Agreement" or "Partnership Agreement" means this Agreement of Limited Partnership, as amended from time to time. Words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

"Capital Account" means the capital account maintained for each Partner in accordance with the following provisions:

(i) To such Partner's Capital Account there shall be credited such Partner's Capital Contributions, such Partner's distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Section 3.3(a) hereof, and the amount of any Partnership liabilities assumed by such Partner or which are secured by any Property distributed to such Partner.

(ii) To such Partner's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Property distributed to such Partner pursuant to any provision of this Agreement, such Partner's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 3.3(a) hereof, and the amount of any liabilities of such Partner assumed by the Partnership or which are secured by any property contributed by such Partner to the Partnership.

(iii) In the event all or a portion of an interest in the Partnership is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(iv) In determining the amount of any liability for purposes of the foregoing subparagraphs (i) and (ii) of this definition of "Capital Account," there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations.

"Capital Contributions" means, with respect to any Partner, the amount of money and the fair market value of any property contributed to the Partnership with respect to the interest in the Partnership held by such Person. The principal amount of a promissory note which is not readily traded on an established securities market and which is contributed to the Partnership by the maker of the note shall not be included in the Capital Account of any Person until the Partnership makes a taxable disposition of the note or until (and to the extent) principal payments are made on the note, all in accordance with Regulations Section 1.704-1(b)(2)(iv)(d)(2).

"Code" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"General Partner" means any Person who (i) is referred to as such in the first paragraph of this Agreement or has become a General Partner pursuant to the terms of this Agreement, and (ii) has not ceased to be a General Partner pursuant to the terms of this Agreement. "General Partners" means all such Persons.

"Interest" means a Limited Partner's ownership interest in the Partnership, including any and all benefits to which the holder of such an Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement.

"Limited Partner" means any Person (i) whose name is set forth on Exhibit A attached hereto or who has become a Limited Partner pursuant to the terms of this Agreement, and (ii) who holds an Interest. "Limited Partners" means all such Persons. All references in this Agreement to a majority in interest or a specified percentage of the Limited Partners shall mean Limited Partners whose combined Percentage Interests represent more than 50% or such specified percentage, respectively, of the Percentage Interests then held by all Limited Partners.

"Net Cash From Operations" means the gross cash proceeds from Partnership operations less the portion thereof used to pay or establish reserves for all Partnership expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the General Partner. "Net Cash From Operations" shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established.

"Net Cash From Sales or Refinancings" means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Property, less any portion thereof used to establish reserves, all as determined by the General Partner. "Net Cash From Sales or Refinancings" shall include all principal and interest payments with respect to any note or other obligation received by the Partnership in connection with sales and other dispositions (other than in the ordinary course of business) of Partnership Property.

"Partners" means all General Partners and all Limited Partners, where no distinction is required by the context in which the term is used herein. "Partner" means any one of the Partners. All references in this Agreement to a majority interest or a specified percentage of the Partners shall mean Partners whose combined Percentage Interests represent more than 50% or such specified percentage, respectively, of the Percentage Interests then held by all Partners.

"Partnership" means the partnership formed pursuant to this Agreement and the partnership continuing the business of this Partnership in the event of dissolution as herein provided.

"Percentage Interest" means the percentage set forth for the General Partner in Section 2.1 hereof and for the Limited Partners on Exhibit A.

"Person" means any individual, partnership, corporation, trust, limited liability company or other entity.

"Profits" and "Losses" means, for each fiscal year or other period, an amount equal to the Partnership's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments.

(i) Any income of the Partnership that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss; and

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

"Property" means all real and personal property acquired by the Partnership and any improvements thereto, and shall include both tangible and intangible property.

"Regulations" means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Transfer" means, as a noun, any voluntary or involuntary transfer, sale, pledge, hypothecation, grant of security interest or other disposition and, as a verb, voluntarily or involuntarily to transfer, sell, pledge, hypothecate, grant a security interest or otherwise dispose of.

ARTICLE 2

PARTNERS' CAPITAL CONTRIBUTIONS

2.1 **General Partner.** The name, address, Capital Contribution and Percentage Interest of the General Partner is as follows: Place One Preservation Partners LLC, 21515 Hawthorne Blvd., Suite 150, Torrance, California 90503; One Dollar (\$1.00); one percent (.01%).

2.2 **Limited Partner.** The names, addresses, and Capital Contributions of the Limited Partners are set forth on Exhibit A attached hereto.

2.3 **Other Matters.**

(a) Except as otherwise provided in this Agreement, no Partner shall demand or receive a return of its Capital Contributions or withdraw from the Partnership without the consent of all Partners. Under circumstances requiring a return of any Capital Contributions, no Partner shall have the right to receive property other than cash except as may be specifically provided herein.

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

(c) Except as otherwise provided by this Agreement, no Limited Partner shall be liable for the debts, liabilities, contracts or any other obligations of the Partnership. Except as otherwise provided by this Agreement, any other agreements among the Partners, or applicable state law, a Limited Partner shall be

liable only to make his Capital Contributions as set forth on Exhibit A and shall not be required to lend any funds to the Partnership or, after his Capital Contributions have been paid, to make any additional contributions to the Partnership. No General Partner shall have any personal liability for the repayment of any Capital Contributions of any Limited Partner.

ARTICLE 3

ALLOCATIONS

3.1 **Profits.** After giving effect to the special allocation provisions set forth in Section 3.3(a) hereof, Profits for any fiscal year shall be allocated to the Partners in accordance with their respective Percentage Interests.

3.2 **Losses.**

(a) Losses for any fiscal year shall be allocated to the Partners in accordance with their respective Percentage Interests.

(b) The Losses allocated pursuant to Section 3.2(a) hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Limited Partner to have an Adjusted Capital Account Deficit at the end of any fiscal year. All Losses in excess of the limitations set forth in this Section 3.2(b) shall be allocated to the General Partner.

3.3 **Other Allocation Rules.**

(a) Target Final Capital Account Balances. The allocations of Profits and Losses under this Agreement are intended to produce final Capital Account balances (Capital Account balances immediately prior to the liquidation of the Partnership or of a Partner's Interest, after taking into account all allocations of fiscal periods through such point in time) that are at levels ("Target Final Balances") which permit liquidating distributions made in accordance with final Capital Account balances to equal the distributions which would occur if such liquidating proceeds were distributed in accordance with Section 4.2. To the extent that the tax allocation provisions of this Agreement would not produce the Target Final Balances, the Partners agree to take such actions as are necessary to amend such tax allocation provisions to produce such Target Final Balances. Notwithstanding the other provisions of this Agreement, allocations of income, gain, loss and deduction (including items of gross income, gain, loss and deduction) shall be made prospectively as necessary to produce such Target Final Balances, and, to the extent such prospective allocations would not effect such result, the prior tax returns of the Partnership shall be amended to reallocate items of gross income, gain, loss and deductions to produce such Target Final Balances.

(b) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the General Partner using any permissible method under Code Section 706 and the Regulations thereunder.

(c) 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 Partners in the

same proportions as they share Profits or Losses, as the case may be, for the year.

(d) The Partners are aware of the income tax consequences of the allocations made by this Article III and hereby agree to be bound by the provisions of this Article III in reporting their shares of Partnership income and loss for income tax purposes.

ARTICLE 4

DISTRIBUTIONS

4.1 **Net Cash From Operations.** Except as otherwise provided in Article XI hereof, Net Cash From Operations, if any, shall be distributed, at such times as the General Partner may determine, to the Partners in accordance with their respective Percentage Interests.

4.2 **Net Cash From Sales or Refinancings.** Except as otherwise provided in Article XI hereof, Net Cash From Sales or Refinancings shall be distributed, at such times as the General Partner may determine, to the Partners in accordance with their respective Percentage Interests.

4.3 **Amounts Withheld.** All amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment or distribution to the Partnership or the General Partner shall be treated as amounts distributed to the Partners pursuant to this Article IV for all purposes under this Agreement. The General Partner may allocate any such amounts among the Partners in any manner that is in accordance with applicable law.

ARTICLE 5

MANAGEMENT

5.1 **Authority of the General Partner.** Except to the extent otherwise provided herein, the General Partner shall have the sole and exclusive right to manage the business of the Partnership and shall have all of the rights and powers which may be possessed by general partners under the Act including, without limitation, the right and power to:

(a) acquire by purchase, lease, or otherwise any real or personal property which may be necessary, convenient, or incidental to the accomplishment of the purposes of the Partnership;

(b) operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate and any personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Partnership;

(c) execute any and all agreements, contracts, documents, certifications and instruments necessary or convenient in connection with the management, maintenance, and operation of Property, or in connection with managing the affairs of the Partnership, including executing amendments to the Agreement and the Certificate in accordance with the terms of this Agreement, pursuant to any power of attorney granted by the Limited Partners to the General Partner;

(d) borrow money and issue evidences of indebtedness necessary, convenient, or incidental to the

accomplishment of the purposes of the Partnership, and secure the same by mortgage, pledge, or other lien on any Property;

(e) execute, in furtherance of any or all of the purposes of the Partnership, any deed, lease, mortgage, deed of trust, mortgage note, promissory note, bill of sale, contract, or other instrument purporting to convey or encumber any or all of the Property;

(f) prepay in whole or in part, refinance, recast, increase, modify, or extend any liabilities affecting the Property and in connection therewith execute any extensions or renewals of encumbrances on any or all of the Property;

(g) care for and distribute funds to the Partners by way of cash, income, return of capital, or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objectives of the Partnership or this Agreement;

(h) contract on behalf of the Partnership for the employment and services of employees and/or independent contractors, including lawyers and accountants, and delegate to such Persons the duty to manage or supervise any of the assets or operations of the Partnership;

(i) engage in any kind of activity and perform and carry out contracts of any kind (including contracts of insurance covering risks to Property and General Partner liability) necessary or incidental to, or in connection with, the accomplishment of the purposes of the Partnership under the laws of each state in which the Partnership is then formed or qualified;

(j) make any and all elections for federal, state, and local tax purposes including, without limitation, any election, if permitted by applicable law; (i) to adjust the basis of Property pursuant to Code Sections 754, 734(b), and 743(b), or comparable provisions of state or local law, in connection with transfers of Partnership interests and Partnership distributions; (ii) to extend the statute of limitations for assessment of tax deficiencies against General Partners before taxing authorities or courts of competent jurisdiction in tax matters affecting the Partnership.

(k) take, or refrain from taking, all actions, not expressly proscribed or limited by this Agreement, as may be necessary or appropriate to accomplish the purposes of the Partnership; and

(l) institute, prosecute, defend, settle, compromise, and dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of, or against, the Partnership or the Partners in connection with activities arising out of, connected with, or incidental to this Agreement, and to engage counsel or others in connection therewith.

5.2 **Right to Rely on General Partner.** Any Person dealing with the Partnership may rely (without duty of further inquiry) upon a certificate signed by the General Partner as to:

(a) the identity of the General Partner or Limited Partners;

(b) the existence or nonexistence of any fact or facts which constitute a condition precedent to acts by a General Partner or which are in any other manner germane to the affairs of the Partnership;

(c) the Persons who are authorized to execute and deliver any instrument or document of the

Partnership; or

(d) any act or failure to act by the Partnership or any other matter whatsoever involving the Partnership or any Partner.

5.3 Restrictions on Authority of General Partner.

(a) Without the consent of all the Partners, the General Partner shall not have the authority to:

- (i) do any act in contravention of this Agreement;
- (ii) do any act which would make it impossible to carry on the ordinary business of the Partnership, except as otherwise provided in this Agreement;
- (iii) confess a judgment against the Partnership;
- (iv) possess Property, or assign rights in specific Property, for other than a Partnership purpose; or
- (v) knowingly perform any act that would subject any Limited Partner to liability as a general partner in any jurisdiction.

(b) Except as otherwise provided by this Agreement, the General Partner shall not have any right to participate in the management or control of the Partnership or its business and affairs or to act for or bind the Partnership in any way. The General Partner, if it acts beyond the scope of the authority granted by this Agreement, shall, in addition to any other remedy available to the Partnership or the other Partners, be liable in damages to the Partnership and each other Partner for any loss or damages that they may incur or suffer as a consequence of such act.

5.4 Duties and Obligations of General Partner.

(a) The General Partner shall take all actions which may be necessary or appropriate (i) for the continuation of the Partnership's valid existence as a limited partnership under the laws of the Commonwealth of Virginia (and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Limited Partners or to enable the Partnership to conduct the business in which it is engaged) and (ii) for the accomplishment of the Partnership's purposes, including the acquisition, development, maintenance, preservation, and operation of Property in accordance with the provisions of this Agreement and applicable laws and regulations.

(b) The General Partner shall devote to the Partnership such time as may be necessary for the proper performance of all duties hereunder, but the General Partner shall not be required to devote full time to the performance of such duties.

(c) The General Partner shall be under a fiduciary duty to conduct the affairs of the Partnership in the best interests of the Partnership and of the Limited Partners, including the safekeeping and use of all of the Property and the use thereof for the exclusive benefit of the Partnership.

(d) The General Partner shall act as the "Tax Matters Partner" under the Code and in any similar capacity under state or local law.

5.5 Indemnification of General Partner.

(a) The Partnership, its receiver, or its trustee shall indemnify, save harmless, and pay all judgments and claims against any General Partner or any Member thereof relating to any liability or damage incurred by reason of any act performed or omitted to be performed by such General Partner or Member in connection with the business of the Partnership, including attorneys' fees and expenses incurred by such General Partner or Member in connection with the defense of any action based on any such act or omission, which attorneys' fees and expenses may be paid as incurred, including all such liabilities under federal and state securities laws (including the Securities Act of 1933, as amended) as permitted by law.

(b) In the event of any action by a Limited Partner against any General Partner, including a Partnership derivative suit, the Partnership shall indemnify, save harmless, and pay all expenses of such General Partner, including attorneys' fees and expenses, incurred in the defense of such action, if such General Partner is successful in such action.

(c) The Partnership shall indemnify, save harmless, and pay all expenses, costs, or liabilities of any General Partner who for the benefit of the Partnership makes any deposit, acquires any option, or makes any other similar payment or assumes any obligation in connection with any property proposed to be acquired by the Partnership and who suffers any financial loss as the result of such action.

(d) Notwithstanding the provisions of Sections 5.5(a), 5.5(b), and 5.5(c) above, no General Partner or any Member thereof shall be indemnified from any liability for fraud, bad faith, willful misconduct, or gross negligence.

5.6 Compensation.

(a) Compensation and Reimbursement. Except as otherwise provided in this Section 5.6, no Partner shall be reimbursed for any expenses incurred by such Partner on behalf of the Partnership. No Partner shall receive any salary, fee, or shares for services rendered to or on behalf of the Partnership.

(b) Expenses. The General Partner may charge the Partnership for any direct expenses reasonably incurred in connection with the Partnership's business.

5.7 Operating Restrictions.

(a) All Property in the form of cash not otherwise invested shall be deposited in one or more accounts maintained in such financial institutions as the General Partner shall determine or shall be invested in short-term liquid securities or shall be left in escrow and withdrawals shall be made only in the regular course of Partnership business on such signature or signatures as the General Partner may determine from time to time.

(b) The signature of the General Partner shall be necessary and sufficient to convey title to any real

property owned by the Partnership or to execute any promissory notes, trust deeds, mortgages, or other instruments of hypothecation, and all of the Partners agree that a copy of this Agreement may be shown to the appropriate parties in order to confirm the same, and further agree that the signature of the General Partner shall be sufficient to execute any "statement of partnership" or other documents necessary to effectuate this or any other provision of this Agreement. All of the Partners do hereby appoint the General Partner as their attorney-in-fact for the execution of any or all of the documents described herein.

ARTICLE 6

ROLE OF LIMITED PARTNERS

6.1 **Rights or Powers.** Except as otherwise set forth in Section 6.2 hereof, no Limited Partner shall have any right or power to take part in the management or control of the Partnership or its business and affairs or to act for or bind the Partnership in any way.

6.2 **Voting Rights.** The Limited Partners shall have the right to vote on the matters explicitly set forth in this Agreement.

ARTICLE 7

BOOKS AND RECORDS

7.1 **Books and Records.** The Partnership shall keep adequate books and records at its principal place of business, setting forth a true and accurate account of all business transactions arising out of and in connection with the conduct of the Partnership. Any Partner or his or its designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of such books or records.

7.2 **Annual Reports.** Within a reasonable period after the end of each Partnership fiscal year, each Partner shall be furnished with pertinent information regarding the Partnership and its activities during such period.

7.3 **Tax Information.** Necessary tax information shall be delivered to each Partner after the end of each fiscal year of the Partnership. Every effort shall be made to furnish such information within 75 days after the end of each fiscal year.

7.4 **Method of Accounting.** The Partnership shall account for all Partnership operations under the accrual method of accounting.

ARTICLE 8

AMENDMENTS

8.1 **Amendments.** Amendments to this Agreement may be proposed by any Partner. A proposed amendment shall be adopted and be effective as an amendment hereto if it receives the affirmative vote of all the Partners.

ARTICLE 9

TRANSFERS OF INTERESTS

9.1 **Restriction on Transfers.** No Limited Partner shall Transfer all or any portion of his Interest without the written consent of all Partners.

9.2 **Prohibited Transfers.** Any purported Transfer of all or any portion of an Interest that is not consented to by all Partners shall be null and void and of no effect whatever. In the case of a Transfer or attempted Transfer of an Interest or any part thereof that is not consented to by all Partners, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Partnership and the other Partners from all cost, liability, and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and attorneys fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

9.3 **Admission of Assignees as Partners.** Subject to the other provisions of this Article IX, a transferee of an Interest or any part thereof may be admitted to the Partnership as a Substituted Limited Partner only upon satisfaction of the conditions set forth below in this Section 9.3:

- (a) The General Partner consents to such admission;
- (b) The transferee becomes a party to this Agreement as a Limited Partner and executes such documents and instruments as the General Partner may reasonably request (including, without limitation, amendments to the Certificate) as may be necessary or appropriate to confirm such transferee as a Limited Partner in the Partnership and such transferee's agreement to be bound by the terms and conditions hereof;
- (c) The transferee pays or reimburses the Partnership for all reasonable legal, filing, and publication costs that the Partnership incurs in connection with the admission of the transferee as a Limited Partner with respect to the Transferred Interest; and
- (d) If the transferee is not an individual of legal majority, the transferee provides the Partnership with evidence satisfactory to counsel for the Partnership of the authority of the transferee to become a Partner and to be bound by the terms and conditions of this Agreement.

9.4 **Distributions and Allocations in Respect to a Transferred Interest.** If any Partnership Interest is sold, assigned, or transferred during any accounting period in compliance with the provisions of this Article IX, Profits, Losses, each item thereof, and all other items attributable to the transferred interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the General Partner. All distributions on or before the date of such transfer shall be made to the transferor, and all distributions there-after shall be made to the transferee. Solely for purposes of making such allocations and distributions, the Partnership shall recognize such transfer not later than the end of the calendar month during which it is given notice of such transfer, provided that if the Partnership does not receive a notice stating the date such Interest was transferred and such other information as the General Partner may reasonably require within 30 days after the end of the

accounting period during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the Person who, according to the books and records of the Partnership, on the last day of the accounting period during which the transfer occurs, was the owner of the interest. Neither the Partnership nor any General Partner shall incur any liability for making allocations and distributions in accordance with the provisions of this Section 9.4, whether or not any General Partner or the Partnership has knowledge of any transfer of ownership of any interest.

ARTICLE 10

GENERAL PARTNERS

10.1 **Additional General Partners.** Except as provided in this Article X and Section 11.1 hereof, no Person shall be admitted to the Partnership as a General Partner without the unanimous consent of the Partners.

10.2 **Covenant Not to Withdraw, Transfer, or Dissolve.** Except as otherwise permitted by this Agreement, the General Partner hereby covenants and agrees not to (a) withdraw or attempt to withdraw from the Partnership, (b) exercise any power under the Act to dissolve the Partnership, or (c) Transfer all or any portion of his interest in the Partnership as a General Partner. Further, each General Partner hereby covenants and agrees to continue to carry out the duties of a General Partner hereunder until the Partnership is dissolved and liquidated pursuant to Article XI hereof.

10.3 **Restriction on Transfers.** The General Partner shall not Transfer all or any portion of its Partnership interest without the written consent of all Partners.

10.4 **Permitted Transfers.**

(a) A transferee of a Partnership interest from a General Partner pursuant to a Transfer permitted hereunder shall be admitted as a General Partner with respect to such interest if, but only if the admission of such transferee as a General Partner is approved by all Partners.

(b) A transferee who acquires a Partnership interest from a General Partner hereunder by means of a Transfer that is permitted under this Agreement but who is not admitted as a General Partner, shall have no authority to act for or bind the Partnership, to inspect the Partnership's books, or otherwise to be treated as a General Partner, but such transferee shall be treated as the transferee of a Limited Partner who acquired an Interest in the Partnership in a Permitted Transfer under Article IX hereof.

10.5 **Prohibited Transfers.**

(a) Any purported Transfer of any Partnership interest held by a General Partner that is not consented to by all Partners shall be null and void and of no effect whatever.

(b) In the case of a Transfer or attempted Transfer of a Partnership interest of a General

Partner that is not consented to by all Partners, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Partnership and the other Partners from all cost, liability, and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and lawyers fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnify granted hereby.

ARTICLE 11

DISSOLUTION AND WINDING UP

11.1 **Liquidating Events.** The Partnership shall dissolve and commence winding up and liquidating upon the first to occur of any of the following ("Liquidating Events"):

- (a) The sale of all or substantially all of the Property;
- (b) The vote by all Partners to dissolve, wind up, and liquidate the Partnership;
- (c) The happening of any other event that makes it unlawful, impossible, or impractical to carry on the business of the Partnership; or
- (d) Any event which causes there to be no General Partner.

The Partners hereby agree that, notwithstanding any provision of the Act, the Partnership shall not dissolve prior to the occurrence of a Liquidating Event. Furthermore, if an event specified in Section 11.1(d) hereof occurs, the Limited Partners may, within 90 days of the date such event occurs, unanimously vote to elect a successor General Partner and continue the Partnership business, in which case the Partnership shall not dissolve and the occurrence of the event under Section 11.1(d) shall not be deemed a Liquidating Event. If it is determined, by a court of competent jurisdiction, that the Partnership has dissolved (i) prior to the occurrence of a Liquidating Event, or (ii) upon the occurrence of an event specified in Section 11.1(d) hereof following which the Limited Partners elect a successor General Partner pursuant to the previous sentence, the Partners hereby agree to continue the business of the Partnership without a winding up or liquidation.

11.2 **Winding Up.** Upon the occurrence of a Liquidating Event, the Partnership shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Partners. No Partner shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Partnership's business and affairs. The General Partner (or, in the event there is no remaining General Partner, any Person elected by a majority in interest of the Limited Partners) shall be responsible for overseeing the winding up and dissolution of the Partnership and shall take full account of the Partnership's liabilities and Property and the Partnership Property shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom, to the extent sufficient thereof, shall be applied and distributed in the following order:

- (a) First, to the payment and discharge of all of the Partnership's debts and liabilities to creditors other than General Partners;
- (b) Second, to the payment and discharge of all of the Partnership's debts and liabilities to General

Partners; and

(c) The balance, if any, to the General Partner and Limited Partners in accordance with their Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods.

No General Partner shall receive any additional compensation for any services performed pursuant to this Article XI.

11.3 Compliance With Timing Requirements of Regulations; Deficit Capital Account Balance. In the event the Partnership is "liquidated" within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g), (a) distributions shall be made pursuant to this Article XI to the General Partner and Limited Partners who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2), and (b) if any General Partner's Capital Account has a deficit balance (after giving effect to all contributions, distributions, and allocations for all taxable years, including the year during which such liquidation occurs), such General Partner shall contribute to the capital of the Partnership the amount necessary to restore such deficit balance to zero in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(3). If any Limited 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 liquidation occurs), such Limited Partner shall have no obligation to make any contribution to the capital of the Partnership with respect to such deficit, and such deficit shall not be considered a debt owed to the Partnership or to any other Person for any purpose whatsoever.

11.4 Deemed Distribution and Recontribution. Notwithstanding any other provision of this Article XI, in the event the Partnership is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Liquidating Event has occurred, the Property shall not be liquidated, the Partnership's liabilities shall not be paid or discharged, and the Partnership's affairs shall not be wound up. Instead, the Partnership shall be deemed to have distributed the Property in kind to the General Partner and Limited Partners, who shall be deemed to have assumed and taken subject to all Partnership liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the General Partner and Limited Partners shall be deemed to have recontributed the Property in kind to the Partnership, which shall be deemed to have assumed and taken subject to all such liabilities.

11.5 Rights of Limited Partners. Except as otherwise provided in this Agreement, (a) each Limited Partner shall look solely to the assets of the Partnership for the return of his Capital Contribution and shall have no right or power to demand or receive property other than cash from the Partnership, and (b) no Limited Partner shall have priority over any other Limited Partner as to the return of his Capital Contributions, distributions, or allocations.

11.6 Notice of Dissolution. In the event a Liquidating Event occurs or an event occurs that would, but for provisions of Section 11.1, result in a dissolution of the Partnership, the General Partner shall, within 30 days thereafter, provide written notice thereof to each of the Partners and to all other parties with whom the Partnership regularly conducts business (as determined in the

discretion of the General Partner) and shall publish notice thereof in a newspaper of general circulation in each place in which the Partnership regularly conducts business (as determined in the discretion of the General Partner).

ARTICLE 12

MISCELLANEOUS

12.1 **Notices.** Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Person or to an officer of the Person to whom the same is directed, or sent by regular, registered, or certified mail, addressed as follows, or to such other address as such Person may from time to time specify by notice to the Partners:

- (a) If to the Partnership, to the Partnership at the address set forth in Section 1.4 hereof;
- (b) If to a General Partner, to the address set forth in Section 2.1 hereof; and
- (c) If to a Limited Partner, to the address set forth opposite his name on Exhibit A attached hereto.

Any such notice shall be deemed to be delivered, given, and received for all purposes as of the date so delivered, if delivered personally or if sent by regular mail, or as of five days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, if sent by registered or certified mail, postage and charges prepaid. Any Person may from time to time specify a different address by notice to the Partnership and the Partners.

12.2 **Binding Effect.** Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the Partners and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

12.3 **Construction.** Every covenant, term, and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Partner.

12.4 **Time.** Time is of the essence with respect to this Agreement.

12.5 **Headings.** Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

12.6 **Severability.** Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

12.7 **Incorporation by Reference.** Every exhibit, schedule, and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

12.8 **Further Action.** Each Partner, upon the request of any General Partner, agrees to perform all further acts and execute, acknowledge, and deliver any documents which may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

12.9 **Variation of Pronouns.** All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.

12.10 **Governing Law.** The laws of the Commonwealth of Virginia shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Partners.

12.11 **Waiver of Action for Partition.** Each of the Partners irrevocably waives any right that he may have to maintain any action for partition with respect to any of the Partnership Property.

12.12 **Counterpart Execution.** This Agreement may be executed in any number of counterparts with the same effect as if all of the Partners had signed the same document. All counterparts shall be construed together and shall constitute one agreement.


12.13 **Sole and Absolute Discretion.** Except as otherwise provided in this Agreement, all actions which any General Partner may take and all determinations which any General Partner may make pursuant to this Agreement may be taken and made at the sole and absolute discretion of such General Partner.


12.14 **Entire Agreement.** This Agreement constitutes the entire agreement and understanding among the Partners and supersedes any prior understandings or written or oral agreements among them respecting the subject matter hereof.


IN WITNESS WHEREOF, the parties have entered into this Agreement of Limited Partnership as of the day first above set forth.

GENERAL PARTNER:

PLACE ONE PRESERVATION PARTNERS LLC, a
Virginia limited liability company

By: 
Name: Charles Treach
Title: Manager

By: 
Name: Nicholas Tufano
Title: Manager

By: 
Name: William E. Szymczak
Title: Manager

LIMITED PARTNERS:

PRESERVATION PARTNERS DEVELOPMENT III,
LLC, a California limited liability company

By: 
Name: William E. Szymczak
Title: Manager

EXHIBIT A
AGREEMENT OF LIMITED PARTNERSHIP
OF
PLACE ONE PRESERVATION LIMITED PARTNERSHIP
LIMITED PARTNERS

<u>Name and Address</u>	<u>Capital Contribution</u>	<u>Percentage Interest</u>
Preservation Partners Development III LLC 21515 Hawthorne Blvd., Suite 150 Torrance, California 90503	\$99.99	99.99%

OPERATING AGREEMENT

PLACE ONE PRESERVATION PARTNERS LLC

A VIRGINIA LIMITED LIABILITY COMPANY

This Operating Agreement is made as of the Effective Date by and among **Cornucopia Development LLC**, a California limited liability company ("**Cornucopia**"), the Treach Family Trust, under the trust agreement dated 9/14/2005 ("**Treach Family Trust**"), and the Tufano Graziani Trust, under the trust agreement dated December 20, 2017, as Class A Members (herein sometimes collectively referred to as the "**Class A Members**" or individually as a "**Class A Member**"), and the Persons specified on "Exhibit A" hereto as Class B Members (herein sometimes collectively referred to as the "**Class B Members**" or individually as a "**Class B Member**"). The Class A Members and the Class B Members are sometimes collectively referred to herein as the "**Members**" or individually as a "**Member**".

RECITALS

WHEREAS, on or about June 30, 2020, a Certificate of Organization for Place One Preservation Partners LLC, a limited liability company under the laws of the Commonwealth of Virginia (the "**Company**"), was filed with the Virginia State Corporation Commission.

WHEREAS, the Members desire to enter into this Agreement to define formally and to express the terms under which the Company shall be operated and their respective rights and obligations with respect thereto.

THEREFORE, in consideration of the promises and the mutual covenants herein contained, the parties hereto do agree to the following:

ARTICLE I DEFINITIONS

When used in this Agreement, the following terms shall have the meanings set forth below (all terms used in this Agreement that are not defined in this Article I shall have the meanings set forth elsewhere in this Agreement) or if not so defined below or in the Agreement, they shall have the meanings set forth in the Act.

1.1 **Act** means the Virginia Limited Liability Company Act, §13.1-1000, et seq., as it may be amended from time to time.

1.2 **Affiliate** of a Member means any Person directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with the Member. The term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct, or cause the direction of, the management and policies of a Person, whether through membership, ownership of voting securities, by means of contract, or otherwise.

1.3 **Agreement** means this Operating Agreement as originally executed and as amended from time to time.

1.4 **Articles** means the Certificate of Organization for the Company as originally filed with the Virginia State Corporation Commission and as amended from time to time.

1.5 **Assignee** means a Person who has acquired a Member's Economic Interest by way of a Transfer, but who has not become a Member.

1.6 **Assigning Member** means a Member who by means of a Transfer has transferred an Economic Interest in the Company to an Assignee.

1.7 **Capital Account** means the book capital account maintained for each Member in accordance with the Code and the Regulations.

1.8 **Capital Contribution** means the total of cash contributed to the Company by a Member.

1.9 **Class A Member** means each Person who (a) is an initial signatory to this Agreement and is identified on "Exhibit A" hereto as a Class A Member or is an additional member who has been admitted to the Company as a Class A Member in accordance with this Agreement, and (b) has not withdrawn from the Company or, if other than an individual, has not dissolved.

1.10 **Class B Member** means each Person who (a) is an initial signatory to this Agreement and is identified on "Exhibit A" hereto as a Class B Member or is an additional member who has been admitted to the Company as a Class B Member in accordance with this Agreement, and (b) has not withdrawn from the Company or, if other than an individual, has not dissolved.

1.11 **Code** means the Internal Revenue Code of 1986, as it may be amended from time to time, the provisions of succeeding law, and, to the extent applicable, the Regulations.

1.12 **Company** means Place One Preservation Partners LLC, a Virginia limited liability company.

1.13 **Depreciation** means an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for federal income tax purposes.

1.14 **Dissolution Event** means with respect to any Member one or more of the following: the death, insanity, withdrawal, expulsion, bankruptcy or dissolution of such Member.

1.15 **Distributable Cash** means the amount of cash which the Managers deem available for distribution to the Members, taking into account all debts, liabilities and obligations of the Company then due and amounts which the Managers deem necessary to place into reserves for customary and usual claims with respect to the Company's business.

1.16 **Economic Interest** means a Person's right to share in the income, gains, losses, deductions, credits or similar items of, and to receive distributions from, the Company, but does

not include any other rights of a Member, including the right to vote or to participate in management.

1.17 **Encumbrance** means, with respect to any Membership Interest, or any element thereof, a mortgage, pledge, security interest, lien, proxy coupled with an interest (other than as contemplated in this Agreement), option or preferential right to purchase.

1.18 **Effective Date** means June 30, 2020, the date the Certificate of Organization was filed with the Virginia State Corporation Commission.

1.19 **Fiscal Year** means the Company's fiscal year, which shall be the calendar year.

1.20 **Involuntary Transfer** means, with respect to any Membership Interest, or any element thereof, any Transfer or Encumbrance, whether by operation of law, pursuant to court order, foreclosure or a security interest, execution of a judgment or other legal process or otherwise, including a purported transfer to or from a trustee in bankruptcy, receiver or assignee for the benefit of creditors.

1.21 **Majority Voting Interest** means one or more Voting Interests of Members which taken together exceed fifty percent (50%) of the aggregate of all Voting Interests.

1.22 **Manager(s)** mean the initial manager(s) listed in Section 2.6 and/or any lawfully elected or appointed successors.

1.23 **Member** means each Class A Member and Class B Member.

1.24 **Membership Interest** means a Member's entire interest in the Company including, but not limited to, the Member's Economic Interest, the right to vote on or participate in the management of the Company to the extent provided in this Agreement and the right to receive information concerning the business and affairs of the Company.

1.25 **Net Profits** and **Net Losses** mean the taxable income or loss, as the case may be, for a period (or from a transaction) as determined in accordance with Section 703(a) of the Code (for this purpose all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss).

1.26 **Partnership** means Place One Preservation Limited Partnership, a Virginia limited partnership.

1.27 **Percentage Interest** means the percentage of membership set forth opposite the name of such Member under the column "Member's Percentage Interest" in "Exhibit A" hereto, as such percentage may be adjusted from time to time pursuant to the terms of this Agreement.

1.28 **Person** means an individual, general partnership, limited partnership, limited liability company, corporation, trust, estate, real estate investment trust association or any other entity.

1.29 **Project(s)** means the multifamily housing projects for rental to low-income individuals, families and/or seniors, to be known as Place One Apartments, located in the City of Henrico,

Virginia.

1.30 **Regulations** mean, unless the context clearly indicates otherwise, the regulations currently in force as final or temporary that have been issued by the U.S. Department of the Treasury pursuant to its authority under the Code.

1.31 **Tax Credits** means low-income housing tax credits allowable under Section 42 of the Code.

1.32 **Tax Matters Partner** means such person as may be designated pursuant to Section 9.5.

1.33 **Transfer** means, with respect to a Membership Interest, or any element of a Membership Interest, any sale, assignment, gift, Involuntary Transfer, Encumbrance, or other disposition of such Membership Interest, or any element of such Membership Interest, directly or indirectly, except as expressly permitted under this Agreement.

1.34 **Voting Interest** means, with respect each Class A Member, the voting interest set forth opposite the name of such Class A Member under the column "Class A Member's Voting Interest" in "Exhibit A" hereto, as such percentage may be adjusted from time to time pursuant to the terms of this Agreement. Class B Members have no Voting Interest except as required by the Act.

ARTICLE II ORGANIZATION

2.1 **Formation.** Pursuant to the Act, the Members have formed a Virginia limited liability company under the laws of the Commonwealth of Virginia by filing the Articles with the Virginia State Corporation Commission and entering into this Agreement. The rights and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights or obligations of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control.

2.2 **Name.** The name of the Company shall be Place One Preservation Partners LLC. The business of the Company may be conducted under that name or, upon compliance with applicable law, any other name that the Members holding a Majority Voting Interest deem appropriate or advisable.

2.3 **Term.** The term of existence of the Company shall commence on the effective date of filing of the Articles and shall continue until terminated by the provisions of this Agreement or as provided by law.

2.4 **Office and Agency.** The Company shall continuously maintain an office and registered agency in the Commonwealth of Virginia as required by the Act.

2.5 **Principal Office.** The principal office of the Company shall be at 21515 Hawthorne Blvd.,

Suite 150, Torrance, California 90503, or such other place as may be determined by the Manager(s) from time to time.

2.6 **Initial Manager.** Nicholas Tufano, William Szymczak and Charles Treach shall be the initial Managers of the Company.

2.7 **Purpose of the Company.** The purpose of the Company is to engage in any lawful activity for which a limited liability company may be organized under the Act. Notwithstanding the foregoing, the Company has been specifically organized to use its expertise to acquire, develop and rehabilitate the Project and to act as a general partner in the Partnership which shall thereafter own, operate, maintain, lease, hold for investment, finance, sell and otherwise realize the economic benefit from the Project and to conduct such other activities with respect to the Project as are necessary or appropriate to accomplish the foregoing purposes.

ARTICLE III CAPITAL CONTRIBUTIONS

3.1 **Initial Capital Contributions.** The Members shall contribute in cash such amount as is set forth on Exhibit A as their initial Capital Contribution. Exhibit A shall be amended to reflect any additional initial Capital Contributions up to and including the date on which the Company completes an acquisition, including without limitation a general partner's interest in the Partnership that is the owner of the Project provided that all additional contributions must be funded by the Class A Members or as a loan from a Manager.

3.2 **Additional Funds.** In the event the Managers from time to time determine, in their sole discretion, that additional funds are necessary to meet the Company's current or projected financial needs, then to the extent that the Managers have elected, in their sole discretion, not to borrow such funds on behalf of the Company from third parties, then any Member that is a Manager (and any Member that is an Affiliate of a Manager) shall (a) contribute to the capital of the Company, in cash, within 30 days following the effective date of such notice, 100% of such additional funds and such contributed amounts shall be credited to the Capital Accounts of such Member, or (b) lend such additional funds to the Company at such interest rate and on such repayment terms as the Managers, in their sole discretion, deem advisable, provided, however, if the rate chosen by the Managers is greater than the federal funds rate plus 5%, written notice shall be provided by the Managers to the Members and each Member shall have the right, but not the obligation, to loan its proportionate share of such loan to the Company at the same rate (unless otherwise agreed by the Managers). A Member shall provide notice to the Managers of the intent to make such loan within 5 days of receipt of notice from the Managers.

3.3 **Guaranties.** The Members acknowledge that a Member or a Manager may enter into certain personal guaranties (the "**Guaranties**") of the financing to be obtained by the Company for the acquisition, rehabilitation and operation of a project. Any funds advanced by a Member or a Manager pursuant to the Guaranties shall be treated as a loan to the Company at such interest rate and on such repayment and other terms, as the Managers, in their sole discretion, deem commercially reasonable. For the avoidance of doubt, the lesser of (x) 7% simple interest and (y) the federal funds rate plus 4% shall be deemed commercially reasonable.

3.4 **Capital Accounts.** Each individual Member's Capital Account shall be maintained in accordance with the requirements of the Code and adjusted in accordance with the following provisions:

a) A Member's Capital Account shall be increased by (i) that Member's Capital Contributions, (ii) that Member's share of Net Profits, and (iii) any items in the nature of income or gain that are specially allocated to that Member pursuant to Article VI.

b) A Member's Capital Account shall be increased by the amount of any Company liabilities assumed by that Member subject to and in accordance with the provisions of the Code.

c) A Member's Capital Account shall be decreased by (i) the amount of cash distributed to that Member, (ii) the fair market value of any property of the Company so distributed, net of liabilities secured by such distributed property that the distributee Member is considered to assume or to be subject to under the Code, (iii) that Member's share of Net Losses, and (iv) the amount of any items in the nature of expenses or losses that are specially allocated to that Member pursuant to Article VI.

d) If any Economic Interest, or portion thereof, is transferred, the Assignee of such Economic Interest or portion shall succeed to the Assigning Member's Capital Account attributable to such interest or portion.

e) Each Member's Capital Account shall be increased or decreased as necessary to reflect a revaluation of the Company's properties and assets in accordance with the requirements of Sections 1.704-1(b)(2)(iv)(f) and 1.704-1(b)(2)(v)(g) of the Regulations, including the special rules under Section 1.70-1(b) (4) of the Regulations, as applicable. The provisions of this Agreement respecting maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with those Regulations.

ARTICLE IV MEMBERS

4.1 **Members.** There shall be two classes of membership, Class A Membership and Class B Membership. Except as provided in this Agreement, no Member shall have any rights or preferences in addition to or different from those possessed by any other Members. Except as provided in this Agreement, Members shall not have the right and power to appoint, remove and replace the Managers or Officers of the Company. Except as provided in this Agreement, Members shall have the right to vote on all other matters with respect to which this Agreement or the Act requires or permits such Member action. Except as provided in this Agreement, each Member shall vote in proportion to the Member's Percentage Interest. If a Member has assigned all or part of the Member's Economic Interest to an Assignee who has not been admitted as a Member, the Assigning Member shall vote in proportion to the Percentage Interest that the Assigning Member would have had, if the assignment had not been made. Without limiting the foregoing, the Agreement may be amended by a vote of a Majority Voting Interest of Class A Members, provided that one or more of the votes in favor of the amendment is that of a Class A Member or Members owning 30% of the Class A interest representing the Class A interest that is not owned by the (a) initial Manager (or successor), (b) controlling member (or Affiliate), or (c) Affiliate or issue to the initial Manager, except for those amendments which are required by law

to be by the unanimous vote of the Members.

The rights and privileges of the Class B Members are strictly limited to:

(i) the right to receive their respective *pro rata* allocations and distributions described in Article VI hereof, and

(ii) the right to consent to any of the following Company actions: (A) the Company knowingly performing or allowing to be performed any act that would subject the Class B Members to disproportionate liability, as compared to the Class A Members, (B) the Company taking any act which would adversely impact the Class B Members' right to receive distributions and allocations from the Company, as compared to the Class A Members, or (C) any further consent rights as required to be granted to the Class B Members under the Act, if any, it being the intent of the Members that, except as specifically provided in this Section 4.1, the Class B Members shall have the minimum voting rights granted to members of a limited liability company under the Act.

4.2 **Admission of Additional Members.** No additional Members shall be admitted to the Company unless approved by Class A Members holding at least an 85% Voting Interest and any new interests shall be Class B interests. For the avoidance of doubt, Class B interests shall never become Class A interests even if transferred to a holder of Class A interests. Class A interests shall never become Class B interests even if transferred to a holder of Class B interests.

4.3 **Withdrawals.** A Member may withdraw from the Company at any time by giving notice of withdrawal to all other Members at least 180 calendar days before the effective date of withdrawal. Withdrawal shall not release a Member from any obligations or liabilities under this Agreement accrued or incurred before the effective date of withdrawal. A withdrawing Member shall divest the Member's entire Membership Interest before the effective date of withdrawal in accordance with and subject to the provisions of this Article IV and Article VII.

4.4 **Termination of Membership Interest.** Upon the Involuntary Transfer or Transfer of a Member's Membership Interest in violation of this Agreement, the Company may be dissolved in accordance with Article VIII hereof. Upon the occurrence of a Dissolution Event as to a Member that does not result in the dissolution of the Company, the Membership Interest of such Member may be purchased by the remaining Members as provided herein. Each Member acknowledges and agrees that such termination or purchase of a Membership Interest upon the occurrence of any of the foregoing events is not unreasonable under the circumstances existing as of the date hereof.

4.5 **Remuneration to Members.** Except as otherwise authorized in, or pursuant to this Agreement, no Member is entitled to remuneration for acting in the Company business.

4.6 **Members Are Not Agents.** Pursuant to Section 5.1 and the Articles, the management of the Company is vested in the Managers. No Member, acting solely in the capacity of a Member, is an agent of the Company, nor can any Member in such capacity bind or execute any instrument on behalf of the Company.

4.7 **Meetings of the Members.** No annual or regular meetings of Members are required;

provided however, that upon the written request of three or more Members, the Managers shall call for a meeting by written notice to all Members within 30 days of receipt of such request. A Member may vote in person or by proxy filed with the Managers before the meeting. Meetings may be by conference phone call if so noticed.

4.8 **Action by Members Without a Meeting.** Any action that may be taken at any meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by Members having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all Members entitled to vote thereon were present and voted. Prompt notice of the action taken shall be given to all Members who have not consented to the action.

ARTICLE V MANAGEMENT AND CONTROL OF THE COMPANY

5.1 **Management of the Company by Managers**

5.1.1 **Exclusive Management by Managers.** The business, property and affairs of the Company shall be managed, and all powers of the Company shall be exercised by or under the sole discretion of the Managers. A Manager need not be a Member.

5.1.2 **Services Performed by Managers or Affiliates.** The Company shall pay Members acting on its behalf as Managers for services rendered or goods provided to the Company to the extent that the Managers are not required to render such services or goods themselves without charge to the Company, and to the extent that the fees paid to such Managers or Affiliates do not exceed the fees that would be payable to an independent responsible third party that is willing to perform such services or to provide such goods.

5.1.3 **Authority of the Managers.** The Managers are authorized to endorse checks, drafts and all other evidence of indebtedness made payable to the order of the Company, and may sign all checks, drafts and other instruments obligating the Company to pay money, and may sign agreements, contracts and obligations on behalf of the Company without the approval of any of the Members. Except as set forth below, if there are two Managers, decisions may be made by any one of the two Managers. If there are more than two Managers, decisions shall be made by majority vote of the Managers at a meeting or by written consent. Notwithstanding the foregoing, the following decisions shall require the unanimous consent of the Managers if there are two Managers:

a. **Lending and Borrowing.** Lending any funds of the Company or borrowing, or causing any partnership in which the Company is a partner, to borrow funds, or depositing funds other than in a federally insured depository institution;

b. **Sale of Assets.** The sale, exchange, or other disposition of all or any portion of the Company or its assets;

c. **Consolidation/Merger.** Consolidating or merging the Company with or into any entity or engaging in any other transaction having substantially the same effect;

d. **Business Purpose.** Altering the primary purpose or business of the Company as set forth in section 2.7 above or performing any act which would make it impossible to carry on the primary purpose or business of the Company;

e. **Judgments.** Confessing a judgment against the Company in an amount in excess of \$50,000.00;

f. **Bankruptcy.** Filing a petition for relief under the United States Bankruptcy Code, as amended, making an assignment for the benefit of creditors of the Company, applying for the appointment of a custodian, receiver or trustee for the Company or any of the Company's property, consenting to any other bankruptcy or similar proceeding, or consenting to the filing of such proceeding with respect to the Company, or admitting in writing the Company's inability to pay its debts generally as they become due;

g. **Contracts with Members/Affiliates.** Entering into any contract with, or the modification, revision or amendment of any contract with a Member, or an Affiliate of a Member, other than on terms as favorable as the Company would receive from a third party;

h. **Fiscal Year.** Approving any change to the Fiscal Year; and

i. **Key Personnel and Relationships.** Terminating or otherwise modifying the primary roles and responsibilities of key personnel and contractual relationships, including, but not limited to, agreements with property managers, contractors, architects, accountants, attorneys, lenders or service providers, and in all cases, subject to the approval of any lenders or governmental authorities having consent rights over such terminations or modifications.

5.2 **Appointment of Successor Managers.** In the event the Manager(s) resigns, dies, or becomes incapacitated, first, any other lawfully elected or appointed successor of the Initial Manager shall remain the Manager, but if such remaining successor Manager also resigns, dies, or becomes incapacitated, and has not appointed a successor Manager, then the successor Manager(s) shall be appointed by the Class A Members holding a Majority in Interest.

5.3 **Election and Removal of Managers.** The number of Managers to be elected shall be determined by a vote of a Majority Interest of the Class A Members, but shall not be less than two absent the consent of a vote of a Majority Interest, provided that one or more of the votes in favor of reducing the number of Managers is that of a Class A Member or Class A Members owning 60% of the interest representing the interest that is not owned by an (a) an initial Manager (or successor), (b) a controlling member (or Affiliate), or (c) an Affiliate or issue to an initial Manager. Except as provided in section 5.2 above, vacancies of Managers shall be filled by the affirmative vote of a Majority Interest of the Class A Members. Managers may be removed, with or without cause, by the vote of a Majority Interest of the Class A Members at a meeting expressly called for that purpose. A Manager need not be a Member, an individual, a resident of the State of Ohio, or a citizen of the United States. A Manager shall hold office until his, her or its successor shall have been elected and qualified.

5.4 **Powers of Managers.** Without limiting the generality of Section 5.1, the Managers shall have all necessary powers to manage and carry out the purposes, business, property and affairs of the Company as permitted under the Act, provided, however, that any sale or refinance of the Project by the Partnership shall be on terms it deems appropriate for the Partnership after taking

into consideration the HUD, resident, and Virginia Housing Development Authority requirements, and shall require the consent of those Class A Members holding at least a 75% Voting Interest.

5.5 **Performance of Duties; Liability of Managers.** The Managers shall not be liable to the Company or to any Member for any loss or damage by the Company or any Member, unless the loss or damage shall have been the result of breach of a Manager's fiduciary duties to the Company, fraud, deceit, gross negligence, reckless or intentional misconduct, knowing and intentional breach of this Agreement or a knowing violation of law by a Manager. The Managers shall perform their managerial duties in good faith, in a manner they reasonably believe to be in the best interest of the Company and its Members, and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances.

5.6 **Devotion of Time.** The Managers are not obligated to devote all of their time or business efforts to the affairs of the Company. The Managers shall devote whatever time, effort and skill as they deem appropriate for the operation of the Company.

5.7 **Competing Activities.** The Members and their Affiliates may engage or invest in, independently or with others, any business activity of any type or description including, without limitation, those that might be the same as or similar to the Company's business and that might be in direct or indirect competition with the Company. Neither the Company nor any Member shall have any right in or to such other ventures or activities or to the income or proceeds derived therefrom. The Members shall not be obligated to present any investment opportunity or prospective economic advantage to the Company, even if the opportunity is of the character that, if presented to the Company, could be taken by the Company. The Members shall have the right to hold any investment opportunity or prospective economic advantage for their own account or to recommend such opportunity to Persons other than the Company.

5.8 **Limited Liability.** The Managers of the Company shall not be personally liable under any judgment of a court, or in any other manner, for any debt, obligation or liability of the Company, whether that liability or obligation arises in contract, tort or otherwise, solely by reason of being a Manager of the Company.

5.9 **Officers**

5.9.1 **Appointment of Officers.** The Managers may appoint officers at any time. The officers of the Company, if deemed necessary by the Managers, may include a chairperson, president, vice president, secretary and chief financial officer. The officers shall serve at the pleasure of the Managers, subject to all rights, if any, of any officer under any contract of employment. Any individual may hold any number of offices. No officer need be a resident of the Commonwealth of Virginia or a citizen of the United States. The officers shall exercise such powers and perform such duties as specified in this Agreement and as shall be determined from time to time by the Company.

5.9.2 **Removal, Resignation and Filing of Vacancy of Officers.** Subject to the rights, if any, of an officer under a contract of employment, any officer may be removed, either with or without cause, by the Managers at any time. Any officer may resign at any time by giving written notice

to the Managers. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in this Agreement for regular appointment to that office.

5.9.3 Salaries of Officers. Subject to Sections 5.1.2 and 5.9, the salaries of all officers and agents of the Company shall be fixed by agreement of the Class A Members holding at least an 80% Voting Interest.

5.9.4 Duties and Powers of the Chairperson. The chairperson, if such an officer be appointed, shall, if present, preside at meetings of the Members and the Managers and exercise and perform such other powers and duties as may be from time to time assigned to him or her by the Managers or prescribed by this Agreement. If there is no president, the chairperson shall in addition be the chief executive officer of the Company and shall have the powers and duties prescribed in Section 5.9.5.

5.9.5 Duties and Powers of the President. Subject to such supervisory powers, if any, as may be given by the Managers to the chairperson, if there be such an officer, the president shall be the chief executive officer of the Company, and shall, subject to the control of the Managers, have general and active management of the business of the Company and shall see that all orders and resolutions of the Members and Managers are carried into effect. He or she shall have the general powers and duties of management usually vested in the office of the president of a corporation and shall have such other powers and duties as may be prescribed by the Managers or this Agreement. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Company, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Managers or some other officer or agent of the Company.

5.9.6 Duties and Powers of the Vice President. The vice president, or if there be more than one, the vice presidents in the order determined by a resolution of the Managers, shall, in the absence of disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties and have such other powers as the Managers by resolution may from time to time prescribe.

5.9.7 Duties and Powers of the Secretary. The secretary shall attend all meetings of the Managers and all meetings of the Members and shall record all the proceedings of the meetings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The secretary shall give, or cause to be given, notice of all meetings of the Members and shall perform such other duties as may be prescribed by the Managers. The secretary shall have custody of the seal, if any, and the secretary shall have the authority to affix the same to any instrument requiring it, and when so affixed, it may be attested by his or her signature. The Managers may give general authority to any other officer to affix the seal of the Company, if any, and to attest the affixing by his or her signature. The secretary shall keep, or cause to be kept, at the principal executive office or at the office of the Company's transfer agent or registrar, as determined by resolution of the Managers, a register, or duplicate register,

showing the names of all certificates issued for the same, and the number and date of every certificate surrendered for cancellation. The secretary shall also keep all organizational documents including those described in Article IX and shall perform such other duties and have such other authority as may be prescribed elsewhere in this Agreement or from time to time by the Managers. The secretary shall have the general duties, powers and responsibilities of a secretary of a corporation.

5.9.8 Duties and Powers of the Chief Financial Officer. The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Company, including accounts of its assets, liabilities, receipts, distributions, gains, losses, capital, Membership Interests and Economic Interests. The books of account shall at all reasonable times be open to inspection by any Manager. The chief financial officer shall have custody of the funds of the Company and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Managers. The chief financial officer shall disburse the funds of the Company as may be ordered by the Managers, taking proper vouchers for such disbursement, and shall render to the president and the Managers, at their regular meetings, or when Members so require, at a meeting of the Members an account of all his or her transactions and of the financial condition of the Company.

5.9.9 Acts of Officers As Conclusive Evidence of Authority. Any note, mortgage, evidence of indebtedness, contract, certificate, statement, conveyance or other instrument in writing, and any assignment or endorsement thereof executed or entered into between the Company and any other person, when signed by the chairperson, the president, any vice president, the secretary or an assistant secretary, or the chief financial officer or any assistant treasurer of the Company, is not invalidated as to the Company by any lack of authority of the signing officers in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same.

5.9.10 Signing Authority of Officers. Subject to Section 5.1.3 and any restrictions imposed by the Managers, any officer, acting alone, is authorized to endorse checks, drafts and other evidences of indebtedness made payable to the order of the Company, but only for the purpose of deposit into the Company's accounts. All checks, drafts and other instruments obligating the Company to pay *money* in an amount less than \$5,000 may be signed by any one officer acting alone. All checks, drafts and other instruments obligating the Company to pay *money* in an amount of \$5,000 or more must be signed on behalf of the Company by any two officers acting together. Any one officer shall be authorized to sign contracts and obligations on behalf of the Company.

5.10 Control. Notwithstanding anything to the contrary in this Agreement, the Company shall not transfer, pledge or otherwise dispose of its property or issue notes or other obligations and secure any of them by deed of trust or security interest of its assets without the prior written consent of Class A Members holding at least a 75% Voting Interest.

ARTICLE VI ALLOCATIONS AND DISTRIBUTIONS

6.1 **Allocations.** Gross income, Depreciation, Tax Credits and losses shall be allocated as follows:

First, (a) gross income shall be allocated to the Class B Members in an amount equal to distributions received, except those that are considered a return of capital.

Second, (a) gross income in an amount equal to Depreciation plus \$1, shall be specially allocated to the Class A Members in accordance with their Class A Percentage Interests, and (b) gross income in excess of Depreciation plus \$1, shall be allocated to the Class A Members in accordance with their Class A Percentage Interests.

Thirdly, Depreciation shall be allocated to the Class A Members in proportion to the Class A Members' Percentage Interests. Tax Credits shall be allocated to the Members in the same manner as Depreciation.

Finally, (a) losses shall be allocated to the Members with positive Capital Account balances in proportion to and in reduction of their positive Capital Account balances, and thereafter (b) losses shall be allocated to the Members in proportion to the Class A Members' Percentage Interests.

It is the intent of the Members that the Class B members only receive income equal to distributions received in excess of capital contributions, with all other income, revenues, losses, depreciation and Tax Credits allocated to the Class A Members.

6.2 **Intentionally Omitted.**

6.3 **Distributions by the Company.** Subject to applicable law and any limitations contained elsewhere in this Agreement, Class A Members holding a Majority Voting Interest may elect from time to time to distribute Distributable Cash to the Members (except that no more than \$10,000 may be held back without Approved by Class A members holding an 80% Voting Interest), which distributions shall be in the following order of priority:

(a) To reduce the balance of any outstanding loan, with accrued interest, made by any Member to the Company;

(b) To the Members in proportion to their unreturned Capital Contributions until each Member has recovered its Capital Contribution; and

(c) To the Members or their Assignees in proportion to the Members' Percentage Interests.

All such distributions shall be made only to the persons who, according to the books and records of the Company, are holders of record of the Membership Interests or in the case of an Assignee, the Economic Interest, in respect of which such distributions are made on the actual date of distribution. Neither the Company nor the Managers shall incur any liability for making distributions in accordance with this Section 6.3.

6.4 **Form of Distribution.** A Member has no right to demand and receive any distribution from the Company in any form other than money. Except upon dissolution and the winding up of the Company, no Member may be compelled to accept a distribution of any asset in kind.

6.5 **Return of Distributions.** Except for distributions made in violation of the Act or the Agreement or which are made from funds which represented improper distributions from the Project asset under federal regulations relative to the operations of a federally insured project, no Member shall be obligated to return any distribution to the Company or pay the amount of any distribution for account of the Company or to any creditor of the Company. The amount of any distribution returned to the Company by a Member or paid by a Member for the account of the Company or to a creditor of the Company shall be added to the account or accounts from which it was subtracted when it was distributed to the Member.

6.6 **Restrictions on Distributions.** No distribution shall be made if, after giving effect to the distribution, the Company should not be able to pay its debts as they may become due in the usual course of business.

6.7 **Restrictions on Distributions Relating to Guarantees of Development Fee.** If any Member who is a guarantor of a development fee relating to the Project is required by the Partnership's partnership agreement or otherwise to contribute funds in order to pay any such development fee and/or accrued interest within the required operating partnership timeframe with respect to the Project, and such funds are in fact contributed by such guarantor(s), then an amount equal to such funds shall be specially allocated and distributed to such guarantor(s) who made such contributions prior to any distributions being made to the other Members. Should the Company make a capital contribution to the Partnership to pay any development fee, then each Member shall be deemed to have contributed its Percentage Interest of the amount of such capital contribution. If the Members (or assignees) are paid such fee, then such Members will not be deemed to have contributed such Percentage Interest of the amount of such capital contribution, it being the intent of the Members to share both any phantom income and subsequent repayment with all the Members in proportion to each Member's Percentage Interest.

ARTICLE VII TRANSFER AND ASSIGNMENT OF INTERESTS

7.1 **Permitted Transfers.** A Member shall be entitled to transfer, without any restriction on transfer, all or any portion of his or her Membership Interest, either prior to or upon death, to a spouse (or a former spouse as a result of a dissolution or divorce proceeding), issue or a trust all of whose beneficiaries are either the Member or his or her spouse or issue and all of whose trustees are either the Member, his or her spouse or issue or other natural persons with a pre-existing personal or business relationship with the Member such that he or she would reasonably be expected to serve as a trustee of a trust established by a Member. Successive similar transfers, also without any restriction on transfer, may be made of all or any portion of a Member's Membership Interest; provided, however, that all of such Membership Interest shall continue to be beneficially owned by the Member's issue, a present or former spouse or such spouse's issue and any trustees shall have the relationship as set forth in the preceding sentence. If any dispute shall arise as to whether a transfer of a Membership Interest is permitted as set

forth in the preceding two sentences, such dispute shall be resolved by the Managers in their sole discretion, which decision shall be final and non-appealable. A Member shall also be entitled to transfer all or any portion of his or her Membership Interest to a charitable organization exempt from federal income taxation under Code 501(c)(3) or a wholly-owned affiliate thereof (a “**Charitable Transfer**”); provided, however, such Charitable Transfer shall not have a negative economic impact on the Company or the Partnership in the Managers’ sole discretion. Any transfer not permitted by this section shall be subject to the other provisions on transfer as set forth in this Agreement. The transfer of a Membership Interest under this section shall be effective and the permitted transferee shall become a Member upon the transferee’s execution and delivery of a counterpart of this Agreement and all amendments thereto, as a party thereto.

7.2 **Restrictions on Transfer.** Except as expressly provided in this Agreement, a Member shall not transfer any part of the Member's Membership Interest in the Company, whether now owned or later acquired, unless (a) the other Members unanimously approve the Assignee’s admission to the Company as a Member upon such Transfer, and (b) the Membership Interest to be transferred, when added to the total of all other Membership Interest transferred in the preceding 12 months, will not cause the termination of the Company under the Code. No Member may encumber or permit or suffer any Encumbrance of all or any part of the Member's Membership Interest in the Company unless such Encumbrance has been approved in writing by the Managers. Such approval may be granted or withheld in the Managers' sole discretion. Any Transfer or Encumbrance of a Membership Interest without such approval shall be void. Notwithstanding any other provision of this Agreement to the contrary, a Member who is a natural person may transfer all or any portion of his or her Membership Interest to any revocable trust created for the benefit of the Member, or any combination among the Member, the Member's spouse and the Member’s issue; provided, however, that the Member retains a beneficial interest in the trust and all of the voting interest included in such Membership Interest. A Transfer of a Member’s beneficial interest in such trust or failure to retain such a voting interest, shall be deemed a Transfer of a Membership Interest.

7.3 **Right of First Refusal.** If a Member wishes to transfer any or all of the Member’s Membership Interest pursuant to a Bona Fide Offer (as defined below), the Member shall give notice to all Class A Members at least 30 days in advance of the proposed sale or Transfer, indicating the terms of the Bona Fide Offer and the identity of the offeror. The Company and the Class A Members (or other Class A Members) shall have the option to purchase the Membership Interest proposed to be transferred at the price and on the terms provided in this Agreement. If the price for the Membership Interest is other than cash, the fair value in dollars of the price shall be established in good faith by the Company. For purposes of this Agreement, “**Bona Fide Offer**” means an offer in writing setting forth all relevant terms and conditions of purchase from an offeror who is ready, willing and able to consummate the purchase and who is not an Affiliate of the selling Member. For 30 days after such notice is given, the Company shall have the right to purchase the Membership Interest offered, on the terms stated in such notice, for the lesser of (a) the price stated in the notice (or the price plus the dollar value of the noncash consideration, as the case may be) and (b) the price determined under the appraisal procedure set forth in section 7.8.

If the Company does not exercise the right to purchase all of the Membership Interest, then, with respect to the portion of the Membership Interest that the Company does not elect to purchase, that right shall be given to the Class A Members (or other Class A Members) for an additional

30-day period, beginning on the day that the Company's right to purchase expires. Each of the Class A Members (or other Class A Members) shall have the right to purchase, on the same terms, a part of the interest of the offering Member in the proportion that the Member's Percentage Interest bears to the total Percentage Interests of all of the Class A Members who choose to participate in the purchase; provided, however, that the Company and the participating Class A Members may not, in the aggregate, purchase less than the entire interest to be sold by the offering Member. If the Company and the Class A Members (or other Class A Members) do not exercise their rights to purchase all of the Membership Interest, the offering Member may, within 90 days from the date the notice is given and on the terms and conditions stated in the notice, sell or exchange that Membership Interest to the offeror named in the notice. Unless the requirements of section 7.9 of this Agreement are met, the offeror under this section shall become an Assignee, and shall be entitled to receive only the share of Profits or other compensation by way of income and return of Capital Contribution to which the assigning Member would have been entitled.

Should a Manager who is a Member, or a Member owning a (1) controlling Membership Interest, (2) Voting Interest, or (3) White Eagle, elect to sell its Membership Interest in the Company (either directly or indirectly), such Member must give notice as aforesaid, each Class A Member shall be granted the right ("**Right to Sell**"), but not the requirement, to require such Manager or Member to acquire the other Class A Member's Membership Interest upon the same terms as set forth in the Bona Fide Offer to the Manager or Member, by giving written notice to the proposed transferor within the same 30 day period as set forth in the first paragraph in this Section 7.3, and the proposed transferor shall pay for such Membership Interests within 30 days after the effective date of such notice.

Should any Membership Interest be transferred or become owned directly or indirectly by an entity exempt from taxation (a nonprofit entity) that would require more than a .01% of the Property to be depreciated at 40 years in lieu of 27.5 years for real property, Class A Members shall have the right to purchase the interest for at FMV, unless such nonprofit entity (including an indirect interest) shall within three (3) days of becoming a member (including an indirect interest), elect to be taxed (i.e. an election under Section 168(h)(6) of the Code) or provide affirmative proof that it will elect to be taxed in such a way to prevent the longer depreciation lives. If the Class A Members holding more than a 2% interest do not receive proof of such notice within the three (3) days, such members interest shall be held in trust with no distributions made for the period allowed to value and purchase said interest by Class A Members. Failure to provide notice is considered gross negligence and shall trigger the option for the other Class A Members to purchase the interest at FMV as an installment sale with interest at long-term AFR and payments made from cash distributions otherwise payable on said membership with a final payment 2 years after compliance period ends. For example, if the Treatch Family Trust transferred its interest in a family limited partnership (an approved transaction) but subsequently 50% of that interest held by the family limited partnership was donated to a foundation. If the foundation does not agree to make the election under Section 168(h)(6) of the Code, then the other Class A Members could purchase the up to 100% interest held by the family limited partnership at FMV to make sure all the real property is depreciated over 27.5 years.

7.4 Rights of Legal Representatives. Subject to the terms of the Act and this Agreement, with respect to a Dissolution Event, if a Member who is an individual dies or is adjudged by a court of competent jurisdiction to be incompetent to manage the Member's person or property, the

Member's executor, administrator, guardian, conservator or other legal representative may exercise all of the Member's rights for the purpose of settling the Member's estate or administering the Member's property. If a Member is a corporation, trust or other entity, and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or successor.

7.5 **Triggering Events.** On the happening of any of the following events ("**Triggering Events**") with respect to a Member, the Company and the Class A Members (or other Class A Members) shall have the option to purchase the Membership Interest of such Member ("**Selling Member**") at the price and on the terms provided in Section 7.8:

(a) The bankruptcy or withdrawal of a Member, or the winding up and dissolution of a corporate Member, or merger or other corporate reorganization of a corporate Member as a result of which the corporate Member does not survive as an entity; provided, that the remaining Members have elected to continue the business of the Company.

(b) The failure of a Member to make the Member's Capital Contribution pursuant to the provisions of Article III of this Agreement.

(c) The occurrence of any other event that is, or that would cause a Transfer in contravention of this Agreement.

7.6 **Option Periods.** On the receipt of notice by the Class A Members as contemplated by Sections 7.3 and 7.4 of this Agreement, and on receipt of actual notice of any Triggering Event as determined in good faith by the Managers (the date of such receipt is hereafter referred to as the "Option Date"), the Manager shall promptly cause a notice of the occurrence of such a Triggering Event to be sent to all Members, and the Company shall have the option, for a period ending 30 calendar days following the determination of the purchase price as provided in Section 7.8 to purchase the Membership Interest in the Company to which the option related, at the price and on the terms set forth in Section 7.8, the Class A Members (or other Class A Members) shall have the option to purchase pro rata in accordance with their prior Membership Interests, for a period of 30 days thereafter, the Membership Interest not purchased by the Company, on the same terms and conditions as apply to the Company. If all the Class A Members (or other Class A Members) do not elect to purchase the entire remaining Membership Interest, then the Class A Members (or other Class A Members) electing to purchase shall have the right, pro rata in accordance with their prior Membership Interests, to purchase the additional Membership Interest available for purchase. The transferee of the Membership Interest that is not purchased shall hold such Membership Interest subject to all of the provisions of this Agreement.

7.7 **Nonparticipation of Interested Member.** Neither the Member whose interest is subject to purchase under this Article, nor such Member's Affiliate, shall participate in any vote or discussion or any matter pertaining to the disposition of the Member's Membership Interest under this Agreement.

7.8 **Option Purchase Price.** The purchase price of the Membership Interest that is the subject of an option under Section 7.6 shall be the "Fair Option Price" of the interest as determined by this section. "**Fair Option Price**" means the cash price that a willing buyer would pay to a willing seller when neither is acting under compulsion and when both have reasonable

knowledge of the relevant facts on the Option Date. Each of the selling and purchasing parties shall use his, her or its best efforts to mutually agree upon the Fair Option Price. If the parties are unable to agree, within 30 days of the Option date, the selling party shall appoint, within 40 days of the Option Date, one appraiser, and the purchasing party shall appoint, within 40 days of the Option Date, one appraiser. The two appraisers shall, within a period of five additional days, agree upon and appoint an additional appraiser. The three appraisers shall, within 60 days, after the appointment of the third appraiser, determine the Fair Option Price of the Membership Interest in writing and submit their report to all the parties. The Fair Option Price shall be determined by disregarding the appraiser's valuation that diverges the greatest from each of the other two appraisers' valuations, and the arithmetic mean of the remaining two appraisers' valuations shall be the Fair Option Price. Each party shall pay for the services of the appraiser selected by it, plus one-half of the fee charged by the third appraiser and one-half of all other costs relating to the determination of the Fair Option Price. The Fair Option Price as so determined shall be payable in cash.

7.9 **Substituted Member.** Except as expressly permitted under this Agreement, a prospective Assignee (other than an existing Member) of a Membership Interest may be admitted as a Member with respect to such Membership Interest (a "**Substituted Member**") only (a) on the vote of the Class A Members (or if the Membership Interest is that of Class A Member, then of the other Class A Members) holding a majority of the Voting Interest (or other Voting Interest) in favor of the prospective transferee's admission as a Member, and (b) on such prospective transferee executing a counterpart of this Agreement as a party hereto. Any prospective transferee of a Membership Interest shall be deemed an Assignee, and therefore, the owner of only an Economic Interest until such prospective Assignee has been admitted as a Substituted Member. Except as otherwise permitted by the Act, such Assignee shall be entitled only to receive allocations and distributions under this Agreement with respect to such Membership Interest and shall have no right to vote or exercise any rights of a Member until such Assignee has been admitted as a Substituted Member. Until an Assignee becomes a Substituted Member, the assigning Member will continue to be a Member and to have the power to exercise any rights and powers of a Member under this Agreement, including the right to vote in proportion to the Percentage Interest that the assigning Member would have had in the event that the assignment had not been made.

7.10 **Duties of a Substituted Member.** Any person admitted to the Company as a Substituted Member shall be subject to all the provisions of this Agreement that apply to the Member from whom the assigning Membership Interest was assigned; provided, however, that the assigning Member shall not be released from liabilities as a Member solely as a result of the assignment, both with respect to obligations to the Company and to third parties.

ARTICLE VIII DISSOLUTION; WINDING UP

8.1 **Dissolution Event.** Upon the occurrence of a Dissolution Event with respect to any Member, the Company shall dissolve unless the remaining Members holding a majority of the remaining Membership Interests consent within 90 days of the Dissolution Event to the continuation of the business of the Company. If the Company is not dissolved pursuant to the preceding sentence, then the Persons who stand to succeed to the Membership Interest of the

deceased, bankrupt or dissolved Member shall succeed to such Member's Economic Interest but shall not become a Member unless the requirements of Section 7.9 of this Agreement are met.

8.2 **Dissolution.** Except as provided in Section 8.1 for the continuation of the business, the Company shall be dissolved upon the first to occur of the following Dissolution Events:

(a) The death, bankruptcy or dissolution of a Member. The remaining Members shall wind up the Company.

(b) The expiration of the term of the existence of the Company.

(c) The written agreement of all Members to dissolve the Company.

(d) The sale or other disposition of substantially all of the Company's assets.

(e) Entry of a decree of judicial dissolution under the Act.

8.3 **Winding Up.** On the dissolution of the Company, the Company shall engage in no further business, other than that necessary to wind up the business and affairs of the Company. The Managers who have not wrongfully dissolved the Company or, if there is no Manager, the Members shall wind up the affairs of the Company. The delegates winding up the affairs of the Company shall give notice of the commencement of winding up by mail to all known creditors and claimants against the Company whose addresses appear in the records of the Company. After paying or adequately providing for payment of all known debts of the Company (except debts owing to Members), the remaining assets of the Company shall be distributed or applied in the following order:

(a) To pay the expenses of liquidation.

(b) To the establishment of reasonable reserves by the delegates for contingent liabilities or obligations of the Company. Upon the delegates' determination that such reserves are no longer necessary, said reserves shall be distributed as provided in this Section 8.3.

(c) To repay outstanding loans to Members. If there are insufficient funds to pay such loans in full, each Member shall be repaid in the ratio that the Member's loan, together with interest accrued and unpaid thereon, bears to the total of all such loans from Members, including all interest accrued and unpaid thereon. Such repayment shall first be credited to accrued and unpaid interest.

(d) To the Members with positive Capital Account balances in proportion to their positive Capital Account balances.

8.4 **Deficits.** Each Member shall look solely to the assets of the Company for the return of the Member's investment, and if the Company property remaining after the payment or discharge of the debts or liabilities of the Company is insufficient to return the investment of each Member, such Member shall have no recourse against any other members for indemnification, contribution or reimbursement, except as specifically provided in this Agreement.

8.5 **Certificates.** The Managers shall cause to be filed in the office of and on a form prescribed by the Virginia State Corporation Commission, a Certificate of Dissolution upon the dissolution of the Company and a Certificate of Cancellation of the Articles upon completion of the winding up of the affairs of the Company.

8.6 **No Action for Dissolution.** Except as expressly permitted in this Agreement, a Member shall not take any voluntary action that directly causes the dissolution of the Company. The Members acknowledge that irreparable damage would be done to the goodwill and reputation of the Company if any Member should bring an action in court to dissolve the Company under circumstances where dissolution is not required by Section 8.1. This Agreement has been drawn carefully to provide a fair treatment of all parties and equitable payment in liquidation of the Membership Interests. Accordingly, except where the Managers have failed to liquidate the Company as required by this Article VIII, each Member hereby waives and renounces his or her right to initiate legal action to seek the appointment of a receiver or trustee to liquidate the Company or to seek a decree of judicial dissolution of the Company.

ARTICLE IX ACCOUNTING, RECORDS, REPORTING BY MEMBERS

9.1 **Books and Records.** The books and records of the Company shall be kept, and the financial position and the results of its operations recorded, in accordance with generally accepted accounting principles or such other accounting method as the Managers may elect. The books and records of the Company shall reflect all the Company transactions and shall be appropriate and adequate for the Company's business. The Company shall maintain at its principal office all of the following:

9.1.1 A current list of the full name and last known business or residence address of each Member (Class A and Class B) set forth in alphabetical order, together with the Capital Contributions, Capital Account and Percentage Interest and Class A Voting Interest or Class B Voting Interest of each Member.

9.1.2 A copy of the Articles and any and all amendments thereto, together with executed copies of any powers of attorney pursuant to which the Articles or any amendments thereto have been executed.

9.1.3 Copies of the Company's federal, state and local income tax or information returns and reports, if any, for the six most recent taxable years.

9.1.4 A copy of this Agreement and any and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendments thereto have been executed.

9.1.5 Copies of the financial statements of the Company, if any, for the six most recent fiscal years.

9.1.6 The Company's books and records as they relate to the internal affairs of the Company for at least the current and past four fiscal years.

9.2 **Annual Statements.**

9.2.1 The Managers shall cause to be prepared at least annually, at Company expense, information necessary for the preparation of the Members' federal and state income tax returns. The Managers shall send, or cause to be sent, to each Member within 90 days after the end of each taxable year such information as is necessary to complete federal and state income tax or information returns, and a copy of the Company's federal, state and local income tax or information returns for that year.

9.2.2 The Managers shall cause to be filed at least annually with the Virginia State Corporation Commission the annual reports required under the Act.

9.3 **Filings.** The Managers, at Company expense, shall cause the income tax returns for the Company to be prepared and timely filed with the appropriate authorities. The Managers, at Company expense, shall also cause to be prepared and timely filed with appropriate federal and state regulatory and administrative bodies, amendments to or restatements of the Articles, and all reports required to be filed by the Company with those entities under the Act or other than current applicable laws, rules and regulations. If the Managers required by the Act to execute or file any document fails, after demand, to do so within a reasonable period of time or refuse to do so, any Member may prepare, execute and file that document with the Virginia State Corporation Commission.

9.4 **Bank Accounts.** All funds of the Company shall be deposited in one or more accounts with one or more recognized financial institutions in the name of the Company, at such locations as shall be determined by the Managers. Any withdrawal from such accounts of an amount less than \$5,000 shall require the signature of only one Manager or Officer and any withdrawal from such accounts of an amount of \$5,000 or more shall require the signatures of two Managers or Officers.

9.5 **Tax Matters for the Company Handled by Managers and the Tax Matters Partner.** The Tax Matters Partner as defined in Section 6231 of the Code shall represent the Company, at Company expense, in connection with all examinations of the Company's affairs by tax authorities including resulting judicial and administrative proceedings and shall expend the Company funds for professional services and costs associated therewith.

ARTICLE X INDEMNIFICATION

The Company shall indemnify any Person who was, or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a Member, Manager or other agent of the Company or that, being or having been such a Member, Manager or agent, he or she is or was serving at the request of the Company as a manager, director, officer, employee or other agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may hereafter from time to time permit.

ARTICLE XI

INVESTMENT REPRESENTATIONS

11.1 **Preexisting Relationship or Experience.** By reason of his or her business or financial experience, he or she is capable of evaluating the risks and merits of an investment in the Membership Interest and of protecting his or her own interests in connection with this investment.

11.2 **Investment Intent.** He or she is acquiring the Membership Interest for investment purposes for his or her own account only and not with a view to or for sale in connection with any distribution of all or any part of the Membership Interest. No other person will have any direct or indirect beneficial interest or right to the Membership Interest.

11.3 **No Registration of Membership Interest.** He or she acknowledges that the Membership Interest has not been registered under the Securities Act of 1933, or qualified under the Virginia Securities Act, as amended, or other similar securities statute, in reliance in part on his or her representations, warranties and agreements herein.

11.4 **Indemnity.** Each Member shall indemnify and hold harmless the Company, each and every Manager, each and every other Member, and any officers, directors, shareholders, managers, members, employees, partners, agents, attorneys, registered representatives and control persons of any such entity who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of a breach of fiduciary duty to the Company, fraud, deceit, gross negligence, reckless or intentional misconduct, knowing and intentional breach of this Agreement or a knowing violation of law, including, without limitation, the information in this Agreement, against losses, liabilities and expenses of the Company, the Managers, each and every other Member, and any officers, directors, shareholders, managers, members, employees, partners, attorneys, accountants, agents, registered representatives, and control persons of such Person (including attorneys' fees, judgments, fines and amounts paid in settlement, payable as incurred) incurred by such Person in connection with such action, suit or proceedings, or the like.

ARTICLE XII MISCELLANEOUS

12.1 **Complete Agreement.** This Agreement and the Articles constitute the complete and exclusive statement of agreement among the Members and the Managers with respect to the subject matter herein and therein and replace and supersede all prior written and oral agreements or statements by and among the Members and the Managers or any of them. No representation, statement, condition or warranty not contained in this Agreement or in the Articles will be binding on the Members or Managers or have any force or effect whatsoever. To the extent that any provision of the Articles conflicts with any provision of this Agreement, the Articles shall control.

12.2 **Binding Effect.** Subject to the provisions of this Agreement relating to transferability, this Agreement will be binding upon and inure to the benefit of the Members and their respective heirs and assigns.

12.3 **Parties in Interest.** Except as expressly provided in the Act, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any Persons other than the Members and their respective successors and assigns, nor shall anything in this Agreement relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over against any party to this Agreement.

12.4 **Interpretation.** In the event any claim is made by any Member relating to any conflict, omission or ambiguity in this Agreement, no presumption or burden of proof or persuasion shall be implied by virtue of the fact that this Agreement was prepared by or at the request of a particular Member or his or her counsel.

12.5 **Jurisdiction.** Each Member hereby consents to the exclusive jurisdiction of the federal and state courts sitting in Virginia in any action on a claim arising out of, under or in connection with this Agreement or the transactions contemplated by this Agreement. Each Member further agrees that personal jurisdiction over him or her may be effected by service of process by registered or certified mail addressed as provided in Section 12.9 of this Agreement, and that when so made shall be as if served upon him or her personally within the Commonwealth of Virginia.

12.6 **Exhibits.** All Exhibits attached to this Agreement are incorporated and shall be treated as if set forth herein.

12.7 **Severability.** If any provision of this Agreement or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Agreement or the application of such provision to such persons or circumstances other than those to which it is held invalid shall not be affected thereby.

12.8 **Additional Documents and Acts.** Each Member agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and the transactions contemplated hereby.

12.9 **Notices.** Any notice to be given or to be served upon the Company or any party in connection with this Agreement must be in writing (which may include facsimile) and will be deemed to have been given and received when delivered to the address specified by the party to receive the notice. Such notices will be given by a Member or the Managers to the desired Members or Managers at their respective address specified in Exhibit A hereto. Any party may, at any time by giving five days prior written notice to the other parties, designate any other address in substitution of the foregoing address to which said notice will be given.

12.10 **Reserved**

12.11 **No Interest in Company Property; Waiver of Action for Partition.** No Member has any interest in specific property of the Company. Without limiting the foregoing, each Member irrevocably waives during the term of this Agreement any right that he or she may have to maintain any action for partition with respect to the property of the Company.

12.12 **Attorneys' Fees.** In the event that any dispute between the Company and the Members or among Members should result in litigation or arbitration, the prevailing party in such dispute shall be entitled to recover from the other party all reasonable attorneys' fees, costs and expenses.

12.13 **Time Is of the Essence.** All dates and times in this Agreement are of the essence.

12.14 **Remedies Cumulative.** The remedies under this Agreement are cumulative and shall not exclude any other remedies to which any person may be lawfully entitled.

12.15 **Execution in Counterparts.** This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.


{Signatures to Operating Agreement of
Place One Preservation Partners LLC
on following page}

IN WITNESS WHEREOF, all of the Members of Place One Preservation Partners LLC, a Virginia limited liability company, have executed this Agreement, effective as of the Effective Date.

CLASS A MEMBERS:

Cornucopia Development LLC,
a California limited liability company


By: Cornucopia Services, a California
nonprofit public benefit corporation,
its member

By: 
Jacqueline Ramos, President

Treach Family Trust

By: 
Charles Treatch, Trustee

Tufano Graziani Trust

By: 
Nicholas J. Tufano, Trustee

[Signature Pages Follow]

CLASS B MEMBERS:

Preservation Partners Development III LLC
a California limited liability company

By: 
William E. Szymczak, Manager

INITIAL MANAGERS:

By signing below I consent to serve as a Manager.



William E. Szymczak



Charles Trench



Nicholas Tufano

EXHIBIT A
OPERATING AGREEMENT OF PLACE ONE PRESERVATION PARTNERS LLC

Class A Member(s)	Initial Capital Contribution	Member's Percentage Interest **	Class A Voting Interest
CORNUCOPIA DEVELOPMENT LLC, 21515 HAWTHORNE BLVD STE. 150, TORRANCE, CA 90503	\$400.00	40.00%	40.00%
TREATCH FAMILY TRUST 2718 VIA VICTORIA, PALOS VERDES ESTATES, CA 90274	\$200.00	20.00%	20.00%
TUFANO GRAZIANI TRUST 4412 VIA PINZON, PALOS VERDES ESTATES, CA 90274	\$150.00	15.00%	15.00%
Class B Member(s)	Initial Capital Contribution	Member's Percentage Interest **	Class B Interest
PRESERVATION PARTNERS DEVELOPMENT III LLC	\$250.00	25.00%	25.00%

****Percentage Interest of the Class A Members and Class B members shall equal 100% in the aggregate**

TAB A

LPA

Developer Fee Agreement

DEVELOPMENT FEE AGREEMENT

THIS DEVELOPMENT FEE AGREEMENT (this "*Agreement*") is made and entered into effective as of [], 2020, by and between **PRESERVATION PARTNERS DEVELOPMENT III LIMITED PARTNERSHIP, a California limited partnership** (the "*Developer*"), and **PLACE ONE PRESERVATION LIMITED PARTNERSHIP, a Virginia limited partnership** (the "*Partnership*").

WITNESSETH:

WHEREAS, the Partnership has been formed for the purposes, inter alia, of acquiring, financing, owning, constructing, developing, maintaining, improving, operating, leasing and selling or otherwise disposing of certain real property located in Henrico County, Virginia together with all improvements, furnishings, equipment and personal property to be located thereon (together, the land and improvements are known as Place One Apartments and will be collectively referred to as the "*Apartment Complex*"), which Apartment Complex upon completion will consist of nine residential buildings totaling 114 apartment units, a community building with a community room, and all furnishings, equipment, land, real property and personal property used in connection with the operation thereof, and is intended to be rented and managed in order that it will qualify for the low-income housing tax credit provided in Section 42 of the Internal Revenue Code of 1986, as amended (the "*Code*");

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 2. Services Not Contemplated By This Agreement. The Developer is not responsible for in any manner or form and shall not perform any of the following services, it being the understanding between the parties hereto that all such listed

activities and services are the exclusive responsibility of the Partnership, the General Partner and/or consultants or others engaged by the Partnership:

- (a) any services with respect to the acquisition of the land or buildings included in the Apartment Complex or development of nonresidential improvements;
- (b) services in connection with obtaining an allocation of Credits;
- (c) any services in connection with obtaining commitments from and negotiating with any permanent lender to the Apartment Complex;
- (d) any services in connection with the syndication of the Partnership or placement of the equity from investor limited partners;
- (e) any services with respect to the lease-up of the Apartment Complex units (such services already having been contemplated in the Management Agreement);
- (f) any services in connection with the organizational structure of the Apartment Complex and any entity with respect thereto or the organization of the Partnership; and
- (g) any services in connection with obtaining any rental subsidies for the Apartment Complex.

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

Section 3. Development Fee.

(a) In consideration of the performance by the Developer of the development services described herein, the Partnership shall pay to the Developer a development fee (the "**Development Fee**") in the amount of \$[1,467,596]. The Partnership and the Developer acknowledge that specific portions of the Development Fee shall be earned by Developer as certain benchmarks are satisfied as more particularly described in the [Amended and Restated Agreement of Limited Partnership] of the Partnership to be entered into after the

date hereof (the "*Partnership Agreement*"), but in any event all of the Development Fee shall be earned upon the receipt by the Partnership of the final certificate of occupancy for the last building in the Apartment Complex (or, if earlier, as of the end of the first year of the credit period (as such term is defined in Section 42(f)(1) of the Code)). All amounts due and payable hereunder shall be paid in accordance with the Partnership Agreement.

(b) Developer shall not be compensated for, and no portion of the Development Fee shall apply to, services in connection with the development of nonresidential improvements, the organization or syndication of the Partnership, the acquisition of land or existing buildings included in the Apartment Complex, obtaining an allocation of Credits or securing financing for the Apartment Complex other than construction financing, it being the understanding between the parties hereto that all such listed activities and services are the exclusive responsibility of the Partnership, the General Partner and/or consultants or others engaged by the Partnership. In addition, any amount of Development Fee that remains unpaid after Construction Completion of the Apartment Complex shall constitute a loan bearing an interest rate equal to the long-term Applicable Federal Rate for the month in which the Apartment Complex achieves Construction Completion, from the Developer to the Partnership, and shall be due and payable in full by the fifteenth anniversary of Construction Completion.

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

Section 5. Miscellaneous.

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

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

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

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

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

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

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

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

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

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

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

Section 6. Notice. Any notice required to be given hereunder shall be in writing and mailed by certified mail, postage prepaid, or hand delivered with receipt of service

simultaneously to all parties at the addresses set forth in the Partnership Agreement. Each party shall have the right to change its address for the receipt of notices, upon the giving of proper notice to all other parties hereto. Whenever a period of time is to be computed from the date of receipt of an item of certified mail, such period shall be computed from the fifth day following the date of mailing if delivery of the certified mail item is refused by the party to whom it was directed.

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

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

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

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

(k) **Section 10. Waiver of Jury Trial.** (a) Each of the parties hereto hereby knowingly, voluntarily and intentionally, after opportunity for consultation with independent counsel, waives its right to trial by jury in any action or proceeding to enforce or defend any rights or obligations (i) under this Agreement, (ii) arising from the financial relationship between the parties existing in connection with this Agreement or (iii) arising from any course of dealing, course of conduct, statement (verbal or written) or action of the parties in connection with such financial relationship. (b) No party hereto will seek to consolidate any such action in which a jury trial has been waived with any other action in which a jury trial has not been or cannot be waived. (c) The provisions of this Section

have been fully negotiated by the parties hereto, and these provisions shall be subject to no exceptions. (d) No party hereto has in any way agreed with or represented to any other party that the provisions of this Section will not be fully enforced in all instances. (e) This Section is a material inducement for the Partnership to enter into this Agreement.

[End of text; signatures begin on following page]

DRAFT

IN WITNESS WHEREOF, the undersigned have caused this Assignment to be executed and delivered as of the Effective Date.

DEVELOPER:

PRESERVATION PARTNERS DEVELOPMENT III LIMITED PARTNERSHIP,
a California limited partnership

By: Preservation Partners Development III LLC
a California limited liability company
its General Partner

By: _____
Name: William E. Szymczak
Title: Member

PARTNERSHIP:

PLACE ONE PRESERVATION LIMITED PARTNERSHIP,
a Virginia limited partnership

By: Place One Preservation Partners LLC,
a Virginia limited liability company
its General Partner

By: _____
Charles Treach, Manager

B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, July 1, 2020

This is to certify that the certificate of limited partnership of

Place One Preservation 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.

Effective date: July 1, 2020



STATE CORPORATION COMMISSION

Attest:

Joel H. Beck

Clerk of the Commission

Limited Partnership - Certificate of Limited Partnership

Entity Information

Entity Name: Place One Preservation Limited Partnership Entity Type: Limited Partnership
LLP Status: No

Business Type

Industry Code: 0 - General

Duration

Perpetual(forever)

Registered Agent Information

RA Type: Entity Locality: RICHMOND CITY
RA Qualification: N/A
Name: CORPORATION SERVICE COMPANY Email Address: N/A

The limited partnership's initial registered office address, including the street and number, if any, which is identical to the business office of the initial registered agent, is:

Registered Office Address: 100 Shockoe Slip Fl 2,
Richmond, VA, 23219 - 4100, USA Contact Number: N/A

Principal Office Address

Address: Christian Szymczak, 21515 Hawthorne Blvd Ste 150, Torrance, CA, 90503 - 6529, USA

Principal Information

Title	Name	Address	Jurisdiction
General Partner	Place One Preservation Partners LLC	21515 Hawthorne Blvd Ste 150, Torrance, CA, 90503 - 6529, USA	VA

Signature Information

Date Signed: 07/01/2020

Printed Name	Signature	Title
Kurt Swan	Kurt Swan	Authorized Representative

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Place One Apartments
Name of Applicant (entity): Place One Preservation Limited Partnership
William Szymczak, Manager

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

William Szymczak

Printed Name

09/30/2020

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

D

List of LIHTC Developments

(Schedule A)
(MANDATORY)

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Charles Treach Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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	ACADEMY SQUARE APTS. □ Chicago, IL	Academy Square Preservation Limited Partnership 310-802-6670	Y	200	200	1/29/2015	7/18/2016	N
2	AUBURN VILLAS SENIOR APTS. Auburn, CA	Auburn Villa Preservation Limited Partnership 310-802-6670	Y	50	50	4/30/2015	10/31/2017	N
3	BANNING VILLA APTS. Wilmington, CA	Banning Villa Preservation Limited Partnership □ 310-802-6670	Y	90	90	3/15/2013	4/1/2015	N
4	CANYON VIEW SENIOR APTS. Colfax, CA	Canyon View Preservation Limited Partnership □ 310-802-6670	Y	67	67	12/29/2014	09/17/17	N
5	CASA DE CORTEZ APTS. Fallbrook, CA	Cortez Preservation Limited Partnership □ 310-802-6670	Y	32	32	11/23/2013	7/17/2015	N
6	CASA DEL PUEBLO APTS. □ San Jose, CA	Casa Del Pueblo Preservation Limited Partnership □ 310-802-6670	Y	165	165	12/31/2016	6/30/2018	N
7	CHEHALIS APTS. Chehalis, WA	Chehalis Preservation Limited Partnership 310-802-6670	Y	60	60	5/1/2018	1/1/2019	N
8	DANIEL FLOOD TOWER APTS. □ Kingston, PA	Daniel Flood Preservation Limited Partnership □ 310-802-6670	Y	210	210	12/31/2016	6/30/2018	N
9	GROVES AT MANZANITA □ Carmichael, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	89	89	12/31/2016	6/30/2018	N
10	HUNTINGTON VILLA YORBA APTS. Huntington Beach, CA	Huntington Villa Yorba Preservation Limited Partnership □ 310-802-6670	Y	198	198	12/29/2014	10/31/2017	N
11	KENNETH PARK □ Carmichael, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	97	97	12/31/2016	6/30/2018	N
12	LYN-ROC SENIOR APTS. Rocklin, CA	Lynroc Preservation Limited Partnership □ 310-802-6670	Y	67	67	8/30/2014	10/31/2017	N
13	MARINE PLAZA APTS. Port Townsend, WA	Marion Preservation Limited Partnership □ 310-802-6670	Y	40	40	12/31/2015	12/31/2017	N
14	MARION COURT APTS. Bremerton, WA	Marion Preservation Limited Partnership 310-802-6670	Y	35	35	12/31/2015	12/31/2017	N
15	NORWALK TOWERS □ Norwalk, CA	Norwalk Preservation Limited Partnership □ 310-802-6670	Y	185	185	4/5/2013	4/10/2015	N
16	OLYMPIAN APTS. Olympia, WA	Marion Preservation Limited Partnership □ 310-802-6670	Y	50	50	12/31/2015	12/31/2017	N
17	PARKSIDE APTS. □ Everett, WA	Parkside Preservation Limited Partnership □ 310-802-6670	Y	202	202	3/16/2018	6/30/2019	N
18	PLEASANT VALLEY APTS. □ Conshohocken, PA	Pleasant Valley Preservation Limited Partnership □ 310-802-6670	Y	41	41	12/31/2017	6/30/2019	N
19	PLUM TREE WEST APTS. □ Gilroy, CA	Plum Tree West Preservation Limited Partnership □ 310-802-6670	Y	70	70	10/31/2016	3/31/2018	N
20	RAND GROVE VILLAGE APTS. □ Palatine, IL	Rand Grove Preservation Limited Partnership □ 310-802-6670	Y	212	212	12/31/2017	9/30/2018	N
21	SUMMIT AT FAIR OAKS □ Fair Oaks, CA	Sac4 Preservation Limited Partnership 310-802-6670	Y	70	70	12/31/2016	6/30/2018	N
22	SUNRISE MEADOWS □ Rancho Cordova, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	95	95	12/31/2016	6/30/2018	N
23	VILLAGE CENTER SENIOR APTS. Anaheim, CA	Village Center Preservation Limited Partnership □ 310-802-6670	Y	100	100	12/31/2014	10/31/2017	N

* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 2,425 2,425 100% LIHTC as % of Total Units

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Charles Treach Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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	ACADEMY SQUARE APTS. □ Chicago, IL	Academy Square Preservation Limited Partnership 310-802-6670	Y	200	200	1/29/2015	7/18/2016	N
2	AUBURN VILLAS SENIOR APTS. Auburn, CA	Auburn Villa Preservation Limited Partnership 310-802-6670	Y	50	50	4/30/2015	10/31/2017	N
3	BANNING VILLA APTS. Wilmington, CA	Banning Villa Preservation Limited Partnership □ 310-802-6670	Y	90	90	3/15/2013	4/1/2015	N
4	CANYON VIEW SENIOR APTS. Colfax, CA	Canyon View Preservation Limited Partnership □ 310-802-6670	Y	67	67	12/29/2014	09/17/17	N
5	CASA DE CORTEZ APTS. Fallbrook, CA	Cortez Preservation Limited Partnership □ 310-802-6670	Y	32	32	11/23/2013	7/17/2015	N
6	CASA DEL PUEBLO APTS. □ San Jose, CA	Casa Del Pueblo Preservation Limited Partnership □ 310-802-6670	Y	165	165	12/31/2016	6/30/2018	N
7	CHEHALIS APTS. Chehalis, WA	Chehalis Preservation Limited Partnership 310-802-6670	Y	60	60	5/1/2018	1/1/2019	N
8	DANIEL FLOOD TOWER APTS. □ Kingston, PA	Daniel Flood Preservation Limited Partnership □ 310-802-6670	Y	210	210	12/31/2016	6/30/2018	N
9	GROVES AT MANZANITA □ Carmichael, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	89	89	12/31/2016	6/30/2018	N
10	HUNTINGTON VILLA YORBA APTS. Huntington Beach, CA	Huntington Villa Yorba Preservation Limited Partnership □ 310-802-6670	Y	198	198	12/29/2014	10/31/2017	N
11	KENNETH PARK □ Carmichael, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	97	97	12/31/2016	6/30/2018	N
12	LYN-ROC SENIOR APTS. Rocklin, CA	Lynroc Preservation Limited Partnership □ 310-802-6670	Y	67	67	8/30/2014	10/31/2017	N
13	MARINE PLAZA APTS. Port Townsend, WA	Marion Preservation Limited Partnership □ 310-802-6670	Y	40	40	12/31/2015	12/31/2017	N
14	MARION COURT APTS. Bremerton, WA	Marion Preservation Limited Partnership 310-802-6670	Y	35	35	12/31/2015	12/31/2017	N
15	NORWALK TOWERS □ Norwalk, CA	Norwalk Preservation Limited Partnership □ 310-802-6670	Y	185	185	4/5/2013	4/10/2015	N
16	OLYMPIAN APTS. Olympia, WA	Marion Preservation Limited Partnership □ 310-802-6670	Y	50	50	12/31/2015	12/31/2017	N
17	PARKSIDE APTS. □ Everett, WA	Parkside Preservation Limited Partnership □ 310-802-6670	Y	202	202	3/16/2018	6/30/2019	N
18	PLEASANT VALLEY APTS. □ Conshohocken, PA	Pleasant Valley Preservation Limited Partnership □ 310-802-6670	Y	41	41	12/31/2017	6/30/2019	N
19	PLUM TREE WEST APTS. □ Gilroy, CA	Plum Tree West Preservation Limited Partnership □ 310-802-6670	Y	70	70	10/31/2016	3/31/2018	N
20	RAND GROVE VILLAGE APTS. □ Palatine, IL	Rand Grove Preservation Limited Partnership □ 310-802-6670	Y	212	212	12/31/2017	9/30/2018	N
21	SUMMIT AT FAIR OAKS □ Fair Oaks, CA	Sac4 Preservation Limited Partnership 310-802-6670	Y	70	70	12/31/2016	6/30/2018	N
22	SUNRISE MEADOWS □ Rancho Cordova, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	95	95	12/31/2016	6/30/2018	N
23	VILLAGE CENTER SENIOR APTS. Anaheim, CA	Village Center Preservation Limited Partnership □ 310-802-6670	Y	100	100	12/31/2014	10/31/2017	N

* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL: 2,425 2,425 100% LIHTC as % of Total Units

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Nicholas Tufano Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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	AUBURN VILLAS SENIOR APTS. Auburn, CA	Auburn Villa Preservation Limited Partnership 310-802-6670	Y	50	50	4/30/2015	10/31/2017	N
2	CANYON VIEW SENIOR APTS. Colfax, CA	Canyon View Preservation Limited Partnership 310-802-6670	Y	67	67	12/29/2014	09/17/17	N
3	CASA DEL PUEBLO APTS. San Jose, CA	Casa Del Pueblo Preservation Limited Partnership 310-802-6670	Y	165	165	12/31/2016	6/30/2018	N
4	CHEHALIS APTS. Chehalis, WA	Chehalis Preservation Limited Partnership 310-802-6670	Y	60	60	5/1/2018	1/1/2019	N
5	DANIEL FLOOD TOWER APTS. Kingston, PA	Daniel Flood Preservation Limited Partnership 310-802-6670	Y	210	210	12/31/2016	6/30/2018	N
6	GROVES AT MANZANITA Carmichael, CA	Sac4 Preservation Limited Partnership 310-802-6670	Y	89	89	12/31/2016	6/30/2018	N
7	HUNTINGTON VILLA YORBA APTS. Huntington Beach, CA	Huntington Villa Yorba Preservation Limited Partnership 310-802-6670	Y	198	198	12/29/2014	10/31/2017	N
8	KENNETH PARK Carmichael, CA	Sac4 Preservation Limited Partnership 310-802-6670	Y	97	97	12/31/2016	6/30/2018	N
9	LYN-ROC SENIOR APTS. Rocklin, CA	Lynroc Preservation Limited Partnership 310-802-6670	Y	67	67	8/30/2014	10/31/2017	N
10	MARINE PLAZA APTS. Port Townsend, WA	Marion Preservation Limited Partnership 310-802-6670	Y	40	40	12/31/2015	12/31/2017	N
11	MARION COURT APTS. Bremerton, WA	Marion Preservation Limited Partnership 310-802-6670	Y	35	35	12/31/2015	12/31/2017	N
12	OLYMPIAN APTS. Olympia, WA	Marion Preservation Limited Partnership 310-802-6670	Y	50	50	12/31/2015	12/31/2017	N
13	PARKSIDE APTS. Everett, WA	Parkside Preservation Limited Partnership 310-802-6670	Y	202	202	3/16/2018	6/30/2019	N
14	PLEASANT VALLEY APTS. Conshohocken, PA	Pleasant Valley Preservation Limited Partnership 310-802-6670	Y	41	41	12/31/2017	6/30/2019	N
15	PLUM TREE WEST APTS. Gilroy, CA	Plum Tree West Preservation Limited Partnership 310-802-6670	Y	70	70	10/31/2016	3/31/2018	N
16	RAND GROVE VILLAGE APTS. Palatine, IL	Rand Grove Preservation Limited Partnership 310-802-6670	Y	212	212	12/31/2017	9/30/2018	N
17	SUMMIT AT FAIR OAKS Fair Oaks, CA	Sac4 Preservation Limited Partnership 310-802-6670	Y	70	70	12/31/2016	6/30/2018	N
18	SUNRISE MEADOWS Rancho Cordova, CA	Sac4 Preservation Limited Partnership 310-802-6670	Y	95	95	12/31/2016	6/30/2018	N

* 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: 1,818 1,818 100% LIHTC as % of Total Units

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

	Principal's Name:	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member of 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	William E. Szymczak	Academy Square Preservation Limited Partnership 310-802-6670	Y	200	200	1/29/2015	7/18/2016	N
2		Auburn Villa Preservation Limited Partnership 310-802-6670	Y	50	50	4/30/2015	10/31/2017	N
3		Banning Villa Preservation Limited Partnership 310-802-6670	Y	90	90	3/15/2013	4/1/2015	N
4		BelAge Preservation Limited Partnership 310-802-6670	Y	180	180	1/1/2008	1/1/2009	N
5		Canyon View Preservation Limited Partnership 310-802-6670	Y	67	67	12/29/2014	09/17/17	N
6		Cortez Preservation Limited Partnership 310-802-6670	Y	32	32	11/23/2013	7/17/2015	N
7		Casa Del Pueblo Preservation Limited Partnership 310-802-6670	Y	165	165	12/31/2016	6/30/2018	N
8		Chehalis Preservation Limited Partnership 310-802-6670	Y	60	60	5/1/2018	1/1/2019	N
9		Citrus Grove Preservation Limited Partnership 310-802-6670	Y	50	50	7/31/2004	12/1/2005	N
10		Columbus Preservation Limited Partnership 310-802-6670	Y	64	64	9/1/2009	9/1/2010	N
11		Corona Preservation Limited Partnership 310-802-6670	Y	160	160	3/12/2004	1/1/2006	N
12		Daniel Flood Preservation Limited Partnership 310-802-6670	Y	210	210	12/31/2016	6/30/2018	N
13		Sac4 Preservation Limited Partnership 310-802-6670	Y	89	89	12/31/2016	6/30/2018	N
14		Huntington Villa Yorba Preservation Limited Partnership 310-802-6670	Y	198	198	12/29/2014	10/31/2017	N
15		Jackson Hills Preservation Limited Partnership 310-802-6670	Y	86	86	7/1/2011	5/21/2014	N
16		Sac4 Preservation Limited Partnership 310-802-6670	Y	97	97	12/31/2016	6/30/2018	N
17		LA Pro I Preservation Limited Partnership 310-802-6670	Y	124	124	5/31/2011	12/17/2012	N
18		LA Pro II Preservation Limited Partnership 310-802-6670	Y	123	123	12/4/2012	4/10/2015	N
19		Lynroc Preservation Limited Partnership 310-802-6670	Y	67	67	8/30/2014	10/31/2017	N
20		Marion Preservation Limited Partnership 310-802-6670	Y	40	40	12/31/2015	12/31/2017	N
21		Marion Preservation Limited Partnership 310-802-6670	Y	35	35	12/31/2015	12/31/2017	N
22		Norwalk Preservation Limited Partnership 310-802-6670	Y	185	185	4/5/2013	4/10/2015	N
23		Marion Preservation Limited Partnership 310-802-6670	Y	50	50	12/31/2015	12/31/2017	N
24		Panorama Preservation Limited Partnership 310-802-6670	Y	87	87	9/28/2007	10/23/2009	N
25		Parkside Preservation Limited Partnership 310-802-6670	Y	202	202	3/16/2018	6/30/2019	N
26		Pleasant Valley Preservation Limited Partnership 310-802-6670	Y	41	41	12/31/2017	6/30/2019	N
27		Plum Tree West Preservation Limited Partnership 310-802-6670	Y	70	70	10/31/2016	3/31/2018	N
28		Rand Grove Preservation Limited Partnership 310-802-6670	Y	212	212	12/31/2017	9/30/2018	N
29		Rowland Preservation Limited Partnership 310-802-6670	Y	144	144	1/1/2000	2/28/2002	N
30		Royals Preservation Limited Partnership 310-802-6670	Y	115	115	12/31/2005	6/29/2009	N
31		Second Avenue Preservation Limited Partnership 310-802-6670	Y	20	20	1/23/2007	6/24/2009	N
32		Sky Parkway Preservation Limited Partnership 310-802-6670	Y	59	59	3/26/2004	11/2/2005	N
33		St. Andrews Preservation Limited Partnership 310-802-6670	Y	43	43	12/31/2008	3/1/2011	N
34		Sac4 Preservation Limited Partnership 310-802-6670	Y	70	70	12/31/2016	6/30/2018	N
35		Sac4 Preservation Limited Partnership 310-802-6670	Y	95	95	12/31/2016	6/30/2018	N
36		Two Worlds Preservation Limited Partnership 310-802-6670	Y	96	96	12/31/2008	3/24/2011	N
37		Village Center Preservation Limited Partnership 310-802-6670	Y	100	100	12/31/14	10/31/17	N
38		Wadsworth Preservation Limited Partnership 310-802-6670	Y	21	21	3/18/2011	7/8/2013	N

* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and gne 8602 (per entity/development) for a total of 6.

1st PAGE TOTAL: 3,797 3,797 100% LIHTC as % of Total Units

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Cornucopia Development LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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							
2							
3							
4							
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6							
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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: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Place One Preservation Limited Partnership Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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								
2								
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* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE TOTAL:

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LIHTC as % of Total Units

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Place One Preservation Partners LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Limited Partner Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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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#DIV/0!

LIHTC as % of Total Units

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Jacqueline Ramos Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: William E. Szymczak Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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	AUBURN VILLAS SENIOR APTS. Auburn, CA	Auburn Villa Preservation Limited Partnership 310-802-6670	N	50	50	4/30/2015	10/31/2017	N
2	CANYON VIEW SENIOR APTS. Colfax, CA	Canyon View Preservation Limited Partnership 310-802-6670	N	67	67	12/29/2014	09/17/17	N
3	CASA DE CORTEZ APTS. Fallbrook, CA	Cortez Preservation Limited Partnership 310-802-6670	N	32	32	11/23/2013	7/17/2015	N
4	CASA DEL PUEBLO APTS. San Jose, CA	Casa Del Pueblo Preservation Limited Partnership 310-802-6670	N	165	165	12/31/2016	6/30/2018	N
5	CHEHALIS APTS. Chehalis, WA	Chehalis Preservation Limited Partnership 310-802-6670	N	60	60	5/1/2018	1/1/2019	N
6	HUNTINGTON VILLA YORBA APTS. Huntington Beach, CA	Huntington Villa Yorba Preservation Limited Partnership 310-802-6670	N	198	198	12/29/2014	10/31/2017	N
7	LYN-ROC SENIOR APTS. Rocklin, CA	Lynroc Preservation Limited Partnership 310-802-6670	N	67	67	8/30/2014	10/31/2017	N
8	MARINE PLAZA APTS. Port Townsend, WA	Marion Preservation Limited Partnership 310-802-6670	N	40	40	12/31/2015	12/31/2017	N
9	MARION COURT APTS. Bremerton, WA	Marion Preservation Limited Partnership 310-802-6670	N	35	35	12/31/2015	12/31/2017	N
10	OLYMPIAN APTS. Olympia, WA	Marion Preservation Limited Partnership 310-802-6670	N	50	50	12/31/2015	12/31/2017	N
11	PARKSIDE APTS. Everett, WA	Parkside Preservation Limited Partnership 310-802-6670	N	202	202	3/16/2018	6/30/2019	N
12	SECOND AVENUE APTS. Los Angeles, CA	Second Avenue Preservation Limited Partnership 310-802-6670	N	20	20	1/23/2007	6/24/2009	N
13	VILLAGE CENTER SENIOR APTS. Anaheim, CA	Village Center Preservation Limited Partnership 310-802-6670	N	100	100	12/31/14	10/31/17	N

* 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: 1,086 1,086 100% **LIHTC as % of Total Units**

List of LIHTC Developments (Schedule A)



Development Name: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name: Cornucopia Development LLC Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y
 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: Place One Apartments
 Name of Applicant: Place One Preservation Limited Partnership

INSTRUCTIONS:

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.

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.

List only tax credit development experience since 2004 (i.e. for the past 15 years)

Use separate pages as needed, for each principal.

Principal's Name:	Preservation Partners Development III LLC	Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*	Y	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	ACADEMY SQUARE APTS. □ Chicago, IL	Academy Square Preservation Limited Partnership 310-802-6670	Y	200	200	1/29/2015	7/18/2016	N
2	AUBURN VILLAS SENIOR APTS. Auburn, CA	Auburn Villa Preservation Limited Partnership 310-802-6670	Y	50	50	4/30/2015	10/31/2017	N
3	BANNING VILLA APTS. Wilmington, CA	Banning Villa Preservation Limited Partnership □ 310-802-6670	Y	90	90	3/15/2013	4/1/2015	N
4	BELAGE APTS. □ Anaheim, CA	BelAge Preservation Limited Partnership □ 310-802-6670	Y	180	180	1/1/2008	1/1/2009	N
5	CANYON VIEW SENIOR APTS. Colfax, CA	Canyon View Preservation Limited Partnership □ 310-802-6670	Y	67	67	12/29/2014	09/17/17	N
6	CASA DE CORTEZ APTS. Fallbrook, CA	Cortez Preservation Limited Partnership □ 310-802-6670	Y	32	32	11/23/2013	7/17/2015	N
7	CASA DEL PUEBLO APTS. □ San Jose, CA	Casa Del Pueblo Preservation Limited Partnership □ 310-802-6670	Y	165	165	12/31/2016	6/30/2018	N
8	CHEHALIS APTS. Chehalis, WA	Chehalis Preservation Limited Partnership 310-802-6670	Y	60	60	5/1/2018	1/1/2019	N
9	CITRUS GROVE APTS. □ Fontana, CA	Citrus Grove Preservation Limited Partnership □ 310-802-6670	Y	50	50	7/31/2004	12/1/2005	N
10	COLUMBUS SQUARE APTS. □ North Hills, CA	Columbus Preservation Limited Partnership □ 310-802-6670	Y	64	64	9/1/2009	9/1/2010	N
11	CORONA PARK APTS. □ Corona, CA	Corona Preservation Limited Partnership □ 310-802-6670	Y	160	160	3/12/2004	1/1/2006	N
12	DANIEL FLOOD TOWER APTS. □ Kingston, PA	Daniel Flood Preservation Limited Partnership □ 310-802-6670	Y	210	210	12/31/2016	6/30/2018	N
13	GROVES AT MANZANITA □ Carmichael, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	89	89	12/31/2016	6/30/2018	N
14	HUNTINGTON VILLA YORBA APTS. Huntington Beach, CA	Huntington Villa Yorba Preservation Limited Partnership □ 310-802-6670	Y	198	198	12/29/2014	10/31/2017	N
15	JACKSON HILLS □ Jackson, CA	Jackson Hills Preservation Limited Partnership □ 310-802-6670	Y	86	86	7/1/2011	5/21/2014	N
16	KENNETH PARK □ Carmichael, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	97	97	12/31/2016	6/30/2018	N
17	LA PRO I APTS. Los Angeles, CA	LA Pro I Preservation Limited Partnership □ 310-802-6670	Y	124	124	5/31/2011	12/17/2012	N
18	LA PRO II APTS. Los Angeles, CA	LA Pro II Preservation Limited Partnership □ 310-802-6670	Y	123	123	12/4/2012	4/10/2015	N
19	LYN-ROC SENIOR APTS. Rocklin, CA	Lynroc Preservation Limited Partnership □ 310-802-6670	Y	67	67	8/30/2014	10/31/2017	N
20	MARINE PLAZA APTS. Port Townsend, WA	Marion Preservation Limited Partnership □ 310-802-6670	Y	40	40	12/31/2015	12/31/2017	N
21	MARION COURT APTS. Bremerton, WA	Marion Preservation Limited Partnership 310-802-6670	Y	35	35	12/31/2015	12/31/2017	N
22	NORWALK TOWERS □ Norwalk, CA	Norwalk Preservation Limited Partnership □ 310-802-6670	Y	185	185	4/5/2013	4/10/2015	N
23	OLYMPIAN APTS. Olympia, WA	Marion Preservation Limited Partnership □ 310-802-6670	Y	50	50	12/31/2015	12/31/2017	N
24	PANORAMA VIEW APTS. □ Panorama City, CA	Panorama Preservation Limited Partnership □ 310-802-6670	Y	87	87	9/28/2007	10/23/2009	N
25	PARKSIDE APTS. □ Everett, WA	Parkside Preservation Limited Partnership □ 310-802-6670	Y	202	202	3/16/2018	6/30/2019	N
26	PLEASANT VALLEY APTS. □ Conshohocken, PA	Pleasant Valley Preservation Limited Partnership □ 310-802-6670	Y	41	41	12/31/2017	6/30/2019	N
27	PLUM TREE WEST APTS. □ Girov, CA	Plum Tree West Preservation Limited Partnership □ 310-802-6670	Y	70	70	10/31/2016	3/31/2018	N
28	RAND GROVE VILLAGE APTS. □ Palatine, IL	Rand Grove Preservation Limited Partnership □ 310-802-6670	Y	212	212	12/31/2017	9/30/2018	N
29	ROWLAND HEIGHTS APTS. □ Rowland Heights, CA	Rowland Preservation Limited Partnership □ 310-802-6670	Y	144	144	1/1/2000	2/28/2002	N
30	ROYALS I and II APTS. □ Los Angeles, CA	Royals Preservation Limited Partnership □ 310-802-6670	Y	115	115	12/31/2005	6/29/2009	N
31	SECOND AVENUE APTS. □ Los Angeles, CA	Second Avenue Preservation Limited Partnership □ 310-802-6670	Y	20	20	1/23/2007	6/24/2009	N
32	SKY PARKWAY TERRACE APTS. □ Sacramento, CA	Sky Parkway Preservation Limited Partnership □ 310-802-6670	Y	59	59	3/26/2004	11/2/2005	N
33	ST. ANDREWS ARMS APTS. □ Los Angeles, CA	St. Andrews Preservation Limited Partnership □ 310-802-6670	Y	43	43	12/31/2008	3/1/2011	N
34	SUMMIT AT FAIR OAKS □ Fair Oaks, CA	Sac4 Preservation Limited Partnership 310-802-6670	Y	70	70	12/31/2016	6/30/2018	N
35	SUNRISE MEADOWS □ Rancho Cordova, CA	Sac4 Preservation Limited Partnership □ 310-802-6670	Y	95	95	12/31/2016	6/30/2018	N
36	TWO WORLDS APTS. □ Los Angeles, CA	Two Worlds Preservation Limited Partnership □ 310-802-6670	Y	96	96	12/31/2008	3/24/2011	N
37	VILLAGE CENTER SENIOR APTS. Anaheim, CA	Village Center Preservation Limited Partnership □ 310-802-6670	Y	100	100	12/31/14	10/31/17	N
38	WADSWORTH PARK APTS. □ Los Angeles, CA	Wadsworth Preservation Limited Partnership □ 310-802-6670	Y	21	21	3/18/2011	7/8/2013	N

* 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: 3,797 3,797

100%

LIHTC as % of Total Units

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

ASSIGNMENT OF PURCHASE AND SALE AGREEMENT

For value received, **PRESERVATION PARTNERS DEVELOPMENT III, LLC**, a California limited liability company (“Assignor”), does hereby grant, sell, assign, transfer and set over to **PLACE ONE PRESERVATION LIMITED PARTNERSHIP**, an Virginia limited partnership, (“Assignee”), all of its rights, title and interest in and to that certain Purchase and Sale Agreement (the “Agreement”) dated as of July 23, 2020, as amended by that certain First Amendment to Purchase and Sale Agreement, both between **SP PLACE ONE LP**, an Virginia limited partnership, as seller, and Assignor, as buyer. Assignee, by its execution of this Assignment accepts this Assignment and covenants and agrees to fully discharge all of the responsibilities and duties of the Assignor pursuant to the Agreement.

Dated as of October 1, 2020

ASSIGNOR:


PRESERVATION PARTNERS DEVELOPMENT III, LLC,
a California limited liability company

By: 
Name: William E. Szymczak
Title: Manager

ASSIGNEE:

PLACE ONE PRESERVATION LIMITED PARTNERSHIP,
a Virginia limited partnership

By: Place One Preservation Partners LLC,
a Virginia limited liability company,
its General Partner

By: 
Name: Charles Treach
Title: Manager

**FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Amendment") is made as of September 29, 2020, by and among SP Place One LP, a Virginia limited partnership ("Seller"), and Preservation Partners Development III LLC, a California limited liability company ("Purchaser").

WHEREAS, Seller and Purchaser executed that certain Purchase and Sale Agreement dated as of July 23, 2020 (the "Agreement") with respect to property located at 4222 Almora Avenue, Richmond, Virginia 23228 (the "Property").

WHEREAS, Purchaser and Seller desire to amend the Agreement all as hereinafter set forth.

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

1. **Recitals Incorporated; Certain Defined Terms.** The recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Section 1. All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Agreement.

2. **Application Deadline.** The Application Deadline is hereby extended to October 30, 2020.

3. **Contingency Review Period.** The Contingency Review Period is hereby extended to November 6, 2020.

4. **Closing Date.** The Closing Date is hereby extended to April 5, 2021.


5. **Effect of Amendment.** This Amendment modifies and amends the Agreement and the terms and provisions hereof shall supersede and control over any contrary or conflicting terms and provisions set forth in the Agreement. The Agreement, as amended by this Amendment, is in full force and effect.

6. **Counterparts.** This Amendment may be executed in multiple counterparts, each of which, when assembled to include an original signature for each party contemplated to sign this Amendment, will constitute a complete and fully executed original. All such fully executed original counterparts will collectively constitute a single agreement. Each counterpart may be delivered by facsimile transmission.

[Signature page follows]

[Signature page to First Amendment to Purchase and Sale Agreement]

IN WITNESS WHEREOF, Seller and Purchaser have respectively executed this Amendment to be effective as of the date first above written.

<p>SELLER:</p> <p>SP Place One LP</p> <p>By: SP Place One GP Inc., a Virginia corporation, its General Partner</p> <p>By: _____ Name: J. David Page Its: President</p>	<p>PURCHASER:</p> <p>Preservation Partners Development III LLC</p> <p>By:  _____ Name: William E. Szymczak Its: Manager</p>
--	---

[Signature page to First Amendment to Purchase and Sale Agreement]

IN WITNESS WHEREOF, Seller and Purchaser have respectively executed this Amendment to be effective as of the date first above written.

<p>SELLER:</p> <p>SP Place One LP</p> <p>By: SP Place One GP Inc., a Virginia corporation, its General Partner</p> <p>By:  Name: J. David Page Its: President</p>	<p>PURCHASER:</p> <p>Preservation Partners Development III LLC</p> <p>By: _____ Name: _____ Its: _____</p>
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PURCHASE AND SALE AGREEMENT

(Place One Apartments)

This Purchase and Sale Agreement ("**Agreement**") is entered into by and between Preservation Partners Development III LLC, a California limited liability company ("**Purchaser**"), and SP Place One LP, a Virginia limited partnership ("**Seller**").

1. **Definitions.** The following capitalized terms in this Agreement shall have the following definitions:

1.1. "**Real Property**" or "**Land**" means that certain real property located at 4222 Almora Avenue, Richmond, Virginia 23228, legally described on Exhibit A, on which is located an apartment complex, together with any and all rights, easements, and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way.

1.2. "**Property**" means the "**Land**", as well as the "**Improvements**", "**Personal Property**", and "**Intangible Property**" defined and described on Exhibit B.

1.3. "**Purchase Price**" means US Fifteen Million Seven Hundred Fifty Thousand Dollars (\$15,750,000.00).

1.4. "**Effective Date**" means July 23, 2020.

1.5. "**Escrow Agent**" and "**Title Company**" means Fidelity National Title Insurance Company, Attn: Sean Barragan Commercial Title Officer, National Commercial Services, 600 University Street, Suite 2424, Seattle, WA 98101, (206) 262-6301, email: Sean.Barragan@fnf.com.

1.6. "**Deposit**" or "**Deposits**" means an initial amount of \$500,000.00, plus, when paid, any other amounts designated as a Deposit or Deposits in this Agreement. The "**Released Deposits**" shall mean any portion of the Deposits release to Seller in accordance with this Agreement, and the "**Remaining Deposits**" shall mean the portion of the Deposits remaining held by Escrow Agent after any Released Deposits have been released to Seller. The Released Deposits shall be non-refundable to Purchaser except as provided in Sections 10, 20, 28.5 and 28.6.

1.7. "**Contingency Review Period**" means the period commencing on the Effective Date and ending on the date which is seventy-five (75) days after the Effective Date.

1.8. "**Application Deadline**" means September 30, 2020.

1.9. "**Approvals Contingency Period**" means the period commencing on the Effective Date and ending ten (10) business days prior to the Closing Date, as may be extended pursuant to Section 12.

1.10. "**VHDA**" means Virginia Housing Development Authority.

1.11. "**Closing Date**" means March 5, 2021, as may be extended pursuant to Section 12.

1.12. "**Regulatory Agreement**" and "**Regulatory Agreements**" means the Regulatory Agreements entered into with VHDA which currently encumber the Property.

1.13. "**Transaction**" means the purchase and sale of the Property pursuant to this Agreement.

2. **Purchase and Sale.** Purchaser hereby agrees to buy, and Seller hereby agrees to sell, the Property on the terms of this Agreement, and subject to the conditions in this Agreement.

3. **Purchase Price.** The Purchase Price shall be payable in full at Closing. All payments from Purchaser shall be via wire transfer of collected federal funds.

4. **Deposit.** On or before three (3) business days after the Effective Date, Purchaser shall deposit with Escrow Agent the Deposit and the parties shall execute and deliver to Escrow Agent the Escrow Agreement attached hereto as Exhibit C. The Deposits paid shall be held in an interest or non-interest bearing account with the Escrow Agent, invested according to Escrow Agent's standard practice, (if interest bearing, investment in the interest bearing account shall commence upon Purchaser's delivery to Escrow Agent of a W-9 and any other documents customarily and reasonably required by Escrow Agent's financial institution to open interest-bearing accounts), and disbursed in accordance with the terms, conditions and provisions of this Agreement. The Deposits paid shall be applied towards the Purchase Price at Closing. The Deposits shall include any interest earned thereon.

5. **Property Documents.** Commencing on the Effective Date, Seller agrees to provide to Purchaser copies of the documents and information ("**Property Documents**") relating to the Property in the possession or control of Seller and/or Seller's agents described on Exhibit D attached hereto (but only to the extent in the possession or control of Seller and/or Seller's agents). Updated Property Documents will be provided by Seller to Purchaser as updates become available. Seller may provide the Property Documents by: (a) delivery (including but not limited to delivery via email), (b) making available at the management office at the Property, and/or (c) making available for download via the internet. (Notwithstanding the foregoing, in no event shall Seller be required to disclose or provide to Purchaser the following information: attorney-client privileged information, proprietary information, confidential information, or private employee information, financial and tax information other than that listed on Exhibit D, previous agreements or proposals related to the sale of the Property, or appraisals or other valuation information.) If this Agreement is terminated, Purchaser shall, within five (5) days of the termination return all Property Documents to Seller, or destroy all Property Documents in its possession, and delete permanently all electronic copies.

6. **Title Policy.**

6.1. Within two (2) business days after the Effective Date, Purchaser shall order from the Title Company a commitment ("**Title Commitment**") for the issuance of an ALTA Extended Coverage Owner's Title Policy ("**Title Policy**") at Closing to Purchaser. The Title Company shall be instructed to deliver a copy of the Title Commitment and copies of exceptions to Purchaser, Seller, and their counsel. Purchaser shall give Seller written notice ("**Purchaser's Title Notice**") on or before the expiration of fifty (50) days after the Effective Date as to whether the condition of title as set forth in the Title Commitment and/or any survey is or is not satisfactory, in Purchaser's sole discretion. In the event that the condition of title is not acceptable, Purchaser shall specify and set forth each of such objections ("**Objections**") in the Purchaser's Title Notice. Seller shall notify Purchaser in writing ("**Seller's Title Response**") within ten (10) days of receipt of Purchaser's Title Notice as to which Objections that Seller will not remove as of the Closing Date ("**Remaining Objections**"). If there are any Remaining Objections, Purchaser may, at its option by written notice within five (5) days after Seller's Title Response: (i) accept title subject to the Remaining Objections, in which event the Remaining Objections shall be deemed to be waived for all purposes, or (ii) terminate this Agreement, in which event any Deposits paid shall be immediately refunded to Purchaser. (In the event that Purchaser does not so notify Seller in writing within five (5) days after Seller's Title Response, Purchaser shall be deemed to have accepted title subject to the Remaining Objections and the Remaining Objections shall be deemed to be waived for all purposes.) Any exceptions permitted on the Title Policy pursuant to this Section 6 are referred to herein as "**Permitted Exceptions**". If the Title Company subsequently updates the Title Commitment with additional exceptions to title, the provisions for Purchaser's Title Notice and Seller's Title Response shall be reinstated with respect to the additional exceptions, with the Purchaser's Title Notice regarding the additional exceptions being due five (5) business days after the date that Purchaser receives the updated Title Commitment. Notwithstanding any of the provisions of this Section 6 to the contrary, if Purchaser fails to notify Seller that the condition of title as set forth in the Title Commitment and/or any survey is or is not acceptable within the times set forth herein, the parties hereby agree that the condition of title shall be deemed acceptable.

6.2. Liens securing any existing financing, and mechanic's liens, shall not be Permitted Exceptions. At Closing Seller shall cause the Title Company to pay such financing in full (including any prepayment penalties and defeasance fees) from Seller's sale proceeds, and to obtain a release of such liens.

6.3. The Regulatory Agreements, unless replaced by substitute agreements of unless they can be released at closing, shall be Permitted Exceptions.

6.4. In the event that the issuance of the Title Policy requires a new or updated ALTA Survey ("**Survey**") of the Property, Purchaser shall obtain such Survey and provide it to the Title Company at least ten (10) business days prior to the initial Closing Date.

6.5. Purchaser's obligations hereunder are contingent upon the Title Company, at Closing, being irrevocably and unconditionally committed to issue to Purchaser the Title Policy in accordance with the title requirements listed in this Section 6 (subject only to payment of the premiums for the Title Policy), unless this contingency is not met due to Purchaser's failure to obtain the Survey as required in Section 6.4 or otherwise fail to meet the Title Company's requirements imposed on Purchaser for issuance of the Title Policy. If this contingency is not met on the Closing Date, this Agreement shall automatically terminate, in which event any Released Deposits shall be retained by Seller, and any Remaining Deposits shall be refunded to Purchaser.

7. **Contingency Review Period.** Purchaser shall have until the expiration of the Contingency Review Period to review all aspects of the Property and the Transaction. In the event that Purchaser approves such review, Purchaser shall so notify Seller and Escrow Agent in writing ("**Purchaser's Approval Notice**") on or before expiration of the Contingency Review Period and Purchaser's Approval Notice shall contain instructions to Escrow Agent to immediately release \$250,000.00 of the Deposit to Seller. Such \$250,000.00 shall be a Released Deposit and shall be non-refundable to Purchaser except as provided in Sections 10, 20, 28.5 and 28.6. In the event that Purchaser, on or before the time required by this Section 7, either: (a) does not provide the Purchaser's Approval Notice to Seller, or (b) notifies Seller in writing of Purchaser's disapproval of the Property and the Transaction, this Agreement shall automatically terminate as of the expiration of the Contingency Review Period, in which event the Deposits paid shall be immediately refunded to Purchaser.

8. **Inspections.** Purchaser and its agents shall be entitled to inspect the Property and conduct tests on the Improvements and the Land at any time or times prior to the Closing, upon at least two (2) business day's notice to Seller, in order to conduct the evaluations described in this Agreement (including without limitation, engineering studies, environmental site assessments (but not a Phase II environmental report unless consented to by Seller), risk assessments, inspections for the presence of lead based paint and lead based paint hazards, evaluation of drainage and flood plain, borings and soil tests). The right granted to Purchaser to conduct the inspections is subject to the rights of any tenants of the Property with respect to any such inspection, and compliance with tenant leases and applicable laws, and to the inspections being conducted at reasonable times and accompanied by representatives of Seller, and to all activities on the Property being conducted in accordance with the property management company's COVID-19 procedures and requirements. Any invasive testing shall be subject to Seller's prior written approval of a testing plan, which consent shall not be unreasonably withheld, conditioned or delayed. No physical alteration of the Property is permitted, but if any physical alteration occurs, any physical alteration of the Property in connection with Purchaser's study shall be restored by Purchaser immediately upon demand by Seller, at Purchaser's sole expense. Purchaser shall indemnify Seller and Seller's property management company against any loss, damage or claim resulting from Purchaser's inspections and tests, except any arising from the discovery of preexisting conditions (so long as Purchaser does not exacerbate any such condition). Purchaser shall not act as Seller's agent in connection with such activities and has no authority to allow any liens to encumber the Property. Purchaser shall not allow any liens to encumber the Property arising out of such activities, and shall indemnify and hold Seller harmless and Seller's property management company from and against any liens, costs, expenses (including attorney fees), claims, liabilities, and obligations arising in any way out of such activities by Purchaser, as well as Purchaser's employees and agents. Purchaser shall maintain commercial general liability insurance with respect to

Purchaser's activities on the Property. Such liability insurance shall be on an occurrence basis and shall provide combined single limit coverage of not less than \$2,000,000 (per occurrence and in the aggregate) for bodily injury, death and property damage, by water or otherwise, and the deductible amount shall not exceed \$10,000. All policies of insurance to be kept and maintained in force under this Section 8 shall be obtained from good and solvent insurance companies, and shall name Seller and Seller's property management company as additional insureds. In the event of any termination of this Agreement, Purchaser shall deliver and assign to Seller (to the extent assignable, and to the extent allowed by Purchaser's lender for reports ordered by such lender) all plans, studies, surveys, analyses, data and/or permits compiled by Purchaser with respect to the Property (the "***Due Diligence Materials***") at no cost to Seller. (Notwithstanding the foregoing, in no event shall Purchaser be required to disclose or provide to Seller the following information: attorney-client privileged information, proprietary information, or confidential information.) All non-public information obtained by Purchaser in connection with Purchaser's due diligence hereunder shall be confidential and will not be disclosed to third parties; provided, however, Purchaser may disclose such information to parties such as Purchaser's consultants, lenders, attorneys and investors. Notwithstanding anything to the contrary contained in this Agreement or in any addenda, amendments or modifications to this Agreement, Purchaser's obligations under this Section 8 shall survive the termination of this Agreement and/or Closing, and shall remain in full force and effect without time limitation until all of such obligations have been fully performed by Purchaser, and all amounts to be paid by Purchaser have been paid.

9. **Additional Contingencies.**

9.1. **Assignment of HAP Contract/HUD Approval.** Each of Seller's and Purchaser's obligation to close the Transaction is contingent upon Purchaser obtaining 2530 clearance from the U.S. Department of Housing and Urban Development ("***HUD***") and HUD approval of an assignment and assumption of the existing Housing Assistance Payments Contract ("***HAP Contract***") affecting the Property (together, "***HUD Approval***"). On or before the Application Deadline, Purchaser shall submit to HUD for HUD Approval, and Seller shall join in such application to the extent required. Purchaser shall pay all costs, fees and charges incurred in connection with HUD Approval, whether or not HUD Approval is obtained and/or whether or not the Transaction closes. Purchaser shall use good faith efforts and due diligence to process and obtain HUD Approval. Purchaser shall provide to Seller copies of all transmittal letters to HUD in connection with HUD Approval at the time of submission. Purchaser shall provide to Seller with timely updates of the status of the application for HUD Approval. If HUD Approval is not obtained on or before the expiration of the Approvals Contingency Period, Purchaser may terminate this Agreement by written notice to Seller on or before expiration of the Approvals Contingency Period, in which event any Released Deposits shall be retained by Seller, and any Remaining Deposits shall be refunded to Purchaser. At Closing, Seller and Purchaser shall execute such documents and make such deliveries as HUD may require of each of them to effect the provisions of this Section 9.1.

9.2. **VHDA Approval.** Each of Seller's and Purchaser's obligation to close the Transaction is contingent upon Purchaser obtaining approval from VHDA for the all the following: (a) the sale of the Property to Purchaser; (b) the Purchaser and the assumption by Purchaser of the Regulatory Agreements; and (c) a release of Seller and its principals from any obligations arising under the Regulatory Agreements on or after the Closing Date (collectively the "***VHDA Approval***"). On or before the Application Deadline, Purchaser shall submit to the VHDA an application for the VHDA Approval, and Seller shall join in such application to the extent required. Purchaser shall pay all costs, fees and charges incurred in connection with the VHDA Approval, whether or not the VHDA Approval is obtained and/or whether or not the Transaction closes. Purchaser and Seller shall use good faith efforts and due diligence to process and obtain the VHDA Approval. Purchaser shall provide to Seller copies of all transmittal letters to VHDA in connection with the VHDA Approval at the time of submission. Purchaser shall provide to Seller with timely updates of the application for VHDA Approval. If the VHDA Approval is not obtained on or before the expiration of the Approvals Contingency Period, either Purchaser or Seller may terminate this Agreement by written notice to the other, in which event any Released Deposits shall be retained by Seller, and any Remaining Deposits shall be refunded to Purchaser. At Closing, Seller and Purchaser shall

execute such documents and make such deliveries as VHDA may require of each of them to effect the provisions of this Section 9.2.

9.3. **Tax-Exempt Bond Volume Cap and Section 42 Low Income Housing Tax Credits.** Purchaser's obligation to close the Transaction is expressly contingent ("**Financing Contingency**") upon Purchaser obtaining from a tax exempt bond issuer an allocation of tax exempt bond volume cap ("**Bonds**"), and obtaining from VHDA an award of Section 42 Low Income Housing Tax Credits ("**Credits**"), on terms acceptable to Purchaser in its sole discretion. On or before the Application Deadline, Purchaser shall submit applications for the Bonds and Credits. Purchaser shall pay all costs, fees and charges incurred in connection with the Bonds and Credits, whether or not Bonds and Credits are obtained and/or whether or not the Transaction closes. Purchaser shall use good faith efforts and due diligence to process and an allocation of Bonds and an award of Credits. Purchaser shall provide to Seller copies of all transmittal letters in connection with the Bonds and Credits at the time of submission. Purchaser shall provide to Seller with timely updates of the status of the application for Bonds and Credits. If an allocation of Bonds and an award of Credits are not obtained on or before the expiration of the Approvals Contingency Period, Purchaser may terminate this Agreement by written notice to Seller on or before expiration of the Approvals Contingency Period, in which event any Released Deposits shall be retained by Seller, and any Remaining Deposits shall be refunded to Purchaser.

9.4. **Released Deposits.**

9.4.1. Within two (2) business days after Purchaser obtains HUD Approval, Purchaser shall so notify Seller and Escrow Agent in writing which notice shall contain instructions to Escrow Agent to immediately release \$125,000.00 of the Deposit to Seller. Such \$125,000.00 shall be a Released Deposit and shall be non-refundable to Purchaser except as provided in Sections 10, 20, 28.5 and 28.6.

9.4.2. Within two (2) business days after Purchaser obtains an allocation of Bonds and an award of Credits, Purchaser shall so notify Seller and Escrow Agent in writing which notice shall contain instructions to Escrow Agent to immediately release \$125,000.00 of the Deposit to Seller. Such \$125,000.00 shall be a Released Deposit and shall be non-refundable to Purchaser except as provided in Sections 10, 20, 28.5 and 28.6.

10. **Seller Consents.** Seller's obligations under this Agreement are expressly contingent upon Seller obtaining consents to the Transaction from the partners of Seller, as required by Seller's partnership agreement on or before thirty (30) days after the Effective Date ("**Seller's Consents**"). Seller shall use good faith efforts to satisfy this contingency, and if Seller does not do so, Seller shall so notify Purchaser in writing. If Seller does not obtain the Seller's Consents on or before thirty (30) days after the Effective Date, Seller shall notify Purchaser in writing and this Agreement shall terminate, in which event the Deposits paid shall be immediately refunded to Purchaser. If Seller fails to notify Purchaser in writing on or before thirty (30) days after the Effective Date the Seller's Consents have not been obtained, it shall be conclusively presumed that such consents are not obtained.

11. **Contracts.** Subsequent to delivery of Purchaser's Approval Notice, Seller shall, upon written request from Purchaser, give appropriate notices of termination of any service, supply, security, maintenance, employment or other contracts or arrangements ("**Contracts**") with respect to the Property (other than the Permitted Exceptions), terminating such Contracts as of the Closing Date (or if a Contract cannot be terminated as of the Closing Date, such later date which is the earliest date that such Contract can be terminated in accordance with its terms without a termination fee or charge). In addition, effective as of the Closing Date, Seller shall terminate all property management agreements with respect to the Property. Any Contracts which are not terminated as of the Closing Date in accordance with this Section 11 shall be assigned to, and assumed by, Purchaser at the Closing.

12. **The Closing and the Closing Date.** The sale and purchase of the Property shall be consummated at a Closing to be held on the Closing Date at the offices of the Escrow Agent. Purchaser may select an earlier Closing Date upon at least five (5) business days' written notice to Seller. Neither

party need be physically present at the Closing. As used in this Agreement, the term "**Closing**" shall mean the date all of the documents necessary to transfer title to Purchaser are in escrow with the Escrow Agent to be sent for recording with the appropriate County Clerk, Recorder or Auditor and the sales proceeds are available to Seller. Title to and possession of the Property shall transfer to Purchaser at Closing.

12.1. In the event that Seller's financing encumbering the Property requires that such financing may be paid off only on the last day or the first day of a month, then Seller may extend the Closing Date to be the last business day of a calendar month, or the first business day of a calendar month, as determined by Seller in accordance with the provisions and requirements of Seller's financing unless Purchaser agrees in writing to pay to Seller at the Closing, in addition to the Purchase Price, interest on such financing from the day of Closing through the last day of the calendar month in which Closing occurs.

12.2. The Closing Date may be extended by Purchaser for up to two (2) times for periods of forty-five (45) days each (each an "**Extension Period**") by Purchaser's providing written notice to Seller accompanied by payment of an additional Deposit of \$75,000.00 to Escrow Agent, which shall be delivered and paid on or before five (5) days prior to the then applicable Closing Date, and which shall be disbursed to Seller by Escrow Agent upon receipt, and which shall be a Released Deposit and shall be non-refundable to Purchaser except as provided in Sections 10, 20, 28.5 and 28.6.

12.3. In addition to the extensions of the Closing Date in Section 12.2, Purchaser shall have a the right to request an extension of the Closing Date for up to a maximum of sixty (60) days, which Seller will grant in the event that Purchaser is unable to close this Transaction on the Closing Date due to delays resulting from either (a) governmental emergency orders due to the COVID-19 pandemic, or (b) VHDA or HUD delays outside of Purchaser's control.

13. **Seller's Obligations at the Closing.** At the Closing, Seller shall do the following, through Escrow Agent:

13.1. Execute and deliver to Purchaser and the Title Company:

13.1.1. A special warranty deed (with warranties limited to grantor's acts on the form customary in the state where the Property is located) (the "**Deed**") conveying to Purchaser fee simple title to the Real Property and Improvements subject only to the Permitted Exceptions.

13.1.2. A Bill of Sale, Assignment, and Assumption Agreement on the form attached hereto as Exhibit E.

13.1.3. A FIRPTA Affidavit.

13.1.4. All other agreements to be executed by Seller as specified herein.

13.2. Execute and deliver to the Title Company: (i) such affidavits and other evidence as the Title Company may require so as to enable the Title Company to issue the Title Policy in accordance with this Agreement; and (ii) satisfactory evidence that all necessary corporate, partnership, or other action on the part of Seller has been taken with respect to the execution and delivery of this Agreement and the consummation of the Transaction so that all of said documents are or will be validly executed and delivered and will be binding upon the Seller.

13.3. Deliver to Purchaser all tenant leases affecting the Property which are in effect as of the Closing Date, and a Certified Rent Roll certified by Seller (or the property management company managing the Property) to be correct no earlier than five (5) business days prior to the Closing Date.

13.4. Deliver to Purchaser all documents, records, plans, keys, permits and other items related to the Property which are in the possession or control of Seller and/or Seller's agents.

13.5. Deliver to Purchaser a letter from Seller's management company addressed to all tenants directing the tenants to make all future payments to Purchaser's management company, and otherwise complying with any legal requirements regarding the transfer of tenant deposits.

13.6. Execute and deliver to Purchaser a certificate, dated as of the date of Closing and executed by Seller, stating that the representations and warranties of Seller contained in this Agreement are accurate in all material respects as of the date of Closing, subject to any updated information as provided in accordance with Section 15.11.

13.7. Execute and deliver any documents required to effect the assumption of the Regulatory Agreements and the assignment and assumption of the HAP Contract.

13.8. Execute and deliver to Purchaser such additional documents as are necessary to carry out the provisions of this Agreement.

13.9. Execute and deliver to Purchaser a Seller Certificate on the form attached hereto as Exhibit F.

14. **Purchaser's Obligations at the Closing.** At the Closing, Purchaser shall do the following, through Escrow Agent:

14.1. Deliver to Seller the Purchase Price, less the Deposits paid which are specified as applicable to the Purchase Price.

14.2. Execute and deliver to the Title Company satisfactory evidence that all necessary corporate, partnership, or other action on the part of Purchaser has been taken with respect to the execution and delivery of this Agreement and the consummation of the Transaction so that all of said documents are and will be validly executed and delivered and will be binding upon Purchaser.

14.3. Execute and deliver to Seller executed counterparts of the Bill of Sale, Assignment, and Assumption Agreement.

14.4. Execute and deliver any documents required to effect the assumption of the Regulatory Agreements and the assignment and assumption of the HAP Contract.

14.5. Execute and deliver to Seller such additional documents as are necessary to carry out the provisions of this Agreement.

15. **Representations and Warranties of Seller.** Seller represents and warrants to Purchaser the following:

15.1. Seller is duly formed, validly existing and in good standing under the laws of the State of its formation and has all requisite powers and all material governmental licenses, authorizations, consents and approvals to enter into and perform its obligations hereunder and under any document or instrument required to be executed and delivered on behalf of Seller hereunder.

15.2. This Agreement has been duly authorized by all necessary action on the part of Seller, has been duly executed and delivered by Seller, constitutes the valid and binding agreement of Seller and is enforceable in accordance with its terms. The person executing this Agreement on behalf of Seller has the authority to do so.

15.3. The execution and delivery of, and the performance by Seller of its obligations under this Agreement will not contravene, or constitute a default under, any provision of applicable law or regulation or any agreement, judgment, injunction, order, decree or other instrument binding upon Seller or to which the Property is subject.

15.4. Seller has not received any written notice of any threatened or actual cancellation or suspension of any certificate of occupancy or other certificate, license or permit for any portion of the Improvements.

15.5. To Seller's knowledge, except as may be contained in the Property Documents and other documents provided to Purchaser, no Hazardous Materials (as hereinafter defined) exist on or under the Property in violation of law. Hazardous Materials means: (a) substances defined as "hazardous substances," "hazardous materials," or "toxic substances" under federal, state or local law; (b) asbestos and any form of urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid or other fluids containing levels of polychlorinated biphenyls; (c) petroleum and/or petroleum products or by-products; and (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the Property or the owners and/or occupants of the properties adjacent to the Property.

15.6. Except as may be contained in the Property Documents and other documents provided to Purchaser, Seller has not received any written notice of any pending judicial, municipal or administrative proceedings affecting the Property, including, without limitation, proceedings for or involving condemnation, eminent domain, or alleged building code or environmental or zoning violations.

15.7. All real estate taxes and assessments affecting the Property are paid current and not delinquent as of the Effective Date.

15.8. Any Contracts disclosed as part of the Property Documents and other documents provided to Purchaser, and/or shown as exceptions on the Title Commitment, constitute all of the Contracts affecting the Property. Seller has not received any written notice of uncured default and Seller has no knowledge of any existing uncured defaults under the Contracts.

15.9. Each certified rent roll ("**Certified Rent Roll**") to be provided pursuant to this Agreement shall be certified by Seller (or the property management company managing the Property) to be true, correct, and complete to its knowledge, and shall contain for each tenant and each tenant's lease the following information: commencement date of the lease; termination date of the lease; monthly rent; monthly additional rent; security deposits (any amounts previously applied to charges shall also be shown); prepaid rents; any other payments or credits applicable to that lease; any rent delinquencies.

15.10. At all times prior to closing contemplated by this Agreement, Seller: (i) shall not be a Prohibited Person; and (ii) shall be in full compliance with all applicable orders, rules, regulations and recommendations promulgated under or in connection with United States Presidential Executive Order 13224 ("**Executive Order**"), the Annex to that Executive Order ("**Annex**"), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("**Patriot Act**"). The term "**Prohibited Person**" shall mean any person or entity which meets any of the following criteria:

15.10.1. A person or entity listed in the Annex to, or otherwise subject to the provisions of, the Executive Order.

15.10.2. A person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed to the Annex to, or is otherwise subject to the provisions of, the Executive Order.

15.10.3. A person or entity with whom a party is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Order.

15.10.4. A person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order.

15.10.5. A person or entity that is named as a “specially designated national and blocked person” on the most current list (“**List**”) published by the U.S. Department of the Treasury, Office of Foreign Assets Control at its official website (www.ustreas.gov/ofac) or at any replacement website or other replacement official publication of such list.

15.10.6. A person or entity who is an Affiliate of a person or entity listed in this Section 15.10.

15.11. If, after the Effective Date, any event occurs or condition arises that renders any of the Seller’s representations and warranties in Section 15 untrue or misleading in any material respect, and Seller has actual knowledge of the same, Seller shall promptly notify Purchaser in writing of such event or condition. In no event shall Seller be liable to Purchaser for, or be deemed to be in default hereunder by reason of, any breach of representation or warranty which results from any change that (i) occurs between the Effective Date and the date of Closing and (ii) is expressly permitted under the terms of this Agreement or is beyond the reasonable control of Seller to prevent. If a notice from Seller pursuant to this Section 15.11 indicates any material adverse change in the representations and warranties made by Seller, and such material adverse change is not cured or corrected by Seller, Purchaser shall have the right to terminate this Agreement by written notice to Seller within ten (10) days after Seller’s notice, in which event any Released Deposits shall be retained by Seller, and any Remaining Deposits shall be refunded to Purchaser. If Purchaser does not terminate this Agreement within such time period, Purchaser’s termination right in this Section 15.11 shall lapse.

16. **Representations and Warranties of Purchaser.** Purchaser represents and warrants to Seller the following:

16.1. Purchaser is duly formed, validly existing and in good standing under the laws of the State of its formation and has all requisite powers and all material governmental licenses, authorizations, consents and approvals to enter into and perform its obligations hereunder and under any document or instrument required to be executed and delivered on behalf of Purchaser hereunder.

16.2. This Agreement has been duly authorized by all necessary action on the part of Purchaser, has been duly executed and delivered by Purchaser, constitutes the valid and binding agreement of Purchaser and is enforceable in accordance with its terms. The person executing this Agreement on behalf of Purchaser has the authority to do so.

16.3. The execution and delivery of, and the performance by Purchaser of its obligations under this Agreement will not contravene, or constitute a default under, any provision of applicable law or regulation or any agreement, judgment, injunction, order, decree or other instrument binding upon Purchaser.

16.4. At all times prior to Closing contemplated by this Agreement, Purchaser: (i) shall not be a Prohibited Person; and (ii) shall be in full compliance with all applicable orders, rules, regulations and recommendations promulgated under or in connection with the Executive Order and the Patriot Act.

17. **Seller Covenants.** Seller hereby covenants as follows:

17.1. Until the Closing Date, Seller shall maintain the Property in substantially the same condition and quality as such was in at the time of the physical inspection of the Property by Purchaser, except for normal wear and tear, and subject to Section 28.5.

17.2. Seller shall pay all real estate taxes and assessments affecting the Property current up to the Closing Date.

17.3. Subsequent to the Effective Date, Seller shall not enter into any agreements (or extend any current agreements) with respect to the Property (other than residential tenant leases in the ordinary course of Property operations) that will be binding on the owner of the Property and extend beyond

the Closing Date, without Purchaser's prior written approval, which may be withheld in Purchaser's sole discretion.

17.4. Seller shall continue to operate the Improvements in the ordinary course of business between the Effective Date and the Closing Date, such operation to include the continuation of maintenance and repair programs.

17.5. Seller shall cause all apartment units on the Property which become vacant more than five (5) days prior to Closing to be in a "rent ready" condition, and to the extent that any such units are not in rent ready condition on the Closing Date, Purchaser shall receive a credit at Closing equal to \$2,000 for each such unit not in "rent ready" condition. One business day prior to Closing, Seller and Purchaser (or their designated representatives) shall inspect the Property and agree upon the number of non "rent ready" units. The term "rent ready" shall mean a vacant apartment unit that has been thoroughly cleaned and all damage thereto has been repaired; all appliances are present and in good working condition; locks to the unit have been re-keyed; all cabinets, doors, lighting and bathroom fixtures are good working condition; there are no existing building code violations and the unit is in compliance with HUD's Housing Quality Standards, for the Property

18. **Survival.**

18.1. Any claim for a breach of such representations and warranties shall survive for one year after the Closing Date. Any claim for a breach of representation or warranty set forth in Sections 15 and 16 of this Agreement shall be barred and shall lapse unless a claim is made in writing, with a description of the claim made, on or before the first anniversary of the Closing Date.

18.2. All other provisions of this Agreement shall be deemed merged into or waived by the instruments of Closing, except for those provisions that specifically state that they survive Closing or termination (each a "**Surviving Provision**"). If a Surviving Provision states that it survives for a limited period of time, that Surviving Provision shall survive only for the limited time specified. Any claim made in connection with a Surviving Provision shall be barred and shall lapse unless a claim is made in writing, with a description of the claim made, on or before the limited time specified in such Surviving Provision.

19. **Purchaser's Defaults; Seller's Remedies.** In the event of a breach by Purchaser of this Agreement, which breach is not cured within ten (10) days after written notice of default from Seller specifying the breach (provided, however, that no such cure period shall apply for a breach of the obligation to close by the Closing Date), Seller's sole remedy shall be to terminate this Agreement and retain all Deposits paid, and any earnings thereon, as liquidated damages but not as a penalty. **PURCHASER AND SELLER AGREE THAT IT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICAL TO QUANTIFY THE ACTUAL DAMAGES TO SELLER IN THE EVENT OF A BREACH BY PURCHASER, THAT LIQUIDATED DAMAGES IS AN APPROPRIATE REMEDY FOR A BREACH BY PURCHASER, THAT THE AMOUNT OF ALL DEPOSITS PAID HAS BEEN REASONABLY CALCULATED TO REIMBURSE SELLER FOR SELLER'S ACTUAL DAMAGES, AND IS A REASONABLE ESTIMATE OF SUCH ACTUAL DAMAGES, THAT THE LIQUIDATED DAMAGES ARE NOT A PENALTY, AND THAT SELLER'S REMEDY IN THE EVENT OF A BREACH BY PURCHASER SHALL BE TO RETAIN ALL DEPOSITS PAID AND ANY EARNINGS THEREON AS LIQUIDATED DAMAGES.** Notwithstanding the foregoing, this liquidated damages provision does not limit Purchaser's obligations under the Surviving Provisions, or under Sections 8, 9, and 26.

20. **Seller's Defaults; Purchaser's Remedies.** In the event of a breach by Seller of this Agreement, which breach is not cured within ten (10) days after written notice of default from Purchaser specifying the breach (provided, however, that no such cure period shall apply for a breach of the obligation to close by the Closing Date), Purchaser may elect only one of the following two remedies: (a) terminate this Agreement, in which event the Deposits paid shall be immediately refunded to Purchaser and Purchaser shall be entitled to recovery of its reasonable out-of-pocket expenses actually incurred with third parties in connection with the Transaction, not to exceed One Hundred Fifty Thousand Dollars (\$150,000); or (b) enforce specific performance of this Agreement against Seller, including the right to recover attorneys'

fees. In order for Purchaser to elect and pursue the remedy of specific performance, Purchaser must commence and file such action within ninety (90) days after the scheduled Closing Date. Notwithstanding the foregoing, the limitation of remedies provision does not limit Seller's obligations under the Surviving Provisions.

21. **Closing Costs.** Costs of closing the Transaction shall be allocated between Seller and Purchaser as follows:

21.1. Seller shall pay: (i) one-half of any escrow fees of the Escrow Agent; (ii) the Virginia grantor tax; and (iii) all other costs and expenses allocated to Seller pursuant to the terms of this Agreement.

21.2. Purchaser shall pay: (i) the premium for the owner's Title Policy and any endorsements; (ii) the cost of recording the Deed; (iii) one-half of any escrow fees of the Escrow Agent;; and (iv) all other costs and expenses allocated to Purchaser pursuant to the terms of this Agreement.

22. **Proration of Income and Expenses.** At Closing, the following items shall be paid or adjusted or prorated between Seller and Purchaser as specified, as of the Closing Date, with the day of Closing being for Purchaser's account:

22.1. *Ad valorem* and similar taxes, and assessments for the then current tax year relating to the Property shall be prorated as of the Closing Date.

22.2. At the Closing, Purchaser shall receive a credit against the Purchase Price equal to the amount of any refundable deposits made by tenants of the Property. At the Closing, Purchaser shall assume Seller's obligations related to the deposits actually credited to Purchaser.

22.3. All collected rents or other income and all operating expenses for or pertaining to the Property, including but not limited to maintenance, security, management service and similar contractual charges with respect to the Property shall be prorated between Purchaser and Seller as of the Closing Date. Capital expenditures made during the month of Closing shall be pro-rated over the useful life of such items.

22.4. Water, sewer, fuel, electricity, gas and other utilities and services shall be paid by Seller based upon current readings by the utilities to be obtained by Seller contemporaneously with Closing. Seller shall arrange for utility services to Seller to be cancelled, in which event, Purchaser shall establish a new account with the utility, and Seller shall be entitled to any deposits on account paid by Seller. If a utility will not cancel Seller's account and replace it with a new Purchaser account, Seller shall at Closing transfer the utility account to Purchaser, in which event: (i) Purchaser shall reimburse Seller at Closing for any utility deposit transferred to Purchaser; and (ii) utility charges for such account shall be prorated between Purchaser and Seller as of the Closing Date.

22.5. The replacement reserves ("**Reserves**") required by VHDA to be held in connection with the Property are included in the Purchase Price. At Closing, Seller shall transfer the Reserves to Purchaser without any additional payment. In the event Seller is unable to transfer the Reserves at Closing, Seller shall provide Purchaser a credit at Closing in the amount of the Reserves and Seller shall have the right to receive the Reserves after Closing. Notwithstanding the foregoing, if as of the Closing Date, Seller has submitted draws for the disbursement of funds from the Reserves for work performed prior to Closing, and such draws have not as of Closing been approved to be funded from disbursement of Reserves, then after Closing when such draws are approved and allowed to be funded from the Reserves, Purchaser shall promptly obtain disbursement from the Reserves of the amount approved to be funded, and Purchaser shall, upon receipt, pay such amount to Seller. Seller shall promptly notify Purchaser of draws for the disbursement of funds from the Reserves for capital improvement items in excess of \$5,000. This Section 22.5 shall survive Closing.

22.6. At Closing, Seller shall retain all funds in the operating account with respect to the Property, and after Closing Seller shall cause an audit of the Property to be completed, and Seller shall submit the audit to VHDA, in order to obtain authorization for the distribution of such funds to Seller. Seller shall be entitled to receive a distribution of such funds after receiving VHDA approval. This Section 22.6 shall survive Closing.

23. **Post-Closing Adjustments.** Seller and Purchaser agree that, to the extent items are prorated or adjusted at Closing on the basis of estimates, or are not prorated or adjusted at Closing pending actual receipt of funds or compilation of information upon which such prorations or adjustments are to be based, each of them will pay to the other such amounts as may be necessary such that Seller will receive the benefit of all income collected for the period prior to the Closing Date and will pay all expenses of the Property attributable to the period prior to the Closing Date, both on an accrual basis, and Purchaser will receive all income collected for the period from and after the Closing Date and will pay all expenses of the Property attributable to the period from and after the Closing Date, both on an accrual basis. The provisions of this Section 23 shall survive the Closing for ninety (90) days; any claim under this Section 23 shall be barred and shall lapse unless a claim is made in writing, with a description of the claim made, on or before ninety (90) days after Closing.

24. **Delinquent Rents.** With respect to any monies collected by Purchaser from tenants or other persons owing delinquent rents or other amounts as of the Closing Date, such money shall first be applied to the current rents or obligations of such person and retained by Purchaser and the balance (if any) shall then be delivered to Seller. After the Closing Date, Seller shall be entitled to continue and/or institute legal actions to recover delinquent rents from tenants; provided, however, that Seller acknowledges that Seller shall have no right to terminate any tenant lease, and Seller shall not have the right to evict any tenant.

25. **Property Matters.** AS A MATERIAL PART OF THE CONSIDERATION TO SELLER FOR THE SALE OF THE PROPERTY, PURCHASER, ON BEHALF OF ITSELF, AND ITS SUCCESSORS AND ASSIGNS, HEREBY IRREVOCABLY WAIVES, AND RELEASES SELLER, ITS MEMBERS, PARTNERS, OFFICERS, DIRECTORS, PRINCIPALS, AGENTS, REPRESENTATIVES, ATTORNEYS AND EMPLOYEES (THE "**SELLER PARTIES**") FROM ANY AND ALL CLAIMS, DEMANDS, OBLIGATIONS, DAMAGES, CAUSES OF ACTION AND LIABILITY, WHETHER KNOWN OR UNKNOWN, OTHER THAN THOSE FOR BREACH OF SELLER'S REPRESENTATIONS AND WARRANTIES SET FORTH HEREIN, THAT ARE BASED DIRECTLY OR INDIRECTLY ON, ARISE FROM OR IN CONNECTION WITH, OR ARE RELATED TO THE FOLLOWING (THE "**PROPERTY MATTERS**"): (A) ANY AND ALL STATEMENTS, REPRESENTATIONS, WARRANTIES, DETERMINATIONS, CONCLUSIONS, ASSESSMENTS, ASSERTIONS OR ANY OTHER INFORMATION CONTAINED IN ANY OF THE DOCUMENTS DELIVERED TO PURCHASER IN CONNECTION HERewith, (B) ANY PAST, PRESENT, OR FUTURE CONDITION OF THE PROPERTY HOWEVER AND WHENEVER OCCURRING, INCLUDING, WITHOUT LIMITATION, THE PROPERTY'S PROXIMITY TO ANY GEOLOGICAL HAZARD, OR THE PRESENCE OF HAZARDOUS MATERIALS AT THE PROPERTY (INCLUDING, WITHOUT LIMITATION, THE CONTAMINATION OR POLLUTION OF ANY SURFACE OR SUBSURFACE SOILS, SUBSURFACE MEDIA, SURFACE WATERS OR GROUND WATERS AT THE PROPERTY), THE VIOLATION OF ANY ENVIRONMENTAL LAW, WHETHER IN COMMON LAW OR UNDER ANY EXISTING OR HEREINAFTER ENACTED FEDERAL, STATE OR LOCAL LAW, REGULATION, OR ORDINANCE, AND (C) EXCEPT AS OTHERWISE PROVIDED IN THE DEED, ANY DEFECT, INACCURACY OR INADEQUACY IN THE CONDITION OF TITLE TO THE PROPERTY, LEGAL DESCRIPTION OF THE PROPERTY, OR COVENANTS, RESTRICTIONS, ENCUMBRANCES OR ENCROACHMENTS WHICH AFFECT THE PROPERTY. PURCHASER HEREBY ACKNOWLEDGES AND AGREES THAT PURCHASER MAY HEREAFTER DISCOVER FACTS DIFFERENT FROM OR IN ADDITION TO THOSE NOW (OR AS OF THE CLOSING) KNOWN OR BELIEVED TO BE TRUE REGARDING THE PROPERTY MATTERS, AND PURCHASER'S AGREEMENT TO RELEASE, ACQUIT AND DISCHARGE SELLER AND EACH OF THE OTHER SELLER PARTIES AS SET FORTH HEREIN SHALL REMAIN IN FULL FORCE AND EFFECT NOTWITHSTANDING THE EXISTENCE OR DISCOVERY OF ANY SUCH DIFFERENT OR ADDITIONAL FACTS. PURCHASER KNOWINGLY AND VOLUNTARILY WAIVES ANY AND ALL RIGHTS, BENEFITS AND PRIVILEGES TO THE FULLEST

EXTENT PERMISSIBLE UNDER ANY FEDERAL, STATE, LOCAL, OR OTHER LAWS WHICH DO OR WOULD NEGATIVELY AFFECT VALIDITY OR ENFORCEABILITY OF ALL OR PART OF THE RELEASES SET FORTH IN THIS AGREEMENT. THE PROVISIONS OF THIS SECTION 25 SHALL SURVIVE THE CLOSING WITHOUT TIME LIMITATION.

26. **Brokerage Commissions.** At Closing, Seller shall pay a real estate brokerage commission to CBRE ("**Broker**") pursuant to a separate written commission agreement. Broker represents Seller. Seller shall indemnify Purchaser against, and hold Purchaser harmless from, any and all claims (and all expenses incurred in defending any such claims or in enforcing this indemnity, including attorneys' fees and court costs) by any broker or finder for a real estate commission or similar fee arising out of or in any way connected with any claimed relationship between such broker or finder and Seller. Purchaser shall indemnify Seller against, and hold Seller harmless from, any and all claims (and all expenses incurred in defending any such claims or in enforcing this indemnity, including attorneys' fees and court costs) by any broker or finder for a real estate commission or similar fee arising out of or in any way connected with any claimed relationship between such broker or finder and Purchaser. The provisions of this Section 26 shall survive the Closing or the termination of this Agreement without time limitation.

27. **Tax Deferred Exchange.**

27.1. If Purchaser wishes to structure the Transaction as part of a 1031 tax deferred exchange, Seller agrees to cooperate in such efforts, and to sign documents to accomplish such purposes; provided, however, that there shall be no material change in the Transaction from what would result if there was no tax deferred exchange, and provided that Seller incurs no additional cost, expense, obligation or liability as a result of such tax deferred exchange. Purchaser acknowledges that Seller shall have no obligation of any kind for the qualification of the Transaction for a 1031 tax deferred exchange.

27.2. If Seller wishes to structure the Transaction as part of a 1031 tax deferred exchange, Purchaser agrees to cooperate in such efforts, and to sign documents to accomplish such purposes; provided, however, that there shall be no material change in the Transaction from what would result if there was no tax deferred exchange, and provided that Purchaser incurs no additional cost, expense, obligation or liability as a result of such tax deferred exchange. Seller further acknowledges that Purchaser shall have no obligation of any kind for the qualification of the Transaction for a 1031 tax deferred exchange.

28. **Miscellaneous.**

28.1. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. This Agreement embodies and constitutes the entire understanding between the parties with respect to the Transaction. No provision hereof may be waived, modified, or amended except by an instrument in writing signed by Purchaser and Seller. This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart. A facsimile, scanned, or other copy of a signed version of this Agreement has the same effect as an original. Delivery by electronic transmission such as email, download or facsimile shall be deemed effective delivery.

28.2. Any notice, request, demand, instruction or other document required or permitted to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered personally, or by overnight express courier, or by email, or by facsimile transmission, and addressed to the parties at their respective addresses set forth below, and the same shall be effective upon receipt if delivered personally, or by email, or by confirmed facsimile, or via overnight express courier. (If a fax number listed below is inaccurate or is not working, then the date that a notice is required to be delivered shall be extended by one day.) A party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

If to Purchaser: Preservation Partners Development III LLC
21515 Hawthorne Blvd., Suite 150
Torrance, CA 90503
ATTN: Chuck Treach
Email: chuck@preservationpartners.org
Office: 310-802-6681
Fax: 310-802-6680

With a copy to: Applegate & Thorne-Thomsen P.C.
425 S. Financial Pl., #1900
Chicago, IL 60605
ATTN: Warren Wenzloff
Email: wwenzloff@att-law.com
Office: 312-491-3321
Fax: NA

If to Seller: SP Place One LP
5403 West Gray Street
Tampa, Florida 33609
ATTN: Roberta Ujakovich and Steve Page
Email: rujakovich@sphome.com and stevepage@vaughnbay.net
Office: (813) 288-6988
Fax: (813) 288-1511

With a copy to: Jameson Pepple Cantu PLLC
2430 Estancia Boulevard, Suite 114
Clearwater, Florida 33761
ATTN: David O. Cantu
Email: dcantu@jpclaw.com
Office: (727) 724-3222
Fax. No. (727) 726-9272

If to Escrow Agent: As in Section 1.5

28.3. In any legal proceeding arising in connection with this Agreement (including without limitation any arbitration and appellate proceedings as well as any bankruptcy, reorganization, liquidation, receivership or similar proceeding) the substantially non-prevailing party agrees to pay to the substantially prevailing party all reasonable costs and expenses, including attorneys' fees and other legal costs, expended or incurred by the substantially prevailing party in connection therewith (whether incurred before, during, or subsequent to any such action or proceeding). The provisions of this Section 28.3 shall survive the Closing or the termination of this Agreement without time limitation.

28.4. Risk of loss or damage to the Property by condemnation, eminent domain, or similar proceedings (or deed in lieu thereof), or by fire or any other casualty, from the Effective Date until the Closing will be on Seller, and thereafter will be on Purchaser.

28.5. **Casualty Loss.**

28.5.1. If at any time prior to the Closing Date, any portion of the Property is destroyed or damaged as a result of fire or any other casualty whatsoever, Seller shall give written notice thereof to Purchaser as soon as possible and in any event within five (5) business days after Seller learns of such destruction or damage, and, within thirty (30) days thereafter, shall provide Purchaser with an estimate of the cost of restoring the Property to the condition it was in immediately before such damage or destruction from an independent consultant acceptable to Purchaser and Seller. The Closing Date shall

be postponed, as required, in order for Seller to have the stipulated time to provide such notice and obtain and provide such estimate to Purchaser. If the cost of restoring and repairing the portion of the Property so damaged to substantially its present condition is not more than One Hundred Fifty Thousand Dollars (\$150,000.00), as reasonably estimated by such independent consultant, then Purchaser shall have no right to terminate this Agreement and shall purchase the Property in its damaged condition and be fully responsible for repair thereto, and at the Closing, Seller shall assign to Purchaser all rights of Seller in and to the property insurance (including rent loss coverage) currently maintained by Seller, and Purchaser shall receive a credit against the Purchase Price in the amount of any deductible under such property insurance policy, but without any other claim or offset resulting from such destruction or damage.

28.5.2. If the cost of restoring and repairing the portion of the Property so damaged to substantially its present condition is more than One Hundred Fifty Thousand Dollars (\$150,000.00), as reasonably estimated by such independent consultant acceptable to Purchaser and Seller, then Purchaser shall have the option, to be exercised within twenty (20) business days from the date of Purchaser's receipt of such estimate, to terminate this Agreement, in which event the Deposits paid shall be immediately refunded to Purchaser, and neither party hereto shall have any further duties, obligations or liabilities to the other, except as specifically provided herein. The Closing Date shall be postponed, as required, in order for Seller to have the stipulated time to provide such notice and obtain and provide such estimate to Purchaser, and for Purchaser to have the stipulated time to exercise its option to terminate. If Purchaser shall not elect to terminate this Agreement as provided in this Section 28.5.2, then this Agreement shall remain in full force and effect, and Purchaser shall purchase the Property in its damaged condition and be fully responsible for repair thereto, and at the Closing, Seller shall assign to Purchaser all rights of Seller in and to the property insurance (including rent loss coverage) currently maintained by Seller, and Purchaser shall receive a credit against the Purchase Price in the amount of any deductible under such property insurance policy, but without any other claim or offset resulting from such destruction or damage. Seller shall not negotiate for or agree to an award or settlement without the approval of Purchaser.

28.5.3. Notwithstanding the foregoing, this Section 28.5 shall not apply to any destruction or damage that is restored by Seller to its present condition on or before the Closing Date.

28.6. If at any time prior to the Closing Date, there shall be a taking by eminent domain proceedings or the commencement of any such proceedings, with respect to the Property, Seller shall promptly give written notice thereof to Purchaser, and, if such taking by eminent domain proceedings would result in a Material Change, Purchaser shall have the right, at Purchaser's sole option, to terminate this Agreement by giving written notice to Seller within thirty (30) days after Purchaser receives written notice of such proceedings, in which event the Deposits paid shall be immediately refunded to Purchaser, and neither party hereto shall have any further duties, obligations or liabilities to the other, except as specifically provided herein. A **"Material Change"** means a taking that would result in (a) the Property not being in compliance with all laws, rules, and regulations, or (b) a diminution in value of the Property or a cost to restore the Property of more than five percent (5%) of the Purchase Price of the Property as estimated by an independent consultant acceptable to Purchaser and Seller. If Purchaser does not so terminate this Agreement, the Purchase Price for the Property shall be reduced by the total of any awards or other proceeds received by Seller (directly or indirectly) with respect to any such taking, and at the Closing Seller shall assign to Purchaser all rights of Seller in and to any awards or other proceeds payable by reason of any taking. Seller shall not negotiate for or agree to an award or settlement without the approval of Purchaser. The Closing Date shall be postponed, as required, in order for the parties to obtain an estimate of the diminution in value or cost to restore and for Purchaser to have the stipulated time to exercise its option to terminate.

28.7. Purchaser shall have the right to assign this Agreement to an Affiliate of Purchaser or the principals of Purchaser, upon written notice to Seller at least five (5) days prior to the Closing Date; provided, however, that any such assignment shall not release the original Purchaser from any obligation or liability under this Agreement arising before or after Closing, including without limitation Surviving Provisions. No other assignment of this Agreement by Purchaser is permitted.

28.8. Seller and Purchaser agree to execute and deliver any instrument, affidavit and statement, and to perform any acts reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act (FIRPTA), IRC Section 1445 and regulations promulgated thereunder.

28.9. This Agreement has been submitted to the scrutiny of all parties hereto and their counsel, if desired, and shall be given a fair and reasonable interpretation in accordance with the words hereof, without consideration or weight being given to its having been drafted by any party hereto or its counsel.

28.10. The parties acknowledge that time is of the essence for each time and date specifically set forth in this Agreement. In computing any period of time pursuant to this Agreement, if the final day of a period, act or event falls on a day which is not a business day, then such final day shall be postponed until the next business day, but the commencement date of the time periods based on such final day shall not be postponed. A business day shall mean Monday through Friday, excluding days designated as a postal holiday by the United States Postal Service.

28.11. This Agreement shall be governed by and construed in accordance with the laws of the State of Virginia, without regard to its conflict or choice of laws rules.

28.12. EVERY PURCHASER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY ON WHICH A RESIDENTIAL DWELLING WAS BUILT PRIOR TO 1978 IS NOTIFIED THAT SUCH PROPERTY MAY PRESENT EXPOSURE TO LEAD FROM LEAD-BASED PAINT THAT MAY PLACE YOUNG CHILDREN AT RISK OF DEVELOPING LEAD POISONING. LEAD POISONING IN YOUNG CHILDREN MAY PRODUCE PERMANENT NEUROLOGICAL DAMAGE, INCLUDING LEARNING DISABILITIES, REDUCED INTELLIGENCE QUOTIENT, BEHAVIORAL PROBLEMS, AND IMPAIRED MEMORY. LEAD POISONING ALSO POSES A PARTICULAR RISK TO PREGNANT WOMEN. THE SELLER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY IS REQUIRED TO PROVIDE THE PURCHASER WITH ANY INFORMATION ON LEAD-BASED PAINT HAZARDS FROM RISK ASSESSMENTS OR INSPECTIONS IN THE SELLER'S POSSESSION OR CONTROL, IF ANY, AND NOTIFY THE PURCHASER OF ANY KNOWN LEAD-BASED PAINT HAZARDS. A RISK ASSESSMENT OR INSPECTION FOR POSSIBLE LEAD-BASED PAINT HAZARDS IS RECOMMENDED PRIOR TO PURCHASE.

28.13. As used in this Agreement, "**Affiliate**" means, as to any person or entity: (a) any other person or entity that, directly or indirectly, is in control of, is controlled by or is under common control with such person or entity; or (b) is a director, officer, shareholder, partner, member or associate of such person or entity, or of an Affiliate of such person or entity. "**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a person or entity, whether through ownership of voting securities, by contract or otherwise.


28.14. Neither this Agreement, nor any part thereof, nor any memorandum thereof may be recorded. Recording of any such document by, or at the direction of Purchaser, shall be a material default by Purchaser under this Agreement.

29. **Termination of Offer.** Submission of this Agreement by one party to the other shall constitute an offer to purchase or sell the Property on the terms and conditions set forth herein. This offer shall expire if the other party has not returned a fully executed copy hereof to the other party by 5:00 P.M. Eastern time on the second business day after receipt.

[Signatures on following page]

PURCHASER:

Preservation Partners Development III LLC

By: 
Name: William E. Szymczak
Title: Manager
Date: 07/23/2020

SELLER:

SP Place One LP

By: SP Place One GP Inc.,
a Virginia corporation, its General Partner

By: _____
J. David Page, President
Date: _____

PURCHASER:

Preservation Partners Development III LLC

By: _____
Name: _____
Title: _____
Date: _____

SELLER:

SP Place One LP

By: SP Place One GP Inc.,
a Virginia corporation, its General Partner

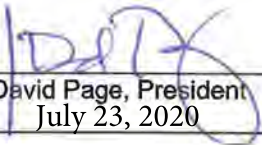
By:  _____
J. David Page, President
Date: July 23, 2020 _____

EXHIBIT A

Legal Description of Land

ALL those certain lots, pieces or parcels of land, with all improvements thereon, lying and being in the County of Henrico, Virginia, containing 8.33 acres, all as shown on a certain plat entitled, "RESUBDIVISION OF PLACE ONE", prepared by A.G. Harocopos & Associates, P.C., dated October 7, 1977, which said plat is duly recorded in the Clerk's Office of said County in Plat Book 65 at page 72; to which plat reference is hereby made for a more particular description of the property hereby conveyed and being shown thereon as follows:

BEGINNING at a rod in the northern line of Almora Avenue, at a point thereon in the northwestern intersection of Almora Avenue and Portland Road; thence N 82 degrees 57' 45" W 539.87 feet to a rod in the northern line of Almora Avenue; thence along a curve to the north having a length of 23.88 feet, a radius of 15.00 feet and a tangent of 15.33 feet to a rod in the eastern line of Beth Road; thence N 08 degrees 16' 15" E 119.67 feet to a rod; thence N 8 degrees 20' 21" E 229.72 feet to a rod; thence N 77 degrees 53' 09" W 39.14 feet to a rod; thence N 07 degrees 57' 11" E 306.79 feet to a rod; thence S 85 degrees 15' 28" E 555.66 feet to a rod in the western line of Portland Road; thence along the western line of Portland Road S 03 degrees 36' 03" W 334.32 feet to a rod; thence N 84 degrees 45' 13" W 100.03 feet to a rod; thence S 03 degrees 33' 23" W 225.67 feet to a rod; thence S 82 degrees 57' 45" E 100.00 feet to a stone in the western line of Portland Road; thence S 03 degrees 36' 03" W 119.31 feet to a rod; thence along the curve to the west at the northwestern intersection of Portland Road and Almora Avenue, a length of 24.46 feet, a radius of 15.00 feet and a tangent of 15.93 feet to the point and place of beginning.

AND BEING the same property as described on survey prepared by Townes, Site Engineering, dated December 3, 2004, last revised November 2, 2005, as metes and bounds as follows:

BEGINNING AT A PT. SITUATED ON THE EASTERN LINE OF BETH ROAD, A 50' R/W, SAID POINT BEING THE POINT OF BEGINNING; THENCE N 08°20'21"E, 229.72' TO A PT.; THENCE N 77°53'09"W, 39.14' TO A PT.; THENCE N 07°57'11"E, 306.79' TO A PT., THENCE S 85°15'28"E, 555.66' TO A PT.; THENCE S 03°36'03"W, 334.32' TO A POINT; THENCE N 84°45'13"W, 100.03' TO A POINT; THENCE S 03°33'23"W, 225.67' TO A PT.; THENCE S 82°57'45"E, 100.00' TO A PT.; THENCE S 03°36'03"W, 119.31' TO A PT.; THENCE ALONG A CURVE TO THE RIGHT HAVING A CHORD S 50°19'09"W, 21.84' AND L=24.46', R=15.00', Δ=93°26'12" TO A PT.; THENCE N 82°57'45"W, 539.87' TO A PT.; THENCE ALONG A CURVE TO THE RIGHT HAVING A CHORD N 37°20'45"W, 21.44' AND L=23.88', R=15.00', Δ=91°14'00" TO A PT.; THENCE N 08°16'15"E, 119.67' TO THE POINT OF BEGINNING. SAID PARCEL CONTAINING 362,854 SQ. FT. OR 8.33 ACRES OF LAND.

EXHIBIT B

"Personal Property" means Seller's interest in all of the furniture, fixtures, fittings, apparatus, equipment, machinery, trade names, and other items of tangible and intangible personal property and replacements thereof, if any, affixed or attached to or used in connection with the operation, maintenance, or management of the Improvements, including but not limited to, all permits, warranties, licenses, sweepers, cleaning supplies, tools, office furniture and equipment, stationery, office supplies, and janitorial supplies.

"Intangible Property" means all right, title and interest of Seller in and to all intangible property owned or held for use in connection with the Property or any business or businesses conducted thereon or with the use thereof, to the extent assignable, including but not limited to, air rights, water rights, permits, development rights, approvals, building and trade names (including but not limited to the name "Place One Apartments"), licenses, warranties, telephone numbers assigned to telephones in the Improvements (other than telephones of tenants), domain names and websites exclusively dedicated to the Improvements, and plans and specifications.

"Improvements" means the apartment building constructed upon the Land, known as Place One Apartments, together with Seller's interest in all machinery, air conditioners, fixtures, and equipment used in the general operation of such buildings and improvements, and/or affixed to or located upon the Land on the Effective Date, along with all accessions and additions thereto, and together with the lessor's or landlord's interest in any tenant leases or occupancy agreements covering all or any portion of such buildings and improvements.

EXHIBIT C

ESCROW AGREEMENT

This Escrow Agreement is entered into by and among Preservation Partners Development III LLC, a California limited liability company ("**Purchaser**"), SP Place One LP, a Virginia limited partnership ("**Seller**"), and Fidelity National Title Insurance Company ("**Escrow Agent**").

1. Purchaser and Seller have entered into a Purchase and Sale Agreement with an Effective Date of July 23, 2020 (the "**PSA**"), for the purchase and sale of certain real property legally described therein ("**Property**"). All terms not defined in this Escrow Agreement shall have the meaning set forth in the PSA.

2. Pursuant to the provisions of the PSA, Seller and Purchaser have requested that Escrow Agent act as escrow agent under the PSA, and Purchaser will tender good funds to Escrow Agent in the initial amount of \$500,000.00 as a Deposit under the PSA. All amounts designated as a Deposit or Deposits under the PSA shall collectively hereinafter be referred to as the "**Deposit**".

3. All Deposits paid shall be held in a an interest or non-interest bearing account with the Escrow Agent, invested according to Escrow Agent's standard practice, (if interest bearing, investment in the interest bearing account shall commence upon Purchaser's delivery to Escrow Agent of a W-9 and any other documents customarily and reasonably required by Escrow Agent's financial institution to open interest-bearing accounts).

4. If either party gives written notice to Escrow Agent and the other party demanding payment of the Deposit, Escrow Agent shall give prompt written notice to the other party of such demand. If Escrow Agent does not receive written notice of objection from such other party to the proposed payment within ten (10) days after the giving of such written notice, Escrow Agent is hereby authorized and directed to make such payment. If Escrow Agent does receive written notice of objection within such 10 day period or if for any other reason Escrow Agent in good faith shall elect not to make such payment, Escrow Agent shall continue to hold such amount until otherwise directed by written notice from all parties to this Agreement or a final, nonappealable judgment, order or decree of a court.

5. It is agreed that the duties of Escrow Agent are only such as are herein specifically provided, being purely ministerial in nature, and that Escrow Agent shall incur no liability whatever except for willful misconduct or gross negligence, so long as Escrow Agent has acted in good faith. Seller and Purchaser release Escrow Agent from any act done or omitted to be done by Escrow Agent in good faith in the performance of Escrow Agent's duties hereunder.

6. Escrow Agent shall be under no responsibility with respect to any Deposit placed with it other than faithfully to follow the instructions herein contained. Escrow Agent may consult with counsel and shall be fully protected in any actions taken in good faith, in accordance with counsel's advice. Escrow Agent shall not be required to defend any legal proceedings which may be instituted against Escrow Agent in respect to the subject matter of these instructions unless requested to do so by Seller and Purchaser and indemnified to the satisfaction of Escrow Agent against the cost and expense of such defense. Escrow Agent shall not be required to institute legal proceedings of any kind. Escrow Agent shall have no responsibility for the genuineness or validity of any document or other item deposited with Escrow Agent, and shall be fully protected in acting in accordance with any written instructions given to Escrow Agent hereunder and believed by Escrow Agent to have been signed by the proper parties.

7. Escrow Agent assumes no liability hereunder except that of a stakeholder. If there is any dispute as to whether Escrow Agent is obligated to deliver the Deposit, or as to whom the Deposit is to be delivered, Escrow Agent will not be obligated to make any delivery of the Deposit, but in such event may hold the Deposit until receipt by Escrow Agent of an authorization in writing signed by all of the persons having an interest in such dispute, directing the disposition of the sum, or in the absence of such authorization, Escrow Agent may hold the Deposit until the final determination of the rights of the parties in an appropriate proceeding. However, Escrow Agent shall have the right at any time, but is not required, to

bring an appropriate action or proceeding for leave to place the Deposit with the court, pending such determination. Once Escrow Agent has tendered into the registry or custody of any court of competent jurisdiction all money and/or property in its possession under this Escrow Agreement, or has made delivery of the Deposit in any other manner provided for herein, Escrow Agent shall be discharged from all duties and shall have no further liability hereunder as Escrow Agent. In the event Escrow Agent exercises its rights under this paragraph, (i) all costs incurred by Escrow Agent (including but not limited to attorneys' fees) shall be borne equally by Seller and Purchaser, and (ii) all obligations of Escrow Agent under the PSA and/or this Escrow Agreement shall terminate (except for liability of Escrow Agent for willful misconduct and/or gross negligence).

8. All costs incurred by Escrow Agent as escrow agent under the PSA and/or this Escrow Agreement (except costs or liabilities arising from Escrow Agent's willful misconduct and/or gross negligence) shall be borne equally by Seller and Purchaser, and each such party agrees to indemnify and hold harmless Escrow Agent to the extent of such party's respective liability for any loss, costs, claim against Escrow Agent as escrow agent under the PSA and/or this Escrow Agreement (except for Escrow Agent's willful misconduct and/or gross negligence).

9. This Escrow Agreement may be executed in several counterparts and all so executed shall constitute one Escrow Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart. Delivery by electronic transmission such as a facsimile, scanned, or other copy of a signed version of this Escrow Agreement has the same effect as delivery of an original.

10. This Escrow Agreement shall be governed by the laws of the state in which the Property is located.

11. Any notice, request, demand, instruction or other document required or permitted to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered personally, or by overnight express courier, or by email, or by facsimile transmission, and addressed to the parties at their respective addresses set forth in the PSA, and the same shall be effective upon receipt if delivered personally, or by email, or by confirmed facsimile, or via overnight express courier. (If a fax number listed below is inaccurate or is not working, then the date that a notice is required to be delivered shall be extended by one day.) A party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

12. In no event shall Escrow Agent incur any liability for levies by taxing authorities based upon the taxpayer identification number provided to Escrow Agent and used to establish the escrow account.


13. The Deposit shall be deposited by the Escrow Agent into a separate interest-bearing escrow account at a federally-insured financial institution with offices in the District of Columbia (the "**Depository**"), and be invested by the Escrow Agent in a money market account, money-fund account or similar investment. If the financial condition of the financial institution in which the funds are held changes in any adverse way which may prohibit the ability of the Escrow Agent to withdraw such funds in accordance with the terms of this Escrow Agreement, then the Escrow Agent may move the escrow account to another financial institution that satisfies the requirements of this paragraph. Purchaser and Seller consent to the selection of ~~Bank of America, N.A.~~ as the Depository and have made an independent inquiry of 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. Purchaser and Seller acknowledge that money-fund accounts are not protected by the insurance afforded by the FDIC.

Dated as of July 23, 2020.

* US Bank (AT)

PURCHASER:

Preservation Partners Development III LLC

By: 
Name: William E. Szymczak
Title: Manager

SELLER:


SP Place One LP

By: SP Place One GP Inc.,
a Virginia corporation, its General Partner

By: _____
J. David Page, President


ESCROW AGENT:

Fidelity National Title Insurance Company

By: 
Name: Amy L. Tiplak
Title: Escrow Officer

PURCHASER:

Preservation Partners Development III LLC

By:  _____
Name: William E. Szymczak
Title: Manager

SELLER:

SP Place One LP

By: SP Place One GP Inc.,
a Virginia corporation, its General Partner

By: _____
J. David Page, President

ESCROW AGENT:

Fidelity National Title Insurance Company

By: _____
Name: _____
Title: _____

PURCHASER:

Preservation Partners Development III LLC

By: _____
Name: _____
Title: _____

ESCROW AGENT:

Fidelity National Title Insurance Company

By: _____
Name: _____
Title: _____

SELLER:

SP Place One LP

By: SP Place One GP Inc.,
a Virginia corporation, its General Partner

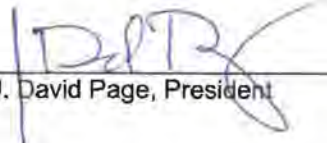
By:  _____
J. David Page, President

EXHIBIT D

- Trailing 12 months of operations by month in excel format (updated monthly through closing)
- Current Rent Roll in excel format (updated monthly through closing)
- Last 2 years of Rent Rolls by month in excel format
- Trailing 3 years of annual operating statements in excel format (by month)
- Trailing 3 years audits (if unaudited, prior 12 months of bank statements)
- Last 3 years of annual Property Tax Bills
- Current Budget
- Existing Payroll Schedule (list of current employees, start dates and salary/wage information)
- 5 years of Capital Expenditures
- Last 12 months of Utility Bills (water, sewer, electricity, gas)
- 5 years of loss runs for property and general liability insurance
- Any service contracts and list of vendors (laundry, copier, trash, etc.)
- Pest Contract/Termite Contract/Termite Bond
- Any 3rd party reports (Appraisal, LBP, Phase 1, RCS, termites, etc.)
- Existing Survey
- Current Title Policy
- All building addresses & parcel numbers (for zoning report)
- Any CO's and business/occupancy licenses
- Any existing building plans/site plans/zoning resolutions/drawings
- Any outstanding code violations
- Existing Mortgage Note/ Promissory Notes*
- Affordable Fair Housing Marketing Plan*
- Any Regulatory/Use agreements encumbering the property (LURA, EUA)*
 - 8609s*
 - Current HUD rent schedule*
 - Current Utility Allowances*
 - Original HAP contract*
 - All HAP Renewals*
 - Current HAP renewal*
 - Most recent HAP voucher request*
 - Current REAC and score*
 - Current MOR and score*
 - Current AFHMP (Affirmative Fair Housing Marketing Plan)*

**if applicable*

- Please keep in mind as transaction continues updated monthly operating statements and rent rolls will be needed. Often times they will need to be certified as well. -

EXHIBIT E

BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

(_____ Apartments)

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned, _____ ("**Assignor**") and _____ ("**Assignee**") hereby agree as follows:

1. This Bill of Sale, Assignment and Assumption Agreement is given pursuant to that certain Purchase and Sale Agreement ("**PSA**") dated as of _____, 20____, between Assignor and Assignee (or its predecessor), as amended, providing for, among other things, the conveyance of the Personal Property, the Tenant Leases, the Contracts, and the Intangible Property described herein.

2. Assignor hereby sells, transfers, assigns and conveys to Assignee:

2.1 All right, title and interest of Assignor in and to all furniture, fixtures, fittings, apparatus, equipment, machinery, and other items of tangible personal property and replacements thereof, if any, affixed or attached to or used in connection with the operation, maintenance, or management of the Improvements, including but not limited to appliances, sweepers, cleaning supplies, tools, office furniture and equipment, stationery, office supplies, and janitorial supplies ("**Personal Property**") located on, and used in connection with the management, maintenance, ownership or operation of that certain land and improvements ("**Real Property**") legally described on Exhibit A, but excluding tangible personal property owned by the tenants of the Real Property under the Tenant Leases (as defined below).

2.2 All right, title and interest of Assignor as lessor in and to any leases ("**Tenant Leases**") relating to the leasing of space or units in the Real Property and all of the rights, interests, benefits and privileges of the lessor thereunder, subject to all terms, conditions, reservations and limitations set forth in the Tenant Leases and the PSA.

2.3 To the extent assignable, all right, title and interest of Assignor in and to all intangible property ("**Intangible Property**") owned or held for use in connection with the Real Property and/or the Personal Property or any business or businesses conducted thereon or with the use thereof, to the extent assignable, including but not limited to, air rights, water rights, permits, development rights, approvals, building and trade names (including but not limited to the name "_____"), licenses, warranties, telephone numbers assigned to telephones in the Improvements (other than telephones of tenants), domain names and websites exclusively dedicated to the Improvements, and plans and specifications.

2.4 To the extent assignable, all right, title and interest of Assignor in and to all leases (other than the Tenant Leases), contract rights and agreements ("**Contracts**") related to the Real Property and/or the Personal Property or any business or businesses conducted thereon or with the use thereof, including but not limited to those identified on Exhibit B.

3. Assignor hereby agrees to indemnify Assignee against and hold Assignee harmless from any and all liabilities, losses, claims, damages, costs or expenses, including, without limitation, reasonable attorneys' fees and costs (collectively, the "**Claims**"), originating prior to the Conveyance Date and arising out of the lessor's obligations under the Tenant Leases, and/or Assignor's obligations under the Contracts, first arising prior to the Conveyance Date, and to the extent accruing through the last day prior to the Conveyance Date.

4. As of the Conveyance Date, Assignee hereby assumes all of Assignor's obligations under the Tenant Leases and the Contracts first arising and accruing on and after the Conveyance Date and agrees to indemnify Assignor against and hold Assignor harmless from any and all Claims originating on or subsequent to the Conveyance Date and arising out of the lessor's obligations under the Tenant Leases, and/or Assignor's obligations under the Contracts, first arising and accruing on and after the Conveyance Date.

5. Assignor hereby represents and warrants that the property conveyed hereunder is free and clear of all liens, leases and encumbrances (except those expressly approved by Purchaser pursuant to the PSA). Except as provided in the immediately preceding sentence and except for the representations and warranties set forth in the PSA with respect to the property conveyed hereunder (which are hereby incorporated herein by this reference as if herein set out in full and shall inure to the benefit of and shall be binding upon Assignee and Assignor and their respective successors and assigns), the property conveyed hereunder is so conveyed in an "as is" condition.

6. This Bill of Sale, Assignment and Assumption is made subject to the title exceptions approved or deemed approved by Assignee pursuant to the PSA.

7. In the event any action is instituted by a party to enforce this Agreement, the prevailing party in such action shall be entitled to such reasonable attorneys' fees, costs and expenses as may be fixed by the court. In addition to the foregoing award of such reasonable attorneys' fees to the prevailing party, the prevailing party in any lawsuit on this Agreement shall be entitled to its reasonable attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment.

8. This Bill of Sale, Assignment and Assumption Agreement may be executed in several counterparts and all so executed shall constitute one Bill of Sale, Assignment and Assumption Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart. Delivery by electronic transmission such as a facsimile, scanned, or other copy of a signed version of this Bill of Sale, Assignment and Assumption Agreement has the same effect as delivery of an original.

9. As of the date above written, Assignee hereby accepts the foregoing Bill of Sale, Assignment and Assumption Agreement and hereby agrees to assume and discharge, in accordance with the terms thereof, all of the burdens and obligations of Assignor relating to the Tenant Leases, Contracts, and Intangible Property first arising and accruing on and after the Conveyance Date.

[Signatures on following page]

Dated effective as of _____, 20____ (the "**Conveyance Date**").

ASSIGNEE:

ASSIGNOR:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**EXHIBIT A
TO
BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT**

Description of Real Property

**EXHIBIT B
TO
BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT**

List of Contracts

EXHIBIT F

SELLER CERTIFICATE

The undersigned, a duly authorized representative of [_____] (the "Seller"), hereby certifies to [PURCHASER] and [INVESTOR], their members, managers, successors and assigns and [law firm] the following with respect to the requirements of Section 42(d)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), regarding the eligibility of existing buildings for federal low income housing tax credit as it relates to the acquisition of improvements located at: _____ and commonly known as _____ Apartments (the "Project"):

- The Seller has been the continuous and sole owner of the improvements and amenities located in and on that parcel of real property described in Exhibit A (the "Property") for the period commencing on [_____] until the date on which the Property will be conveyed to _____, a _____ (the "Purchaser"), on or about _____, 20__ (the "Transfer Date").

- The Project has received project-based rental assistance under Section 8 of the United States Housing Act of 1937, as amended, with respect to all of the units in the Project beginning effective [_____] and continuing without interruption through the Transfer Date.

[signature]



COUNTY OF HENRICO, VIRGINIA
 Department of Finance
 PO Box 90775
 Henrico VA 23273-0775

Account No 009-00055551
 Installment 1
 Mtg Code W6

Bill Date 04/15/2019
 Due Date 06/05/2019
 District 01

REAL ESTATE TAX BILL

PROPERTY LOCATION	BILL NUMBER
4222 ALMORA AVE	8788864

PROPERTY OWNERS ON JANUARY 1
SP PLACE ONE LP
055006

LEGAL DESCRIPTION	PARCEL ID NO.
PLACE ONE AC 8.33	770-750-3086

ASSESSMENT AS OF JANUARY 1, 2019					TAX		CREDITS	CURRENT TAX DUE	
Land	Land Use	Improvement	Abatement	Total	Tax Rate	Annual Tax	REAP	1st Half	2nd Half
2,052,000.00	0.00	5,403,000.00	0.00	7,455,000.00	0.8700	64,858.50	0.00	32,429.25	32,429.25

DELINQUENT TAXES			
Year	Tax	Penalty	Interest
2018	0.00	0.00	0.00
2017	0.00	0.00	0.00
2016	0.00	0.00	0.00
2015	0.00	0.00	0.00
2014	0.00	0.00	0.00
2013	0.00	0.00	0.00
2012	0.00	0.00	0.00
2011	0.00	0.00	0.00
2010	0.00	0.00	0.00
2009	0.00	0.00	0.00
2008	0.00	0.00	0.00
2007	0.00	0.00	0.00
2006	0.00	0.00	0.00
2005	0.00	0.00	0.00
2004	0.00	0.00	0.00
2003	0.00	0.00	0.00
2002	0.00	0.00	0.00
2001	0.00	0.00	0.00
2000	0.00	0.00	0.00
1999	0.00	0.00	0.00
Special Liens	0.00		
Other Fees	0.00		

CURRENT PENALTY	0.00	0.00
CURRENT INTEREST	0.00	0.00

See reverse side for important tax billing, payment information and information on the County's Real Estate Advantage Program (REAP)

Amount Due By	06/05/2019	32,429.25
2nd Half Installment	12/05/2019	32,429.25
Total Amt Due for Year		64,858.50

Late Payment Penalty is 10% of the unpaid balance.
 Interest accrues at an annual rate of 4%.

-----Tear Here and Return the Bottom Portion with Payment-----



COUNTY OF HENRICO, VIRGINIA
 DEPARTMENT OF FINANCE
 PO BOX 90775
 HENRICO VA 23273-0775

REAL ESTATE TAX BILL

00900087888640000032429251

Account Number	Amount Due
009-00055551	\$32,429.25
Due Date	Amount Enclosed
06/05/2019	

MAKE CHECK PAYABLE TO COUNTY OF HENRICO
 AND ENTER ACCOUNT NUMBER ON YOUR CHECK

TO AVOID ADDITIONAL CHARGES THE AMOUNT DUE
 MUST BE RECEIVED BY THE DUE DATE ABOVE



8788864



000155 L2ZHN506
 VHDA - ATTN Tony Webb
 PO BOX 5127
 RICHMOND VA 23220-0127

COUNTY OF HENRICO
 PO BOX 3370
 HENRICO VA 23228-9770

L2ZHN506 000155 106073950625 NNNNNN NNNNNN NNNNNN 000001 QZHN5Z4

000309



COUNTY OF HENRICO, VIRGINIA
 Department of Finance
 PO Box 90775
 Henrico VA 23273-0775

Account No 009-00055551
 Installment 2
 Mtg Code W6

Bill Date 10/28/2019
 Due Date 12/05/2019
 District 01

REAL ESTATE TAX BILL

PROPERTY LOCATION	BILL NUMBER
4222 ALMORA AVE	8788865

PROPERTY OWNERS ON JANUARY 1
SP PLACE ONE LP
055006

LEGAL DESCRIPTION	PARCEL ID NO.
PLACE ONE AC 8.33	770-750-3086

ASSESSMENT AS OF JANUARY 1, 2019					TAX		CREDITS	CURRENT TAX DUE	
Land	Land Use	Improvement	Abatement	Total	Tax Rate	Annual Tax	REAP	1st Half	2nd Half
2,052,000.00	0.00	5,403,000.00	0.00	7,455,000.00	0.8700	64,858.50	0.00	0.00	32,429.25
							CURRENT PENALTY	0.00	0.00
							CURRENT INTEREST	0.00	0.00

DELINQUENT TAXES			
Year	Tax	Penalty	Interest
2018	0.00	0.00	0.00
2017	0.00	0.00	0.00
2016	0.00	0.00	0.00
2015	0.00	0.00	0.00
2014	0.00	0.00	0.00
2013	0.00	0.00	0.00
2012	0.00	0.00	0.00
2011	0.00	0.00	0.00
2010	0.00	0.00	0.00
2009	0.00	0.00	0.00
2008	0.00	0.00	0.00
2007	0.00	0.00	0.00
2006	0.00	0.00	0.00
2005	0.00	0.00	0.00
2004	0.00	0.00	0.00
2003	0.00	0.00	0.00
2002	0.00	0.00	0.00
2001	0.00	0.00	0.00
2000	0.00	0.00	0.00
1999	0.00	0.00	0.00
Special Liens	0.00		
Other Fees	0.00		

See reverse side for important tax billing, payment information and information on the County's Real Estate Advantage Program (REAP)

Amount Due By	12/05/2019	32,429.25

Late Payment Penalty is 10% of the unpaid balance.
 Interest accrues at an annual rate of 4%.

-----Tear Here and Return the Bottom Portion with Payment -----



COUNTY OF HENRICO, VIRGINIA
 DEPARTMENT OF FINANCE
 PO BOX 90775
 HENRICO VA 23273-0775

REAL ESTATE TAX BILL

00900087888650000032429258

Account Number	Amount Due
009-00055551	\$32,429.25
Due Date	Amount Enclosed
12/05/2019	

MAKE CHECK PAYABLE TO COUNTY OF HENRICO
 AND ENTER ACCOUNT NUMBER ON YOUR CHECK

TO AVOID ADDITIONAL CHARGES THE AMOUNT DUE
 MUST BE RECEIVED BY THE DUE DATE ABOVE



8788865



000175 L2ZH502
 VHDA - ATTN Tony Webb
 PO BOX 5127
 RICHMOND VA 23220-0127

COUNTY OF HENRICO
 PO BOX 3370
 HENRICO VA 23228-9770



**VIRGINIA HOUSING DEVELOPMENT
AUTHORITY**

601 South Belvidere Street, Richmond, VA 23220

CHECK DATE	CHECK NO.	CHECK AMOUNT
11/21/19	000045160	\$978,656.16

Questions, please call: Tony Webb @ (804)343-5588

100179602 AUDUBON VLG 2	\$21,497.63		
100920425 CROWN SQUARE	\$21,712.59		
100970984 PARHAM PARK 1	\$23,201.60		
100179618 APTS KINGSRDG	\$23,422.58		
100054031 DARBY HOUSE	\$25,619.33		
100054017 OAKLAND VLG	\$26,318.37		
100105921 FAISON	\$27,616.85	WAIVE 4/1/201	BORROWER SET UP ACH
100055006 PLACE ONE	\$32,429.25		
100991124 TOWNHM OAKLEY	\$32,465.57		
100065179 ATLANTIC @ BR	\$33,837.35	INS ACCT	OVERAGE
100041934 NEWBRIDGE VLG	\$35,956.67		
100031901 SUMMERDALE	\$43,868.88		
100830013 SPRINGFIELD E	\$49,972.80		
100136263 OVRK BRK RN2	\$53,497.61		
100136261 GLENN @ MLRS	\$56,541.74		
100910375 WELLINGTON PL	\$62,168.90	PL	11/12 HAZARD PREMIUM CC: DOUGLAS SCARPONI INVOICE #319207
100169550 AUDUBON VLG 1	\$63,796.23		
100136262 OVRK BRK RN1	\$66,234.84		

F

Third-Party RESNET
Rater Certification
(MANDATORY)



Appendix F
RESNET Rater Certification of Development Plans

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

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

In addition provide HERS rating documentation as specified in the manual

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.

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

Adaptive Reuse - Must evidence a HERS Index of 95 or better.
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

Additional Optional Certifications

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

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

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

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

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

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

Signed: [Signature]

Date: 10/27/20

Printed Name: Matt Waring

RESNET Rater

Resnet Provider Agency
Viridiant

Signature [Signature]

Provider Contact and Phone/Email Sean Evensen-Shanley (804)212-1934 / sean.evensen-shanley@viridiant.org

Home Energy Rating Certificate

Projected Report

Rating Date:
Registry ID:
Ekotrope ID: ovQGOm3L

HERS® Index Score:

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

70

Annual Savings

\$464

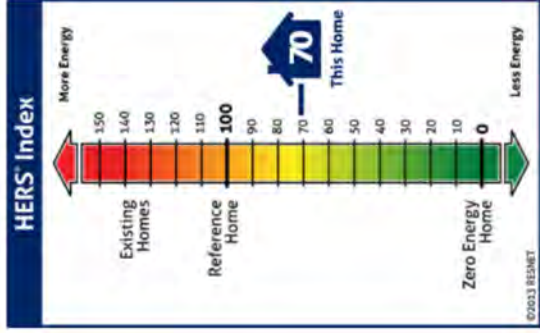
*Relative to an average U.S. home

Home:
4265 Sprengle Ave
Henrico, VA 23228
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	4.2
Cooling	0.8
Hot Water	4.1
Lights/Appliances	10.2
Service Charges	
Generation (e.g. Solar)	0.0
Total:	19.3

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1 BR Post Reno
Community:	Place One Apartments
Conditioned Floor Area:	527 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15.5 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	988 CFM50 (12.50 ACH50)
Ventilation:	None
Duct Leakage to Outside:	29.299 CFM @ 25Pa (5.56 / 100 s.f.)
Above Grade Walls:	R-11
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.3, SHGC: 0.49
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319
Rating Company: Viridian
1431 W. Main Street, Richmond, VA 23220
Rating Provider: Viridian
1431 W. Main Street, Richmond, VA 23220

Stacey Smith

Stacey Smith, Certified Energy Rater
Digitally signed: 10/27/20 at 2:33 PM



Home Energy Rating Certificate

Projected Report

Rating Date:
Registry ID:
Ekotrope ID: P219n6RL

HERS® Index Score:

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

102

Annual Savings

\$290

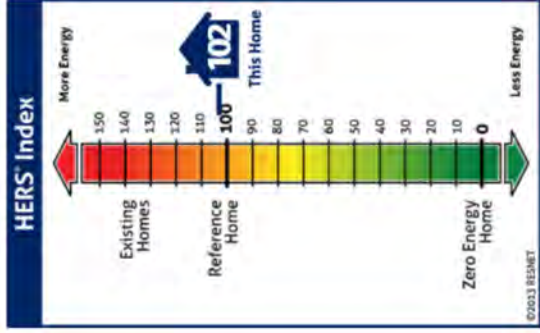
*Relative to an average U.S. home

Home:
4265 Sprengle Ave
Henrico, VA 23228
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	6.0
Cooling	1.4
Hot Water	4.8
Lights/Appliances	12.3
Service Charges	
Generation (e.g. Solar)	0.0
Total:	24.6

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	1 BR Pre Demo
Community:	Place One Apartments
Conditioned Floor Area:	527 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Water Heater • Electric • 0.92 Energy Factor
House Tightness:	990 CFM50 (12.52 ACH50)
Ventilation:	None
Duct Leakage to Outside:	28.299 CFM @ 25Pa (5.37 / 100 s.f.)
Above Grade Walls:	R-11
Celling:	Adiabatic, R-11
Window Type:	U-Value: 0.87, SHGC: 0.73
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319
Rating Company: Viridian
1431 W. Main Street, Richmond, VA 23220
Rating Provider: Viridian
1431 W. Main Street, Richmond, VA 23220

Stacey Smith

Stacey Smith, Certified Energy Rater
Digitally signed: 10/27/20 at 2:33 PM



Home Energy Rating Certificate Projected Report

Rating Date:
Registry ID:
Ekotrope ID: 9vg9q8zL

HERS® Index Score:

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

66

Annual Savings

\$806

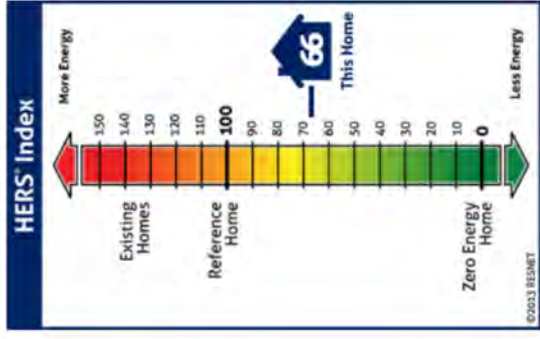
*Relative to an average U.S. home

Home:
4265 Sprengle Ave
Henrico, VA 23228
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	7.6
Cooling	2.0
Hot Water	5.7
Lights/Appliances	13.8
Service Charges	0.0
Generation (e.g. Solar)	0.0
Total:	29.0

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	2 BR Post Demo
Community:	Place One Apartments
Conditioned Floor Area:	1,172 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 14.5 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	990 CFM50 (5.86 ACH50)
Ventilation:	None
Duct Leakage to Outside:	63 CFM @ 25Pa (5.38 / 100 s.f.)
Above Grade Walls:	R-11
Celling:	Attic, R-38
Window Type:	U-Value: 0.3, SHGC: 0.49
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319
Rating Company: Viridian
1431 W. Main Street, Richmond, VA 23220
Rating Provider: Viridian
1431 W. Main Street, Richmond, VA 23220

Stacey Smith

Stacey Smith, Certified Energy Rater
Digitally signed: 10/27/20 at 2:33 PM



Home Energy Rating Certificate

Projected Report

Rating Date:
Registry ID:
Ekotrope ID: Zdm9ZmJd

HERS® Index Score:

108

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

\$398

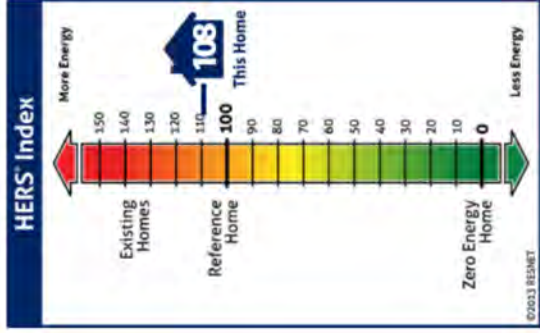
*Relative to an average U.S. home

Home:
4265 Sprengle Ave
Henrico, VA 23228
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	15.9
Cooling	3.6
Hot Water	6.4
Lights/Appliances	16.7
Service Charges	
Generation (e.g. Solar)	0.0
Total:	42.6

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	2 BR Pre Demo
Community:	Place One Apartments
Conditioned Floor Area:	1,172 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 6.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Water Heater • Electric • 0.92 Energy Factor
House Tightness:	990 CFM50 (5.86 ACH50)
Ventilation:	None
Duct Leakage to Outside:	63 CFM @ 25Pa (5.38 / 100 s.f.)
Above Grade Walls:	R-11
Ceiling:	Attic, R-20
Window Type:	U-Value: 0.87, SHGC: 0.73
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319
Rating Company: Viridian
1431 W. Main Street, Richmond, VA 23220
Rating Provider: Viridian
1431 W. Main Street, Richmond, VA 23220

Stacey Smith

Stacey Smith, Certified Energy Rater
Digitally signed: 10/27/20 at 2:33 PM



Home Energy Rating Certificate Projected Report

Rating Date:
Registry ID:
Ekotrope ID: q2RlwGYd

HERS® Index Score:

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

69

Annual Savings

\$685

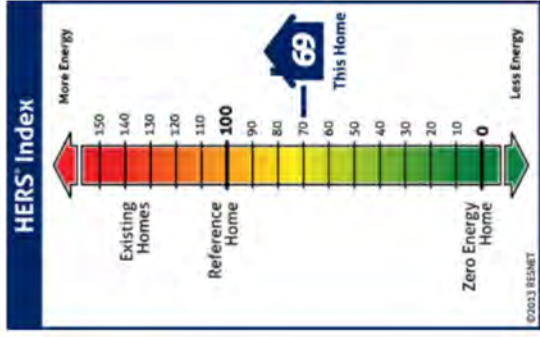
*Relative to an average U.S. home

Home:
4265 Sprengle Ave
Henrico, VA 23228
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	6.3
Cooling	1.9
Hot Water	7.2
Lights/Appliances	13.2
Service Charges	
Generation (e.g. Solar)	0.0
Total:	28.6

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	3 BR Post Reno
Community:	Place One Apartments
Conditioned Floor Area:	777 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 14.5 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	990 CFM50 (8.49 ACH50)
Ventilation:	None
Duct Leakage to Outside:	44.53 CFM @ 25Pa (5.73 / 100 s.f.)
Above Grade Walls:	R-11
Celling:	Attic, R-38
Window Type:	U-Value: 0.3, SHGC: 0.49
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319
Rating Company: Viridian
1431 W. Main Street, Richmond, VA 23220
Rating Provider: Viridian
1431 W. Main Street, Richmond, VA 23220

Stacey Smith

Stacey Smith, Certified Energy Rater
Digitally signed: 10/27/20 at 2:33 PM



Home Energy Rating Certificate

Projected Report

Rating Date:
Registry ID:
Ekotrope ID: Vvn9ozad

HERS® Index Score:

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

112

Annual Savings

\$359

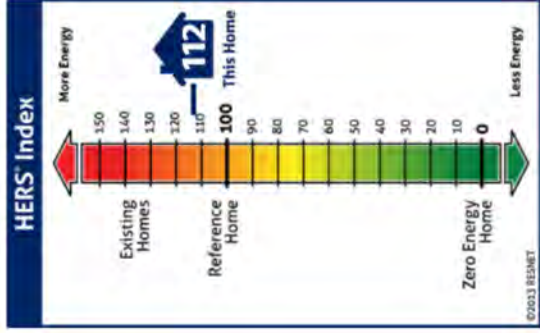
*Relative to an average U.S. home

Home:
4265 Sprengle Ave
Henrico, VA 23228
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	12.4
Cooling	3.5
Hot Water	7.9
Lights/Appliances	15.6
Service Charges	
Generation (e.g. Solar)	0.0
Total:	39.4

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	3 BR Pre Demo
Community:	Place One Apartments
Conditioned Floor Area:	777 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 6.8 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 10 SEER
Primary Water Heating:	Water Heater • Electric • 0.92 Energy Factor
House Tightness:	990 CFM50 (8.49 ACH50)
Ventilation:	None
Duct Leakage to Outside:	44.53 CFM @ 25Pa (5.73 / 100 s.f.)
Above Grade Walls:	R-11
Ceiling:	Attic, R-20
Window Type:	U-Value: 0.87, SHGC: 0.73
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319
Rating Company: Viridian
1431 W. Main Street, Richmond, VA 23220
Rating Provider: Viridian
1431 W. Main Street, Richmond, VA 23220

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Digitally signed: 10/27/20 at 2:33 PM



G

Zoning Certification Letter
(MANDATORY)



COMMONWEALTH OF VIRGINIA
COUNTY OF HENRICO

R.J. Emerson, Jr., AICP
Director of Planning
(804) 501-4602

Zoning Certification

DATE: August 3, 2020

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

RE: ZONING CERTIFICATION

Name of Development: Place One Apartments

Name of Owner/Applicant: PlaceOne Preservation Limited Partnership

Name of Seller/Current Owner: SP Place One LP

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:

4265 Sprenkle Lane, Henrico, VA 23228

Legal Description:

ALL those certain lots, pieces or parcels of land, with all improvements thereon, lying and being in the County of Henrico, Virginia, containing 8.33 acres, all as shown on a certain plat entitled, "RESUBDIVISION OF PLACE ONE", prepared by A.G. Harocopos & Associates, P.C., dated October 7, 1977, which said plat is duly recorded in the Clerk's Office of said County in Plat Book 65 at page 72; to which plat reference is hereby made for a more particular description of the property hereby conveyed and being shown thereon as follows:

BEGINNING at a rod in the northern line of Almora Avenue, at a point thereon in the northwestern intersection of Almora Avenue and Portland Road; thence N 82 degrees 57' 45" W 539.87 feet to a rod in the northern line of Almora Avenue; thence along a curve to the north having a length of 23.88 feet, a radius of 15.00 feet and a tangent of 15.33 feet to a rod in the eastern line of Beth Road; thence N 08 degrees 16' 15" E 119 .69 feet to a rod;

Proposed Improvements:

<input type="checkbox"/> New Construction:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Approx. Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	<u> </u> # Units	<u> </u> # Buildings	<u> </u> Approx. Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Rehabilitation:	<u>114</u> # Units	<u>9</u> # Buildings	<u>93,310</u> Approx. Total Floor Area Sq. Ft.

Zoning Certification, cont'd.

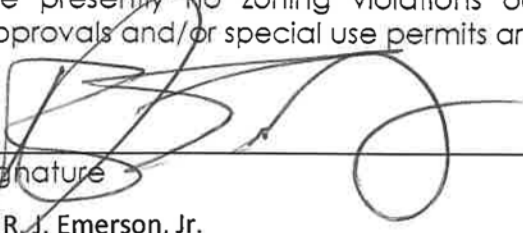
Current Zoning: R-5, General Residence District allowing a density of 14.52 units per acre, and the following other applicable conditions: _____
Conditions of approval of Plans of Development POD-054-73, POD-090-76, POD-053-75, POD-043-77.

Other Descriptive Information:
8.33 acres

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

Printed Name
R. J. Emerson, Jr.

Title of Local Official or Civil Engineer
Director of Planning

Phone:
(804) 501-4605

Date:
August 3, 2020

H

Attorney's Opinion
(MANDATORY)

October 27, 2020

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

RE: 2020 Tax Credit Reservation Request

Name of Development: Place One Apartments

Name of Owner: Place One Preservation 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 October 27, 2020 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.
5. Intentionally Omitted.

6. Intentionally Omitted.
7. It is more likely than not that the representations made in the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.
8. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code §42(d)(2)(B) are not correct.

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

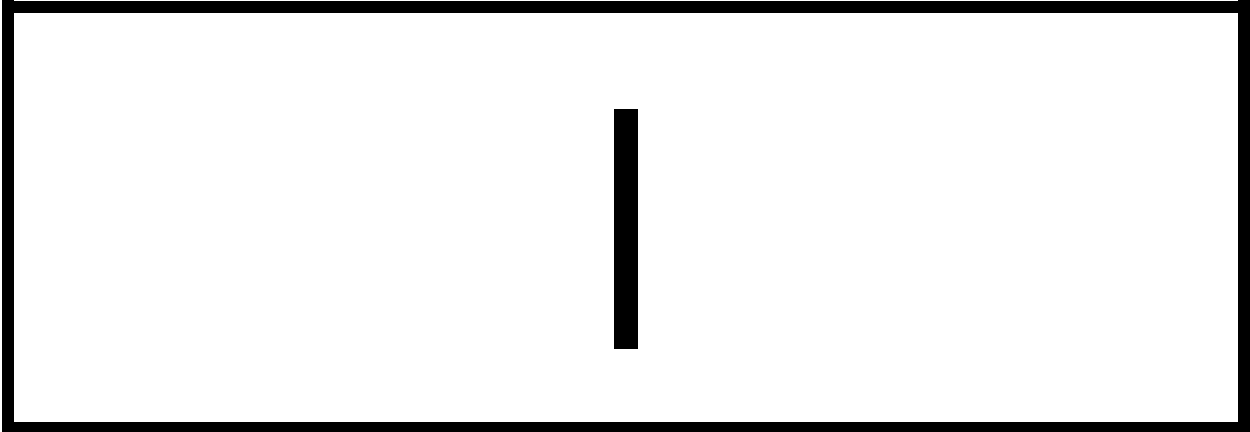
This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("VHDA") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by VHDA and may not be relied upon by any other party for any other purpose.

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

Sincerely,



Applegate & Thorne-Thomsen, PC



Nonprofit Questionnaire

(MANDATORY for points or pool)

This deal does not require
information behind this tab.

J

Relocation Plan

(MANDATORY, if tenants are displaced)

Must include a unit delivery schedule

Relocation Guidance During COVID-19

Preservation Partners is taking measures to maintain a clean and healthy environment, there is no greater priority than the safety of all our residents, employees, contractors and third-party vendors.

In the event that there are still CDC regulations at the time of relocation, our construction and relocation team will ensure all units are thoroughly sanitized prior to residents returning to their units once the rehab has been completed.

Exhibit A and B: Attached documents have been distributed to all properties to keep everyone informed on steps to prevent the spread of COVID-19 and community room closures.

Exhibit C: Attached management memorandum for COVID-19 cleaning protocol and safety.

Exhibit D: Attached letter are the precautions the hotel is taking during COVID-19.

Exhibit E: Attached document are the precautions our moving and storage company is taking during COVID-19.



Memorandum For: COVID-19 Cleaning Protocol for Common Areas
From: Preservation Partners Management Group
Subject: Guidance for Cleaning Protocol for Common Areas

COVID-19 is a new respiratory virus. COVID-19 spreads mainly from person to person. It is spread through respiratory droplets produced when an infected person coughs or sneezes. These droplets can land on people who are nearby (within 6 feet). It may also be possible for a person to get COVID-19 by touching a contaminated surface or object and then touching their own mouth, nose, or eyes.

Cleaning and disinfecting objects and surfaces, especially those that are frequently touched (such as doorknobs, handles, tabletops, etc.) can help prevent the spread of COVID-19.

As we must practice safety measures to help control the spread of the Coronavirus (COVID-19), PPMG has updated our cleaning procedures to include the list of projects which can be performed while limited access to apartments is in effect:

A schedule to disinfect following areas at least three times per day will be implemented:

1. All Door Handles, inside and out;
2. Elevator Panels and Buttons, inside and out;
3. Elevator Car Handrails;
4. Hallway Handrails;
5. Light switch plates;
6. Mailboxes;
7. Common Area Doorknobs and Handles;
8. Faucets Handles;
9. Laundry Machines;
10. Laundry Card Machines;
11. Vending Machines;
12. Trash Chute Doors, and
13. Common Area Chairs and Sofas.
14. Telephones
15. Walkie-Talkies (radios)

Please create a log to track the time and date these areas have been cleaned and disinfected. A Service Requests (work Order) in Yardi needs to be created for each task.

All writing equipment (Pens, pencils, markers and highlighters) should be removed from public use. Residents should be asked to bring writing equipment with them when appointments are made. Anything left in leasing office should be discarded.

SUPPLIES

- Waterproof gloves, such as nitrile that have been provided to you this week
 - Gloves protect you from exposure to the virus and to the cleaning chemicals
- Soap or detergent, warm water, clean towels, plastic trash bags
- Masks and goggles/face shield is available at your site (optional to protect yourself from exposure to cleaning chemicals)
- Disinfectants:
 - Please be sure to dilute the Pine Sol as it is indicated on the direction label. Spray bottles



are on order however, at the present time the supplier is out of stock. In the meantime, please use existing spray bottles, **cleaning thoroughly and never using a container which was once used for bleach or bleach products.** Label all bottles indicating the contents inside is "Diluted Pine Sol". Do not use at full strength as this will rapidly diminish your supply.

HOW TO CLEAN

General Best Practices:

- Wear gloves and Mask while cleaning.
- Use chemicals in a well-ventilated area. NEVER mix cleaning chemicals with one another. This may create hazardous gases.
- Prevent chemical contact with food during cleaning.

To Clean Hard, Non-Porous Surfaces:

- Hard non-porous surfaces include stainless steel, floors, kitchen surfaces, countertops, tables and chairs, sinks, toilets, railings, light switch plates, doorknobs, metal/plastic toys, computer keyboards, remote controls, recreation equipment.
- Steps for cleaning and disinfecting:
 1. Follow labeled instructions on all containers.
 2. Clean surface with soap and water to remove all visible debris and stains.
 3. Rinse surface with clean water and wipe with clean towel.
 4. Apply the disinfectant. To effectively kill the virus, make sure the surface stays wet with the disinfectant and allow to air dry.
 5. Remove gloves and place in a trash bag and discard.
 6. Wash hands after removing gloves and handling any contaminated material, trash or waste.

To Clean Soft, Porous Materials:

- Soft, porous materials include carpeting, rugs, sofas, chairs, etc.
- Steps for cleaning and disinfecting:
 1. Vacuum upholstered surfaces first.
 2. To **disinfect** them, with the spray bottle containing the **disinfectant**, hold the bottle 6 to 8 inches from the **furniture**, spraying the piece until it is covered with a light mist

Remember, there are measures we can all take to prevent respiratory illness.

The best way to prevent infection is to avoid exposure to the infection. Standard precautions to help prevent the spread of respiratory viruses:

- Wash your hands often with soap and water for at least 20 seconds.
- Use alcohol-based hand rubs and gels if you can't wash your hands with soap and water.
- Avoid touching your eyes, nose, and mouth with unwashed hands.
- Avoid close contact with people who are sick and stay home when sick.
- Cover your cough or sneeze with your arm/elbow, not your hand.
- Clean and disinfect frequently touched objects and surfaces.

Please feel free to reach out to John Anderson, if you have any additional suggestions or concerns. He has made himself available anytime 24/7 for any questions you may have regarding any uncertainties during this crisis.

Closure of Community Room

Dear Resident,

As you are probably aware, the COVID-19 flu virus has been spreading rapidly with several confirmed cases and many others expected to be recognized in the next few weeks.

In an effort to be conscientious and minimize risk to our residents and the community as a whole, our Community Room will be temporarily closed and Social Services (If provided at the site) will be suspended. **We will resume all activities by May 11, 2020.** Should this date need to be postponed, we will notify you.

We thank you for your understanding and patience,

Management

CORONAVIRUS SAFETY



Follow these easy steps to help prevent the spread of COVID-19.



Disinfect surfaces around your home and work.

Wash your hands for at least 20 seconds.

Sneeze or cough? Cover your mouth.



Closure of Community Office

Dear Resident,

As you are probably aware, the COVID-19 flu virus has been spreading rapidly with several confirmed cases and many others expected to be recognized in the next few weeks.

In an effort to be conscientious and minimize risk to our residents and the community as a whole, our Community Office will be temporarily closed until further notice.

Office staff will be available by phone, email or appointment. You may call the office to place work orders. Furthermore, in case of an emergency after hours please call:

**MAINTENANCE EMERGENCY (after hours):
877-647-6521**

We thank you for your understanding and patience,

Management

CORONAVIRUS SAFETY



Follow these easy steps to help prevent the spread of COVID-19.




CORONAVIRUS SYMPTOMS, OR SOMETHING ELSE?

COLD OR ALLERGIES:	FLU OR CORONAVIRUS:
<input checked="" type="checkbox"/> ITCHY EYES	<input checked="" type="checkbox"/> FEVER
<input checked="" type="checkbox"/> STUFFY NOSE	<input checked="" type="checkbox"/> FATIGUE
<input checked="" type="checkbox"/> SNEEZING	<input checked="" type="checkbox"/> BODY ACHES
	<input checked="" type="checkbox"/> COUGH
	<input checked="" type="checkbox"/> WORSENING SYMPTOMS
	CORONAVIRUS:
	<input checked="" type="checkbox"/> SHORTNESS OF BREATH
	<input checked="" type="checkbox"/> HISTORY OF TRAVEL
	<input checked="" type="checkbox"/> EXPOSURE

SYMPTOMS AND RISKS VARY FROM PERSON TO PERSON. ALWAYS CHECK WITH YOUR DOCTOR.

Sources: CDC, Mayo Clinic



The coronavirus [has infected more than 100,000 people worldwide](#). With all of the news of event cancellations, [empty flights](#) and health precautions (wash your hands!), it's natural that people may get a little anxious every time they feel a tickle in their throat or the beginnings of a bad cough.

While the coronavirus is certainly something to take seriously, the chances of any individual person getting it are still low. But if you're wondering whether that stuffy nose could end up being a worst case scenario and know about the differences between typical allergy, cold and flu symptoms, and ones associated with the coronavirus, please read below.

Allergy symptoms are regularly occurring, and usually mild.

if you've had the same symptoms around the same time, year after year, you're probably experiencing seasonal allergies. In that case, over the counter medication and other regular health precautions will help you feel better.

Coronavirus and flu symptoms can put you out of commission.

If you have an acute case of coronavirus or flu, you will feel so tired, so achy, you would basically be driven to bed. Everybody would see the difference.

Allergies may make you feel tired, but they're not going to cause severe muscle or joint ache.

Cold and mild flu symptoms usually resolve themselves.

With normal illnesses, you'll start feeling better with rest and proper care within a few days (unless you are elderly or have other health conditions, in which case even mild illnesses may take longer to pass).

Coronavirus and acute flu symptoms could get worse over time.

If you have a nasty case of the flu or coronavirus, you may get worse when you expect to get better. This is a sure sign to seek medical care.

Early symptoms of allergies, cold, flu and coronavirus could be similar.



Unfortunately, the initial stages of colds, flu and the coronavirus can be very similar, and some coronavirus and flu cases can be so mild they don't raise any red flags. That's why you have to pay attention to see if your symptoms persist, especially if you are in an at-risk group.

Coronavirus cases usually have some context.

- So you think you have the coronavirus. Poland says any doctor is bound to ask you some contextual questions, like:
- Have you traveled recently, and if so, where?
- Have you had anybody in your home or had a workmate or schoolmate who's traveled? Where did they go?
- Have you had anybody in your home from areas where the outbreak is most concentrated?
- Have you been on a cruise ship?
- Do you live near an area where there's an outbreak?

Just because it isn't the coronavirus, doesn't mean it isn't serious.

In the last few months, 30 million Americans have been infected with a virus. About 300 to 500 thousand of them so severe they had to be hospitalized, and about 30,000 of them died. [It's the influenza virus.](#)

We are so culturally numb to 'just the flu' that we don't take it seriously despite the numbers. And in contrast, the coronavirus has killed about 3,300 in roughly the same time.

Yes, [the coronavirus may have a comparatively higher death rate](#), but the more people that are infected, the more likely it is the infection will spread to others.

This means even with the statistical difference in death rates, the flu is more prevalent and far more likely to be a problem for the average person.

When you have 30 million infected, it's easy to infect that next 10 million.

The bottom line.

While taking precautions to prevent the spread of the coronavirus is important, you may need to live with some uncertainty when it comes to the general health anxieties it inspires.

It's up to you to stay vigilant, take into account your medical history, monitor any symptoms and think critically about whether your specific situation puts you at risk -- or whether you just need a Zyrtec and some rest.

<https://www.cnn.com/2020/03/11/health/coronavirus-cold-allergies-flu-difference-symptoms-wellness-trnd/index.html>

Watch for symptoms

Reported illnesses have ranged from mild symptoms to severe illness and death for confirmed coronavirus disease 2019 (COVID-19) cases.

The following symptoms may appear **2-14 days after exposure.***

- Fever
- Cough
- Shortness of breath



Call your doctor if you...

Develop **symptoms**, and **have been in close contact** with a person known to have COVID-19

OR

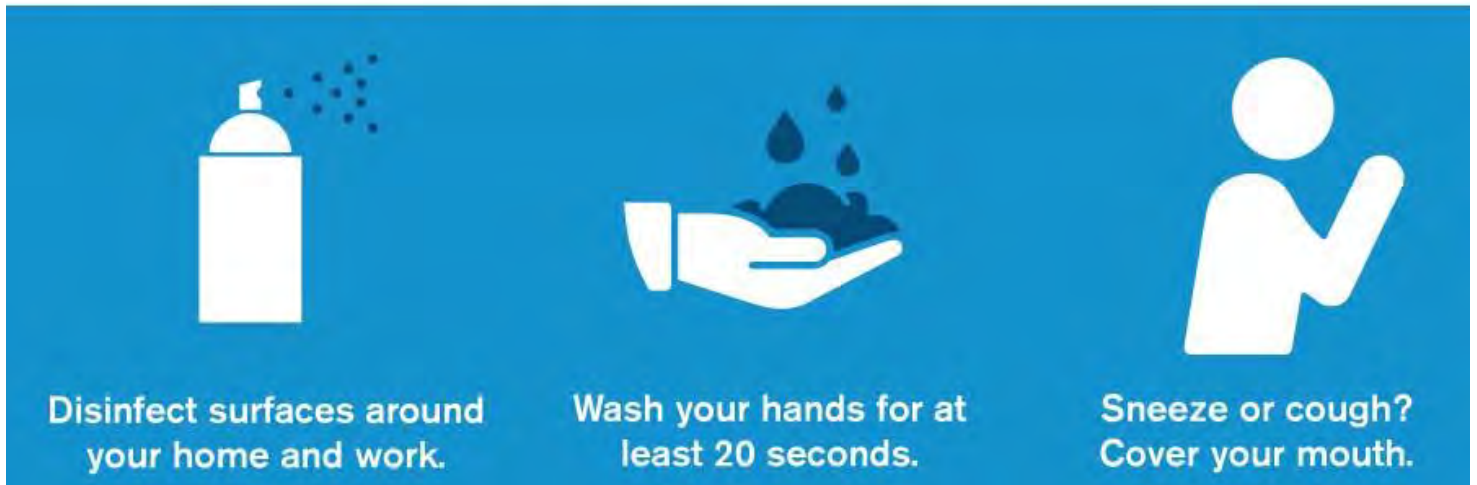
Have **recently traveled from an area** with [widespread or ongoing community spread of COVID-19](#).



CORONAVIRUS SAFETY



Follow these easy steps to help prevent the spread of COVID-19.



Prevent others from getting sick

There is currently no vaccine to prevent coronavirus disease 2019 (COVID-19). The best way to prevent illness is to avoid being exposed to this virus. However, as a reminder, CDC always recommends everyday preventive actions to help prevent the spread of respiratory diseases, including:

- Avoid close contact with people who are sick.
- Avoid touching your eyes, nose, and mouth.
- Stay home when you are sick.
- Cover your cough or sneeze with a tissue, then throw the tissue in the trash.
- Clean and disinfect frequently touched objects and surfaces using a regular household cleaning spray or wipe.

Wash your hands often with soap and water for at least 20 seconds, especially after going to the bathroom; before eating; and after blowing your nose, coughing, or sneezing.

- If soap and water are not readily available, use an alcohol-based hand sanitizer with at least 60% alcohol. Always wash hands with soap and water if hands are visibly dirty.

CORONAVIRUS SAFETY

Follow these easy steps to help prevent the spread of COVID-19.



Wash your hands for at least 20 seconds.



Sneeze or cough?
Cover your mouth.



Disinfect surfaces around your home and work.



If you're sick, stay home.

Should you become sick...

Your healthcare provider and public health staff will evaluate whether you can be cared for at home. If it is determined that you do not need to be hospitalized and can be isolated at home, you will be monitored by staff from your local or state health department. You should follow the prevention steps below until a healthcare provider or local or state health department says you can return to your normal activities.



Stay home except to get medical care

You should restrict activities outside your home, except for getting medical care. Do not go to work, school, or public areas. Avoid using public transportation, ride-sharing, or taxis.

Separate yourself from other people and animals in your home

People: As much as possible, you should stay in a specific room and away from other people in your home. Also, you should use a separate bathroom, if available.

Animals: You should restrict contact with pets and other animals while you are sick with COVID-19, just like you would around other people. Although there have not been reports of pets or other animals becoming sick with COVID-19, it is still recommended that people sick with COVID-19 limit contact with animals until more information is known about the virus. When possible, have another member of your household care for your animals while you are sick. If you are sick with COVID-19, avoid contact with your pet, including petting, snuggling, being kissed or licked, and sharing food. If you must care for your pet or be around animals while you are sick, wash your hands before and after you interact with pets and wear a facemask. See [COVID-19 and Animals](#) for more information.

Call ahead before visiting your doctor

If you have a medical appointment, call the healthcare provider and tell them that you have or may have COVID-19. This will help the healthcare provider's office take steps to keep other people from getting infected or exposed.

Wear a facemask

You should wear a facemask when you are around other people (e.g., sharing a room or vehicle) or pets and before you enter a healthcare provider's office. If you are not able to wear a facemask (for example, because it causes trouble breathing), then people who live with you should not stay in the same room with you, or they should wear a facemask if they enter your room.

Cover your coughs and sneezes

Cover your mouth and nose with a tissue when you cough or sneeze. Throw used tissues in a lined trash can; immediately wash your hands with soap and water for at least 20 seconds or clean your hands with an alcohol-based hand sanitizer that contains 60 to 95% alcohol, covering all surfaces of your hands and rubbing them together until they feel dry. Soap and water should be used preferentially if hands are visibly dirty.



Clean your hands often

Wash your hands often with soap and water for at least 20 seconds or clean your hands with an alcohol-based hand sanitizer that contains 60 to 95% alcohol, covering all surfaces of your hands and rubbing them together until they feel dry. Soap and water should be used preferentially if hands are visibly dirty. Avoid touching your eyes, nose, and mouth with unwashed hands.

Avoid sharing personal household items

You should not share dishes, drinking glasses, cups, eating utensils, towels, or bedding with other people or pets in your home. After using these items, they should be washed thoroughly with soap and water.

Clean all “high-touch” surfaces everyday

High touch surfaces include counters, tabletops, doorknobs, bathroom fixtures, toilets, phones, keyboards, tablets, and bedside tables. Also, clean any surfaces that may have blood, stool, or body fluids on them. Use a household cleaning spray or wipe, according to the label instructions. Labels contain instructions for safe and effective use of the cleaning product including precautions you should take when applying the product, such as wearing gloves and making sure you have good ventilation during use of the product.

Monitor your symptoms

Seek prompt medical attention if your illness is worsening (e.g., difficulty breathing). **Before** seeking care, call your healthcare provider and tell them that you have, or are being evaluated for, COVID-19. Put on a facemask before you enter the facility. These steps will help the healthcare provider’s office to keep other people in the office or waiting room from getting infected or exposed. Ask your healthcare provider to call the local or state health department. Persons who are placed under active monitoring or facilitated self-monitoring should follow instructions provided by their local health department or occupational health professionals, as appropriate.

If you have a medical emergency and need to call 911, notify the dispatch personnel that you have, or are being evaluated for COVID-19. If possible, put on a facemask before emergency medical services arrive.

Discontinuing home isolation

Patients with confirmed COVID-19 should remain under home isolation precautions until the risk of secondary transmission to others is thought to be low. The decision to discontinue home isolation precautions should be made on a case-by-case basis, in consultation with healthcare providers and state and local health departments.

RELOCATION PLAN

FOR

PLACE ONE APARTMENTS

City of Henrico, Virginia

Address(s):

4222 Almora Avenue, Henrico, VA 23228

***Prepared by Preservation
Partners Management Group***

August 2020

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Attachments:

Exhibit A	Your Rights and Benefits as a Displaced Person Under the Federal Relocation Assistance Program
Exhibit B	Temporary Relocation Budget
Exhibit C	Notices
Exhibit D	Grievance Procedures
Exhibit E	Implementation Plan
Exhibit E1	Sample Tenant Notification Inspection and Claim Tracking
Exhibit E2	Sample Tenant Housing Interview Matrix
Exhibit E3	Sample Tenant Mover Tracking Sheet
Exhibit F	Acquisition, Relocation and Demolition Questionnaire
Exhibit G	Residential Anti-Displacement and Relocation Assistance Plan

INTRODUCTION

When it becomes necessary to acquire and develop existing properties and to permit the completion of major property improvements, the temporary relocation of current residents often become necessary. This Relocation Plan describes the method of relocation implementation procedures for the fair, uniform and equitable treatment of persons temporarily displaced from their homes when development occurs. It identifies the administrative requirements for conducting temporary relocation and sets forth standards, occupancy standards, methods for obtaining temporary housing and related assistance, and counseling, and other related provisions of relocation practices in accordance with applicable State and Federal relocation guidelines and regulations.

Place One Preservation Limited Partnership (hereinafter referred to as “Developer”) has entered into a purchase and sale agreement to acquire the real property located at 4222 Almora Avenue, Henrico, VA 23228 for rehabilitation and preservation of affordable housing units. The Developer plans to submit a LIHTC 4% Bond Application to Virginia Housing Development Authority to finance the redevelopment of the project.

Relocation point of contact: Cynthia Lara, Assistant Project Manager, Preservation Partners, 310-802-6685, cynthia@preservationpartners.org.

PROJECT SUMMARY

Property:	Place One Apartments
Address:	4222 Almora Avenue, Henrico, Virginia; Henrico County.
Units:	114 Total Units 40 – 1 BD/1 BA 56 – 2 BD/1 BA 18 – 3 BD/1 BA
Acquisition Rehab:	Existing 114-unit property originally constructed in 1980.
No. of Buildings:	9
Location:	The Subject is located in Henrico, Virginia, Henrico County.

ACQUISITION/REHAB SOURCES FOR PURPOSES OF URA

The Property is being acquired and rehabilitated through a 221(d) (4) loan through Orix and the Low Income Housing Tax Credit Program (LIHTC).

We also have budgeted approximately \$497,020.00 in construction mobilization for the relocation of all residents that will be funded proceeds from a tax-exempt bond proceeds and LIHTC equity to cover the costs of relocation.

The Properties benefits from a Housing Assistance Payment Contract (HAP) that will be renewed for 20 years at closing with rents that have been Marked Up to Market; therefore, the Uniform Relocation Act (URA) requirements apply to the project. No involuntary displacement shall occur and all terms and conditions of the temporary relocation shall be fair and reasonable.

The Developer will have a “Project”, for Notice purposes, as defined under the URA once it has received an allocation of LIHTCs or becomes the Assignee of the new 20 Year HAP Contract, whichever comes first.

The Developer will perform extensive rehabilitation which will include new kitchen and bathroom cabinetry, flooring in kitchen and bathroom, appliances, light fixtures, walkway repairs and exterior improvements. The Developer will continue to provide affordable housing that will be restricted to households within the income criteria as defined by the Department of Housing and Urban Development and the Low Income Housing Tax Credit Program.

PROJECTED DATES OF DISPLACEMENT

The rehabilitation activities for this project are anticipated to begin in 2021 and will necessitate the temporary relocation of all on-site tenants for a period not to exceed 30 days. The temporary relocation will be scheduled in phases as designated by the rehabilitation plan and in conjunction with the general contractor’s work plan.

There are 114 housing units of which all tenants will be affected by the rehabilitation activities and all of the tenants will be required to relocate to temporary housing until rehabilitation is completed and upon completion, they will be allowed to reoccupy their original units.

This plan is addressed primarily toward temporary relocation activities along with potential permanent dislocation activities. Whereas the project consists of a rehab of an existing and outdated property, we are including a section related to emergency relocation should an unforeseen event occur at the property that would require residents to be moved from their units.

ESTIMATED RELOCATION COST AND FUNDING

The total estimated relocation cost for this project is \$497,020.00.

Source of Funds - Financing of this project involves commitment of the Developer's private financing, including but not limited to a tax-exempt bond FHA loan and the State of Virginia Low Income Housing Tax Credit Program (LIHTC).

The Developer will insure that adequate funds to relocate all the residential households will be provided to ensure that temporary relocation does not result in different or separate treatment of household based on race, nationality, color religion, national origin, sex, marital status, family status, disability or any other basis protected by the Federal Fair Housing Amendment Act, Virginia State Landlord / Tenant Act, the Americans with Disabilities Act, Title VI of the Civil Rights act of 1964, Title VIII of the Civil Rights Act of 1968 and the Unruh Act, as well as any other arbitrary or unlawful discrimination.”

The Developer will use proceeds from a tax-exempt bond loan and LIHTC equity to cover the costs of relocation.

ADMINISTRATIVE ORGANIZATION

The Developer will be responsible for providing relocation assistance and payments to on-site tenants temporarily and permanently displaced by the project rehabilitation activities. The Developer will meet its responsibilities through the use of its staff, supplemented by assistance from consultants, local realtors, social service agencies and bodies, as enumerated in various sections of this plan.

The Developer is committed to complying with the rules and regulations of this Plan and the Real Property Acquisition Guidelines and Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended (URA) which covers all HUD-assisted programs/projects, including Community Development Block Grant (CBDG) Entitlement Programs.

Developer Assurances

The Developer will not proceed with any approval of the project or other activities that will directly result in the temporary relocation and/or displacement of any person until it makes the following assurances:

- Fair and reasonable relocation payments will be provided to eligible persons as required by applicable relocation guidelines.
- A relocation assistance advisory program offering relocation services will be established.
- Eligible persons will be adequately informed of the assistance, benefits, policies, practices and procedures, including grievance procedures, provided for by URA guidelines.

- Suitable temporary housing will be available within a reasonable period of time prior to temporary relocation. Temporary housing will be units that are sufficient in number, size and cost for the eligible persons who require them.
- Adequate provisions will be made to assure that orderly, timely and efficient relocation of eligible tenants to suitable replacement housing is available without regard to race, color, religion, sex, marital status or national origin and with a minimum hardship to those affected.
- No person will be temporarily relocated or displaced until the Developer has fulfilled the obligations imposed by the applicable relocation regulations.
- No persons of low and moderate income will be relocated until there is a suitable housing unit available and ready for occupancy by such tenant at rents comparable to that at the time of their displacement. Such housing will be suitable to the needs of such displaced person and will be decent, safe, sanitary and an otherwise standard dwelling.
- **No Federal funds will be used for the relocation of persons (1) engaging in criminal activity or undocumented immigrants as defined by HUD in Section 49 CFR Part 24.**
- **Tenants that move into the property after the Developer has provided the General Information Notice will receive a Move-In Notice providing information as to the Project and that they do not qualify for relocation benefits.**

Staff

The Developer recognizes the process of relocation may be very disturbing to individuals. Therefore, Preservation Partners Management Group (PPMG) will assure that the relocation is well organized and well documented with adequate staff to manage tenant moves and coordination with the general contractor.

Staff Functions:

The role of the relocation staff will be:

- Inform eligible persons of eligibility for relocation assistance as soon as feasible following the award of LIHTCs or the HUD 20 Year MU2M.
- Determine the extent of the need of each eligible person.

- Provide current and continuing information on the availability of suitable temporary relocation units and to discuss the process for paying security deposits, transferring mail (if applicable), and other items related to the temporary move.
- PPMG will maintain a folder for each resident that includes the details of the temporary move, the counseling that was provided, and the date that the resident received each Notice.
- PPMG will assist each eligible person to complete relocation claims for payments and benefits.
- Coordinate with HUD, if applicable, to inspect temporary housing to determine that such housing meets relocation housing standards of decent, safe, and sanitary conditions prior to move in.
- PPMG will assist eligible households in returning to the Property post rehab and will coordinate these moves with the general contractor. PPMG will coordinate with HUD to verify that the permanent unit in the Property meets HUD's requirements for suitability and is decent, safe and sanitary. Where applicable, PPMG will address issues of under housed or over housed families as part of the return to the project; as a result, households may not be returned to their original unit.
- Provide any services required to ensure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, marital status or other arbitrary circumstances.

Households identified as being over income will receive the 90 Day Notice as soon as they are identified. These households are presently occupying market rate, non-Section 8 units, and are not required to provide yearly household income information to the Owner. At this time, it is unknown how many of these households have incomes in excess of the maximum LIHTC income and will qualify for permanent relocation benefit. The 90 Day Notice will inform displaced persons of the earliest date by which they will be required to move. This notice will not be issued until a comparable replacement dwelling is available and the displaced person is informed of its location and has sufficient time to lease or purchase the property.

RESIDENT PARTICIPATION

The Developer actively encourages the involvement of residents by fostering a high degree of participation in the proposed Project and in the hearing and planning stages of the relocation process. For this purpose, the Developer plans to:

- Holding informational meetings at locations and times convenient to tenants.

- Prepare and distribute all information and materials in the language most easily understood by the tenants.

RELOCATION STANDARDS

It is Developer's objective that all temporarily relocated tenants return to the Property with a minimum amount of disruption:

- Tenants will be returned to units at the Property that are decent, safe, sanitary and comparable according to house hold size;
- Be in an area not subject to adverse environmental conditions;
- Be available to the displaced person without regard to race, color, sex, religion or national origin;
- At affordability standards as set forth by HUD through the Housing Assistance Payment Contract executed with the Developer (new Owner) as part of the acquisition of the project.

The following standards apply in measuring the quality and suitability of the temporary housing to be offered by the staff to an eligible person or that which a self-relocate has selected on his own initiative. All temporary units will be inspected to ensure decent, safe, and sanitary conditions.

Physical Standards

- Be structurally sound; weather tight and in good repair.
- Contain a safe electrical wiring system adequate for lighting and electrical appliances.
- Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) except in those areas where local climatic conditions do not require such a system,
- Be adequate in size with respect to the number of rooms and area of living space to accommodate the temporarily displaced person(s).
- Contain a well-lighted and ventilated bathroom providing privacy to the user and containing a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and sewage drainage system.
- Contain a kitchen area with a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system with adequate space and utility connections for a stove and refrigerator.

- Have unobstructed egress to safe, open space at ground level.
- Be free of any barriers that prevent reasonable ingress, egress or use of the dwelling in case of a handicapped displaced person.
- Every dwelling unit shall comply with the Residential Lead-Base Paint Hazard Reduction Act of 1992.

Standard Occupancy

The state does not set guidelines for housing occupancy restrictions. Instead, a landlord must make a reasonable determination of suitable occupancy, keeping in mind the federal guidance on fair housing.

The standard occupancy limit that Virginia courts typically allow when these cases are brought before the court is two people per bedroom plus one person. This allows for each bedroom to hold two to three people, depending on the configuration. For instance, a family of five -- a husband, wife and three children -- can be allowed to move into a two-bedroom apartment. The husband and wife would share a room and the three children could feasibly share the other room.

Number of Bedrooms	Minimum Number of Occupants	Maximum Number of Occupants
1	1	3
2	2	5
3	4	7

The URA does not require that tenants be returned to their original unit. PPMG will assure that all tenants returning to the Property are housed in a suitably sized unit to address any under-housed or over-housed that may be discovered.

Emergency Temporary Housing Standards

The following standards will apply:

- Housing not meeting the Developer's established standards for relocation would not be used for emergency temporary housing.
- In no event will the emergency temporary housing offered by the relocation staff be of a less desirable character than that from which the displaced person is being moved, and such temporary housing shall be in safe and habitable condition.
- Emergency temporary relocations made by the Developer will not diminish its obligation with respect to the displaced person's temporary relocation. The necessary costs incurred

in temporary moves made at the direction of the Developer will be paid in accordance with applicable relocation guidelines and directives, as appropriate.

- If a self-relocate moves into substandard housing and declines, without satisfactory reason, to accept standard housing to which he or she is referred, it may be considered that the Developer's responsibility to the displaced person has been discharged.

In addition to being required by law, relocation advisory services are the single most important part of a successful relocation program. Relocation advisory services are required will be provided to all eligible displaced persons.

PPMG will meet with residents that are subject to permanent relocation to discuss, minimally, the following:

- Their need for and requirements of advisory services.
- Determine the needs and preferences of displaced persons as it relates to replacement housing; such as, proximity to schools, work, recreational activity, public transportation, medical services, etc...
- Explain available relocation assistance and distribute the Federal Highway Administrations URA Guide: Your Rights and Benefits as a Displaced Person under the Federal Relocation Assistance Program. Included as Exhibit A.
- Explain a person's right to appeal if they are not satisfied with offered relocation assistance.
- Offer and provide transportation to locate replacement housing.
- Offer other assistance (e.g. social services or financial referrals, housing inspection, etc.).
- Provide current and ongoing listings of comparable dwellings for residential displacement.
- Supply information on other federal and state programs offering assistance.
- Provide counseling and other assistance to minimize hardship in adjusting to relocation.
- And other required and appropriate assistance.

INFORMATIONAL PROGRAM

The Developer will and shall continue to distribute informational materials to all persons eligible for relocation benefits and assistance. In addition, PPMG staff will:

- Conduct personal interviews and maintain personal contacts with all households to the maximum extent practicable.
- Through the use of meetings, newsletters, e-mail, text messaging and other media, all eligible persons will be kept informed on a continuing basis of Project activities.
- Provide each eligible person a written notification of his or her relocation eligibility status.

OBTAINING RELOCATION HOUSING

Private Housing

PPMG has facilitated the temporary relocation of more than 3,000 tenants and has a history of successful cooperation from hotels, property owners, realtors, multiple listing bureaus, property management firms and others offering a wide variety of decent, safe and sanitary housing for rent and sale. Based principally on this relationship over a period of time there has been an available supply of housing and this relationship has been continually strengthened throughout the years.

PPMG will develop a list of temporary and permanent housing alternatives for tenants that will take into consideration the distance from the Property, the neighborhoods, amenities, and access to public transportation. Tenants will be notified in advance that the temporary move and will be provided information specific to the temporary housing. PPMG staff will meet with the resident to assure that temporary housing will meet the needs of the resident and to discuss the documentation that must be provided in order to be reimbursed for expenses or to claim the daily per diem and the receive permanent relocation benefits, if applicable.

Special Rehousing Problems

PPMG will interview tenants to obtain information pertinent to special rehousing and social needs of the individual or family household. Particular efforts will be made to anticipate and aggressively seek solutions for problems of individuals or groups of tenants among the elderly, low income, large families, physically handicapped and unemployed.

PPMG will work cooperatively with other groups and agencies make appropriate referrals and other wise obtain for tenants the assistance essential their successful rehousing.

RELATIONSHIPS WITH SITE OCCUPANTS

Informational Programs

The Developer will use personal interviews and contacts, general mailings, distribution of informational material and group and public meetings to provide information and answer questions and provide staff attendance at meetings of various groups, etc. All of these efforts will be continued throughout the project period to ensure that each site occupant is fully informed as to the time schedules, relocation program, and opportunities for such benefits.

Interviews with Site Occupants

Within a reasonable time following the “initiation of negotiations”, for this project, the acceptance of the LIHTC bond application, all project tenants will be informed as to availability of relocation benefits and assistance and the eligibility requirements therefor, as well as the procedures for obtaining such benefits. PPMG will discuss and explain the contents of the Informational Statement and the minimum standards for temporary housing.

PPMG will also update any information obtained in prior interviews with tenants and ascertain precise relocation needs and problems. On this basis, tenants will be assisted in formulating and carrying out a relocation plan. This is the beginning of personalized relocation services and, as necessary, a tenant may be referred to appropriate agencies or resources for special services.

Housing Referral Services

The procedure for the referral to decent, safe and sanitary housing, along with permanent replacement housing, will be essentially one of personal contact, liaison and assistance by PPMG. Staff will work closely with tenants until they complete their permanent return to the Project or other replacement housing.

Inspection of Relocation Housing

All temporary housing will be decent, safe and sanitary and suitable. PPMG will perform a full unit inspection to verify that temporary housing meets the applicable standards.

Self-Relocates

Tenants finding their own housing will be urged to notify PPMG in advance so that the selected housing may be inspected prior to the move. However, should the displacee move without giving notice or leaving a forwarding address, every effort will be made to locate the displacee promptly to determine the quality of relocation housing and to assure an understanding of the relocation assistance entitlement. Tracing efforts will not be abandoned until appropriate contacts with the post office, utility companies, schools, employers, etc., have been made without success. PPMG will keep a record of all contacts attempted.

If, upon inspection, the housing occupied by a self-relocatee is found to not meet the criteria for decent, safe and sanitary, then such relocation will be considered *substandard* and the

tenant will be advised accordingly and referred to standard housing. If the displaced household refuses to move to decent, safe and sanitary housing, then the obligations of the Developer will be considered satisfied and no further relocation assistance may be offered.

ANALYSIS OF RELOCATION RESOURCES

The Developer will engage in preliminary investigations to determine the general adequacy of the housing supply that will be called upon during the temporary relocation of residents from project sites. The intent of this study is to confirm that the City of Lancaster does have a continuing and adequate supply of housing that should be available when relocation occurs.

The Developer will maintain current listings of rental dwellings to ensure that tenants are provided access to suitable temporary housing. However, at the time of the temporary move, the Developer will again engage in an exhaustive effort to find as many referrals as needed to properly temporarily house tenants. Whereas the period of temporary relocation is short (less than 30 days), PPMG may execute a 6-month lease for several rental homes and use this stock of rental housing until all temporary relocation has been completed.

Permanently dislocated residents will be counseled as to their URA benefits and may choose to move into available rental housing or choose to use permanent dislocation benefits as a down payment on a home, if eligible. Residents of 90 days or more may be eligible for a rental assistance payment. The Assistance Payment is designed to enable dislocated residents to rent a comparable decent, safe and sanitary replacement dwelling for a 42-month period. URA eligible tenants that choose to rent may be compensated based upon the formula provided under the Act. Permanently dislocated tenants must rent and occupy a DSS replacement dwelling within one year to be eligible. The calculation of URA benefits is based on the difference between the displacement rent/utilities and the replacement rent/utilities or comparable rent/utilities, whichever is lower. Residents will not get benefits if they find a rental unit at a lower expense than the unit occupied at the property.

Residents that choose to rent a more expensive unit may be eligible for a rental assistance payment that is paid in one lump sum.

Based on previous experience with family populations, it is expected that 75% of the residents may prefer to house themselves with family or friends. Tenants will not be compensated for staying with relatives unless there is an actual cost to the tenant and proof is provided. Compensation will be provided only up to the amount that would have been provided for if residents have stayed at a hotel.

RELOCATION ADVISORY ASSISTANCE AND BENEFITS

In the development of this Relocation Plan, the Developer relied upon information received from the Seller as it relates to household income and household size. This information is preliminary and subject to verification as the process of relocation progresses. However, current indication is that all of the Section 8 tenants have low to moderate income.

The predominant language spoken by most of the tenants in the project is English. All relevant information and materials will be prepared in the language most easily understood by the tenants.

Tenants who are determined eligible for continued occupancy will be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs at such housing; appropriate advisory services, including reasonable advance written notice of the date and duration of their temporary relocation; the address of a decent, safe and sanitary dwelling to be made available for the temporary period and terms and conditions of continued occupancy at the project site in accordance with applicable relocation regulations.

For those tenants who will be required to move temporarily because of rehabilitation activities will not be displaced from the Property for more than 12 months. The estimated relocation period is 5 days. There will be only one temporary relocation move necessary. All conditions of temporary relocation will be reasonable and at a minimum, the tenants will be provided with the following relocation assistance and services:

Reimbursement of all reasonable out of pocket expenses incurred in connection with temporary relocation including:

- The actual cost incurred in moving to and from the project site.
- Any increased housing and utility costs at the temporary housing location.

Advisory services including:

- Advance written notice of the date and approximate duration of the temporary relocation;
- The address of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;
- Terms and conditions under which the tenant may lease and occupy a decent, safe, and sanitary dwelling in the building upon completion of the rehabilitation.

Upon completion of the rehabilitation, tenants will be able to lease and occupy a rehabilitated unit. The estimated monthly rent and average utility cost may increase, but the new rent and estimated average utility costs will not exceed thirty percent (30%) of the adjusted gross income of all adult members of the household, in accordance with rental assistance contract that governs the Project. All rent increases will meet the reasonableness requirements of the

URA. The newly rehabilitated Project will meet Federal and State standards for decent, safe and sanitary housing.

Notices

- **General Informational Notice, will be sent out 60 days prior to closing via Certified Mail with Return and Receipt Request**

As soon as feasible each head of household of each unit in the Project shall be issued an appropriate Notice indicating the following:

Advise the tenant and occupants of the household that the rehabilitation project has been proposed and caution the tenant not to move.

Advise the person that they **will not** be displaced.

- **Notice of Non-Displacement** - As soon as feasible after the *initiation of negotiations* or earlier and/or once awarded the contract, each occupant of the property shall be issued an appropriate advisory notice, as follows:
 - a) The date and approximate duration of the temporary relocation;
 - b) The address of the suitable decent, safe and sanitary dwelling to be made available for the temporary period;
 - c) The terms and conditions under which the tenant may lease and occupy a suitable decent, safe and sanitary dwelling in the building upon completion of the project; and that
 - d) All conditions of temporary relocation will be reasonable.

All households will be given as much Notice as possible prior to the temporary move date.

- **Move- In Notice**

This notice will inform residents the following information before entering into any lease agreement and/or occupying the property:

- a) You may be displaced by the project
- b) You may be required to relocate temporarily
- c) You may be subject to a rent increase
- d) You will not be entitled to any relocation payments or assistance provided under the URA [and/or section 104(d)]. If you have to move or your rent is increased as a result of the above project, you will not be reimbursed for any

such rent increase or for any costs or expenses you incur in connection with a move as a result of the project.

- **Notice of Temporary Dwelling**

This notice will explain the reasonable terms and conditions under which the person may lease and occupy a unit in the project upon completion of the project.

- **90 Day Notice** - Informs displaced persons of the earliest date by which they will be required to move. This notice may not be issued unless a comparable replacement dwelling is available and the displaced person is informed of its location and has sufficient time to lease or purchase the property.

Only over income households will receive the 90 Day Notice.

Relocation Payment

Reimbursement of all reasonable out of pocket expenses incurred in connection with temporary relocation including:

- Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the site temporarily occupied housing and any increase in monthly rent/utility costs at such housing.

Filing claims for relocation payment

In order to obtain a relocation payment, a tenant will be required to submit a written claim form and supported documentation in accordance with applicable relocation regulations and as prescribed by the Developer. By prearrangement between the Developer and the mover/contractor, each household's arrangements shall be confirmed in writing. The Developer may pay the mover/contractor directly.

Proration of payment

For the purpose of calculating a moving expenses or replacement housing payment where two or more occupants are living together (whether they are members of one family or not) and displaced from a single dwelling they shall be regarded as one displaced tenant. If two or more such occupants submit more than one claim, an eligible tenant may be paid only his reasonable prorated share (as determined by the Developer) of the total payment applicable to a single displaced tenant. The total of the payment made to all such claimants moving from the dwelling unit shall not exceed the total payment allowable to a displaced tenant.

Documentation of Claims

Documentation as may be reasonably required to support expenses incurred or other evidence of such expense must be submitted to PPMG to support a relocation claim. A tenant will be provided reasonable assistance necessary to complete and file any required claim for payment. Such as:

- If for moving expenses, except in the case of a Fixed Payment, an itemized receipted bill or other evidence of such cost incurred.
- Replacement housing payment shall require income verification for all adult household members, occupancy and responsibility of rent and utilities at the displacement dwelling, as well as the replacement dwelling.

All claims for relocation payment must be submitted to the PPMG on behalf of the Developer within six (6) months of the temporary relocation. In the case of permanent relocation, households must rent or purchase replacement housing within 12 months.

Advance Payments

A tenant may be paid their anticipated moving or replacement housing expenses in advance of the actual move. Developer will provide an advance payment whenever later payment would result in financial hardship; with particular consideration to the financial limitations and difficulties of low-income persons.

Relocation Payments Not Considered As Income

No relocation payment received by a displaced tenant person shall be considered as income for the purpose of the Internal Revenue Code of 1954, which has been re-designated as the Internal Revenue Code of 1986 or for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal Law, except for any Federal Law Providing low-income housing assistance (Title 24 of the Code of Federal).

GRIEVANCE PROCEDURES

The Developer has adopted and will maintain a grievance procedure that fully complies with the URA regulations, as outlined in applicable governing laws.

Any tenant may file a written appeal of PPMG's determination of eligibility, relocation advisory services, amount of temporary relocation reimbursement, rental assistance payments, and failure by the Developer to provide suitable temporary housing. The tenant may request that someone other than the person that made the determination in question review his or her claim. Tenants will receive a prompt and full opportunity to be heard. Tenants have the right to be represented by a legal counsel or other representatives in connection with the appeal, but solely at their own expense. Residents will receive a written determination as well as an explanation of the decision. If residents are still dissatisfied with the relief granted, then PPMG will advise residents of their right to seek judicial review of the decision.

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INTRODUCTION

Government programs designed to benefit the public as a whole often result in acquisition of private property, and sometimes in the displacement of people from their residences, businesses, nonprofit organizations, or farms.

To provide uniform and equitable treatment for persons displaced, Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and amended it in 1987. This law, called the Uniform Act, is the foundation for the information discussed in this brochure.

Acquisition and relocation policies and provisions for all Federal and federally assisted programs and projects are contained in the government-wide rule published in the Federal Register on January 4, 2005. The rules are reprinted each year in the Code of Federal Regulations (CFR), Title 49, Part 24. All Federal, State, local government agencies, and others receiving Federal financial assistance for public programs and projects that require the acquisition of real property must comply with the policies and provisions set forth in the Uniform Act and the regulation.

The acquisition itself does not need to be federally funded for the rules to apply. If Federal funds are used in any phase of the program or project, the rules of the Uniform Act apply.

Section 1 of this brochure provides information about relocation assistance advisory service. Section 2 contains information important to you if you are being displaced from a residence. Section 3 contains information for displaced businesses, farms, and nonprofit organizations.

If you are required to move as a result of a Federal or federally assisted program or project, a relocation counselor will contact you. The counselor will answer your specific questions and provide additional information you may need. If you have a disability that prevents you from reading or understanding this brochure, you will be provided appropriate assistance. You should notify the sponsoring Agency if you have special requirements for assistance.

This brochure explains your rights as an owner of real property to be acquired for a federally funded program or project. The requirements for acquisition of property are explained in a brochure entitled Acquisition, Acquiring Real Property for Federal and Federal-aid Programs and Projects. Acquisition and relocation information can be found on the Federal Highway Administration Office of Real Estate Services website www.fhwa.dot.gov/realestate

IMPORTANT TERMS USED IN THIS BROCHURE

Agency

Relocation assistance advisory services and payments are administered at the local level by an Agency responsible for the acquisition of real property and/or the displacement of people from property to be used for a federally funded program or project. The Agency may be a Federal agency, a State agency, a local agency, such as a county or a city, or a person carrying out a program or project with Federal financial assistance. The Agency may contract with a qualified individual or firm to administer the relocation program. However, the Agency remains responsible for the program.

Alien Not Lawfully Present

The law provides that if a displaced person is an alien not lawfully present in the United States such person is not eligible for relocation payments or assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act, unless ineligibility would result in exceptional and extremely unusual hardship to the alien's spouse, parent or child, and such spouse, parent or child is a citizen or an alien lawfully admitted for permanent residence.

Business

Any lawful activity, with the exception of a farm operation, conducted primarily for the purchase, sale, lease, and rental of personal or real property; or for the manufacture, processing, and/or marketing of products, commodities, or any other personal property; or for the sale of services to the public; or solely for the purpose of the Uniform Act, an outdoor advertising display or displays, when the display(s) must be moved as a result of the project.

Displaced Person

Any person (individual, family, partnership, association or corporation) who moves from real property, or moves personal property from real property as a direct result of (1) the acquisition of the real property, in whole or in part, (2) a written notice from the Agency of its intent to acquire, (3) the initiation of negotiations for the purchase of the real property by the Agency, or (4) a written notice requiring a person to vacate real property for the purpose of rehabilitation or demolition of improvements, provided the displacement is permanent and the property is needed for a Federal or federally assisted program or project.

Farm

Any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale and home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

Nonprofit Organization

A public or private entity that has established its nonprofit status under applicable Federal or State law.

**Program or Project**

An activity or series of activities undertaken by a Federal agency, or an activity undertaken by a State or local agency with Federal financial assistance in any phase of the activity.

Small Business

A business having not more than 500 employees working at a site which is the location of economic activity and which will be acquired for a program or project, or is displaced by a program or project. A site occupied solely by an outdoor advertising sign(s) does not qualify for purposes of the reestablishment expense benefit.

SECTION 1 – RELOCATION ADVISORY SERVICES

A relocation counselor will contact you and offer relocation assistance service.

Any individual, family, business or farm displaced by a Federal or federally assisted program shall be offered relocation assistance services for the purpose of locating a suitable replacement property. Relocation services are provided by qualified personnel employed by the Agency. It is their goal and desire to be of service to you, and assist in any way possible to help you successfully relocate.

Remember, your relocation counselor is there to **help** and **advise** you, so please be sure to make full use of the counselor's services. Do not hesitate to ask questions and be sure you fully understand all your rights and benefits.

An individual with a disability will be provided the assistance needed to locate and move to a replacement dwelling or site. The individual should notify the Agency of any special requirements for assistance.

RESIDENTIAL ASSISTANCE

A relocation counselor from the Agency will contact and interview you to find out your needs. Relocation services and payments will be explained in accordance with your eligibility. During the initial interview your housing needs and desires will be determined as well as your need for assistance.

The counselor will offer assistance and provide a current listing of comparable properties. You will be provided a written determination of the amount of replacement housing

payment for which you qualify. The counselor can supply information on other Federal and State programs in your area.

Transportation will be offered to inspect housing referrals. The Agency will provide counseling or help you get assistance from other sources as a means of minimizing hardships in adjusting to your new location.

You cannot be required to move unless at least one comparable decent, safe, and sanitary (DSS) replacement dwelling is made available to you.

Please let your counselor know if you locate a replacement dwelling so that it can be inspected to assure that it meets DSS standards.

BUSINESS, FARM, AND NONPROFIT ORGANIZATION ASSISTANCE

A relocation counselor from the Agency will contact and interview you to find out your needs and replacement site requirements and estimate the time needed to accomplish the move. Relocation services and payments will be explained in accordance with your eligibility. It is important to explain to the counselor any anticipated problems. During the initial interview the relocation counselor will ask many questions to determine your financial ability to accomplish the move, including lease terms and other obligations.

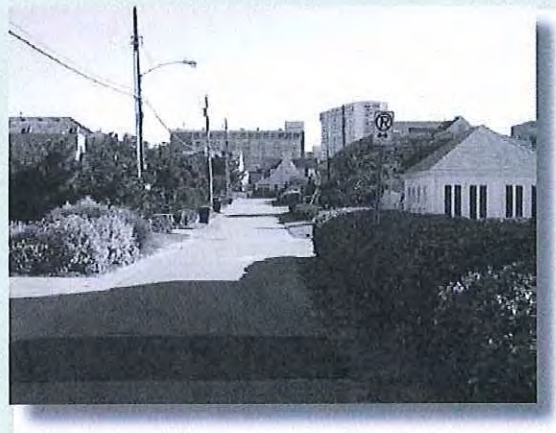
The counselor will help determine the need for outside specialists to plan, move, and reinstall personal property. The counselor will identify and resolve any issues regarding

what is real estate and what is personal property to be relocated. The counselor will explore and provide advice as to possible sources of funding and assistance from other local, State, and Federal agencies. In addition, as needed, the relocation counselor will maintain listings of commercial properties and farms.

The goal is to achieve a successful relocation back into the community.

Social Services Provided By Other Agencies

Your relocation counselor will be familiar with the services provided by other public and private agencies in your community. If you have special problems, the counselor will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you. Make your needs known in order that you may receive the help you need.



SECTION 2 – INDIVIDUALS AND FAMILIES

MOVING COSTS

If you qualify as a displaced person, you are entitled to reimbursement of your moving costs and certain related moving expenses. Displaced individuals and families may choose to be paid either on the basis of actual, reasonable moving costs and related expenses, **or** according to a fixed moving cost schedule. To assure your eligibility and prompt payment of moving expenses, you should contact the relocation counselor from the Agency before you move.

Actual, Reasonable Moving Costs

You may be paid for your actual, reasonable moving costs by a professional mover plus related expenses, **or** you may move yourself. Reimbursement will be limited to a 50-mile distance in most cases. Related expenses involved in the move may include:

- Packing and unpacking personal property.
- Disconnecting and reconnecting household appliances.
- Temporary storage of personal property.
- Insurance while property is in storage or transit.
- Transfer of telephone service and other similar utility reconnections.
- Other expenses considered eligible by the Agency.

All expenses must be considered necessary and reasonable by the Agency and supported by paid receipts or other evidence of expenses incurred.

Fixed Moving Cost Schedule

You may choose to be paid on the basis of a fixed moving cost schedule established for your State of residence. The amount of the payment is based on the number of rooms in your dwelling. Your relocation counselor will be able to tell you the exact amount you will be eligible to receive if you select this option. The schedule is designed to include all of the expenses incurred in moving, including those services that must be purchased from others.

If you are the owner of a displaced mobile home, you may be entitled to a payment for the cost of moving the mobile home to a replacement site on an actual cost basis. Displaced mobile home occupants (owners or tenants) may also be eligible for a payment for moving personal property from the mobile home such as furniture, appliances and clothing on an actual cost basis, or on the basis of a moving cost schedule. For a complete explanation of all moving cost options involving a mobile home, please discuss the matter with your relocation counselor.

REPLACEMENT HOUSING

There are three types of replacement housing payments: purchase supplement, rental assistance, and downpayment. To understand replacement housing payments you first need to become familiar with the terms **Comparable; Financial Means; Decent, Safe, and Sanitary (DSS); and Last Resort Housing.**

Comparable

A comparable replacement dwelling must be DSS and functionally equivalent to your present dwelling. While not necessarily identical to your present dwelling, a comparable replacement dwelling should provide for the same utility and function as the dwelling from which you are being displaced. In addition, a comparable replacement dwelling should be:

- Adequate in size to accommodate the occupants (e.g., you and your family).
- Located in an area that is not subject to unreasonable adverse environmental conditions.
- Located in an area that is not less desirable than your present location with respect to public utilities and commercial and public facilities.
- Reasonably accessible to your place of employment.
- Located on a site that is typical in size for residential development with normal site improvements.
- Currently available on the private market.
- Within your financial means.

Financial Means

For a homeowner, if a purchase supplement is needed and provided, in addition to the acquisition price for your dwelling, then the replacement dwelling is considered to be within your financial means.

For a tenant, the monthly rent and estimated average monthly utility (electricity, gas, other heating and cooking fuels, water and sewer) cost for a comparable replacement dwelling is considered to be within financial means if, after receiving rental assistance, this amount does not exceed the base monthly rent (including average monthly utility cost) for the dwelling from which the tenant is displaced.

The Agency may need to calculate the base monthly rent using 30% of the displaced tenant's total monthly gross household income, if that income qualifies as low income in accordance with established low income amounts determined by the U.S. Department of Housing and Urban Development (HUD).

The Agency will also evaluate the amounts designated for shelter and utilities for a tenant that receives government assistance.

The rental assistance payment will be computed using the lesser of the three (rent and average monthly utility cost; 30% of the total monthly gross household income for a qualified low income tenant; or the total amount designated for shelter and utilities for a tenant receiving government assistance). To ensure the maximum benefit, it is important to provide the Agency appropriate evidence of total monthly household income when asked. There are some amounts that are not included as monthly household income, including income earned by dependents. The Agency will explain this procedure in greater detail.

Decent, Safe, and Sanitary

The DSS standard means the replacement dwelling meets the minimum requirements established by Federal regulations and conforms to applicable local housing and occupancy codes. The dwelling shall:

- Be structurally sound, weathertight, and in good repair.
- Contain a safe electrical wiring system adequate for lighting and other devices.
- Contain a heating system capable of sustaining a healthful temperature (approximately 70 degrees Fahrenheit) except in those areas where local climatic conditions do not require such a system.
- Be adequate in size with respect to the number of rooms and area of living space to accommodate the displaced person.
- Contain a well-lighted and ventilated bathroom providing privacy to the user and containing a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and sewage drainage system.
- Contain a kitchen area with a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, with adequate space and utility connections for a stove and refrigerator.
- Have unobstructed egress to safe, open space at ground level.

- Be free of any barriers which prevent reasonable ingress, egress or, in the case of a handicapped displaced person, use of the dwelling.

IMPORTANT NOTICE

Please understand that the replacement dwelling inspection for decent, safe, and sanitary requirements is conducted by Agency personnel for the sole purpose of determining your eligibility for a relocation payment. Therefore, you must not interpret the Agency's approval of a dwelling to provide any assurance or guarantee that there are no deficiencies in the dwelling or in its fixtures and equipment that may be discovered at a later date. It is your responsibility to protect your best interest and investment in the purchase or rental of your replacement property and you must clearly understand that the Agency will assume no responsibility if structural, mechanical, legal, or other unforeseen problems are discovered after the inspection has been conducted.

Last Resort Housing

The term Last Resort Housing is an administrative procedure authorized by law to address those times when comparable replacement housing is not available under statutory limits specified in law. The law and regulation allow the Agency to provide a replacement housing payment in excess of the statutory maximums of \$5,250 and \$22,500. Because this provision is commonly used, the statutory maximums will not be restated throughout this brochure.

The Agency must provide comparable replacement housing, that is DSS and within your financial means, before you are required to move. The Agency may provide the necessary housing in a number of ways, such as:

- Making a replacement housing payment in excess of the maximum \$5,250 or \$22,500 statutory limits.
- Purchasing an existing comparable residential dwelling and making it available to you in exchange for your dwelling.
- Moving and rehabilitating a dwelling and making it available to you in exchange for your property.
- Purchasing, rehabilitating or reconstructing an existing dwelling to make it comparable to your property.
- Purchasing land and constructing a new replacement dwelling comparable to your dwelling when comparables are not otherwise available.
- Purchasing an existing dwelling, removing barriers or rehabilitating the structure to accommodate a handicapped displaced person when a suitable comparable replacement dwelling is not available.
- Providing a direct loan which will enable you to construct or contract for the construction of a decent, safe, and sanitary replacement dwelling.

Freedom of Choice

All eligible displaced persons have the freedom of choice in the selection of a replacement dwelling. The Agency will not require you, without your written consent, to accept a replacement dwelling provided by the Agency. If you decide not to accept the replacement housing offered by the Agency, you may secure a replacement dwelling of your choice but it must meet the DSS standard.

If you are eligible for Last Resort Housing, your relocation counselor will thoroughly explain the program to you.

Length of Occupancy – Basic Occupancy Requirements

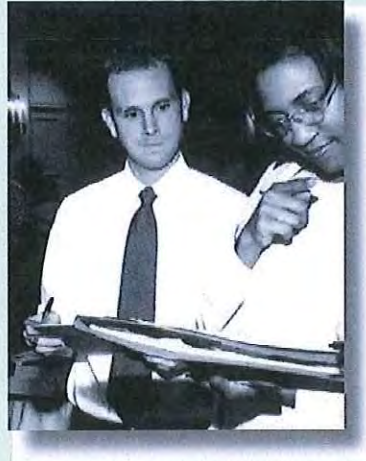
The type of payment you are eligible for depends on whether you are an owner or a tenant, and how long you have lived in the property being acquired prior to the initiation of negotiations. “Length of occupancy” simply means counting the number of days that you occupied the dwelling before the date of initiation of negotiations by the Agency for the purchase of the property.

The term “initiation of negotiations” is usually the date the Agency makes the first personal contact with the owner of real property, or his/her representative, to provide a written offer to purchase the property being acquired.

Owners who were in occupancy 180 days or more prior to the initiation of negotiations may be eligible for a purchase supplement or a rental assistance payment.

Tenants who were in occupancy 90 days or more prior to the initiation of negotiations may be eligible for a rental assistance payment or a downpayment.

Owners who were in occupancy 90 days to 179 days prior to the initiation of negotiations, may be eligible for a rental assistance payment or a downpayment, however, the downpayment cannot exceed the amount you would have received if you had been a 180-day owner.



If you were in occupancy at the time of the initiation of negotiations, but less than 90 days prior to that date, you are considered a displaced person entitled to relocation assistance advisory services and moving payments. You may be entitled to a rental assistance payment if comparable replacement rental housing is not available within your financial means. The Agency will use the financial means test described earlier in this brochure. This involves checking to see if you qualify as low income using the HUD definition. If so, and you are required to pay rent and utilities in excess of 30% of your average monthly gross household income for a comparable replacement dwelling unit, you may be eligible for a rental assistance payment under Last Resort Housing because comparable replacement housing is not available within your financial means. You should meet with your relocation counselor for an explanation of the relocation benefits that you may be eligible to receive.

REPLACEMENT HOUSING – PURCHASE SUPPLEMENT

For Owner Occupants of 180 Days or More

If you are an owner and occupied your home for 180 days or more immediately prior to the initiation of negotiations for your property, you may be eligible - in addition to the fair market value of your property - for a supplemental payment for costs necessary to purchase a comparable DSS replacement dwelling. The Agency will compute the maximum payment you are eligible to receive. You must purchase and occupy a DSS replacement dwelling within one year. A purchase supplement has three components: a price differential, an amount for increased mortgage interest and incidental expenses. The purchase supplement is in addition to the acquisition price paid for your property.

Price Differential

The price differential payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling.

Increased Mortgage Interest

You may be reimbursed for increased mortgage interest costs if the interest rate on your new mortgage exceeds that of your present mortgage. To be eligible your acquired dwelling must have been encumbered by a bona fide mortgage which was a valid lien for at least 180 days prior to the initiation of negotiations.

Incidental Expenses

You may be reimbursed for other expenses such as reasonable costs incurred for title search, recording fees, and certain other closing costs, but not for prepaid expenses such as real estate taxes and property insurance.

Example of a Price Differential Computation

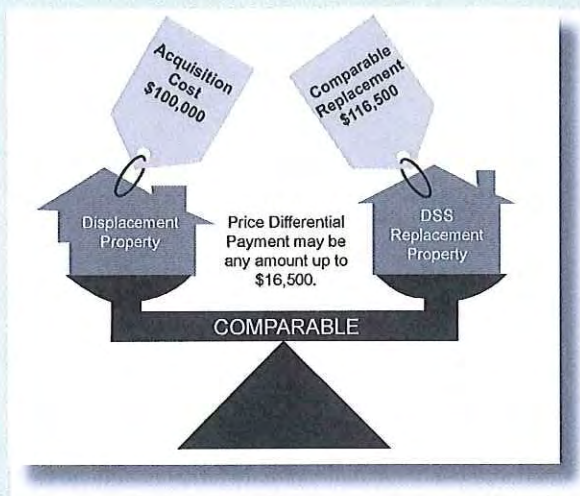
Example A: Assume the Agency purchases your property for \$100,000. After a thorough study of available comparable residential properties on the open market, the Agency determines that a comparable replacement property will cost \$116,500. If you purchase a DSS replacement property for \$116,500, you will be eligible for a price differential payment of \$16,500.

Example B: If you purchase a DSS replacement property costing more than \$116,500, you pay the difference as shown in Example B.

Example C: If your purchase price is less than \$116,500, the price differential payment will be based on your actual cost.



Agency Computation of Maximum Price Differential Payment	Cost of Comparable Replacement Acquisition Price of Your Property Maximum Price Differential Payment	\$116,500 <u>- 100,000</u> \$ 16,500
Example A	Actual Cost of Replacement Property (Same Purchase Price as Comparable) Acquisition Price of Your Property Price Differential Payment	\$116,500 <u>- 100,000</u> \$ 16,500
Example B	Actual Cost of Replacement Property Acquisition Price of Your Property Difference Price Differential Payment You Are Responsible for This Amount	\$125,000 <u>- 100,000</u> \$ 25,000 \$16,500 \$8,500
Example C	Actual Cost of Replacement Property Acquisition Price of Your Property Price Differential Payment Payment is Based on Actual Cost	\$114,000 <u>- 100,000</u> \$ 14,000



REPLACEMENT HOUSING – RENTAL ASSISTANCE

180-Day Owners Who Elect to Rent

A rental computation will be computed based on a determination of the fair market rent for the acquired dwelling compared to a comparable rental dwelling available on the market. The difference will be multiplied by 42. In no circumstances will the rental assistance payment exceed the amount the owner would have received as a price differential described previously.

For Owner Occupants and Tenants of 90 Days or More

Owner occupants and tenants of 90 days or more may be eligible for a rental assistance payment. To be eligible for a rental assistance payment, tenants and owners must have been in occupancy at least 90 days immediately preceding the initiation of negotiations for the acquisition of the property.

This payment is designed to enable you to rent a comparable decent, safe, and sanitary replacement dwelling for a 42-month period. If you choose to rent a replacement dwelling and the cost of rent and utilities are higher than you were paying, you may be eligible for a rental assistance payment. The Agency will determine the maximum payment you may be eligible to receive in accordance with established procedures.

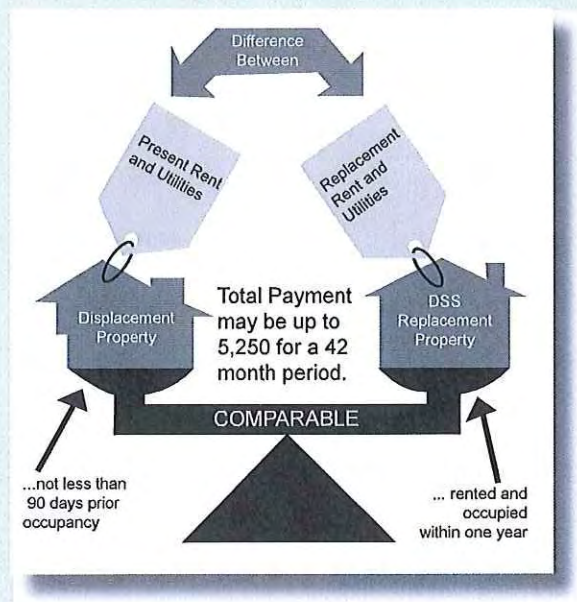
The rental assistance payment will be paid in a lump sum unless the Agency determines that the payment should be paid in installments. You must rent and occupy a DSS replacement dwelling within one year to be eligible.

Example

Assume you have been paying \$500 per month rent for the dwelling unit occupied by you and purchased by the Agency. You also pay \$150 per month for utilities (electricity, gas, other heating and cooking fuels, water, and sewer). The rental assistance payment computation always includes the cost of basic utilities (electricity, gas, other heating and cooking fuels, water, and sewer), as well as the cost of rent. If rent includes utilities, a separate computation is not necessary.

After a study of the rental market, the Agency determines that replacement rental unit, that is DSS and comparable to your unit, is available for \$600 per month. It is estimated that average monthly utility costs for the replacement unit will be \$175 per month. The maximum rental assistance payment you can receive is \$125 per month for a 42-month period, or a total of \$5,250.

Example A: If you select a DSS replacement dwelling unit that rents for \$650 per month plus \$175 for utilities, despite the availability of comparable DSS replacement rental units that rent for \$600 per month plus \$175 for utilities, you will receive the maximum amount computed by the Agency, or \$5,250. You will be required to pay the additional \$50 per month yourself.



Example B: If you select a DSS replacement dwelling unit that rents for more than your present unit, but less than amount determined by the Agency as necessary to rent a comparable unit, your payment will be based on actual cost. For example, assume you select a replacement dwelling unit that rents for \$575 per month plus \$165 for utilities. On the basis of actual cost, you will be eligible for a payment of \$90 per month for 42 months, or \$3,780.

Agency Computation of Maximum Rental Assistance Payment	Rent You are Currently Paying	\$500
	Plus Cost for Utilities You are Paying	<u>+150</u>
		\$650
	Rent for a Comparable DSS Dwelling	\$600
	Estimated Cost for Utilities	<u>+175</u>
		\$775
	Difference ($\$775-650=\125) x 42 months	\$5250
	Maximum Rental Assistance Payment	\$5250
Example A	Actual Rent for DSS Replacement Property	\$650
	Plus Estimated Cost for Utilities	<u>+175</u>
		\$825
	Difference ($\$825-650=\175) x 42 months	\$7350
	Rental Assistance Payment	\$5250
Example B	Actual Rent for DSS Replacement Property	\$575
	Plus Estimated Cost for Utilities	<u>+165</u>
		\$740
	Difference ($\$740-650=\90) x 42 months	\$3780
	Rental Assistance Payment	\$3780

REPLACEMENT HOUSING – DOWNPAYMENT

Owner Occupants of 90 to 179 Days and Tenants of 90 Days or More

Owner occupants of 90 to 179 days and tenants of 90 days or more may be eligible for a downpayment and incidental expenses. The Agency will determine the maximum downpayment you may be eligible to receive based on its computation for a rental assistance payment. However, the payment for a displaced owner occupant shall not exceed the amount that would have been received by a 180-day owner for the same property.

To be eligible for the full amount of the downpayment assistance payment, the entire payment must be used to purchase a DSS replacement dwelling. The payment may be utilized for a downpayment toward the purchase price and/or eligible incidental expenses. Incidental expenses include the reasonable costs of title search, recording fees, and certain other closing costs but do not include prepaid expenses such as real estate taxes and property insurance. You may be eligible for the reimbursement of loan origination or loan assumption fees if such fees are normal to real estate transactions in your area and do not represent prepaid interest. The combined amount of the downpayment and incidental expenses cannot exceed the amount the Agency computed as your maximum rental assistance payment.

The relocation counselor will explain how the Agency determines the maximum downpayment assistance payment.

DSS REMINDER

It is very important to remember that the replacement dwelling you select must meet the basic DSS standard. Do not execute a sales contract or a lease agreement until a representative from the Agency has inspected and certified in writing that the dwelling you propose to purchase or rent meets the DSS standard. Please do not jeopardize your right to receive a replacement housing payment by moving into a substandard dwelling.

FAIR HOUSING LAWS

Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968 set forth the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States. These Acts and Executive Order 11063 make discriminatory practices in the purchase and rental of residential units illegal if based on race, color, religion, sex, or national origin.

Whenever possible, a minority person shall be given reasonable opportunity to relocate to a DSS replacement dwelling which is not located in an area of minority concentration, that is within their financial means. This policy does not require an Agency to provide a displaced person with a larger payment than is necessary to enable the person to relocate to a comparable replacement dwelling.

SECTION 3 – BUSINESS, FARM, AND NONPROFIT ORGANIZATIONS

MOVING COST REIMBURSEMENT

Owners or tenants may be paid on the basis of actual, reasonable moving costs and related expenses or, under certain circumstances, a fixed payment. Actual, reasonable moving expenses may be paid when the move is performed by a professional mover or if you move yourself. Related expenses, such as personal property losses, expenses in finding a replacement site, and reestablishment expenses may also be reimbursable.

You must provide the Agency with an inventory of the personal property to be moved and advance notice of the approximate date of the move, unless the Agency specifically tells you these notices are not necessary.

The Agency has the right to inspect the personal property at the displacement and replacement sites, and to monitor the move.

Actual Cost Move

You may be paid the actual, reasonable and necessary cost of your move when the move is performed by a professional mover or when you elect to move yourself, however, all your moving costs must be supported by paid receipts or other evidence of expenses incurred. In addition to the transportation costs of your personal property, certain other expenses may be reimbursable, such as packing, crating, unpacking and uncrating, and the disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment and other personal property.

Other expenses such as professional services necessary for planning and carrying out the move, temporary storage costs, and the cost of licenses, permits and certifications may also be reimbursable. This is not an inclusive list of moving related expenses. Your relocation counselor will provide you with a complete explanation of reimbursable expenses.

Estimated Cost Move

If you agree to take full responsibility for all or part of the move of your operation, the Agency may approve a payment not to exceed the lower of two acceptable bids or estimates obtained by the Agency from qualified moving firms, moving consultants, or a qualified Agency staff employee. A low cost or uncomplicated move may be based on a single bid or estimate at the Agency's discretion. The advantage of this moving option is that it relieves you from documenting all moving expenses because the payment is limited to the amount of the lowest acceptable bid or estimate. The Agency may make the payment without additional documentation.

Direct Loss of Tangible Personal Property

Displaced businesses, farms, and nonprofit organizations may be eligible for a payment for the actual direct loss of tangible personal property which is incurred as a result of the move or discontinuance of the operation. This payment is based on the lesser of the value of the item for continued use at the displacement site less the proceeds from its sale, or the estimated cost of moving the item. Your relocation counselor will explain this procedure in detail if this is a consideration for you.

Low Value High Bulk Property

If an Agency considers a personal property item to be of low value and high bulk, and moving costs are disproportionate to its value (such as minerals, metals, rock, or topsoil), the allowable moving cost payment shall not exceed the lesser of the amount which would be received if the property were sold at the site, or, the replacement cost of a comparable quantity delivered to the new business location.

Searching Expenses for Replacement Property

Displaced businesses, farms, and nonprofit organizations are entitled to reimbursement for actual, reasonable expenses incurred in searching for a replacement property, not to exceed \$2,500. Expenses may include transportation, meals, and lodging when away from home; the reasonable value of the time spent during the search; and other expenses determined to be reasonable and necessary by the Agency.

Fees paid to real estate agents or brokers to locate a replacement site may be reimbursed, exclusive of any commissions or fees related to the purchase of the site. Commissions and fees related to the purchase of a replacement site are not eligible relocation expenses and will not be reimbursed.

RELATED ELIGIBLE EXPENSES

In addition to the moving expenses listed above, costs for these items may be reimbursed if the Agency determines they are actual, reasonable, and necessary:

- Connection to available nearby utilities from the right-of-way to improvements at the replacement site.
- Professional services to determine a sites' suitability for the displaced person's operation.
- Impact fees or one time assessments for heavy utility usage as determined necessary by the Agency.

Please discuss this with your relocation counselor before incurring these costs to assure that they are reimbursable.

REESTABLISHMENT EXPENSES

A small business, farm, or nonprofit organization may be eligible for a payment, not to exceed \$10,000, for expenses actually incurred in relocating and reestablishing the enterprise at a replacement site. To qualify, the business, farm, or nonprofit organization must have not more than 500 employees working at the site who will be displaced by a program or project.

Reestablishment expenses may include, but are not limited to:

- Repairs or improvements to the replacement real property required by Federal, State, and local laws, codes or ordinances.

- Modifications to the replacement real property to make the structure(s) suitable for the operation.
- Construction and installation costs of exterior advertising signs.
- Redecoration or replacement such as painting, wallpapering, paneling, and carpeting when required by the condition of the replacement site.
- Advertising the replacement location.
- Estimated increased costs of operation at the replacement site during the first two years for items such as: lease or rental charges; personal or real property taxes; insurance premiums; utility charges (excluding impact fees).
- Other items that the Agency considers essential for reestablishment.



FIXED PAYMENT FOR ACTUAL MOVING EXPENSES (IN LIEU PAYMENT)

Displaced businesses, farms, and nonprofit organizations may be eligible for a fixed payment in lieu of (in place of) actual moving expenses, personal property losses, searching expense, and reestablishment expenses. The fixed payment may not be less than \$1,000 nor more than \$20,000.

For a business to be eligible for a fixed payment, the Agency must determine the following:

- Business owns or rents personal property that must be moved due to the displacement.
- Business cannot be relocated without a substantial loss of its existing patronage.
- Business is not part of a commercial enterprise having more than three other businesses engaged in the same or similar activity which are under the same ownership and are not being displaced by the Agency.
- Business contributed materially to the income of the displaced business operator during the two taxable years prior to displacement.

Any business operation that is engaged solely in the rental of space to others is not eligible for a fixed payment. This includes the rental of space for residential or business purposes. Eligibility requirements for farms and nonprofit organizations are slightly different than business requirements. The computation for nonprofit organizations differs in that the payment is

computed on the basis of average annual gross revenues less administrative expenses for the two year period specified. If you are interested in a fixed payment, please consult your relocation counselor for additional information.

Computation of Your Fixed Payment

The fixed payment for a displaced business or farm is based upon the average annual net earnings of the operation for the two taxable years immediately preceding the taxable year in which it was displaced, or a two-year period deemed more representative by the Agency. You must provide the Agency with proof of net earnings to support your claim. Proof of net earnings can be documented by income tax returns, certified financial statements, or other reasonable evidence acceptable to the Agency.

Fixed Payment Example

2003	2004	2005
Annual Net Earnings \$16,500	Annual Net Earnings \$18,500	Year Displaced
Average annual net earnings $\$16,500 + \$18,500 = \$35,000 / 2 = \$17,500$ Fixed Payment = \$17,500		

PROJECT OFFICE

The Agency may establish a relocation office near the project. Project relocation offices are usually open during hours convenient to persons being displaced, including evening hours when necessary. If the Agency opens a project office, the staff will be happy to assist you, answer questions, and will maintain various types of information.

RELOCATION PAYMENTS ARE NOT CONSIDERED TO BE INCOME

No relocation payment received will be considered as income for the purpose of the Internal Revenue Code. No relocation payment received will be considered income for the purposes of determining eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal law (except for any Federal law providing low-income housing assistance).

RIGHT TO APPEAL

Any aggrieved person may file a written appeal with the head of the Agency if the person believes the Agency has failed to properly determine his or her eligibility for relocation assistance advisory services, or the amount of a relocation payment.

If you have a grievance, you will be given a prompt and full opportunity to be heard. You will also have the right to be represented by legal counsel or other representative in connection with the appeal, but solely at your own expense.

The Agency will promptly review your appeal and consider all pertinent justification and information available to ensure a fair and full review. The Agency will provide you with a written determination as well as an explanation of the decision. If you are still dissatisfied with the relief granted, the Agency will advise you of your right to seek judicial review of the Agency decision.

An alien not lawfully present in the United States shall not be eligible to receive relocation payments or any other assistance provided under 49 CFR Part 24.

This brochure is provided to assist you in understanding your rights and benefits. If you have questions regarding your relocation please contact your sponsoring Agency representative.

Additional information on Federal relocation and acquisition requirements, the law, and the regulation can be found at www.fhwa.dot.gov/realestate

NOTES

**Exhibit B
Relocation Budget**

The Project, Place One Apartments, is an existing apartment complex and includes a total of 114 units.

Only temporary relocation will be required to perform the rehabilitation; all relocation expenses will be paid by the applicant and have been budgeted as follows:

TEMPORARY RELOCATION

	# of Nights	Price Per Night	# of Units	Total
Hotel Budget	18	\$ 110.00	108	\$ 213,840.00
Extra Room - Larger Families	18	\$ 110.00	21	\$ 41,580.00
Hotel Budget - ADA	25	\$ 110.00	6	\$ 16,500.00
Meal Allocation	18	\$ 50.00	108	\$ 97,200.00
Meal Allocation - ADA	25	\$ 50.00	6	\$ 7,500.00

	Cost per Unit	# of Units	
40 Moving Costs (boxes, etc.)	\$ 350.00	114	\$ 39,900.00
ADA Moving & Storage	\$ 4,500.00	6	\$ 27,000.00
Consultant	\$ 250.00	114	\$ 28,500.00
Contingency			\$ 25,000.00
Total Temporary Relocation Cost			\$ 497,020.00

**Relocation Plan for Place One Apartments
Exhibit C – Notices**

**GENERAL INFORMATION NOTICE -- RESIDENTIAL TENANT
THAT WILL NOT BE DISPLACED**

DATE

NAME
ADDRESS
CITY, STATE, ZIP CODE

Dear:

On _____, Place One Preservation Limited Partnership submitted an application to the Virginia Housing Development Authority for financial assistance to rehabilitate the PLACE ONE GARDENS APARTMENTS building that you occupy at _____.

This notice is to inform you that, if the assistance is provided and the building is rehabilitated, you will not be displaced. Therefore, we urge you not to move anywhere at this time. (If you do elect to move for reasons of your choice, you will not be provided relocation assistance.)

If the application is approved and Federal assistance is provided for the rehabilitation, you will be able to lease and occupy your present apartment (or another suitable, decent, safe and sanitary apartment in the same building) upon completion of the rehabilitation. Of course, you must comply with standard lease terms and conditions.

After the rehabilitation, your initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30 percent of your average monthly gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

Again, we urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs. However, under certain relocation regulations, you may be required to certify that you and your household are either citizens or nationals of the United States, or aliens who are lawfully present in the United States before you can receive relocation benefits or assistance.

This letter is important and should be retained. You will be contacted soon. In the meantime, if you have any questions about our plans, please contact our relocation representative, **Cynthia Lara** at **(310) 802-6670**.

Sincerely,

Place One Preservation Limited Partnership

**Relocation Plan for Place One Apartments
Exhibit C – Notices**

TEMPORARY MOVE NOTICE

DATE

NAME

ADDRESS

CITY, STATE, ZIP CODE

Dear:

On _____ we notified you that we would make extensive repairs to the building. We also told you that, if possible, we would make arrangements to move you within the building during the construction phases of the rehabilitation. However, it now appears that construction cannot be accomplished with the residents in occupancy and you will need to move off site for a temporary period of time.

This notices guarantees you the following:

1. You will move temporarily for a period of not more than twelve months (12).
2. You will continue to pay your current rent and you will be reimbursed for some of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional rent and utility costs.
3. The temporary unit will be decent, safe and sanitary and will accommodate the number of rooms for your family size according to Federal standards. This means that the temporary unit may be a larger unit than one you are currently living in, however, you will continue to pay your current rent while living in the larger unit.

The address of your temporary apartment is:

_____. This apartment will be available for you from _____ until _____. **Your rent at this unit will be _____. The rent charged to us for this unit will be _____. However, we will pay the additional rental and utility costs at this unit. If you choose to move to another apartment your temporary relocation benefit will not exceed the amount that you would receive if you moved to the unit listed above.**

Upon completion of the rehabilitation, you will be able to lease and occupy another suitable, decent, safe and sanitary apartment in the Place One Apartment building. Your monthly rent will either remain the "me as it is currently, or, if increased, you new rent ant estimated average utility costs will not exceed thirty percent (30%) of the adjusted gross income of all adult members of your household. The newly rehabilitated apartment will be decent, safe and sanitary and accommodate the number of rooms for your family size according to Federal standards. Of course, you must comply with the reasonable terms and conditions of your lease.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. If you elect to move for your own reasons you will not receive any relocation assistance. If you choose not to return to the Place One Apartments after completion of construction, you will not qualify as a displaced person, nor will you be eligible for any further relocation benefits.

If you have any questions, please contact **Cynthia Lara at (310) 802-6685**. Remember, do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should, be retained.

Sincerely,

Place One Preservation Limited Partnership

Relocation Plan for Place One Apartments
Exhibit C – Notices

NOTICE OF NONDISPLACEMENT TO RESIDENTIAL TENANT

DATE

NAME

ADDRESS

CITY, STATE, ZIP CODE

Dear:

On _____, we notified you that Place One Preservation Limited Partnership had applied for assistance to make extensive rehabilitation repairs to the building. On _____, our request was approved and the repairs will begin soon.

This is a Notice of NonDisplacement. You will not be required to move permanently as a result of the rehabilitation. This Notice guarantees you the following:

1. You will be able to lease and occupy your present apartment [or another suitable decent, safe and sanitary apartment in the same building/complex] upon completion of the rehabilitation. Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the gross income of all adult members of your household. Of course, you must comply with the reasonable terms and conditions of your lease.
2. If you must move temporarily so that the repairs can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional housing costs. The temporary unit will be decent, safe and sanitary and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitate apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs.

If you have any questions please contact Cynthia Lara at 21515 Hawthorne Blvd, #150, Torrance, CA 90503, and the telephone number is (310) 802-6685.

Sincerely,

Place One Preservation Limited Partnership

Relocation Plan for Place One Apartments
Exhibit D – Grievance Procedures

Purpose

The purpose of these Grievance Procedures is to attempt to resolve disputes between the claimant and Place One Preservation Limited Partnership (hereinafter referred as “Owner”) at the lowest possible administrative level while affording the claimant an opportunity to have a full and fair review of his or her case. Therefore, all relevant evidence should be presented at the lowest level of these proceedings. In any case where such evidence could have been presented at a lower level and the claimant failed to do so, the Relocation Appeals Board may refer the matter back to the lower level for consideration and determination prior to their considering such evidence.

Right of Review

Any displaced person who is not satisfied with a determination as to eligibility, amount of payment, and failure by the *Owner* to provide comparable permanent or adequate temporary replacement housing or the *Owner* property management practices, or not properly applying appropriate regulations, at his or her election may have his or her claim reviewed and reconsidered in accordance with the following procedures.

Request for Further Written Information

A claimant shall first request the *Owner* designated representative to provide him with a full written explanation of the determination and the basis therefor, which explanation shall be provided to the claimant within three weeks from the date of receipt of the request.

Informal Oral Presentation

If the claimant feels that the written explanation is incorrect or inadequate, he or she may request an informal hearing with the Director. All such requests shall be in writing and shall be accompanied by a relocation complaint form if required by the *Owner*. Claimant shall have the burden of determining whether the *Owner* requires submittal of a complaint form. The request for an informal hearing must be submitted to the Director within the same 18 month period.

Within fifteen (15) days from the date of receipt of claimant’s written request, claimant shall be afforded an opportunity to make an oral presentation to the Director to enable the claimant to discuss the claim with the Director. The claimant may be represented by an attorney or other person of his or her choosing at the oral hearing (at the cost of the claimant).

The Director shall prepare a summary of the matters discussed and determinations made during the informal oral hearing, place a copy of the summary in claimant’s file, and serve a copy thereof upon the claimant.

Written Request for Review and Reconsideration

At any time within the period described in *Paragraph I*, a claimant may file a written request for formal review and reconsideration. The claimant may include in the request for review any statement of fact within the claimant’s knowledge or belief or other material which

Relocation Plan for Place One Apartments
Exhibit D – Grievance Procedures

may have a bearing on the appeal. If the claimant requests more time to gather and prepare additional material for consideration or review and demonstrates a reasonable basis therefor, the claimant's request shall be granted.

**Formal Review and Reconsideration by *Place One Preservation Limited Partnership*
*Director***

1. The Director of the *Owner* shall consider the request for review and shall decide whether a modification of the initial determinations necessary. The Director shall have the authority to revise the initial determination or the determination of a previous oral presentation. The Director shall consider every aggrieved person's compliant regardless of form and shall if necessary provide assistance to the claimant in preparing the written claim. When a claimant seeks review, the Director shall inform claimant he or she has the right to be represented by an attorney, to present his or her case by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination, as may be required, for a full and true disclosure of facts, and to seek judicial review once claimant has exhausted administrative appeal.
2. The Director shall review and consider the initial determination of the claimant's case in light of:
 - a. All material upon which the Owner based its original determination including all applicable rules and regulations, except that no evidence shall be relied upon where a claimant has been improperly denied an opportunity to controvert the evidence or cross-examine the witness.
 - b. The reasons given by the claimant for requesting review and reconsideration of his or her claim.
 - c. Any additional written or relevant documentary material submitted by the claimant.
 - d. Any further information which the Director may, in his or her discretion, obtain by request, investigation or research, to insure fair and full review of the claim.
3. The determination on review by the Director shall include, but is not limited to:
 - a. The Director's decision on reconsideration of the claim.
 - b. The factual and legal basis upon which the decision is based, including any pertinent explanation or rationale.

Relocation Plan for Place One Apartments
Exhibit D – Grievance Procedures

- c. A statement of claimant’s right to seek further review of his or her claim by the Relocation Appeals Board and an explanation of the steps the claimant must take to obtain this review.

The Director shall issue his or her determination of review as soon as possible but no later than forty-five (45) days from receipt of the last material submitted for consideration by the claimant or the date of the hearing, whichever is later.

In case of complaints dismissed for untimeliness or for any other reason not based on the merits of the claim, the Director shall furnish a written statement to claimant stating the reason for the dismissal of the claim as soon as possible but not later than fifteen (15) days from receipt of the last material submitted by the claimant or the date of the hearing, whichever is later.

Appeals Board Review

If the claimant feels that the Director’s determination following the informal oral hearing or written review by the Director is incorrect or inadequate, he or she may request a formal hearing before a Relocation Appeals Board.

To obtain a formal hearing before a Relocation Appeals Board the claimant must request in writing that the Director schedule such a hearing. Such request shall be made within the period described in *Paragraph I*.

- 1. Within fifteen (15) days from the date of receipt of claimant’s written request, he or she will be notified of the formal hearing date. If the claimant requests additional time to prepare material for consideration and shows good cause therefor, the hearing date shall be continued to another date.
- 2. The Relocation Appeals Board shall have the authority to revise the prior determination of the Director.
- 3. The Relocation Appeals Board shall, at the time it gives notice of the formal hearing date, notify the claimant that he or she has the right to be represented by an attorney or others at his or her own expense, to present his or her case by oral or documentary evidence; the right to submit oral or documentary evidence; the right to submit rebuttal evidence to conduct such cross examination as may be required for a full and true disclosure of facts; and the right to seek judicial review once claimant has exhausted administrative appeal.
- 4. The Relocation Appeals Board shall review the initial determination, or the determination made at an informal hearing taking into consideration all material upon which the challenged determination was made, all applicable rules and regulations, the reasons given by the claimant for requesting review, any additional relevant evidence, oral or documentary, submitted by either the claimant or the Director’s representatives. No

Relocation Plan for Place One Apartments
Exhibit D – Grievance Procedures

evidence may be relied upon by the Relocation Appeals Board where the claimant has been improperly denied an opportunity to rebut evidence or cross-examine a witness.

5. The Relocation Appeals Board shall make its recommendation within six weeks from the date on which the formal hearing is concluded or the date of receipt of the last material submitted, whichever is later.
6. The Relocation Appeals Board's recommendation shall be made in writing and shall contain its recommendation, the factual and legal basis upon which the recommendation is made and a statement informing the claimant of his or her right to seek judicial review.
7. The claimant and the Director governing body shall be promptly served with a copy of the Relocation Appeals Board's recommendation.

Review of Files by Claimant

The claimant may inspect all files and records bearing upon his or her claim or the prosecution of the claimant's grievance, except to the extent the confidentiality of the material sought or the disclosure thereof is protected or prohibited by law.

Effect of Determination

Determinations made by the Owner regarding acquisition and relocation policies and procedures shall be applicable to all eligible persons in similar situations regardless of whether any such eligible person seeks a review. All written determinations shall be filed in the records of the Owner and available for public inspection.

Right to Counsel

Any claimant has the right to be represented by an attorney at his or her expense at any and all stages of the proceedings set forth in this Article.

Further Review

If the Owner as set forth in *Paragraph H*, denies the eligibility of a claimant for a payment, or disapproves the full amount claimed, or refuses to consider the claim on its merits because of untimely filing, or any other ground, the Owner's notification to the claimant of its determination shall inform the claimant of its reasons therefor, and shall also inform the claimant of the applicable procedures for obtaining further review of this determination.

Joint Complainants

Where more than one person is aggrieved by the failure of the Owner

Relocation Plan for Place One Apartments
Exhibit D – Grievance Procedures

to refer them to comparable permanent or adequate temporary replacement housing, the complainants may join in filing a single written request for review. A determination shall be made as herein provided for each of the complainants.

Judicial Review

Nothing in this section shall in any way preclude or limit a claimant from seeking judicial review of a claim upon exhaustion of such administrative remedies as are available under these Rules and Regulations.

HOUSING INTERVIEW MATRIX

PROPERTY: _____

Key:
 ADA unit
 Vacant unit

#	Unit #	Phase	# of Bdrms.	HH Size	Interview Date	Car	Pets	Disabled/ Elderly	Moving Assistance Needed	Special Needs / Notes	Resident Feedback
1	100										
2	101										
3	102										
4	104										
5	106										
6	108										
7	112										
8	114										
9	116										
10	117										
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49	228										
50	229										
51	230										
52	231										

HOUSING INTERVIEW MATRIX

#	Unit #	Phase	# of Bdrms.	HH Size	Interview Date	Car	Pets	Disabled/Elderly	Moving Assistance Needed	Special Needs /Notes	Resident Feedback
53	232										
54	233										
55	234										
56	300										
57	301										
58	302										
59	303										
60	304										
61	305										
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Documentation of
Development Location

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