

---

# 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](mailto: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	<a href="mailto: johndavid.bondurant@vhda.com">johndavid.bondurant@vhda.com</a>	(804) 343-5725
Sheila Stone	<a href="mailto: sheila.stone@vhda.com">sheila.stone@vhda.com</a>	(804) 343-5582
Stephanie Flanders	<a href="mailto: stephanie.flanders@vhda.com">stephanie.flanders@vhda.com</a>	(804) 343-5939
Phil Cunningham	<a href="mailto: philip.cunningham@vhda.com">philip.cunningham@vhda.com</a>	(804) 343-5514
Pamela Freeth	<a href="mailto: pamela.freeth@vhda.com">pamela.freeth@vhda.com</a>	(804) 343-5563
Aniyah Moaney	<a href="mailto: Aniyah.moaney@vhda.com">Aniyah.moaney@vhda.com</a>	(804) 343-5518

## TABLE OF CONTENTS

Click on any tab label to be directed to that tab within the application.

TAB	DESCRIPTION
1. <a href="#"><u>Submission Checklist</u></a>	Mandatory Items, Tabs and Descriptions
2. <a href="#"><u>Development Information</u></a>	Development Name and Locality Information
3. <a href="#"><u>Request Info</u></a>	Credit Request Type
4. <a href="#"><u>Owner Information</u></a>	Owner Information and Developer Experience
5. <a href="#"><u>Site and Seller Information</u></a>	Site Control, Identity of Interest and Seller info
6. <a href="#"><u>Team Information</u></a>	Development Team Contact information
7. <a href="#"><u>Rehabilitation Information</u></a>	Acquisition Credits and 10-Year Look Back Info
8. <a href="#"><u>Non Profit</u></a>	Non Profit Involvement, Right of First Refusal
9. <a href="#"><u>Structure</u></a>	Building Structure and Units Description
10. <a href="#"><u>Utilities</u></a>	Utility Allowance
11. <a href="#"><u>Enhancements</u></a>	Building Amenities above Minimum Design Requirements
12. <a href="#"><u>Special Housing Needs</u></a>	504 Units, Sect. 8 Waiting List, Rental Subsidy
13. <a href="#"><u>Unit Details</u></a>	Set Aside Selection and Breakdown
14. <a href="#"><u>Budget</u></a>	Operating Expenses
15. <a href="#"><u>Project Schedule</u></a>	Actual or Anticipated Development Schedule
16. <a href="#"><u>Hard Costs</u></a>	Development Budget: Contractor Costs
17. <a href="#"><u>Owner's Costs</u></a>	Development Budget: Owner's Costs, Developer Fee, Cost Limits
18. <a href="#"><u>Eligible Basis</u></a>	Eligible Basis Calculation
19. <a href="#"><u>Sources of Funds</u></a>	Construction, Permanent, Grants and Subsidized Funding Sources
20. <a href="#"><u>Equity</u></a>	Equity and Syndication Information
21. <a href="#"><u>Gap Calculation</u></a>	Credit Reservation Amount Needed
22. <a href="#"><u>Cash Flow</u></a>	Cash Flow Calculation
23. <a href="#"><u>BINs</u></a>	BIN by BIN Eligible Basis
24. <a href="#"><u>Owner Statement</u></a>	Owner Certifications
25. <a href="#"><u>Architect's Statement</u></a>	Architect's agreement with proposed deal
26. <a href="#"><u>Scoresheet</u></a>	Self Scoresheet Calculation
27. <a href="#"><u>Development Summary</u></a>	Summary of Key Application Points
28. <a href="#"><u>Efficient Use of Resources</u></a>	Calculation of Score
29. <a href="#"><u>Efficient Use of Resources - TE Bonds</u></a>	Calculation of Score

## 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.

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



A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/11/2020

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: R. Cellell Dalton  
 Chief Executive Officer's Title: County Administrator Phone: (276) 730-3001  
 Street Address: 605-1 Pine Street  
 City: Hillsville State: VA Zip: 24343

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

- 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:

Balance of State Pool

or

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

[Redacted]

For Tax Exempt Bonds, where are bonds being issued?

[Redacted]

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

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

Carryforward Allocation

Definitions of types:

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

Adaptive Reuse

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

4. Is this an additional allocation for a development that has buildings not yet placed in service? TRUE  
If True, additional Credit Request cannot exceed 10% of the prior credit award.

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

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

Name of companion development: \_\_\_\_\_

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

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

Total Units within 9% allocation request? 0

Total Units within 4% Tax Exempt allocation Request? 0

Total Units: 0

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

**6. Extended Use Restriction**

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

**Must Select One:** 30

**Definition of selection:**

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

**C. OWNERSHIP INFORMATION**

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

**1. Owner Information:**

*Must be an individual or legally formed entity.*

Owner Name: Woodlawn School Apartments, LLC

Developer Name: Lisa A. Sari, Manager of Archetypes, LLC and 100% owner of Landmark Asset Services

Contact: M/M ▶ Ms. First: Lisa MI: A Last: Sari

Address: 406 E 4th Street

City: Winston Salem St. ▶ NC Zip: 27101

Phone: (336) 972-4192 Ext. \_\_\_\_\_ Fax: (336) 722-3603

Email address: devadmin@landmarkdevelopment.biz

Federal I.D. No. 83-2259331 (If not available, obtain prior to Carryover Allocation.)

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

Additional Contact: Please Provide Name, Email and Phone number.  
Samuel J. Sari, Sam@landmarkdevelopment.biz, 336-714-8910

- 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>Landmark Asset Services, Inc.</u>	<u>(336) 714-8910</u>	<u>Managing Member</u>	<u>90.000%</u>	
<u>Lisa A. Sari (100% Owner &amp; President of Landmark)</u>	<u>(336) 972-4192</u>	<u>Managing Member</u>	<u>0.000%</u>	<i>needs</i>
<u>Helping Overcome Poverty's Existence, Inc.</u>	<u>(276) 228-6280</u>	<u>Member</u>	<u>10.000%</u>	
<u>Andy Kegley (Executive Director of HOPE Inc.)</u>	<u>(276) 228-6280</u>	<u>Member</u>	<u>0.000%</u>	<i>needs</i>
_____	_____	_____	<u>0.000%</u>	
_____	_____	_____	<u>0.000%</u>	
_____	_____	_____	<u>0.000%</u>	

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

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



**C. OWNERSHIP INFORMATION**

---

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

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

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

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

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

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

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

**Action:** Must provide copies of 8609s and partnership agreements **(Tab P)**

D. SITE CONTROL

**NOTE:** Site control by the Owner identified herein is a mandatory precondition of review of this application. Documentary evidence in the form of either a deed, option, purchase contract or lease for a term longer than the period of time the property will be subject to occupancy restrictions must be included herewith. (For 9% Competitive Credits - An option or contract must extend beyond the application deadline by a minimum of four months.)

**Warning:** Site control by an entity other than the Owner, even if it is a closely related party, is not sufficient. Anticipated future transfers to the Owner are not sufficient. The Owner, as identified previously, must have site control at the time this Application is submitted.

**NOTE:** If the Owner receives a reservation of credits, the property must be titled in the name of or leased by (pursuant to a long-term lease) the Owner before the allocation of credits is made.

Contact VHDA before submitting this application if there are any questions about this requirement.

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type:      ▶ Option

Expiration Date:      12/31/2020

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

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

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

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

b. TRUE ..... Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 12/31/2020 .

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

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

**D. SITE CONTROL**

**3. Seller Information:**

Name: Carroll County Industrial Development Authority

Address: 605-1 Pine Street

City: Hillsville St.: VA Zip: 24343

Contact Person: R. Cellell Dalton Phone: (276) 730-3001

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

If above statement is TRUE, complete the following:

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

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

**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>Deborah L. McKenney</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Blanco Tackabery &amp; Matamoros, P.A.</u>                            |                           |                       |
| Address:                 | <u>110 South Statford Road, Suite 500, Winston Salem, NC 27104-4299</u>  |                           |                       |
| Email:                   | <u>d1m@blancolaw.com</u>   | Phone:                    | <u>(336) 293-9045</u> |
| 2. Tax Accountant:       | <u>Wade Pack</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Bernard Robinson and Company</u>                                      |                           |                       |
| Address:                 | <u>1501 Highwoods Blvd., Suite 300, Greensboro, NC 27410</u>             |                           |                       |
| Email:                   | <u>wpack@brccpa.com</u>  | Phone:                    | <u>(336) 232-4412</u> |
| 3. Consultant:           | _____  | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | _____  | Role:                     | _____                 |
| Address:                 | _____  |                           |                       |
| Email:                   | _____  | Phone:                    | _____                 |
| 4. Management Entity:    | <u>Blair Maas</u>  | This is a Related Entity. | <u>TRUE</u>           |
| Firm Name:               | <u>Landmark Property Management Company</u>                              |                           |                       |
| Address:                 | <u>401 East Fourth Street, Winston Salem, NC 27101</u>                   |                           |                       |
| Email:                   | <u>blair@landmarkdevelopment.biz</u>                                     | Phone:                    | <u>(336) 714-8939</u> |
| 5. Contractor:           | <u>Carl Carney</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Davie Construction Company</u>  |                           |                       |
| Address:                 | <u>152 E Kinderton Way, Suite 200, Advance, NC 27006</u>                 |                           |                       |
| Email:                   | <u>ccarney@davieconstruction.com</u>                                     | Phone:                    | <u>(336) 940-6610</u> |
| 6. Architect:            | <u>Mikel Griffin</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>CJMW Atchitecture</u>   |                           |                       |
| Address:                 | <u>1030 Main Street, Lynchburg, VA 24504</u>                             |                           |                       |
| Email:                   | <u>mike.griffin@cjmw.com</u>   | Phone:                    | <u>(434) 847-6564</u> |
| 7. Real Estate Attorney: | <u>Deborah L. McKenney</u>   | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | <u>Blanco, Tackabery &amp; Matamoros, P.A.</u>                           |                           |                       |
| Address:                 | <u>110 South Stratford Road, Suite 500, Winston Salem, NC 27104-4299</u> |                           |                       |
| Email:                   | <u>d1m@blancolaw.com</u>   | Phone:                    | <u>(336) 293-9045</u> |
| 8. Mortgage Banker:      | _____  | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | _____  |                           |                       |
| Address:                 | _____  |                           |                       |
| Email:                   | _____  | Phone:                    | _____                 |
| 9. Other:                | _____  | This is a Related Entity. | <u>FALSE</u>          |
| Firm Name:               | _____  | Role:                     | _____                 |
| Address:                 | _____  |                           |                       |
| Email:                   | _____  | Phone:                    | _____                 |

F. REHAB INFORMATION

1. Acquisition Credit Information

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

Action: (If True, provide required form in TAB Q)

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

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

2. Ten-Year Rule For Acquisition Credits

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

Action: (If True, provide an explanation for each building in Tab K)

**F. REHAB INFORMATION**

---

**3. Rehabilitation Credit Information**

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

**b. Minimum Expenditure Requirements**

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

**4. Request For Exception**

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

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..... TRUE
- ii. Proposed development is designed to serve as a replacement for housing being demolished through redevelopment..... FALSE
- iii. Proposed development is housing that is an integral part of a neighborhood revitalization project sponsored by a local housing authority..... FALSE

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

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

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Owner

Name: Helping Overcome Poverty's Existence, Inc. (Please fit NP name within available space)

Contact Person: Andy Kegley, Executive Director

Street Address: 680 W Main Street

City: Wytheville State: VA Zip: 24382-2211

Phone: (276) 620-1074 Extension: Contact Email: akegley@wythehope.org

**G. NONPROFIT INVOLVEMENT**

---

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 10.0%

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

A. TRUE

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

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

**Name of qualified nonprofit:** Helping Overcome Poverty's Existence

**or indicate true if Local Housing Authority** FALSE  
**Name of Local Housing Authority** \_\_\_\_\_

2. FALSE

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

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

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



**H. STRUCTURE AND UNITS INFORMATION**

**1. General Information**

- |   |                |          |                             |
|---|----------------|----------|-----------------------------|
| a. Total number of all units in development   | <u>51</u>      | bedrooms | <u>107</u>                  |
| Total number of rental units in development   | <u>51</u>      | bedrooms | <u>107</u>                  |
| Number of low-income rental units   | <u>51</u>      | bedrooms | <u>107</u>                  |
| Percentage of rental units designated low-income  | <u>100.00%</u> |          |                             |
|   |                |          |                             |
| b. Number of new units:.....  | <u>0</u>       | bedrooms | <u>0</u>                    |
| Number of adaptive reuse units: .....   | <u>51</u>      | bedrooms | <u>107</u>                  |
| Number of rehab units:.....   | <u>0</u>       | bedrooms | <u>0</u>                    |
|   |                |          |                             |
| c. If any, indicate number of planned exempt units (included in total of all units in development).....   |                |          | <u>0</u>                    |
|   |                |          |                             |
| d. Total Floor Area For The Entire Development.....   |                |          | <u>106,718.24</u> (Sq. ft.) |
| e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....   |                |          | <u>4,538.65</u> (Sq. ft.)   |
| f. Nonresidential Commercial Floor Area (Not eligible for funding).....   |                |          | <u>18,672.62</u>            |
| g. Total Usable Residential Heated Area.....  |                |          | <u>83,506.97</u> (Sq. ft.)  |
| h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....  |                |          | <u>100.00%</u>              |
| i. Exact area of site in acres .....  | <u>6.150</u>   |          |                             |
| j. Locality has approved a final site plan or plan of development.....  |                |          | <u>FALSE</u>                |
| <b>If True, Provide required documentation (TAB O).</b>   |                |          |                             |
|   |                |          |                             |
| k. Requirement as of 2016: Site must be properly zoned for proposed development.<br><b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> ) |                |          |                             |
| l. Development is eligible for Historic Rehab credits.....  |                |          | <u>TRUE</u>                 |

**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	1380.63	SF	10	10
2BR Garden	1576.96	SF	26	26
3BR Garden	1913.31	SF	15	15
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			<b>51</b>	<b>51</b>

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

**3. Structures**

- a. Number of Buildings (containing rental units)..... 1
- b. Age of Structure:..... 112 years
- c. Number of stories:..... 2
- d. The development is a scattered site development..... TRUE
- e. Commercial Area Intended Use: Gymnasium Lease back to county for recreational use for the community (c
- f. Development consists primarily of: (Only One Option Below Can Be True)
  - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... TRUE
  - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
  - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

**H. STRUCTURE AND UNITS INFORMATION**

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

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

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

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

**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>FALSE</u> | h. Pool.....            | <u>FALSE</u> |
| d. Gated access to Site..... | <u>FALSE</u> | i. Rental Office.....   | <u>TRUE</u>  |
| e. Laundry facilities.....   | <u>FALSE</u> | j. Sports Activity Ct.. | <u>FALSE</u> |
|                              |              | k. Other:               | _____        |

l. Describe Community Facilities: Gymnasium Lease back to county for recreational use for the community (c

m. Number of Proposed Parking Spaces..... 129  
 Parking is shared with another entity ..... TRUE

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

**H. STRUCTURE AND UNITS INFORMATION**

---

**5. Plans and Specifications**

- a. **Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
  - i. A location map with development clearly defined.
  - ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
  - iii. Sketch plans of all building(s) reflecting overall dimensions of:
    - a. Typical floor plan(s) showing apartment types and placement
    - b. Ground floor plan(s) showing common areas
    - c. Sketch floor plan(s) of typical dwelling unit(s)
    - d. Typical wall section(s) showing footing, foundation, wall and floor 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	<u>12.30%</u>
Project Wide Capture Rate - Market Units	<u>N/A</u>
Project Wide Capture Rate - All Units	<u>12.30%</u>
Project Wide Absorption Period (Months)	<u>6</u>

**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:**

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 100.00% 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.
- TRUE e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- TRUE f. Free WiFi access will be provided in community room for resident only usage.
- FALSE g. Each unit is provided free individual high speed internet access.
- or
- FALSE h. Each unit is provided free individual WiFi access.
- TRUE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- FALSE k. Cooking surfaces are equipped with fire prevention features
- or
- TRUE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- FALSE o. All interior doors within units are solid core.
- TRUE p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- FALSE r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

J. ENHANCEMENTS

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

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

2. Green Certification

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

The applicant will also obtain one of the following:

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

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

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

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


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

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

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

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

If not, please explain: \_\_\_\_\_

 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 Heat Pump
- b. Cooking Type Electric
- c. AC Type Central Air
- d. Hot Water Type Electric

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

- Water?..... TRUE Heat?..... FALSE
- Hot Water?..... FALSE AC?..... FALSE
- Lighting?..... FALSE Sewer?..... TRUE
- Cooking? ..... FALSE Trash Removal? ..... TRUE

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	13	16	18	0
Air Conditioning	0	6	7	9	0
Cooking	0	5	6	7	0
Lighting	0	21	25	29	0
Hot Water	0	13	15	18	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$58	\$69	\$81	\$0

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

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

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

**K. SPECIAL HOUSING NEEDS**

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

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

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

FALSE

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

(ii) will conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.

(iii) above must include roll-in showers, roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

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

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

(60 points)

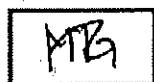
TRUE

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..... FALSE

(If True, VHDA policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties.)

**Action:** Provide Relocation Plan 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: Yes

Organization which holds waiting list: Virginia Housing Development Authority

Contact person: Anton Shaw

Title: Housing Choice Voucher Program Director

Phone Number (804) 343-5611

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

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

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 15  
% of total Low Income Units 29%

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

**K. SPECIAL HOUSING NEEDS**

---

**4. Rental Assistance**

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

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

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

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 8 Certificates

FALSE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers

FALSE State Assistance

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

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

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

d. Number of units receiving assistance: \_\_\_\_\_  
How many years in rental assistance contract? \_\_\_\_\_  
Expiration date of contract: \_\_\_\_\_  
There is an Option to Renew..... FALSE

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

**L. UNIT DETAILS**

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

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

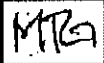
**a. Units Provided Per Household Type:**

Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	
0	0.00%	30% Area Median	
6	11.76%	40% Area Median	
0	0.00%	50% Area Median	
45	88.24%	60% Area Median	
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
51	100.00%	Total	

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	
0	0.00%	30% Area Median	
6	11.76%	40% Area Median	
20	39.22%	50% Area Median	
25	49.02%	60% Area Median	
0	0.00%	70% Area Median	
0	0.00%	80% Area Median	
0	0.00%	Market Units	
51	100.00%	Total	

- b. The development plans to utilize average income..... FALSE  
 If true, should the points based on the units assigned to the levels above be waived and therefore not required for 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	1		620.50	\$396.00	\$396
Mix 2	1 BR - 1 Bath	40% AMI	1		633.70	\$396.00	\$396
Mix 3	1 BR - 1 Bath	50% AMI	1		673.50	\$510.00	\$510
Mix 4	1 BR - 1 Bath	50% AMI	1		712.90	\$510.00	\$510
Mix 5	1 BR - 1 Bath	50% AMI	1		713.30	\$510.00	\$510
Mix 6	1 BR - 1 Bath	50% AMI	1	1	718.30	\$510.00	\$510
Mix 7	1 BR - 1 Bath	60% AMI	1		737.10	\$545.00	\$545
Mix 8	1 BR - 1 Bath	60% AMI	1		753.10	\$545.00	\$545
Mix 9	1 BR - 1 Bath	60% AMI	1	1	762.10	\$545.00	\$545
Mix 10	1 BR - 1 Bath	60% AMI	1		766.20	\$545.00	\$545
Mix 11	2 BR - 1.5 Bath	40% AMI	1		788.20	\$476.00	\$476
Mix 12	2 BR - 1.5 Bath	40% AMI	1		796.40	\$476.00	\$476
Mix 13	2 BR - 1.5 Bath	50% AMI	1		810.60	\$595.00	\$595
Mix 14	2 BR - 1.5 Bath	50% AMI	1		818.00	\$595.00	\$595

2020 Low-Income Housing Tax Credit Application For Reservation

L. UNIT DETAILS

Mix 15	2 BR - 1.5 Bath	50% AMI	1	822.50	\$595.00	\$595	
Mix 16	2 BR - 1.5 Bath	50% AMI	1	837.60	\$595.00	\$595	
Mix 17	2 BR - 1.5 Bath	50% AMI	1	839.20	\$595.00	\$595	
Mix 18	2 BR - 1.5 Bath	50% AMI	1	840.10	\$595.00	\$595	
Mix 19	2 BR - 1.5 Bath	50% AMI	1	847.00	\$595.00	\$595	
Mix 20	2 BR - 1.5 Bath	50% AMI	1	848.80	\$595.00	\$595	
Mix 21	2 BR - 1.5 Bath	50% AMI	1	857.50	\$595.00	\$595	
Mix 22	2 BR - 1.5 Bath	50% AMI	1	1	896.30	\$595.00	\$595
Mix 23	2 BR - 1.5 Bath	50% AMI	1	927.30	\$595.00	\$595	
Mix 24	2 BR - 1.5 Bath	60% AMI	1	938.40	\$614.00	\$614	
Mix 25	2 BR - 1.5 Bath	60% AMI	1	950.20	\$614.00	\$614	
Mix 26	2 BR - 1.5 Bath	60% AMI	1	951.60	\$614.00	\$614	
Mix 27	2 BR - 1.5 Bath	60% AMI	1	952.00	\$614.00	\$614	
Mix 28	2 BR - 1.5 Bath	60% AMI	1	954.00	\$614.00	\$614	
Mix 29	2 BR - 1.5 Bath	60% AMI	1	954.10	\$614.00	\$614	
Mix 30	2 BR - 1.5 Bath	60% AMI	1	955.50	\$614.00	\$614	
Mix 31	2 BR - 1.5 Bath	60% AMI	1	963.40	\$614.00	\$614	
Mix 32	2 BR - 1.5 Bath	60% AMI	1	973.60	\$614.00	\$614	
Mix 33	2 BR - 1.5 Bath	60% AMI	1	1	978.00	\$614.00	\$614
Mix 34	2 BR - 1.5 Bath	60% AMI	1	1006.90	\$614.00	\$614	
Mix 35	2 BR - 1.5 Bath	60% AMI	1	1011.70	\$614.00	\$614	
Mix 36	2 BR - 1.5 Bath	60% AMI	1	1021.70	\$614.00	\$614	
Mix 37	3 BR - 2 Bath	40% AMI	1	1059.50	\$549.00	\$549	
Mix 38	3 BR - 2 Bath	40% AMI	1	1102.50	\$549.00	\$549	
Mix 39	3 BR - 2 Bath	50% AMI	1	1104.30	\$679.00	\$679	
Mix 40	3 BR - 2 Bath	50% AMI	1	1132.70	\$679.00	\$679	
Mix 41	3 BR - 2 Bath	50% AMI	1	1135.30	\$679.00	\$679	
Mix 42	3 BR - 2 Bath	50% AMI	1	1148.60	\$679.00	\$679	
Mix 43	3 BR - 2 Bath	50% AMI	1	1176.20	\$679.00	\$679	
Mix 44	3 BR - 2 Bath	60% AMI	1	1	1248.40	\$710.00	\$710
Mix 45	3 BR - 2 Bath	60% AMI	1	1259.00	\$710.00	\$710	
Mix 46	3 BR - 2 Bath	60% AMI	1	1285.30	\$710.00	\$710	
Mix 47	3 BR - 2 Bath	60% AMI	1	1346.30	\$710.00	\$710	
Mix 48	3 BR - 2 Bath	60% AMI	1	1	1372.30	\$710.00	\$710
Mix 49	3 BR - 2 Bath	60% AMI	1	1377.90	\$710.00	\$710	
Mix 50	3 BR - 2 Bath	60% AMI	1	1391.00	\$710.00	\$710	
Mix 51	3 BR - 2 Bath	60% AMI	1	1487.00	\$710.00	\$710	
Mix 52						\$0	
Mix 53						\$0	
Mix 54						\$0	
Mix 55						\$0	
Mix 56						\$0	
Mix 57						\$0	
Mix 58						\$0	
Mix 59						\$0	
Mix 60						\$0	
Mix 61						\$0	
Mix 62						\$0	
Mix 63						\$0	
Mix 64						\$0	
Mix 65						\$0	
Mix 66						\$0	
Mix 67						\$0	
Mix 68						\$0	
Mix 69						\$0	

L. UNIT DETAILS

Mix 70									\$0
Mix 71									\$0
Mix 72									\$0
Mix 73									\$0
Mix 74									\$0
Mix 75									\$0
Mix 76									\$0
Mix 77									\$0
Mix 78									\$0
Mix 79									\$0
Mix 80									\$0
Mix 81									\$0
Mix 82									\$0
Mix 83									\$0
Mix 84									\$0
Mix 85									\$0
Mix 86									\$0
Mix 87									\$0
Mix 88									\$0
Mix 89									\$0
Mix 90									\$0
Mix 91									\$0
Mix 92									\$0
Mix 93									\$0
Mix 94									\$0
Mix 95									\$0
Mix 96									\$0
Mix 97									\$0
Mix 98									\$0
Mix 99									\$0
Mix 100									\$0
<b>TOTALS</b>			51	6					\$30,664

<b>Total Units</b>	<b>51</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>49,257.60</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>49,257.60</b>

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

**M. OPERATING EXPENSES**

Administrative:	Use Whole Numbers Only!
1. Advertising/Marketing	\$1,500
2. Office Salaries	\$0
3. Office Supplies	\$3,000
4. Office/Model Apartment (type _____)	\$0
5. Management Fee	\$20,744
<u>6.00%</u> of EGI <u>\$406.75</u> Per Unit	
6. Manager Salaries	\$29,120
7. Staff Unit (s) (type _____)	\$0
8. Legal	\$286
9. Auditing	\$4,510
10. Bookkeeping/Accounting Fees	\$2,400
11. Telephone & Answering Service	\$4,800
12. Tax Credit Monitoring Fee	\$1,785
13. Miscellaneous Administrative	\$4,300
<b>Total Administrative</b>	<u>\$72,445</u>
<b>Utilities</b>	
14. Fuel Oil	\$0
15. Electricity	\$18,000
16. Water	\$9,000
17. Gas	\$16,000
18. Sewer	\$0
<b>Total Utility</b>	<u>\$43,000</u>
<b>Operating:</b>	
19. Janitor/Cleaning Payroll	\$5,148
20. Janitor/Cleaning Supplies	\$1,500
21. Janitor/Cleaning Contract	\$0
22. Exterminating	\$3,395
23. Trash Removal	\$4,800
24. Security Payroll/Contract	\$0
25. Grounds Payroll	\$0
26. Grounds Supplies	\$1,500
27. Grounds Contract	\$2,500
28. Maintenance/Repairs Payroll	\$19,604
29. Repairs/Material	\$3,825
30. Repairs Contract	\$6,375
31. Elevator Maintenance/Contract	\$8,630
32. Heating/Cooling Repairs & Maintenance	\$3,000
33. Pool Maintenance/Contract/Staff	\$0
34. Snow Removal	\$500
35. Decorating/Payroll/Contract	\$4,335
36. Decorating Supplies	\$2,168
37. Miscellaneous	\$4,240
<b>Totals Operating &amp; Maintenance</b>	<u>\$71,520</u>

**M. OPERATING EXPENSES**

**Taxes & Insurance**

38. Real Estate Taxes	\$11,467
39. Payroll Taxes	\$7,424
40. Miscellaneous Taxes/Licenses/Permits	\$300
41. Property & Liability Insurance	\$20,000
42. Fidelity Bond	\$70
43. Workman's Compensation	\$1,574
44. Health Insurance & Employee Benefits	\$1,812
45. Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$42,647</b>

**Total Operating Expense** \$229,612

**Total Operating Expenses Per Unit** \$4,502 **C. Total Operating Expenses as % of EGI** 66.43%

**Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)** \$15,300

<b>Total Expenses</b>	<b>\$244,912</b>
-----------------------	------------------

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



**O. PROJECT BUDGET - HARD COSTS**

**Cost/Basis/Maximum Allowable Credit**

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	6,252,209	0	0	6,252,209
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	207,259	0	0	0
e. Structured Parking Garage	0	0	0	0
<b>Total Structure</b>	<b>6,459,468</b>	<b>0</b>	<b>0</b>	<b>6,252,209</b>
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	70,000	0	0	70,000
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	411,000	0	0	411,000
n. Demolition	0	0	0	0
o. Site Work	525,976	0	0	525,976
p. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	<b>1,006,976</b>	<b>0</b>	<b>0</b>	<b>1,006,976</b>
<b>Total Structure and Land</b>	<b>7,466,444</b>	<b>0</b>	<b>0</b>	<b>7,259,185</b>
q. General Requirements	358,712	0	0	358,712
r. Builder's Overhead ( 2.0% Contract)	147,944	0	0	147,944
s. Builder's Profit ( 5.9% Contract)	443,834	0	0	443,834
t. Bonds	54,252	0	0	54,252
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: _____	0	0	0	0
y. Other 2: _____	0	0	0	0
z. Other 3: _____	0	0	0	0
<b>Contractor Costs</b>	<b>\$8,471,186</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,263,927</b>

## O. PROJECT BUDGET - OWNER COSTS

## MUST USE WHOLE NUMBERS ONLY!

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>2. Owner Costs</b>				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$4,235 /Unit)	216,000	0	0	216,000
c. Architecture Supervision Fee \$637 /Unit)	32,500	0	0	32,500
d. Tap Fees	0	0	0	0
e. Environmental	20,000	0	0	20,000
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	27,000	0	0	27,000
h. Appraisal	5,500	0	0	5,500
i. Market Study	7,700	0	0	7,700
j. Site Engineering / Survey	10,000	0	0	10,000
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	60,000	0	0	60,000
n. Construction Interest ( 4.8% for 30 months)	250,000	0	0	187,500
o. Taxes During Construction	12,000	0	0	12,000
p. Insurance During Construction	50,000	0	0	50,000
q. Permanent Loan Fee ( 1.0% )	15,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	20,000	0	0	20,000
u. Accounting	0	0	0	0
v. Title and Recording	35,000	0	0	0
w. Legal Fees for Closing	75,000	0	0	58,750
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	49,440			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	70,000	0	0	70,000
ab. Organization Costs	3,000	0	0	0
ac. Operating Reserve	163,337	0	0	0
ad. Contingency	799,019	0	0	799,019
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

**O. PROJECT BUDGET - OWNER COSTS**

(1) Other* specify: <u>Enviro Contingency</u>	41,100	0	0	41,100
(2) Other* specify: <u>Syndicator Due Diligence</u>	32,500	0	0	0
(3) Other* specify: <u>Rent Up Expenses</u>	25,000	0	0	0
(4) Other* specify: <u>Historic Fees</u>	20,000	0	0	20,000
(5) Other* specify: <u>Tax Opinion</u>	3,000	0	0	0
(6) Other* specify: <u>Const Loan Guaranty</u>	50,000	0	0	0
(7) Other* specify: <u>Rent Up Reserve</u>	15,300	0	0	0
(8) Other* specify: <u>Lender Inspections</u>	13,000	0	0	13,000
(9) Other* specify: <u>Other Designer Fee</u>	10,000	0	0	10,000
(10) Other* specify: <u>Prior Application Fee</u>	1,000	0	0	0
<b>Owner Costs Subtotal (Sum 2A..2{10})</b>	<b>\$2,131,396</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,660,069</b>
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	<b>\$10,602,582</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,923,996</b>
<b>3. Developer's Fees</b> Action: Provide Developer Fee Agreement (Tab A)	1,000,000	0	0	1,000,000
<b>4. Owner's Acquisition Costs</b>				
Land	0			
Existing Improvements	0	0		
Subtotal 4:	\$0	\$0		
<b>5. Total Development Costs</b> Subtotal 1+2+3+4:	<b>\$11,602,582</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,923,996</b>

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

(Provide documentation at Tab E)

          \$0 Land  
          \$0 Building

**Maximum Developer Fee:**

          \$1,278,207

Proposed Development's Cost per Sq Foot

\$109 Meets Limits

Applicable Cost Limit by Square Foot:

\$164

**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"	
			(C) Rehab/ New Construction	(D) "70 % Present Value Credit"
<b>1. Total Development Costs</b>	11,602,582	0	0	10,923,996
<b>2. Reductions in Eligible Basis</b>				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	2,028,523
<b>3. Total Eligible Basis (1 - 2 above)</b>		0	0	8,895,473
<b>4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)</b>				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boasts:</i>			0	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	2,668,642
c. For Green Certification (Eligible Basis x 10%)				0
<b>Total Adjusted Eligible basis</b>			0	11,564,115
<b>5. Applicable Fraction</b>		100.00000%	100.00000%	100.00000%
<b>6. Total Qualified Basis</b> (Eligible Basis x Applicable Fraction)		0	0	11,564,115
<b>7. Applicable Percentage</b> (Beginning with 2016 Allocations, use the standard 9% rate.) (For tax exempt bonds, use the most recently published rates.)		0.00%	9.00%	9.00%
<b>8. Maximum Allowable Credit under IRC §42</b> (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$0	\$0	\$1,040,770
		\$1,040,770 Combined 30% & 70% P. V. Credit		

**Q. SOURCES OF FUNDS**

Action: Provide Documentation for all Funding Sources at Tab T

**1. Construction Financing:** List individually the sources of construction financing, including any such loans financed through grant sources:

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1. First-Citizens Bank			\$8,000,000	Doug Byrom 919-716-7634
2.				
3.				
Total Construction Funding:			\$8,000,000	

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

Source of Funds	Date of Application	Date of Commitment	<i>(Whole Numbers only)</i>		Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
			Amount of Funds	Annual Debt Service Cost			
1. VHDA REACH			\$1,000,000	\$50,269	2.95%	30.00	30.00
2. VHDA Taxable			\$500,000	\$31,299	4.75%	30.00	30.00
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$1,500,000	\$81,568			

**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.	Donation of Land		\$6,102,700
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$6,102,700

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

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

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

Below-Market Loans

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	\$1,000,000
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

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

Grants\*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

**Q. SOURCES OF FUNDS**

---

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

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

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

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

Construction Completion Guaranty - required by Syndicator  
\_\_\_\_\_

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

- a. TRUE 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	<u>\$2,028,523</u>	x Equity \$	<u>\$0.750</u> = <u>\$1,521,012</u>
	Amount of Virginia historic credits	<u>\$2,535,654</u>	x Equity \$	<u>\$0.820</u> = <u>\$2,079,236</u>
b.	Equity that Sponsor will Fund:			
i.	Cash Investment	<u>\$110</u>		
ii.	Contributed Land/Building	<u>\$0</u>		
iii.	Deferred Developer Fee	<u>\$205,024</u>	(Note: Deferred Developer Fee cannot be negative.)	
iv.	Other: _____	<u>\$0</u>		
	<b>ACTION:</b> If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at <b>TAB A</b> .			
	<b>Equity Total</b>	<u>\$205,134</u>		

2. Equity Gap Calculation

a.	Total Development Cost		\$11,602,582
b.	Total of Permanent Funding, Grants and Equity	-	<u>\$5,305,383</u>
c.	Equity Gap		<u>\$6,297,199</u>
d.	Developer Equity	-	<u>\$1,573</u>
e.	Equity gap to be funded with low-income tax credit proceeds		\$6,295,626

3. Syndication Information (If Applicable)

a.	Actual or Anticipated Name of Syndicator:	<u>Red Stone Equity Partners</u>
	Contact Person: <u>Rob Vest</u>	Phone: <u>(704) 200-9500</u>
	Street Address: <u>6000 Fairview Road, Suite 550</u>	
	City: <u>Charlotte</u> ▶ State: _____	Zip: <u>28210</u>
b.	Syndication Equity	
i.	Anticipated Annual Credits	<u>\$692,000.00</u>
ii.	Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	<u>\$0.910</u>
iii.	Percent of ownership entity (e.g., 99% or 99.9%)	<u>99.97500%</u>
iv.	Syndication costs not included in Total Development Costs (e.g., advisory fees)	<u>\$0</u>
v.	Net credit amount anticipated by user of credits	<u>\$691,827</u>
vi.	Total to be paid by anticipated users of credit (e.g., limited partners)	<u>\$6,295,626</u>
c.	Syndication: <u>Private</u>	
d.	Investors: <u>Corporate</u>	

4. Net Syndication Amount

Which will be used to pay for Total Development Costs	<u>\$6,295,626</u>
---	--------------------

5. Net Equity Factor

Must be equal to or greater than 85%	<u>91.0000043363%</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>\$11,602,582</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$5,305,383</u>
3. Equals Equity Gap		<u>\$6,297,199</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>91.0000043363%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$6,919,999</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$692,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,040,770</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$692,000</u>
Credit per LI Units	<u>\$13,568.6275</u>	
Credit per LI Bedroom	<u>\$6,467.2897</u>	
	<b>Combined 30% &amp; 70% PV Credit Requested</b>	<b>\$692,000</b>

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		\$30,664
Plus Other Income Source (list): _____		\$306
Equals Total Monthly Income:		<u>\$30,970</u>
Twelve Months		x12
Equals Annual Gross Potential Income		\$371,640
Less Vacancy Allowance _____ 7.0%		<u>\$26,015</u>
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>		<u><u>\$345,625</u></u>

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

Total Monthly Income for Market Rate Units:		\$0
Plus Other Income Source (list): _____		\$0
Equals Total Monthly Income:		<u>\$0</u>
Twelve Months		x12
Equals Annual Gross Potential Income		\$0
Less Vacancy Allowance _____ 0.0%		<u>\$0</u>
<b>Equals Annual Effective Gross Income (EGI) - Market Rate Units</b>		<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>\$345,625</u>
b. Annual EGI Market Units	<u>\$0</u>
c. Total Effective Gross Income	<u>\$345,625</u>
d. Total Expenses	<u>\$244,912</u>
e. Net Operating Income	<u>\$100,713</u>
f. Total Annual Debt Service	<u>\$81,568</u>
g. Cash Flow Available for Distribution	<u>\$19,145</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	345,625	352,538	359,588	366,780	374,116
Less Oper. Expenses	244,912	252,259	259,827	267,622	275,651
Net Income	100,713	100,278	99,761	99,158	98,465
Less Debt Service	81,568	81,568	81,568	81,568	81,568
Cash Flow	19,145	18,710	18,193	17,590	16,897
Debt Coverage Ratio	1.23	1.23	1.22	1.22	1.21

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	381,598	389,230	397,015	404,955	413,054
Less Oper. Expenses	283,920	292,438	301,211	310,247	319,555
Net Income	97,678	96,792	95,804	94,708	93,499
Less Debt Service	81,568	81,568	81,568	81,568	81,568
Cash Flow	16,110	15,224	14,236	13,140	11,931
Debt Coverage Ratio	1.20	1.19	1.17	1.16	1.15

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	421,315	429,741	438,336	447,103	456,045
Less Oper. Expenses	329,141	339,015	349,186	359,662	370,451
Net Income	92,174	90,726	89,150	87,442	85,594
Less Debt Service	81,568	81,568	81,568	81,568	81,568
Cash Flow	10,606	9,158	7,582	5,874	4,026
Debt Coverage Ratio	1.13	1.11	1.09	1.07	1.05

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



**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: Woodlawn School Apartments, LLC by  
Woodlawn Managing Member, LLC by  
Landmark Asset Services, Inc., Managing Member

By:   
Its: Lisa A. Sari, President  
(Title)

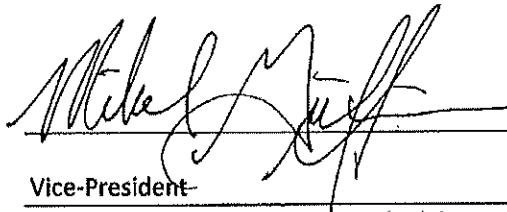
V. STATEMENT OF ARCHITECT

---

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:	<u>Mikel Griffin</u>
Virginia License#:	<u>0401009449</u>
Architecture Firm or Company:	<u>CJMW Architecture</u>

By:  \_\_\_\_\_  
Its: Vice-President \_\_\_\_\_  
(Title)

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





**2020 Low-Income Housing Tax Credit Application For Reservation**

**3. DEVELOPMENT CHARACTERISTICS:**

a. Amenities (See calculations below)			43.00
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	N	0 or 60	0.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	Y	0 or 30	30.00
or d. HUD 504 accessibility for 5% of units	N	0 or 15	0.00
e. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
f. Development will be Green Certified	Y	0 or 10	10.00
g. Units constructed to meet VHDA's Universal Design standards	100%	Up to 15	15.00
h. Developments with less than 100 units	Y	up to 20	19.60
i. Historic Structure	Y	0 or 5	5.00
Total:			<u>132.60</u>

**4. TENANT POPULATION CHARACTERISTICS:**

Locality AMI	State AMI
\$50,500	\$57,400

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	29.41%	Up to 15	15.00
c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	11.76%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	11.76%	Up to 50	0.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	50.98%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.98%	Up to 50	50.00
Total:			<u>90.00</u>

**5. SPONSOR CHARACTERISTICS:**

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

**6. EFFICIENT USE OF RESOURCES:**

a. Credit per unit		Up to 200	48.27
b. Cost per unit		Up to 100	-5.11
Total:			<u>43.16</u>

**7. BONUS POINTS:**

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

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

**TOTAL SCORE:** 465.76

**Amenities:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	25.00
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	4.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	1.00
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>43.00</u>
All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>0.00</u>
<b>Total amenities:</b>		<b><u>43.00</u></b>

X. Development Summary

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

Deal Name: Woodlawn School Apartments

Cycle Type: 9% Tax Credits Requested Credit Amount: \$692,000  
 Allocation Type: Adaptive Reuse Jurisdiction: Carroll County  
 Total Units: 51 Population Target: General  
 Total LI Units: 51  
 Project Gross Sq Ft: 106,718.24 Owner Contact: Lisa Sari  
 Green Certified? TRUE

**Total Score**  
465.76

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$1,500,000	\$29,412	\$14	\$81,568

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$7,466,444	\$146,401	\$70	64.35%
General Req/Overhead/Profit	\$950,490	\$18,637	\$9	8.19%
Other Contract Costs	\$54,252	\$1,064	\$1	0.47%
Owner Costs	\$2,131,396	\$41,792	\$20	18.37%
Acquisition	\$0	\$0	\$0	0.00%
Developer Fee	\$1,000,000	\$19,608	\$9	8.62%
<b>Total Uses</b>	<b>\$11,602,582</b>	<b>\$227,502</b>		

Total Development Costs	
Total Improvements	\$10,602,582
Land Acquisition	\$0
Developer Fee	\$1,000,000
<b>Total Development Costs</b>	<b>\$11,602,582</b>

Income		
Gross Potential Income - LI Units		\$371,640
Gross Potential Income - Mkt Units		\$0
Subtotal		\$371,640
Less Vacancy %	7.00%	\$26,015
<b>Effective Gross Income</b>		<b>\$345,625</b>

Proposed Cost Limit/Sq Ft: \$109  
 Applicable Cost Limit/Sq Ft: \$164

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	10
# of 2BR	26
# of 3BR	15
# of 4+ BR	0
<b>Total Units</b>	<b>51</b>

Rental Assistance? FALSE

Expenses		
Category	Total	Per Unit
Administrative	\$72,445	\$1,420
Utilities	\$43,000	\$843
Operating & Maintenance	\$71,520	\$1,402
Taxes & Insurance	\$42,647	\$836
<b>Total Operating Expenses</b>	<b>\$229,612</b>	<b>\$4,502</b>
Replacement Reserves	\$15,300	\$300
<b>Total Expenses</b>	<b>\$244,912</b>	<b>\$4,802</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	6	6
50% AMI	0	20
60% AMI	45	25
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$345,625
Total Expenses	\$244,912
<b>Net Income</b>	<b>\$100,713</b>
Debt Service	\$81,568
<b>Debt Coverage Ratio (YR1):</b>	<b>1.23</b>

Income Averaging? FALSE

Extended Use Restriction? 30

2020 Low-Income Housing Tax Credit Application For Reservation

\$/SF = \$134.50

Credits/SF = 8.286739

Const \$/unit = \$166,101.6863

TYPE OF PROJECT  
LOCATION  
TYPE OF CONSTRUCTION

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

11000
600
2

\*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	1,380.63	1,576.96	1,913.31	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	10	26	15	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	157,770	210,360	247,173	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	157,770	210,360	247,173	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	157,770	210,360	247,173	0	0	0	0
PROJECT COST PER UNIT	0	185,700	212,107	257,347	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	13,466	17,955	21,097	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	13,466	17,955	21,097	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	13,466	17,955	21,097	0	0	0	0
PROJECT CREDIT PER UNIT	0	11,441	13,068	15,855	0	0	0	0
COST PER UNIT POINTS	0.00	-3.47	-0.42	-1.21	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	5.90	27.75	14.62	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS

-5.11

TOTAL CREDIT PER UNIT POINTS

48.27

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
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 BR-TH
Standard Parameter - low rise	0	157,770	210,360	247,173	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	157,770	210,360	247,173	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	13,466	17,955	21,097	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	13,466	17,955	21,097	0	0	0	0

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

Cost Parameters - Elderly

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

Credit Parameters - Elderly

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

Cost Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	157,770	210,360	247,173	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	157,770	210,360	247,173	0	0	0	0

Credit Parameters - General

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	13,466	17,955	21,097	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	13,466	17,955	21,097	0	0	0	0



R-TH  
)  
)  
)  
)  
)  
)

L-TH  
)  
)  
)  
)  
)  
)

L-TH  
)  
)  
)  
)  
)  
)

L-TH  
)  
)  
)  
)  
)  
)

2020 Low-Income Housing Tax Credit Application For Reservation

\$/SF = \$134.50 Credits/SF = 8.286739 Const \$/unit = \$166,101.69

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

11000
600
2

\*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
AVG UNIT SIZE	0.00	1,380.63	1,576.96	1,913.31	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	10	26	15	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	157,770	210,360	247,173	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	157,770	210,360	247,173	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	157,770	210,360	247,173	0	0	0	0
PROJECT COST PER UNIT	0	185,700	212,107	257,347	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	13,466	17,955	21,097	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	13,466	17,955	21,097	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	13,466	17,955	21,097	0	0	0	0
PROJECT CREDIT PER UNIT	0	11,441	13,068	15,855	0	0	0	0
COST PER UNIT POINTS	0.00	-3.47	-0.42	-1.21	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	5.90	27.75	14.62	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS -5.11

TOTAL CREDIT PER UNIT POINTS 48.27



**Cost Parameters - Elderly**

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

**Credit Parameters - Elderly**

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

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Parameter - low rise	0	157,770	210,360	247,173	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>157,770</b>	<b>210,360</b>	<b>247,173</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	13,466	17,955	21,097	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>13,466</b>	<b>17,955</b>	<b>21,097</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

**Cost Parameters - Elderly**

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

**Credit Parameters - Elderly**

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

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	157,770	210,360	247,173	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>157,770</b>	<b>210,360</b>	<b>247,173</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	13,466	17,955	21,097	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>13,466</b>	<b>17,955</b>	<b>21,097</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

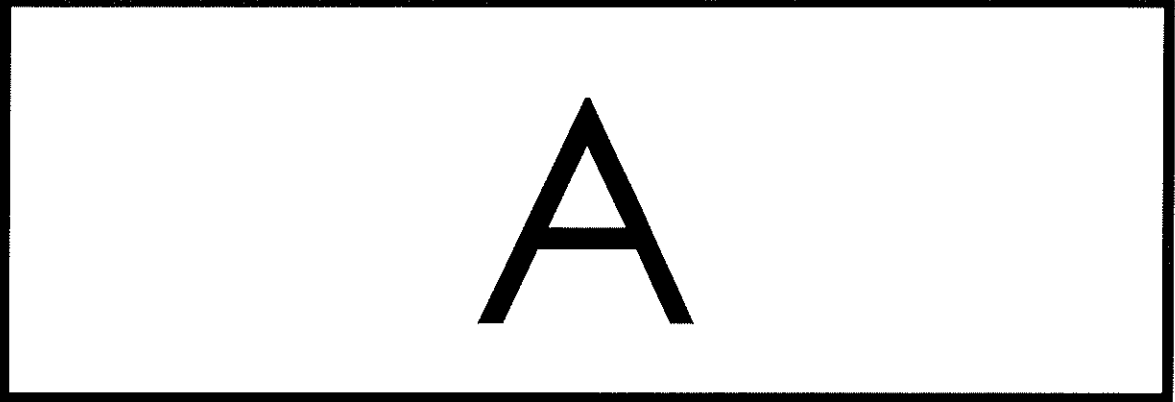


R-TH  
)  
)  
)  
)  
)

L-TH  
)  
)  
)  
)  
)

L-TH  
)  
)  
)  
)  
)

L-TH  
)  
)  
)  
)  
)



A

# Partnership or Operating Agreement

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

AMENDED AND RESTATED OPERATING AGREEMENT  
OF  
WOODLAWN SCHOOL APARTMENTS, LLC

This AMENDED AND RESTATED OPERATING AGREEMENT (“Agreement”) is entered into and shall be effective as of the 30<sup>th</sup> day of December, 2019, by and among Woodlawn Managing Member, LLC, a North Carolina limited liability company (the “Managing Member”), Helping Overcome Poverty’s Existence, Inc., a Virginia nonprofit corporation (the “Special Member”), Red Stone Equity – 2019 National Fund, L.P., a Delaware limited Membership (the “Investor Member”), and Red Stone Equity Manager, LLC, a Delaware limited liability company (the “Special Investor Member”).

RECITALS

A. WHEREAS, on February 16, 2018, the Articles of Organization for the formation of Woodlawn School Apartments, LLC (the “Company”) were filed with the Secretary of State of the State of North Carolina, and thereby came into existence pursuant to the provisions of the North Carolina Limited Liability Company Act (the “Act”). Concurrently therewith or subsequently thereafter, Landmark Asset Services, Inc., a North Carolina corporation (“Landmark”) and the Special Member entered into an Operating Agreement of the Company (the “Original Agreement”);

B. WHEREAS, on February 23, 2018, the Certificate of Registration to Transact Business in Virginia for the Company to do business in the State of Virginia was filed with the State Corporation Commission of the Commonwealth of Virginia;

C. WHEREAS, on or about October 3, 2019, Landmark assigned its membership interest in the Company to the Managing Member;

D. WHEREAS, the Special Member, Managing Member, Investor Member and Special Investor Member wish to continue the Company pursuant to the Act and further desire to amend and restate the terms governing the Company in accordance with the terms hereof;

NOW, THEREFORE, in consideration of the foregoing, of mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereby agree to continue the Company pursuant to the Act, as set forth in this Amended and Restated Operating Agreement of the Company, which reads in its entirety as follows:

ARTICLE I  
THE COMPANY

- 1.1 Admission of Investor Member and Special Investor Member. Red Stone Equity – 2019 National Fund, L.P., a Delaware limited Membership, is hereby admitted as the Investor Member of the Company. Red Stone Equity Manager, LLC, a Delaware limited liability company, is hereby admitted as a Special Investor Member of the Company. The Investor Member, Special Investor Member and Special Member are the sole non-managing members of the Company.
- 1.2 Intentionally Deleted.
- 1.3 Continuation. The Members hereby agree to continue the Company pursuant to the provisions of the Act and upon the terms and conditions set forth in this Agreement.
- 1.4 Company Name. The name of the Company shall continue to be Woodlawn School Apartments, LLC, and all business of the Company shall be conducted in such name. The Company shall hold all of its property in the name of the Company and not in the name of any Member.
- 1.5 Purpose. The purpose of the Company is to acquire, improve, develop, rehabilitate, lease, operate, finance and manage 51 units of housing for rental to low-income or very-low-income persons or families on certain real property located in Woodlawn, Virginia (such real property or any substitution thereof made with the Consent of Investor Member shall be referred to as the “Project”). The Company shall engage in any and all activities related or incidental to the Project, and shall engage in no other business.
- 1.6 Principal Place of Business. The principal place of business of the Company shall be at 406 E. Fourth Street, Winston-Salem, NC 27101. The principal place of business of the Company shall not be changed except upon the Consent of the Members.
- 1.7 Term. The term of the Company commenced as of the date of the filing of the Articles of Organization with the Secretary of State of the State of Formation and shall continue until the winding up and liquidation of the Company and its business is completed following a Liquidating Event, as provided in Article IX hereof.
- 1.8 Independent Activities.
- (a) Except as otherwise provided in this Agreement, each Member and the members, stockholders, officers and directors of each Member may, notwithstanding this Agreement, directly or indirectly, independently or with others, engage in or possess any interest in whatever activities it or they may choose, whether the same or competitive with the Company or otherwise, without having or incurring any obligation to offer any interest in or opportunity with respect to such activities to the Company or any Member or to account in any way to any such Person.
  - (b) Managing Member as Single Purpose Entity. The Managing Member shall engage in no other business or activity other than that of being the Managing Member of

the Company. The Managing Member was formed exclusively for the purpose of acting as the Managing Member of the Company and has never engaged in any other activity, business or endeavor. As of the date of this Agreement, the Managing Member has no liabilities or indebtedness other than its liability for the debts of the Company, and the Managing Member shall not incur any indebtedness other than its liability for the debts of the Company. The Managing Member has been adequately capitalized for the purposes of conducting its business and will not make distributions at a time when it would have unreasonably small capital for the continued conduct of its business.

- (c) The Members hereby acknowledge that Red Stone Equity Members, LLC (“RSEP”), has entered into a certain Binding Commitment Letter dated October 31, 2018 addressed to Landmark (the “**Binding Commitment Letter**”), pursuant to which the Investor Member, as RSEP’s designee has an exclusive right to invest in the Project (subject to the right of a State historic tax credit investor to invest in the Project). The Managing Member, for itself and on behalf of the Company, hereby agrees to be bound by the Binding Commitment Letter and the rights given to the Investor Member, as RSEP’s designee. A copy of the Binding Commitment Letter is attached hereto as Exhibit “B”. Neither the Managing Member nor anyone acting on its behalf or at its direction shall sell, assign, encumber or otherwise transfer any right, title or interest in or with respect to the Project or the Federal Tax Credits without the prior written consent of Investor Member. Further, neither the Managing Member nor anyone on its behalf shall communicate, solicit bids, negotiate or enter into any contracts, agreements or other understandings with any syndicators, brokers or investors with respect to investments in the Federal Tax Credits. The Company shall proceed to carry out the Binding Commitment Letter through a Second Amended and Restated Operating Agreement, which the parties hereto agree to use reasonable, timely and good faith efforts to negotiate upon substantially the same terms as are set forth in RSEP’s standard form of Operating Agreement, a copy of which has been provided to the Managing Member, with such changes thereto as may be required to conform to the Binding Commitment Letter. The Parties hereto shall execute the Second Amended and Restated Operating Agreement on or before December 31, 2020, or such later date as to which the Investor Member Consents (the “Closing Date”).

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

“Act” means the Limited Liability Company Act of North Carolina, as amended from time to time (or any corresponding provisions of succeeding law).

“Adjusted Capital Account Deficit” means with respect to any Investor Member, the deficit balance, if any, in such Investor Member'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 Member 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 1704-2(g)(1) and 1704-2(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.

"Affiliate" means any Person that directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with a designated Person, as the context may require. "Control" shall mean (a) ownership or control of ten percent (10%) or more of the shares entitled to vote for the election of directors in the case of a corporation and ten percent (10%) or more of the beneficial interests in the case of a legal entity other than a corporation, (b) boards of directors that overlap by fifty percent (50%) or more of their directors, or (c) control of a majority of the directors in the case of a corporation.

"Agreement" or "Operating Agreement" means this Amended and Restated Operating Agreement, 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 Member in accordance with the following provisions:

(i) To such Member's Capital Account there shall be credited such Member's Capital Contributions, such Member'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 Company liabilities assumed by such Member or which are secured by any Property distributed to such Member.

(ii) To such Member's Capital Account there shall be debited the amount of cash and the fair market value of any property distributed to such Member (net of any liabilities secured by such property) pursuant to any provision of this Agreement, such Member'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 Member assumed by the Company or which are secured by any property contributed by such Member to the Company.



(iii) In the event all or a portion of an interest in the Company 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 Member, the amount of money and the fair market value, as determined by the Members, of any property other than money contributed to the Company with respect to the interest in the Company held by such Member.

"Closing Date" has the meaning set forth in Section 1.8.

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

"Company" means Woodlawn School Apartments, LLC, a North Carolina limited liability company, authorized to do business in the Commonwealth of Virginia.

"Consent" means the prior written consent or approval of the Investor Member and/or any other Person, as the context may require, to do the act or thing for which the consent is solicited, provided that the Investor Member may designate the Special Investor Member as the party to determine if any Consent is to be given or withheld.

"Consent of the Members" means the agreement of or a determination by the Members requiring the unanimous written consent of all Members.

"Federal Tax Credits" means, collectively, (i) the low-income housing tax credits allowed for low-income housing projects pursuant to Section 42 of the Internal Revenue Code, and (ii) the historic rehabilitation tax credits allowed for the rehabilitation of historic buildings pursuant to Section 47 of the Internal Revenue Code.

"Interest" or "Company Interest" means the ownership interest of a Member in the Company at any particular time, including the right of such Member to any and all benefits to which such Member may be entitled as provided in this Agreement and in the Act, together with

the obligations of such Member to comply with all the terms and provisions of this Agreement and of said Act.

“Investor Member” means Red Stone Equity - 2019 National Fund, L.P., a Delaware limited partnership, or its assigns.

“Land” means the tract of land currently owned or to be owned by the Company upon which the Project will be located, as more particularly described on Exhibit “C” attached hereto.

“Managing Member” means Woodlawn Managing Member, LLC, a North Carolina limited liability company qualified to do business in the Commonwealth of Virginia.

“Member” means the Managing Member, Investor Member, Special Investor Member or Special Member.

“Percentage Interest” means the percentage set forth for the Members on Exhibit “A”.

“Person” means any individual, partnership, investment fund, corporation, trust, limited liability company, limited partnership or other entity.

“Property” means all real and personal property acquired by the Company 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).

“Special Member” means Helping Overcome Poverty’s Existence, Inc., a Virginia nonprofit corporation.

“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 II  
MEMBERS' CAPITAL CONTRIBUTIONS; REPRESENTATIONS  
AND WARRANTIES

2.1 Members. The names, addresses, Capital Contributions, and Percentage Interests of the Members are set forth on Exhibit “A” attached hereto.

2.2 Representations and Warranties. As of the date hereof, the Managing Member hereby represents, warrants and covenants to Investor Member, the Company and to the Members:

- a. Due Authorizations, Execution and Delivery. The execution and delivery of this Agreement by the Managing Member and the performance by the Managing Member of the transactions contemplated hereby have been duly authorized by all requisite actions or proceedings. The Managing Member is duly organized, validly existing and in good standing under the laws of the State of North Carolina and duly qualified to do business in the Commonwealth of Virginia (the "Project State") with power to enter into this Agreement and to consummate the transactions contemplated hereby.
- b. Valid Company; Power of Authority. The Company is and will continue to be a valid limited liability company, duly organized under the laws of the State of North Carolina and authorized to transact business in the Project State, and shall have and shall continue to have full power and authority to acquire the Land and to develop the Project. The Company at all times will be operated in accordance with the provisions of the Act, any other applicable state statutes relating to limited liability companies, and this Agreement. The Company has claimed and will always claim to be a partnership for federal income tax purposes.
- c. No Defaults. The Managing Member is not aware of (i) any default or any circumstances which, with the giving of notice or the passage of time, would constitute a default, under any operating agreement, contract, lease, loan, or other commitment, or (ii) of any claim, demand, litigation, proceedings or governmental investigation pending or threatened against the Managing Member, the Project or the Company, or related to the business or assets of the Managing Member, Project or Company, which claim, demand, litigation, proceeding or governmental investigation could result in any judgment, order, decree, or settlement which would materially and adversely affect the business or assets of the Managing Member, Project or Company.
- d. No Violation. The execution of this Agreement, the incurrence of the obligations set forth in this Agreement, and the consummation of the transactions contemplated by this Agreement do not violate any agreement, indenture, provision of law, or court order, judgment or decree binding on the Company, the Managing Member, and/or any Affiliate(s) thereof, and will not result in a breach of or constitute a default under any such agreement, indenture or other instrument or result in creating or imposing any lien, charge, or encumbrance of any nature whatsoever upon the Land or Project.
- e. Low-Income Housing Tax Credit Reservation; Carryover Allocation Agreement. The Company submitted an application for Federal Tax Credits for the Project to the Virginia Housing Development Authority (the "State Agency") on or about March 15, 2018. The State Agency issued the Company a reservation of Federal Tax Credits in the amount of \$635,000 on July 13, 2018. The Company subsequently entered into a carryover allocation agreement for the Project with the

State Agency on December 17, 2018 in the amount of \$635,000 of Federal Tax Credits. Subsequently, the Company sought approval from the State Agency to return the 2018 allocation of Federal Tax Credits in exchange for a 2019 allocation. The Company subsequently entered into another carryover allocation agreement for the Project on December 6, 2019 in the amount of \$635,000. Copies of the reservation letter and carryover allocation agreement are attached hereto as Exhibits D and E. The Project will be developed and operated in a manner which is consistent with all of the representations made by the Managing Member, Project developer or sponsor, and/or Company in the foregoing application, reservation and carryover allocation agreement.

- f. Title to Property. The Members hereby acknowledge that Landmark entered into that certain Donation Agreement dated March 15, 2018 (the "Donation Agreement") with The Industrial Development Authority of Carroll County, Virginia (the "Authority"), whereby the Authority agreed to donate the Property to Landmark, so long as Landmark develops the Property into affordable housing, provided certain preconditions are met, and leases back the gymnasium portion on the Property back to the Authority for recreational use for no less than a 30-year term. On March 16, 2018 Landmark assigned the Donation Agreement to the Company. By the Closing Date, the Company shall acquire good and marketable title to the Property on terms acceptable to the Investor Member, and subject only to permitted exceptions thereto to which the Investor Member has given its Consent. The Investor Member's Consent to title exceptions granted at or prior to the execution of this Agreement shall not limit or constitute a waiver of the Investor Member's right to object to any title exception or encumbrance concerning the Property at or prior to the entry of the forthcoming Second Amended and Restated Operating Agreement of the Company.
- g. Good Faith of Managing Member. The Managing Member shall exercise good faith in all activities relating to the conduct of the business of the Company, including the development, operation and maintenance of the Project, and the Managing Member shall take no action with respect to the business and property of the Company which is not reasonably related to the achievement of the purpose of the Company.
- h. No Security Interests or Encumbrances. The Managing Member shall ensure that all of (i) the fixtures, maintenance supplies, tools, equipment and the like now and to be owned by the Company or to be appurtenant to, or to be used in the operation of the Project, as well as (ii) the rents, revenues and profits earned from the operation of the Project, will be free and clear of all security interests and encumbrances except for the loans, mortgages and any additional security agreements executed in connection with the development of the Project, all as approved by the Investor Member.

- i. Insurance. The Managing Member shall cause the Company to obtain and maintain insurance in accordance with the requirements of Exhibit F attached hereto.
- j. The Managing Member has not and shall not perform any duties or assume any obligations relating to the development of the Project. The Managing Member shall be specifically and solely responsible for the following duties:
  - (1) Analyzing the Qualified Allocation Plan (“QAP”) for targeted areas within a state;
  - (2) Identifying potential land sites.
  - (3) Analyzing the demographics of potential sites.
  - (4) Analyzing a site’s economy and forecast future growth potential.
  - (5) Determining the site’s zoning status and possible rezoning actions.
  - (6) Contacting local government officials concerning access to utilities, public transportation, impact fees and local ordinances.
  - (7) Performing environmental tests on selected sites.
  - (8) Negotiating the purchase of the land upon which the Project is to be located and its related acquisition and permanent loan financing.

The Managing Member agrees that it shall take no action or refrain from action which will be in breach of the representations and agreements contained in its application for Federal Tax Credits or in this Agreement. All of the representations, warranties and covenants contained herein shall survive this Agreement. The Managing Member shall indemnify and hold harmless the Investor Member against a breach of any of the foregoing representations, warranties and covenants and any damage, loss or claim caused thereby, including reasonable attorneys' fees and costs and expenses of litigation and collection.

ARTICLE III  
ALLOCATIONS AND DISTRIBUTIONS

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 Members in accordance with their respective Percentage Interests.

3.2 Losses.

(a) Losses for any fiscal year shall be allocated to the Members 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 Investor Member 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 Managing Member.

### 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 Company or of a Member'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 3.4. To the extent that the tax allocation provisions of this Agreement would not produce the Target Final Balances, the Members 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 Company 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 Managing Member using any permissible method under Code Section 706 and the Regulations thereunder.

(c) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the year.

(d) The Members 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 Company income and loss for income tax purposes.

3.4 Distributions. The net cash proceeds from operations of the Company and all sales and other distributions of Company property for any fiscal year shall be allocated to the Members in accordance with their respective Percentage Interests.

Article IV  
MANAGEMENT

- 4.1 Decisions on Behalf of the Company by the Managing Member. Except as provided elsewhere in this Agreement (including Section 4.2 below), all decisions relating to the Company and the conduct of its business shall be made by the Managing Member and in accordance with any budget or other operating agreements adopted by the Company upon the Consent of the Members.
- 4.2 Restrictions on Authority of the Managing Member. Without the Consent of the Investor Member, the Managing Member shall have no authority from and after the date hereof to:
- (a) do or refrain from doing any act which terminates, cancels, annuls, invalidates, amends, modifies or otherwise affects the reservation and allocation of Federal Tax Credits allocated to the Project;
  - (b) do or refrain from doing any act which terminates, cancels, annuls, invalidates, amends, modifies or otherwise affects any contract or option in favor of the Company to acquire the Property (provided the legal description may be changed by the Managing Member to reflect a non-consequential change in site configuration);
  - (c) sell, transfer, convey or otherwise encumber the Property; or
  - (d) enter into any commitment for construction or permanent loan financing.
- 4.3 Assignment of Project Documents. As a condition to and inducement for the Investor Member's admission to the Company as a member, the Managing Member, and its Affiliates hereby transfer, assign, convey and set over unto the Company all of its respective right, title and interest in and to: (i) all existing or future purchase agreements, service and other contracts with respect to the Project, except the development agreement, management agreement and incentive management fee agreement; (ii) any and all governmental permits, approvals and licenses with respect to the Project; (iii) any and all plats and surveys of the Project; (iv) any and all Federal Tax Credits, reservations, allocations or other rights with respect to the Project; (v) agreements with third party contractors, attorneys, accountants, architects and engineers, and consultants, and (vi) any and all warranties and guaranties relating to the Project.

ARTICLE V  
PROJECT DILIGENCE

- 5.1 Project Diligence. As a condition to the admission of the Investor Member to the Company as a member in the Company, Managing Member shall provide Investor Member with a Phase I Environmental Report for the Project.

Article VI  
BOOKS AND RECORDS

- 6.1 Books and Records. The Company 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 Company and meeting the requirements of the Act. Any Member 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.

Article VII  
AMENDMENTS

- 7.1 Amendments. Amendments and restatements to this Agreement may be proposed by any Member and shall be adopted only upon the Consent of the Members. The Members hereby consent to an amendment and restatement to this Agreement in accordance with the terms set forth in the Binding Commitment Letter.

Article VIII  
TRANSFERS OF INTERESTS

- 8.1 Restriction on Transfers. The Managing Member shall not Transfer all or any portion of its Interest except upon the Consent of the Members. The Investor Member shall have the right to transfer its Interest to an Affiliate without the Consent of the Members, otherwise any other transfer of the Investor Member's Interest shall be subject to the Consent of the Members. For purposes of this Agreement, the Transfer of an interest in either Member which results in a change in the control of such Member, as such control exists as of the date of this Agreement, shall constitute and be deemed a Transfer of an Interest in the Company subject to the foregoing restriction. Any Transferee of an Interest or any portion thereof shall agree to be bound by the terms of this Agreement.

Article IX  
DISSOLUTION AND WINDING UP

- 9.1 Liquidating Events. The Company shall dissolve and commence winding up and liquidating upon the first to occur of any of the following ("Liquidating Events"):
- (a) The Consent of the Members to dissolve, wind up, and liquidate the Company;
  - (b) The happening of any other event that makes it unlawful or impossible to carry on the business of the Company; or
  - (c) The occurrence of any event causing dissolution under the Act.



Article X  
WITHDRAWAL OF INVESTOR MEMBER

10.1 Withdrawal. Subject to Section 10.2 hereof, the Investor Member, in its sole and exclusive discretion, shall have the right to withdraw as a Member of the Company for any of the following reasons:

- (a) Any fraud, gross negligence or intentional misconduct, material breach of fiduciary duty in violation of the covenants, terms and conditions to be performed or observed by the Managing Member hereunder that has a material and adverse effect on the Company or the Investor Member;
- (b) Material breach by the Managing Member of any representations, warranty or covenant set forth in this Agreement;
- (c) (i) The filing by the Managing Member of a voluntary petition under federal or state bankruptcy laws; (ii) a general assignment for the benefit of creditors by the Managing Member; or (iii) the appointment of a receiver or trustee to administer all or any part of the assets of the Managing Member or seizure of such assets or part thereof by a judgment creditor;
- (d) The Tax Credits are returned to or recaptured by the Agency for any reason; or
- (e) The Managing Member fails to negotiate in good faith and execute a final form of Second Amended and Restated Operating Agreement of the Company in accordance with the terms of the Binding Commitment Letter by December 31, 2020.

In the event the Investor Member exercises its right to withdraw as a Member pursuant to the terms hereof, the Special Member shall also withdraw as a Member. Upon withdrawal of the Investor Member and Special Member, the withdrawn Investor Member's Interest and Special Member's Interest in the Company shall automatically terminate, and the withdrawn Investor Member and Special Investor Member shall have no further right, title or interest in this Agreement, the assets of the Company, or fees, income, or other compensation derived hereunder arising after such termination date, and this Agreement shall terminate as to the withdrawn Investor Member and Special Investor Member. In addition, in the event of a default by the Managing Member hereunder, RSEP may, in its discretion, elect to terminate the Binding Commitment Letter.

10.2 Notice of Cure. The Investor Member, prior to exercising its rights under 10.1, shall provide the Managing Member written notice by certified mail of such default. Managing Member shall have thirty (30) days to cure such default from the date of receipt of such notice or if such cure cannot by its nature be completed within such 30-day period, then

such longer period as may reasonably be required, in the judgment of the Investor Member, to effect such cure, not to exceed sixty (60) days.

Article XI  
MISCELLANEOUS

- 11.1 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 registered or certified mail, or by overnight courier, addressed as follows, or to such other address as such Person may from time to time specify by notice to the Members:
- (a) If to the Company, to the Company at the address set forth in Section 1.5 hereof with a copy to each Member; and
  - (b) If to a Member, to the address set forth opposite its 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 by overnight courier, or as of five business 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 Company and the Members.

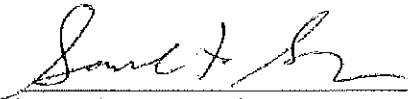
- 11.2 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.
- 11.3 Governing Law. The laws of the State of North Carolina shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Members.
- 11.4 Entire Agreement. This Agreement constitutes the entire agreement and understanding among the Members hereof 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 as of the day first above set forth.

**MANAGING MEMBER:**

WOODLAWN MANAGING MEMBER,  
LLC, a North Carolina limited liability  
company

By: Landmark Asset Services, Inc., a  
North Carolina corporation, its  
managing member

By:   
Samuel J. Sari, Vice President

**INVESTOR MEMBER:**

RED STONE EQUITY - 2019 NATIONAL  
FUND, L.P., a Delaware limited partnership

By: RSEP MM, LLC, a Delaware limited  
liability company, its General Partner

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

**SPECIAL INVESTOR MEMBER:**

Red Stone Equity Manager, LLC, a  
Delaware limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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

**MANAGING MEMBER:**

WOODLAWN MANAGING MEMBER,  
LLC, a North Carolina limited liability  
company

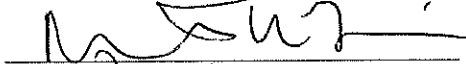
By: Landmark Asset Services, Inc., a  
North Carolina corporation, its  
managing member

By: \_\_\_\_\_  
Samuel J. Sari, Vice President

**INVESTOR MEMBER:**

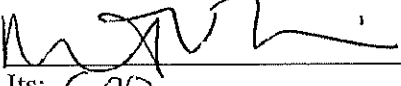
RED STONE EQUITY - 2019 NATIONAL  
FUND, L.P., a Delaware limited partnership

By: RSEP MM, LLC, a Delaware limited  
liability company, its General Partner

By:   
Name: Robert W FEIN  
Title: COO

**SPECIAL INVESTOR MEMBER:**

Red Stone Equity Manager, LLC, a  
Delaware limited liability company

By:   
Its: COO

**SPECIAL MEMBER:**

HELPING OVERCOME POVERTY'S  
EXISTENCE, INC., a Virginia nonprofit  
corporation

By: *Andy Kagle* *Executive Director*  
Name: *Andy Kagle*  
Title: *Executive Director*

EXHIBIT "A"

AMENDED AND RESTATED OPERATING AGREEMENT  
OF  
WOODLAWN SCHOOL APARTMENTS, LLC

<u>Names and Addresses</u>	<u>Members Capital Contributions</u>	<u>Percentage Interests</u>
Managing Member:		
c/o Landmark Asset Services, Inc. 406 E. 4 <sup>th</sup> Street Winston Salem, NC 27101	\$0.01	00.008%
Investor Member:		
Red Stone Equity – 2019 National Fund, L.P. 1100 Superior Avenue, Suite 1640 Cleveland, OH 44114 Attention: General Counsel	\$99.99	99.99%
Special Investor Member:		
Red Stone Equity Manager, LLC, 1100 Superior Avenue, Suite 1640 Cleveland, OH 44114 Attention: General Counsel	\$0.01	00.001%
Special Member:		
Helping Overcome Poverty's Existence, Inc. 680 West Main Street Wytheville, VA 24382	\$0.01	00.001%

EXHIBIT "B"

BINDING COMMITMENT LETTER

# REDSTONE™

EQUITY PARTNERS

October 31, 2018

Mr. Sam Sari  
Landmark Asset Services, Inc.  
406 E. 4<sup>th</sup> Street  
Winston Salem, NC 27101

Re: Woodlawn School Apartments  
Woodlawn, VA

Dear Mr. Sari,

Red Stone Equity Partners, LLC ("Red Stone") is pleased to be given an opportunity to submit a proposal for Woodlawn School Apartments ("Project") located in Woodlawn, Virginia. This letter serves as an outline of the business terms regarding the acquisition of investor member interests a Woodlawn School Apartments, Limited Liability Company, (the "Company") that will own the Project. Red Stone or its designee (the "Investor Member") will acquire a 99.975% Investor Member interest (the "IM Interest") and a 0.001% Special Investor Member Interest (the "SIM Interest") in the Company. The terms of this proposal are subject to ratification and countersignature by Red Stone's investment committee as described below. Furthermore, this proposal is neither an expressed nor implied commitment by Red Stone or any of its affiliates to provide equity financing to the Project. Any such commitment shall only be as set forth in a to-be-negotiated operating agreement and will be subject to, among other things, (i) satisfactory transaction structure and documentation, (ii) satisfactory due diligence, including third party reports and (iii) other standard conditions for transactions of this type as described more fully in Paragraphs 13 and 14 below.

1. **Project Information.** The Company has been formed to acquire, own, develop and operate the Project, which is anticipated to be eligible to claim Low Income Housing Tax Credits ("Housing Credits") under Section 42 of the Internal Revenue Code. The Project will consist of 51 residential units for rent to low-income families. The Project will be located at 745 Woodlawn Road in the City of Woodlawn, within the Commonwealth of Virginia. Within the Project, all of the units are expected to be Housing Credit compliant, with no additional units being designated as management units. The residential unit mix shall conform to set-asides as required by the Virginia Housing Development Authority. The means for such conformance shall be reviewed by and be acceptable to Red Stone.

6000 Fairview Road, Suite 550, Charlotte, NC 28210  
TEL: 704-200-9500 WEB: [www.rsequity.com](http://www.rsequity.com)

Boston • Charlotte • Chicago • Cleveland • Los Angeles • New York • San Diego



Unit Type	Number of Units	Income Restrictions
1 BR	10	2 - 40% AMI 4 - 50% AMI 4 - 60% AMI
2 BR	26	2 - 40% AMI 11 - 50% AMI 13 - 60% AMI
3 BR	15	2 - 40% AMI 5 - 50% AMI 8 - 60% AMI

The construction and lease-up schedule expected for the Project, and upon which the credit pricing and deal terms are contemplated herein, are as follows:

Closing Date	April 1, 2019
Completion Date	May 1, 2020
First Unit Leased	May 1, 2020
Last Unit Leased	August 31, 2020
Stabilized Operations	April 1, 2021

2. **Project Ownership.** A to-be-formed entity (the "Managing Member") controlled by Landmark Asset Services, Inc. ("LAS") will be a taxable, single purpose, bankruptcy remote entity with a 0.009% ownership interest in the Company. Any change in the ownership of the Managing Member shall be subject to Red Stone's consent. The anticipated ownership structure and other key Project participants are set forth below.

Entity	Name	Ownership Interest
Managing Member	A to-be-formed entity	0.009%
Investor Member	RSEP Holding, LLC, or its designee	99.975%
Special Investor Member	Red Stone Equity Manager, LLC, or its designee	0.001%
State HTC Investor	Foss & Company	0.015%
Developer	Archetypes, LLC	
Guarantors <sup>1</sup>	LAS and Archetypes, LLC	
General Contractor	TBD	
Property Manager	Landmark Property Management Partnership	

<sup>1</sup> The Guarantors will guarantee certain of the Managing Member's obligations set forth in Paragraph 7 herein, will do so on a joint and several basis, and will be subject to the review and approval of Red Stone.

3. **Tax Credits.** The Project has received an allocation of 9% Housing Credits from the Virginia Housing Development Authority (the "Agency") for the year 2018 in an annual amount of \$635,000. The total Housing Credits anticipated to be delivered to the Company is \$6,350,000 (the "Projected Federal LIHTC"). Additionally, the Project has been listed as a historic building in the National Register of Historic Places or is located in a registered historic district and is certified as being of historic significance to the district and expects to undertake a certified rehabilitation that will enable the Company to claim federal historic rehabilitation credits (the "Historic Credits") of \$1,757,412 (the "Projected Federal HTC" ), which is based on the Project incurring qualified rehabilitation expenditures of \$8,787,060 with respect to such building.

The following schedule sets forth the assumed delivery of the Projected Federal LIHTC and Projected Federal HTC.

Year	Housing Credits	Historic Credits
2020	\$466,013	\$351,482
2021	\$635,000	\$351,482
2022	\$635,000	\$351,482
2023	\$635,000	\$351,482
2024	\$635,000	\$351,482
2025	\$635,000	
2026	\$635,000	
2027	\$635,000	
2028	\$635,000	
2029	\$635,000	
2030	\$168,987	

Any decision to delay the commencement date of the Housing Credit period beyond 2020 is subject to Red Stone's consent. In addition, any decision to commence the Housing Credit period prior to June 2020 is subject to Red Stone's consent.

4. **Capital Contribution.** Red Stone will acquire its Investor Member Interest in the Company for a total capital contribution of \$7,094,784 subject to adjustment in Paragraph 5 below, and subject to tax reform. This capital contribution is based on the following pricing:

Credit Type	Total amount	IM amount	Pricing Factor	Equity
Projected Federal LIHTC	\$6,350,000	\$6,348,412	\$0.91	\$5,777,055
Projected Federal HTC	\$1,757,412	\$1,756,972	\$0.75	\$1,317,729
			<i>Total</i>	\$7,094,784

The State Historic Tax Credit are anticipated to be purchased by an entity of Foss & Company, subject to Red Stone's review and approval. The Developer has estimated receiving a price of \$0.82, which would result in total State Historic Tax credit equity of \$1,801,346. It is anticipated that Foss & Company will take any income effect in association with the State Historic tax credits. Additionally, an initial installment of State Historic tax credit equity is anticipated at closing, the amount of which is subject to Red Stone's approval.

The above pricing assumes 100% of residential depreciation being taken over 30 years; 100% of depreciation on site improvements being taken over 15 year; and 100% of depreciation on personal property being taken over 5 year. The allocation of the depreciable line items is subject to Red Stone's review and approval.

Red Stone will fund its capital contribution pursuant to the following schedule:

- A. 15% (\$1,064,218) shall be paid upon the later of (a) the execution of the Operating Agreement, (b) receipt and approval of all due diligence items on Red Stone's due diligence checklist, (c) receipt by the Company of commitment for a non-recourse permanent loan acceptable to Red Stone, (d) receipt of commitments of the additional financing sources described in Paragraph 11, and (e) closing and initial funding of the construction loan and the soft loans.
- B. 15% (\$1,064,218) shall be paid upon the later of (a) satisfaction of the funding conditions described in (A) above, (b) achievement of 50% construction completion as certified by the Project architect and as verified by Red Stone, and (c) January 1, 2020.
- C. 20% (\$1,418,957) upon the later of (a) satisfaction of the funding conditions described in (B) above, (b) receipt of temporary certificates of occupancy, (c) receipt of an architect's certificate of lien-free substantial completion, and (d) July 1, 2020.
- D. 45% (\$3,192,653) upon the later of (a) satisfaction of the funding conditions described in (C) above, (b) receipt of permanent certificates of occupancy, (c) receipt of the final cost certification from an independent certified public accountant, (d) repayment of the construction loan and funding of the Project's permanent mortgage (or such condition will be met concurrently with the payment of this installment), (e) satisfaction of all funding conditions required for the permanent mortgage, including without limitation, three consecutive months of a 1.15 to 1.00 Debt Service Coverage ratio ("DSC") and 90 days of 90% occupancy, (f) achievement of 100% qualified occupancy, (g) calculations of the preliminary adjusters have been prepared, (h) receipt of Part III Historic Certification from the U.S. Department of Interior, and (i) April 1, 2021.
- E. 5% (\$354,739) upon the later of (a) satisfaction of the funding conditions described in (D) above, (b) receipt of IRS Form 8609s and a recorded extended use agreement, (c)

receipt and review of an acceptable initial tenant file audit, (d) calculations of final adjusters have been prepared, and (e) March 1, 2021.

5. Adjusters.

- A. Increase or Decrease in Housing Credits. In the event that actual Housing Credits as determined by the cost certification and 8609s exceeds Projected Federal LIHTC, Red Stone will pay an additional capital contribution equal to the product of (i) \$0.91 multiplied by (ii) the difference between the actual Federal LIHTC and the Projected Federal LIHTC. In the event that actual Housing Credits as determined by the cost certification and 8609s are less than Projected Federal LIHTC, Red Stone's capital contribution will be reduced by an amount equal to the product of (i) \$0.91 multiplied by (ii) the difference between the Projected Federal LIHTC and the actual Federal LIHTC ("Adjustment Amount"). If the Adjustment Amount exceeds the total of all unfunded capital contributions, then the Managing Member will make a payment (which payment shall be guaranteed by the Guarantors) to the Company equal to the amount of such excess, and the Company will immediately distribute such amount to Red Stone as a return of its capital contribution.
- B. Timing of Housing Credit Delivery. In addition to the Adjustment Amount, Red Stone's capital contribution will be similarly reduced in the event that the actual delivery of Housing Credits is slower than the anticipated schedule set forth in Paragraph 3. The amount (the "Late Delivery Adjustment") of this reduction will equal the product of (i) \$0.65 multiplied by (ii) the difference in the Projected Federal LIHTC and actual Housing Credits for such years are less than the amounts shown in Paragraph 3. Conversely, in the event that the actual delivery of Housing Credits exceeds the anticipated schedule set forth in Paragraph 3, Red Stone will pay an additional capital contribution (the "Early Delivery Adjustment") equal to the product of (i) \$0.55 multiplied by (ii) the difference between actual Housing Credits and the Projected Federal LIHTC. Red Stone will pay such additional capital contribution at the funding of its final capital contribution installment.
- C. Increase or Decrease in Historic Credits. In the event that actual Historic Credits exceeds Projected Federal HTC, Red Stone will pay an additional capital contribution equal to the product of (i) \$0.75 multiplied by (ii) the difference between the actual Federal HTC and the Projected Federal HTC. In the event that actual Historic Credits are less than Projected Federal HTC, Red Stone's capital contribution will be reduced by an amount equal to the product of (i) \$0.75 multiplied by (ii) the difference between the Projected Federal HTC and the actual Federal HTC ("Adjustment Amount"). If the Adjustment Amount exceeds the total of all unfunded capital contributions, then the Managing Member will make a payment (which payment shall be guaranteed by the Guarantors) to the Company equal to the amount of such excess, and the Company will immediately distribute such amount to Red Stone as a return of its capital contribution.

- D. Timing of Historic Credit Delivery. If any portion of the Historic Credits are deferred to a subsequent year than set forth in Paragraph 3 ("Delayed Historic Tax Credits"), the capital contribution shall be reduced by an amount equal to \$0.10 of the Delayed Historic Tax Credits for each year between the year in which the Delayed Historic Tax Credits are received and anticipated year.

Notwithstanding the above, in no event will the net additional Capital Contribution to be paid by Red Stone exceed 7.5% of the total original Capital Contribution amount, and Red Stone will pay such additional Capital Contribution at the funding of its final capital contribution. Such additional Capital Contribution will be used to pay any outstanding fees owed to Red Stone and then will be distributed in accordance with the provisions of Paragraph 10(B), below.

6. Reserves. The Company will fund the following reserves:
- A. Operating Reserve. The Company will fund and maintain an Operating Reserve to be funded from the third Capital Contribution in an amount equal to six months of operating expenses, debt service, and replacement reserves (currently estimated to be \$136,590). Any release of funds from the Operating Reserve will be subject to Red Stone's consent. Pursuant to Paragraph 10(B) and as required by the Agency, the Operating Reserve will be replenished up to an amount equal to six months of operating expenses, debt service, and replacement reserves (the "Minimum Balance") from cash flow to the extent withdrawals are made. No withdrawals may be made from the Operating Reserve until the Maximum ODG Amount (as defined in Paragraph 7(B) below) is funded by the Managing Member, as required pursuant to Paragraph 7(B)(ii) below. Notwithstanding the foregoing, the Managing Member shall be entitled to withdraw funds from the Operating Reserve in excess of the Minimum Balance without Red Stone's consent; provided, however the Managing Member shall provide notification of any such withdrawals. The Operating Reserve shall remain an asset of the Company and shall be subject to distribution at the end of the compliance period in accordance with Paragraph 10(C) below, subject to the approval of any Project lenders.
- B. Replacement Reserve. The Project operating expenses will include the funding of a Replacement Reserve in the amount of \$300 per unit or such other amount specified by the Project lenders increasing by 3% per annum. Any release of funds from the Replacement Reserve will be subject to Red Stone's consent.
7. Guarantees. The Guarantors will guarantee the following obligations of the Managing Member:
- A. Construction Completion Guarantee. The Guarantors shall guarantee the Managing Member's obligation of lien-free completion of the Project in accordance with the plans and specifications approved by Red Stone for the amount set forth in the approved Project development budget. The Construction Completion Guarantee will provide that

the Guarantors shall pay any amount in excess of the approved Project development budget as well as any Project deficiency arising prior to Stabilized Operations (as defined in Paragraph 7(B) below). Payments made under this guaranty will not constitute loans to the Company or capital contributions and no Guarantors will have any right to receive any repayment on account of such payments.

B. Operating Deficit Guarantee. The Guarantors will agree to advance to the Company any amounts required to fund operating deficits arising after the expiration of the Construction Completion Guarantee, if needed, as follows:

(i) The guarantee shall be unlimited until the Project achieves "Stabilized Operations". Stabilized Operations is to be defined as the later to occur of (i) construction loan payoff and conversion to approved non-recourse permanent financing; and (ii) rental income generated from the Project is sufficient to pay all operating expenses of the Project, including, without limitation, all actual or anticipated mandatory debt service; real estate taxes; insurance premiums; management fees; and replacement and operating reserve deposits and maintain a debt service coverage ratio of not less than 1.15 to 1.00 for 6 consecutive months after funding and commencement of amortization of the Project's permanent loan. To the extent applicable, if Project income is insufficient to enable the Project to attain the required debt service coverage necessary for the closing or conversion of all permanent loans, the Guarantors will agree to pay down the construction loan in an amount necessary to allow the Project to cause the closing or conversion of all permanent loans by the conversion date required by the lender(s). Payments made under this guarantee will not constitute loans to the Company or capital contributions and no Guarantors will have any right to receive any repayment on account of such payments.

(ii) Following (i) above, for a period of 48 months following the achievement of Permanent Loan Funding (the "ODG Period"), the amount shall be limited to an amount equal to six months of operating expenses, debt service, and replacement reserves, which is currently estimated to be \$136,590 (the "Maximum ODG Amount"), and will be released provided the Project maintains a minimum of 1.15 to 1.00 debt service coverage ratio over each of the last 4 consecutive quarters of the ODG Period, and the Operating Reserve is funded to the Minimum Balance. Any amounts so advanced will constitute interest-free-loans ("Operating Deficit Loan") repayable out of future available cash flow or out of available proceeds of a sale or refinancing described in Paragraph 10.

C. Repurchase Guarantee. The Guarantors will repurchase Red Stone's interest upon the occurrence of certain events described in the Operating Agreement.

- D. Housing Credit Shortfall and Recapture Guarantee. In addition to the Housing Credit and Timing Adjusters set forth in Paragraph 5, if the actual amount of Housing Credits for any year is less than Projected Federal LIHTC set forth in Paragraph 3, as adjusted by Paragraph 5, the Guarantors will guarantee payment to the Investor Member of an amount equal to the shortfall, or recapture amount, plus all applicable fees, penalties or other costs incurred by the Company and/or Red Stone as a result of such shortfall or recapture. The Guarantors will pay, on an after-tax basis, the Investor Member \$1.00 for each dollar of Housing Credits lost, plus any related interest or penalties. Notwithstanding the foregoing, the Guarantors shall not be responsible for loss or recapture of Housing Credits attributable to changes to the Code after the achievement of Stabilized Operations.
- E. Historic Credit Shortfall and Recapture Guarantee. In addition to the Historic Credit and Timing Adjusters set forth in Paragraph 5, if the actual amount of Historic Credits for any year is less than Projected Federal HTC set forth in Paragraph 3, as adjusted by Paragraph 5, the Guarantors will guarantee payment to the Investor Member of an amount equal to the shortfall, or recapture amount, plus all applicable fees, penalties or other costs incurred by the Company and/or Red Stone as a result of such shortfall or recapture. The Guarantors will pay, on an after-tax basis, the Investor Member \$1.00 for each dollar of Historic Credits lost, plus any related interest or penalties. Notwithstanding the foregoing, the Guarantors shall not be responsible for loss or recapture of Historic Credits attributable to changes to the Code after the achievement of Stabilized Operations.
- F. Environmental Indemnification. The Company and the Guarantors, jointly and severally, shall indemnify and hold harmless the Investor Member from and against all claims, actions, causes of action, damages, costs, liability and expense incurred or suffered based upon a violation of environmental laws, or respecting the presence of environmental hazards.
- G. Guarantors. The Guarantors will guarantee all of the Managing Member's obligations including those set forth above. The Guarantors will maintain minimum liquidity of \$600,000 and a minimum net worth covenants of \$2,000,000. The Guarantors will provide Red Stone with annual financial statements evidencing compliance with the liquidity and net worth covenants above.
8. Construction. The Managing Member will arrange for a fixed or guaranteed maximum price construction contract, which includes a construction contingency of 10% of the total construction contract amount. The Managing Member shall cause lien-free completion to occur and shall provide either a payment and performance bond or letter of credit to secure the contractor's obligations. Red Stone will engage a construction consultant to review plans and specifications and evaluate the construction progress by providing monthly reports to the Company. The cost of the construction consultant shall be borne by the Company. Red Stone agrees to share the construction reports with the construction lender.

9. Fees. The following fees will be paid by the Company for services rendered in organizing, developing and managing the Company and the Project.

A. Developer Fee. The Developer will earn a developer fee of \$1,000,000. The portion of the developer fee that will not be paid out of the Capital Contributions will be deferred and payable by the Company to the Developer as a distribution of net cash flow in accordance with Paragraph 10(B). The deferred amount will accrue interest at the rate of 5.0% per annum, or such other interest rate acceptable to tax counsel, in effect as of the placed-in-service date of the Project. The balance of the developer fee that is not Projected to be permanently deferred ("Cash Development Fee") will be paid out of the Capital Contributions.

Capital Contribution #	Cash Development Fee %
First Capital Contribution	30%
Third Capital Contribution	25%
Fourth Capital Contribution	10%
Fifth Capital Contribution	35%

The deferred amount will be payable out of available cash flow and will mature on the 15th anniversary of the placed-in-service date ("Maturity Date"). If the deferred portion of the developer fee has not been repaid upon the Maturity Date, the Managing Member will be required to advance the Company the amount equal to the unpaid balance of the deferred amount.

- B. Property Management Fee. The property management fee will not exceed a total of 6% of gross collected rents. The appointment of, and terms of the property management agreement, are subject to the prior approval of Red Stone.
- C. Asset Management Fee. The Company will pay Red Stone an annual asset management fee in an amount equal to \$4,000 per annum. The asset management fee will be paid annually and such fee shall accrue beginning on the date of Closing, with the first payment due and payable on or before March 1, 2020, and each anniversary thereafter.
- D. Company Management Fee. The Company will pay the Managing Member an annual company management fee in an amount equal to \$15,000, or such other amount as determined by and acceptable to tax counsel to Red Stone. The company management fee, which shall not be cumulative, will be paid annually commencing upon March 1, 2020.
- E. Incentive Management Fee. \* An Incentive management fee may be payable to the Managing Member on an annual basis in an amount equal to 90% of net cash flow, or such other amount as determined by and acceptable to tax counsel to Red Stone. \*N/A during the 5 year historic recapture period.



10. Distribution of Tax and Cash Benefits.

- A. Tax Benefits. Tax profits, tax losses, and tax credits arising prior to the sale or other disposition of the Project will be allocated 99.975% to the Investor Member, 0.001% to the Special Investor Member, 0.009% to the Managing Member and 0.015% to the State HTC Investor. The Investor Member will have the right in its sole discretion to undertake a limited deficit restoration obligation at any time during the term of the Company.
- B. Net Cash Flow Distributions. Distributions of net cash flow, as defined in the Operating Agreement, but generally all cash receipts less cash expenditures (e.g., payment of debt service and property management fee), will be made as follows:
- (i) to the Investor Member in proportion to any tax liability incurred by such partner;
  - (ii) to the Investor Member, to make any payment of any unpaid tax credit adjuster or any tax credit shortfall or other debts owed to the Investor Member;
  - (iii) to the Investor Member as payment of any unpaid Asset Management Fee;
  - (iv) to replenish the Operating Reserve account to the Minimum Balance;
  - (v) to the payment of any unpaid developer fee, until such fee has been paid in full;
  - (vi) to the Managing Member as payment of any unpaid Company Management Fee;
  - (vii) to the payment of any debts owed to the Managing Member;
  - (viii) 90% to the payment of any incentive management fee, or such other amount as determined by and acceptable to tax counsel; and
  - (ix) the balance, 0.009% to the Managing Member, 0.001% to the Special Investor Member, 99.975% to the Investor Member and 0.015% to the State HTC Investor, or such other amount determined by and acceptable to tax counsel.
- C. Distributions upon Sale or Refinance. Net proceeds resulting from any sale or refinance will be distributed as follows:
- (i) in accordance with subparagraphs 10B(i) through (iii) above;
  - (ii) in accordance with subparagraphs 10B(v) through (vi) above;

- (iii) to the Special Investor Member, 1% of such gross proceeds as a company liquidation fee;
- (iv) the balance, 90.009% to the Managing Member, 9.975% to the Investor Member, 0.015% to the State HTC Investor and 0.001% to the Special Investor Member, or such other amount as determined by and acceptable to tax counsel.

11. **Debt Financing.** As a condition to funding the capital contribution described in Paragraph 4, the Managing Member will deliver the loan commitments described below. The terms of these loans and/or financing sources are subject to Red Stone's consent and all loans will be made directly from the lenders to the Partnership.

A. **Permanent Loan.** The Company expects to receive non-recourse permanent loan commitments in the maximum amounts, and with the terms set forth below:

Name	Hard / Soft Debt	Interest Rate	Term (mos.)	Amort. (mos.)	% of cash flow
VHDA REACH Loan - \$1,000,000	Hard	2.95%	360	360	100%

B. **Construction Loan.** In addition to the permanent financing sources described above, it is expected that the Project will be financed with a first-lien position construction loan in the maximum amount of \$6,900,000 with a 6.00% interest rate and a term of no less than 21 months.

12. **Due Diligence, Opinions and Financial Projections.** The Managing Member will satisfy all of Red Stone's due diligence requirements, including an acceptable local law opinion. The Investor Member's tax counsel will provide the tax opinion. The Company will reimburse the Investor Member an amount equal to \$20,000 toward the costs incurred by the Investor Member in conducting its due diligence review and for the costs and expenses of Red Stone's counsel and in connection with the preparation of the tax opinion, and for the costs of Red Stone's other third party reports. Red Stone may deduct this amount from its first Capital Contribution and such amount will be payable to Red Stone in the event the Managing Member elects not to close the transaction for any reason. The financial Projections to be attached to the Company Agreement and that support the tax opinion will be prepared by Red Stone based on financial Projections provided by the Managing Member. The Managing Member financial Projections will include eligible basis calculations, sources and uses, and cash flow statements.

13. **Company Closing.** Final Company closing will be contingent upon Red Stone's receipt, review and approval in its sole discretion of all due diligence including the items set forth on its due diligence checklist to be delivered to the Managing Member. Final Company closing also is contingent upon (i) a satisfactory site visit conducted by Red Stone to determine overall market

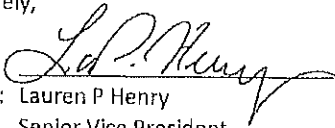
feasibility, including an analysis of proforma rents and expenses, (ii) Red Stone's review and approval of all third party reports, and (iii) final approval of Red Stone's investor. Red Stone's agreement to acquire the IM Interest on the pricing, terms and conditions contained in this letter are further based on the assumption that the Company closing will occur on or before the expected Closing Date. Terms and credit pricing herein shall be valid until the Closing Date.

14. Exclusivity. Upon the execution of this Letter of Intent, the Managing Member agrees to cease its efforts to obtain financing from other sources. This exclusive arrangement shall terminate should Red Stone notify the Managing Member in writing that it does not intend to proceed with this investment any time prior to ratification by the Red Stone investment committee.

[Remainder of page left intentionally blank]

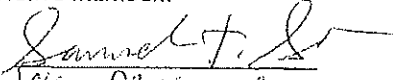
Please confirm your acceptance of the terms described in this letter by signing the enclosed counterpart and returning to us at the address set forth on the first page of this letter. The terms of this letter are not binding until countersigned and accepted by an authorized officer of Red Stone.

Sincerely,

By:   
Name: Lauren P Henry  
Title: Senior Vice President

The undersigned approves and accepts the terms of this letter agreement and agrees to work with Red Stone.

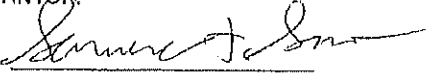
MANAGING MEMBER:

By:   
Its: Vice President  
Date: 11/17/2018

MANAGING MEMBER:

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

GUARANTOR:

By:   
Its: manager  
Date: 11/17/2018

GUARANTOR:

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

Red Stone acknowledges and accepts the above signature of the Managing Member within the terms of this commitment letter. This letter of intent was countersigned by Red Stone on the 19<sup>th</sup> day of Nov, 2018.

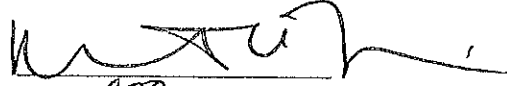
By:   
Title: COO  
Date: 11/19/2018

EXHIBIT "C"

PROPERTY DESCRIPTION

Property containing approximately 6.532 acres consisting of all of the parcel with tax map number 81-A-113 and a portion of the parcel with tax map number 81-A-133.

745 Woodlawn Road, Woodlawn, Virginia

EXHIBIT "D"  
RESERVATION LETTER

**VIRGINIA HOUSING DEVELOPMENT AUTHORITY**  
**CONTRACT TO ENFORCE REPRESENTATIONS**  
**REGARDING LOW-INCOME HOUSING TAX CREDIT DEVELOPMENT**

**THIS CONTRACT**, made this 13<sup>th</sup> day of July, 2018, by and between **WOODLAWN SCHOOL APARTMENTS, LLC** (the "Owner") and the **VIRGINIA HOUSING DEVELOPMENT AUTHORITY** ("VHDA"), hereby recites and provides as follows:

**WITNESSETH:**

WHEREAS, pursuant to § 42 of the Internal Revenue Code of 1986, as amended (the "Code"), the Owner has submitted to VHDA an application (the "Application") for a reservation ("Reservation") of low-income housing tax credits ("Credits") from VHDA's Credit Program to be allocated with respect to the building(s) comprising that certain residential rental housing development known as Woodlawn School Apartments (the "Development"); and

WHEREAS, the Owner has made in its Application (which Application is incorporated herein by reference) certain representations to VHDA upon which VHDA relied in considering the Application for a Reservation of Credits; and

WHEREAS, based upon such representations, VHDA has agreed to reserve for Allocation (as defined in § 42(h) of the Code) to the Owner an aggregate annual amount of \$635,000.00 of Credits with respect to the Development provided that, as a condition precedent to any such Allocation, the Owner must, among other things, enter into this Contract, pursuant to which certain of the representations made by the Owner in its Application and certain other requirements imposed by VHDA shall be enforceable.

NOW THEREFORE, the parties do hereby agree as follows:

1. Representations.

(a) In the case of a building which receives a carryforward allocation of Credits pursuant to § 42(h)(1)(E) of the Code, the Owner shall provide to VHDA at the time it requests from VHDA an IRS Form 8609 for each building in the Development an executed Request for IRS Forms 8609 with respect to the buildings in the Development in the form required by VHDA (which Request form shall be included with the carryforward allocation document issued by VHDA to the Owner) in which the Owner shall, among other things, certify as to the reasonable, ordinary and necessary costs and expenses incurred by the Owner in the construction or rehabilitation and, if applicable, the acquisition of the Development. The Owner shall submit such request in accordance with the carryforward allocation document issued by VHDA to the Owner no later than the earlier of (i) six months after the last building in the Development is placed in service or (ii) April 30, 2021. However, Owner shall notify the Authority by April 30, 2020 in the event owner reasonably anticipates it will not place in service by the applicable deadline. If the Development has not been completed by the deadline for such submission, the Owner shall include in such certification its reasonable estimates of all costs and expenses necessary to complete the Development. All costs and expenses as certified shall be subject to review, adjustment and approval by VHDA.

(b) Not later than the last day of the first year of the Credit Period (as defined in § 42(f) of the Code) for the last building of the Development which is placed in service, (i) the Development shall contain all of the amenities, building materials and energy efficient features, if any, described in the Application, (ii) the Development shall contain not fewer than the number of Low-Income units and bedrooms set forth in the Application and (iii) the percentage of new units (or, as applicable, units adapted for housing from another use) in the Development shall be not less than that specified in the Application.

2. Requests for Information. The Owner shall promptly prepare and deliver to VHDA, in a format acceptable to VHDA, such information as VHDA shall from time to time request with respect to its compliance with the terms hereof.

3. IRS Form 8821. The Owner shall, at the request of the VHDA, execute and deliver to VHDA a valid IRS Form 8821, Tax Information Authorization, naming VHDA as the appointee to receive tax information. The Owner also agrees to provide VHDA with an additional IRS Form 8821 upon the expiration of any previous IRS Form 8821 during the Extended Use Period of the Development.

4. Records and Inspections. The book, contracts, records, documents, plans and other materials relating to compliance with the terms hereof shall at all times be maintained at the Development (or such other place as VHDA shall approve) in reasonable condition for inspection and shall be subject to inspection and copying at any reasonable time by VHDA or its authorized agents. VHDA shall also have the right to enter upon and make inspections of the property and all improvements thereon constituting the Development.

It is understood and agreed that any such inspection by VHDA shall be for the sole benefit and protection of VHDA, and neither the Owner nor any other party shall be entitled to rely upon such inspection or the results therefrom for any purpose whatsoever, including without limitation the assertion of (a) any claim or defense with respect to any failure by the Owner to perform in accordance with the terms of this Contract or (b) any waiver or other modification of the rights of VHDA or the obligations of the Owner hereunder.

5. Event of Default. A violation of any provision of this Contract shall constitute a default hereunder.

6. Enforcement of Terms.

(a) In the event of a violation of the provisions of subsection 1.a hereof, no IRS Forms 8609 shall be issued by VHDA with respect to the applicable buildings of the Development and VHDA shall reclaim the Credits allocated to the Development. VHDA may, however, extend the deadline in subsection 1.a if the Owner can prove to the satisfaction of VHDA that the Development will be placed in service within the time limits required by § 42 of the Code. A fee may be assessed by VHDA in connection with any extension of the deadline in subsection 1.

(b) In the event of a violation of any other provision hereof, VHDA shall have the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the Owner of its obligations hereunder, or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. In the alternative or, in the event of any additional violation of the provisions hereof, VHDA may, at its sole option, require the payment by the Owner of an amount equal to 10% of the Total Development Cost (as set forth in the Application) of the Development as liquidated damages for such violation.



(c) In addition, in all cases of default, the Owner shall be responsible for the payment of any and all costs, fees and expenses paid by VHDA in connection with the enforcement of the terms hereof.

(d) VHDA's election to pursue any one or more of the above remedies shall not be construed to preclude or be a waiver of VHDA's right to pursue any of the other remedies with respect to the violation for which such remedy was pursued or with respect to any other violation prior or subsequent thereto. In addition, any forbearance by VHDA in exercising its rights hereunder shall not constitute a waiver or preclude the exercise of such rights.

7. Severability. The invalidity of any clause, part or provision of this Contract shall not affect the validity of the remaining portions thereof.

8. Amendment. This Contract may not be altered, modified or amended except in writing signed on behalf of the Owner and VHDA.

9. Binding on Successors. This Contract is binding on VHDA, the Owner and any successors in interest to the Owner.

10. Assignment. This Contract may not be assigned by the Owner without the prior consent of VHDA.

11. Governing Law. This Contract shall be governed by the laws of the Commonwealth of Virginia and, as applicable, the laws of the United States of America.

12. Survival of Obligations. The obligations of the Owner as set forth herein shall survive the Allocation and shall not be deemed to merge with or be terminated by the making of such Allocation.

IN WITNESS WHEREOF, the Owner and VHDA have caused this Contract to be signed by their duly authorized representatives as of the day and year first written above.

**VIRGINIA HOUSING DEVELOPMENT AUTHORITY**  
("VHDA")

By: John D. Badruat  
Its: Authorized Officer

**WOODLAWN SCHOOL APARTMENTS, LLC**  
(the "Owner")

By: Samuel J. Savi  
Its: Vice President of Landmark Asset Services, Inc.  
managing member

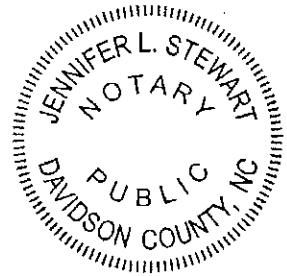
North Carolina  
COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Forsyth, To-Wit:

The foregoing instrument was acknowledged before me this 30 day of July, 2018, by Samuel J. Savi, the Vice President of Landmark Asset Services, Inc., managing member the Owner.

My notary seal is affixed below:

[Signature]  
Notary Public  
My commission expires: 9-11-2021

My notary registration number is: 201625600129



VIRGINIA HOUSING DEVELOPMENT AUTHORITY

RESERVATION OF  
LOW-INCOME HOUSING TAX CREDITS

THIS RESERVATION AGREEMENT made this 13<sup>th</sup> day of July, 2018, by and between WOODLAWN SCHOOL APARTMENTS, LLC (the "Owner") and the VIRGINIA HOUSING DEVELOPMENT AUTHORITY ("VHDA") hereby recites and provides as follows:

WITNESSETH:

WHEREAS, pursuant to §42 of the Internal Revenue Code of 1986, as amended (the "Code"), the Owner has submitted to VHDA an application (the "Application") for a reservation ("Reservation") of low-income housing tax credits ("Credits") from VHDA's 2018 Credit Program to be allocated with respect to the building(s) comprising that certain residential rental housing development known as Woodlawn School Apartments (the "Development"), which buildings are of the type(s) more particularly described in the Application which is incorporated herein by reference; and

WHEREAS, pursuant to Internal Revenue Service ("IRS") Regulation § 1.42-1T(d)(8)(i), VHDA may, prior to allocating Credits to the Owner with respect to the Development, issue to the Owner a binding commitment to make a Credit allocation; and

WHEREAS, according to IRS Notice 89-1, in order for the Owner to be entitled, should it choose to do so, to elect to fix the applicable credit percentage for the buildings of the Development not yet placed in service pursuant to § 42(b)(2)(A)(ii)(I) of the Code, such binding commitment must meet the requirements of IRS Notice 89-1 as a binding agreement; and

WHEREAS, the Owner and VHDA desire that this Reservation Agreement constitute such a binding commitment.

NOW THEREFORE, in consideration of the foregoing premises, the mutual covenants contained herein and other good and valuable consideration, the Owner and VHDA hereby agree as follows:

1. VHDA agrees to reserve for allocation to each building in the Development, as more particularly described in the Application, Credits in the amount set forth with respect to such buildings; provided, however, that such Reservation and allocation ("Allocation") shall in all cases be subject to (a) all of the terms, provisions and limitations hereof (including those in Section 3 hereof relative to the amount of Credits to be allocated), (b) the Owner's timely satisfaction of all of the requirements set forth or referenced herein, (c) all applicable terms, conditions, limitations and requirements of § 42 of the Code, as amended, and any successor provisions, and all applicable regulations, pronouncements, notices and rulings relative thereto as and when issued, and (d) all applicable Rules and Regulations of VHDA governing the reservation and allocation of Credits.

Furthermore, it is VHDA's intention that, to the extent permitted by law, the specific amounts reserved for each building be advisory only, such that the Reservation be made in an aggregate annual amount of \$635,000.00 with respect to the Development as a whole, as contemplated by § 42(h)(1)(F) of the Code.

2. As conditions precedent to the allocation of Credits with respect to the Development, VHDA must receive within the applicable time periods each of the following items in form and substance satisfactory to it (**Failure to meet the deadlines below will result in a fine of \$500 per day or a loss of your reservation for extended delays**):

- a) By July 31, 2018 (except Developments in the Nonprofit Pool and Local Housing Authority Pool), a non-refundable Reservation Fee in an amount equal to 7% of the annual Credit amount being reserved, in the form of a check made payable to VHDA.
- b) By July 31, 2018, this Reservation Agreement fully executed. (You may keep one of the duplicate originals for your files.)
- c) By July 31, 2018, the original, executed Contract to Enforce Representations regarding Low-Income Housing Tax Credit Development (the "Contract") (in the form provided herewith). The terms of this Contract will, to the extent applicable, survive the Allocation of Credits, if any.
- d) By November 1, 2018, unless already provided with the Application, evidence that the Owner has either sole fee simple ownership of the site or holds a lease of such site for a term no shorter than the period represented in the Application during which the Development (or portion thereof with respect to which Credits have been requested) shall be held for occupancy by low income persons.

- e) By November 1, 2018, an original, completed, properly executed, allocation application (package to be sent under separate cover). Such application will be deemed complete (i) when the Owner has updated those sections in which information has CHANGED from that represented in the Reservation Application and (ii) when the Owner has attached thereto satisfactory, executed, original Attorney's Opinion and, for carryforward allocation requests, an Owner's Certification, all in the forms prescribed in the allocation application package.

In such application, the Owner shall, among other things, certify as to the reasonable, ordinary and necessary costs and expenses paid or incurred by the Owner in the construction or rehabilitation and, if applicable, the acquisition of the Development. In addition, if the Development has not been completed by the November 1, 2018, deadline for such application (e.g., if it is a carryforward project or, in the alternative, if it is a regular allocation project which has been placed in service but is still not 100% complete), the Owner shall include in such certification its reasonable estimates of all costs and expenses necessary to complete the Development. However, no increase in the developer's fee established by VHDA in scoring the Reservation Application shall be permitted without the consent of VHDA. All costs and expenses as certified shall be subject to review, adjustment and approval by VHDA.

- f) By November 1, 2018, the original (or the Circuit Court Clerk's certified copy thereof), executed, recorded Extended Use Agreement (in exactly the form provided herewith) and the original recording receipt therefor. Exhibit A (the property's legal description) must be prepared and attached and the Agreement must be executed by the Owner. This must be recorded after the deed conveying title to the property to the Owner identified herein. The terms of the Agreement shall survive the Allocation of Credits, if any. Note that this Agreement governs the use of the Development and imposes certain additional requirements on the Owner and its successors, including requirements relative to the nonprofit.

3. The Owner understands and agrees that, notwithstanding anything herein to the contrary, VHDA is required under § 42 of the Code to determine the amount of Credits necessary for the financial feasibility of the Development (which determination shall include a review of the costs and expenses of the Development for reasonableness) at the time of Allocation and, for projects requesting Carryforward Allocations, again at the time of placement in service of the buildings in the Development and, further, that VHDA is prohibited from allocating to the Development or, as applicable, issuing with respect to the Development an I.R.S. Form 8609 for, any more Credits than the amount so determined to be necessary.

4. No changes material to the Development or to the number of points assigned to the Application in the Reservation selection process may be made to the proposal described in the Application (including costs thereof, sources and uses of funds and information included in the accompanying documentation, such as plans and specifications) without the prior approval of VHDA. Any such change may result in a decrease in or loss of the Reservation of Credits made hereby.

5. Unless otherwise requested in a notice given from the Owner to VHDA pursuant hereto and approved in advance by VHDA, (i) no transfers, directly or indirectly, of all or any portion of the Owner's interest in the Development, once acquired, or of all or any portion of the ownership interests in the Owner (other than limited partnership interests) shall be permitted during the term of this Reservation Agreement and (ii) no entity other than the Owner identified herein and described in the Application shall be entitled to an Allocation of Credits.

6. Failure to strictly and timely comply with each and every provision hereof shall, at the option of VHDA, result in the immediate cancellation by VHDA of the Reservation of Credits. Any forbearance by VHDA in exercising such right of cancellation shall not be a waiver of or preclude the subsequent exercise of such right.

VHDA undertakes no responsibility for notifying the Owner of missing items or unsatisfied conditions prior to the deadlines for their submission or completion imposed hereunder.

7. The Owner expressly agrees that if, at any time, it determines that it will be unable to use all or any portion of the Credits reserved to it, it will promptly so notify VHDA.

8. All notices to be given pursuant to this Reservation Agreement shall be in writing and shall be deemed given when mailed by first class mail, to the parties hereto at the addresses set forth below, or, to such other place as may be designated by notice given hereunder.

To VHDA: Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, Virginia 23220  
Attn: Tax Credit Allocation Department

To the Owner: Woodlawn School Apartments, LLC  
406 E 4th Street  
Winston-Salem, NC 27101  
Attn: Ms. Lisa Sari

9. This Reservation Agreement may not be altered, modified, or amended except in writing, signed on behalf of the Owner and VHDA; provided, however, that the Owner agrees that it shall take all actions necessary to effect amendment of this Reservation Agreement as VHDA may determine to be necessary to comply with § 42 of the Code, as amended, and any successor provisions, and all applicable regulations, notices, pronouncements, rulings and other official communication relative thereto as and when issued.

10. The invalidity of any clause, part or portion of this Reservation Agreement shall not affect the validity of the remaining portions hereof.

11. Subject to the limitation imposed by Section 5 hereof on transfers of ownership interests, this Reservation Agreement is binding on the Owner, VHDA and all successors in interest to the Owner as owners of the Development.

12. This Reservation Agreement is not assignable by the Owner without VHDA's prior consent.

13. This Reservation Agreement is subject to the additional or special conditions set forth in Exhibit A which is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Owner and VHDA have caused this Contract to be signed by their duly authorized representatives as of the day and year first written above.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

Dated: July 13, 2018

By: John D. Badruat  
Its: Authorized Officer  
Agency/Taxpayer I.D. No.: 54-0921892

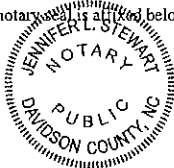
WOODLAWN SCHOOL APARTMENTS, LLC  
(the Owner)

By: Samuel J. Sari  
Its: Vice President of Landmark Asset Services, Inc.  
Managing member

North Carolina  
COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Forsyth, To-Wit:

The foregoing instrument was acknowledged before me this 30 day of July, 2018, by Samuel J. Sari, the Vice President of Landmark Asset Services, Inc., Managing member the Owner.

My notary is attested below:



[Signature]  
Notary Public

My commission expires: 9-11-2021

My notary registration number is: 201625600129

OWNER: IF YOU WISH TO ELECT TO FIX THE APPLICABLE CREDIT PERCENTAGE CONTINUE TO THE NEXT PAGE.

EXHIBIT A  
to  
RESERVATION OF LOW-INCOME HOUSING TAX CREDITS

Special Conditions

1. By November 1, 2018, the Owner shall provide VHDA with a Circuit Court Clerk's certified copy of the recorded option or right of first refusal (as contained in the Owner's application) by and between the Owner and Helping Overcome Poverty's Existence, Inc. and the recording receipt therefor, which shall be recorded immediately after the recording of the Extended Use Agreement.
2. The Credits subject to this Reservation may include a pre-reservation of the 2019 Credits pursuant to VHDA's Plan for Allocation of Low-Income Housing Tax Credits. Final determination of the amount of 2018 Credits and 2019 Credits allocated to the Development will be set forth in a carryforward allocation agreement to be issued in December.

Archetypes, LLC  
13022-VHDA  
Print As: VHDA

Attn: Tax Credit Allocation  
601 S Belvidere St  
Richmond, VA 23220

110274  
BB&T  
ARC005 GO 4781  
Date: 07/27/2018

Date	Bill To	Reference Number	Department ID	Location	Amount Entered	Amount Paid
07/26/2018	1135-205-AR South Hill	Grants: School Reservation of Tax Credits	geh	ARC005	\$44,450.00	\$44,450.00

Woodlawn

THIS CHECK HAS A COLORED BACKGROUND AND CONTAINS MULTIPLE SECURITY FEATURES. SEE BACK FOR DETAILS

**VOID VOID VOID VOID**

Archetypes, LLC  
466 East 4th Street  
Winston Salem, NC 27101

BB&T  
Branch Banking and Trust Company  
Winston-Salem, NC  
66-112/531

110274  
Date: 07/27/2018

Pay To: VHDA  
The Order of VHDA

Memo: geh

\*\*Forty Four Thousand Four Hundred Fifty Dollars\*\*

\$\*\*44,450.00\*\*

VHDA  
Attn: Tax Credit Allocation  
601 S Belvidere St  
Richmond, VA 23220

HEAT SENSITIVE  
RUB AREA TO VERIFY

*Uma A. Sari*

⑆ 110274 ⑆ ⑆ 05310112 ⑆ 0005203704781 ⑆

Woodlawn School Apartments, LLC  
406 E 4<sup>TH</sup> Street  
Winston-Salem, NC 27101

RE: Woodlawn School Apartments Credit Refresh

Dear Ms. Sari:

This correspondence serves as acknowledgement regarding your request to return the current Low Income Housing Tax Credits for Woodlawn School Apartments in exchange for a current allocation.

While IRC Section 42(h)(3)(C)(iv) provides an administrative means of holding the project (and its financing) harmless should the project owner not be able to meet the statutory timeframe of placing the project in service, Virginia further addresses this under Section **13VAC10-180-70 (Allocation of credits)** in Virginia's current 2019 QAP:

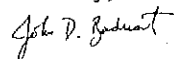
*An applicant that demonstrates a legitimate change in circumstances or delay beyond their reasonable control, as determined by the Authority, may return a valid reservation of a prior year's or years' tax credits between October 1 and December 31 and receive a reservation of the same amount of current or future year tax credits. The Authority must determine that the applicant is capable of completing and placing the development in service within the time required by the IRC for such current or future year tax credits. However, none of the principals in the development for which credits are returned and refreshed may be a principal in an application the following calendar year and the applicant must waive the right to a qualified contract, if applicable. The executive director may waive the one-year non-participation provision if the executive director determines that the delay in completing the development is materially due to the failure of a governmental entity or agency to, within a reasonable period of time, take an action necessary for the applicant to complete the development, despite applicant's good faith best efforts to complete the development.*

As your request relates to VHDA's 2019 Qualified Allocation Plan (QAP) noted above, it has been determined through prior correspondence the applicant involved has demonstrated a "legitimate change in circumstances or delay beyond their reasonable control." Further, based on prior conversations, and /or documentation already submitted, none of the principals in the development will be subject to the penalty of sitting out of VHDA's competitive allocation round the following year.

Please be advised VHDA is issuing a consent to cancel for the current carryforward allocation. Please execute and return immediately. This will be followed by an updated carryforward allocation for the same amount of credits. In the event the LIHTC Extended Use Agreement (EUA) has already been recorded the Authority will not be issuing an additional EUA. In the event any changes precipitate an updated and amended EUA they will be discussed and issued on a case by case basis.

I would further caution you that any future request for an additional credit refresh will be viewed by the Authority in a negative and skeptical light and is unlikely to be approved, absent truly extraordinary circumstances preventing completion of the Development despite your reasonable, prudent and best efforts. It is almost a certainty that any such extension will be coupled with a one-year suspension from the 9% application round, as described in the QAP.

Sincerely,



JD Bondurant  
Authorized Officer



EXHIBIT "E"

CARRYOVER ALLOCATION AGREEMENT



December 17, 2018

Woodlawn School Apartments, LLC  
406 E 4th Street  
Winston-Salem, NC 27101

Attn: Ms. Lisa Sari

Re: Low-Income Housing Tax Credits  
for Woodlawn School Apartments

Dear Ms. Sari:

Enclosed is a form by which the Virginia Housing Development Authority ("VHDA") makes, with respect to the captioned Development, a Carryforward Allocation of low-income housing tax credits ("Credits") in accordance with § 42(h)(1)(E) of the Internal Revenue Code of 1986, as amended (the "Code").\* After you have a chance to review the document, please execute and return the original to me by January 25, 2019.

On the Carryforward Allocation form, information has been inserted from the "Owner's Certification" submitted with your Allocation Application package. Also, the table attached to the form sets forth information with respect to each building which was taken from that Application.

The form also indicates whether you have already locked in the applicable Credit percentage pursuant to the Reservation of Credits previously issued to you, or have not and are not locking-in at all. In any case, please let me know if any of the information contained in the enclosed Carryforward Allocation form is not correct.

Please note that if you have not already provided us with either (1) specific street addresses for each building or (2) your taxpayer I.D. number, you must do so as soon as you have that information in hand. It is required by the IRS.

If you have not yet certified that your actual basis in the project is more than 10% of your reasonably expected basis in the project, you must resubmit the Owner's Certification from your Allocation Application showing that more than ten percent (10%) of the reasonably expected basis in such project has been achieved not later than twelve months from the date of the Carryforward Allocation.

At the time the buildings are "placed in service" (within the Code's meaning of that term for whichever type of Credit - new construction or rehab - you are receiving the Carryforward Allocation), you must receive from VHDA an executed IRS Form 8609 for each building (even though the Carryforward Allocation is made to the Development as a whole). You must notify VHDA in writing of the project's last placed in service date within thirty (30) days of such date, unless an application is submitted to VHDA within that thirty-day period. **Failure to provide such notification will cause the Owner to be subject to a penalty of \$100 per day for each day after the notification deadline.**

---

\*Note: If you are also receiving a "regular" allocation of Credits for buildings which were placed in service this year (including Credits for the acquisition of buildings for which the rehab expenditures are getting a Carryforward Allocation), you will receive such allocations in the form of an IRS Form 8609 for each such building, all under cover of a separate letter.

Page 1

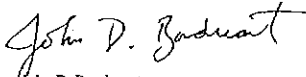
Carryforward Allocation Letter  
December 17, 2018  
Page 2

A completed IRS Form 8609 Application must be filed to VHDA no later than six months following the date a building (or last building in a multiple building project) is placed in service. However, in no event shall an application be submitted after April 30th of the year following the year of the last building placed in service date. Applications received after that date will be subject to a \$100 per day penalty for late submission. (Other fines and penalties may apply for extended delays.) Your IRS Form 8609 Application must provide such information as VHDA may require in order to make the feasibility determination required by § 42(m)(2)(C)(i)(III) of the Code. It is acknowledged by the Owner (a) that such aforementioned subsection requires VHDA to determine, not only as of the time of the making of this Carryforward Allocation, but also as of the date of placement in service of each building in the Development, the amount of Credits necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the Credit period (the "Feasibility Amount") and limits the amount of Credits to be allocated to the Development to no more than such Feasibility Amount and (b) that (if there are material changes - e.g., in the Development's Qualified Basis - between the time of the VHDA's determination of the Feasibility Amount as of the date of this Carryover Allocation and its determination of the Feasibility Amount as of the date each building is subsequently placed in service), such requirement may result in a decrease in the amount of the Carryover Allocation.

In any event, once the Form 8609s are issued after you place the buildings in service, you will have to complete Part II and Schedule A thereof and file this form (and any others than the IRS may require by that time) along with a copy of the Carryover Allocation with your tax return when you begin claiming the Credits.

We will let you know if we become aware of any other changes in the IRS's requirements with respect to this allocation. Please note your assigned Allocation Officer for this project is Flanders, Stephanie J and she can be reached at (804) 343-5939. Please do not hesitate to call if you have any questions concerning the enclosures.

Sincerely,



John D. Bondurant  
Authorized Officer

Enclosures

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

2018 Low-Income Housing Tax Credit  
Carryforward Allocation Agreement

Pursuant to § 42(h)(1)(E) of the  
Internal Revenue Code

**THIS CARRYFORWARD ALLOCATION** is an allocation of Low-Income Housing Tax Credit ("Tax Credit") authority made pursuant to § 42(h)(1)(E) of the Internal Revenue Code (the "Code"). This allocation is subject to the terms and conditions stated herein, including Exhibit A, and the Reservation Agreement, Contract to Enforce Representations, and Extended Use Regulatory Agreement and Declaration of Restrictive Covenants (the "Agreements"), each of which has been entered into between the Virginia Housing Development Authority and the Owner identified in paragraph 2 below.

1. Identification of the Project (the "Project"): Woodlawn School Apartments
  - (i) Number of buildings in Project: 1
  - (ii) Located in Carroll County. The address of the building(s) in the Project, or if none exists, a specific description of their location (see Exhibit A).
2. The name, address and Federal taxpayer identification number of the Project owner (the "Owner") to which this allocation is made is:

Name: Woodlawn School Apartments, LLC  
Address: 406 E 4th Street, Winston-Salem, NC 27101  
Identification Number: 832259331
3. The name and address of the Tax Credit housing agency (the "Agency") making this allocation are:

Agency Name: Virginia Housing Development Authority  
Address: 601 South Belvidere Street, Richmond, VA 23220
4. The taxpayer identification number of the Agency is: 54-0921892.
5. The date of this Carryforward Allocation is December 17, 2018.

Based on representations made by the Owner to the Agency:

6. The housing credit dollar amount allocated to the Project is: \$635,000.00
  - (i) Pursuant to § 42(h)(1)(F) of the Code, this allocation of credit is made on a project basis, and not later than the close of the calendar year in which the building is placed in service, the Agency shall determine the portion of this allocation which is allocated to the buildings listed in Exhibit A.
  - (ii) This allocation is expressly conditioned upon satisfaction of the requirements of § 42(h)(1)(E) of the Code and upon the terms and conditions set forth in this Carryforward Allocation.
7. The Owner's total reasonably expected basis in the Project is: \$9,266,058.00
8. The Owner's actual basis in the Project, and the percentage such basis bears to the total reasonably expected basis in the Project (from paragraph 7 above) are:
  - (i) The Owner's actual basis as of the date of this Carryforward Allocation is: \$ 710.36
  - (ii) Percentage of (i) to the total reasonably expected basis in the Project is: 0.01%
  - (iii) If the percentage in (ii) above is less than or equal to ten percent (10%), the Owner has not fully met the requirements of § 42(h)(1)(E)(ii) by the date of this Carryforward Allocation, and the conditions of paragraph 11, below, apply.
9. The expected dates on which the Project building(s) will be placed in service are as shown in Exhibit A (must be on or before December 31, 2020).
10. The building identification number ("B.I.N.") for the Project building(s) to which an allocation is being made are as shown in Exhibit A.

11. In addition to all other terms and conditions of this allocation, if, by the date of this Carryforward Allocation, the Owner's basis in the Project is not more than ten percent (10%) of the reasonably expected basis in the Project, this allocation is further subject for the Owner's demonstration to the Agency, in a manner sufficient to the Agency's determination, that more than ten percent (10%) of the reasonably expected basis in such project has been achieved not later than twelve months from the date of this Agreement. Owner acknowledges that the Agency's determination as to satisfaction of the ten percent (10%) requirement is not binding upon the Internal Revenue Service and does not constitute a representation by the Agency to the Owner or any other party to that effect.

12. Pursuant to § 42(b)(1), the Owner and the Agency may enter into an agreement as to the housing credit amount allocated to such Project.

The Owner has made no election pursuant to § 42(b)(1)(ii)(I) of the Code, and accordingly, the applicable percentage for a building shall be that for the month in which the particular building is placed in service

13. Owner acknowledges that all the terms, conditions, obligations and deadlines set forth herein and in the Agreements constitute conditions precedent to this allocation and that the Project's failure to comply with all such terms and conditions will entitle the Agency, in its discretion, to deem this allocation to be canceled by mutual consent. After any such cancellation, Owner acknowledges that neither it nor the Project will have any right to claim credits pursuant to this allocation. The Agency reserves the right, in its discretion, to modify and/or waive any such failed condition precedent.

14. Upon notification by the Owner that a building has been placed in service, the Agency will issue an IRS Form 8609 to such building to the extent required by, and in accordance with, applicable Federal law then governing allocation of Tax Credits under § 42 of the Code. The total dollar amount of Tax Credit allocation reflected on such Form 8609 will not exceed the housing Tax Credit dollar amount allocated to the building(s) in paragraph 6 above.

15. In issuing this Tax Credit allocation, the Agency has relied upon information provided and representations made by the Owner or the Owner's designee in connection with this allocation, and this allocation does not in any way constitute a representation, warranty, guaranty, advice or suggestion by the Agency as to the qualification of the Project for the Tax Credits or the feasibility or viability of the Project and may not be relied on as such by any owner, developer, investor, tenant, lender or other person, for any reason. In addition, the Agency's acceptance of the Owner's certification as to satisfaction of the ten percent (10%) requirement does not constitute a representation as to the satisfaction of the requirements under § 42(h)(1)(E) as binding on the part of the Internal Revenue Service.

The Owner hereby agrees and acknowledges that whether the ten percent (10%) requirement has been met and whether the Owner has provided sufficient evidence thereof may be subject to future determination by the Agency or the Internal Revenue Service.

**VIRGINIA HOUSING DEVELOPMENT AUTHORITY  
(AGENCY)**

BY: John D. Raduani

DATE: December 17, 2018

**ACKNOWLEDGED, AGREED AND ACCEPTED:**

**WOODLAWN SCHOOL APARTMENTS, LLC  
(OWNER)**

BY: [Signature]

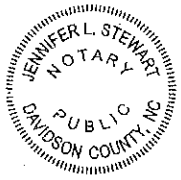
DATE: 1/24/19

STATE OF NC  
CITY/COUNTY OF Forsyth, To-Wit:

The foregoing instrument was acknowledged before me this 24 day of January, 2019, by Lisa H. Bovi, the Owner of Woodlawn School Apartments, LLC, the Owner.

My commission expires: Sept 11, 2021

[Signature]  
Notary Public



**Exhibit A**  
to

**Carryforward Allocation of Low Income Housing Tax Credits**

VHDA Deal # 2434 Building Allocation Type: Adaptive Reuse  
 Deal Name: Woodlawn School Apartments Number of BINS: 1

EDGE#	NUMBER OF		BIN	Street Address 1	Address Line 2	City	Zip	Acq <sup>1</sup>	Rehab <sup>2</sup>	Present Value
	Tax Credit Units	Market Units						Actual or Anticipated In-Service Date <sup>2</sup>	Actual or Anticipated In-Service Date <sup>2</sup>	Credit
1	51	0	VA1834001	1745 Woodlawn Road		Woodlawn	24361			1031/20

<sup>1</sup> A Carryforward is available for Acquisition Credits only if there is also a Carryforward of the requisite amount of Rehab Credits which must be associated with it.

<sup>2</sup> There may be different placed in service dates for Acquisition and Rehab Credits. In fact, the placed in service date for an Acquisition Credit may even be an "Actual" rather than an "Anticipated" Date because the building may have been "Placed" (as contemplated by Sec. 42 of the code) with respect to the Acquisition Credit line year first, because the Rehab Credit with which the Acquisition Credit must be linked will not be available until a subsequent year. The 8809's for the Acquisition Credit may not be issued until the Rehab 8809's are issued.

**Development Summary**

Summary Information      2017 Low-Income Housing Tax Credit Application For Reservation

**Deal Name:**      Woodlawn School Apartments

Cycle Type:      8% Tax Credits      Allocation Credit Requested:      \$635,000  
 Allocation Type:      Carryforward Allocation      Jurisdiction:      Carroll County  
 Total Units:      51      Population Target:      General  
 Total LI Units:      51      Owner Contact:      Lisa      Sari  
 Project Gross Sq Ft:      105,432.16  
 Earth Craft/Leads?      TRUE

Source of Funds	Amount	Per Unit	Annual Debt Service	Per Sq Ft
Permanent Financing	\$1,000,000	\$19,608	\$50,229	\$0

Reservation Amt:	\$634,842
Total Score:	548.33

Uses of Funds - Actual Costs			
Type of Uses	Amount	Per Unit	Sq Ft
Improvements	\$6,160,800	\$121,188	\$59
General Req/Overhead/Profit	\$942,039	\$18,512	\$9
Other Contract Costs	\$0	\$0	\$0
Owner Costs	\$1,873,433	\$36,734	\$18
Acquisition	\$0	\$0	\$0
<b>Total Uses</b>	<b>\$8,896,132</b>	<b>\$174,434</b>	

Total Development Costs	
Total Improvements	\$8,896,132
Land Acquisition	\$0
Developer Fee	\$1,000,000
<b>Total Development Costs</b>	<b>\$9,896,132</b>

Income	
Gross Potential Income - LI Units	\$399,864
Gross Potential Income - Mkt Units	\$0
<b>Subtotal</b>	<b>\$399,864</b>
Less Vacancy %	7.00%
<b>Effective Gross Income</b>	<b>\$316,074</b>

Rental Assistance?      FALSE

Unit Breakdown	
Supp Hsg	0
# of EIT	0
# of 1BR	10
# of 2BR	26
# of 3BR	15
# of 4+ BR	0
<b>Total Units</b>	<b>51</b>

Expenses		
Category	Per Unit	Total
Administrative	\$1,245	\$63,525
Utilities	\$850	\$43,545
Operating & Maintenance	\$1,239	\$64,215
Taxes & Insurance	\$706	\$38,026
<b>Total Operating Expenses</b>	<b>\$4,071</b>	<b>\$207,611</b>
Replacement Reserves	\$300	\$15,300
<b>Total Expenses</b>	<b>\$4,371</b>	<b>\$222,911</b>

	Income Levels	Rent Levels
	# of Units	# of Units
40% AM	6	6
50% AM	0	20
60% AM	45	25
Market	0	0

Extended Use Restriction?      30

Cash Flow	
EGI	\$316,074
Total Expenses	\$222,911
Net Income	\$93,163
Debt Service	\$50,269

Debt Coverage Ratio (YR1):      1.85



December 6, 2019

Woodlawn School Apartments, LLC  
406 E 4th Street  
Winston-Salem, NC 27101

Attn: Ms. Lisa Sari

Re: Low-Income Housing Tax Credits  
for Woodlawn School Apartments

Dear Ms. Sari:

Enclosed is a form by which the Virginia Housing Development Authority ("VHDA") makes, with respect to the captioned Development, a Carryforward Allocation of low-income housing tax credits ("Credits") in accordance with § 42(h)(1)(E) of the Internal Revenue Code of 1986, as amended (the "Code").\* After you have a chance to review the document, please execute and return the original to me by January 24, 2020.

On the Carryforward Allocation form, information has been inserted from the "Owner's Certification" submitted with your Allocation Application package. Also, the table attached to the form sets forth information with respect to each building which was taken from that Application.

The form also indicates whether you have already locked in the applicable Credit percentage pursuant to the Reservation of Credits previously issued to you, or have not and are not locking in at all. In any case, please let me know if any of the information contained in the enclosed Carryforward Allocation form is not correct.

Please note that if you have not already provided us with either (1) specific street addresses for each building or (2) your taxpayer I.D. number, you must do so as soon as you have that information in hand. It is required by the IRS.

If you have not yet certified that your actual basis in the project is more than 10% of your reasonably expected basis in the project, you must resubmit the Owner's Certification from your Allocation Application showing that more than ten percent (10%) of the reasonably expected basis in such project has been achieved not later than twelve months from the date of the Carryforward Allocation.

At the time the buildings are "placed in service" (within the Code's meaning of that term for whichever type of Credit - new construction or rehab - you are receiving the Carryforward Allocation), you must receive from VHDA an executed IRS Form 8609 for each building (even though the Carryforward Allocation is made to the Development as a whole). You must notify VHDA in writing of the project's last placed in service date within thirty (30) days of such date, unless an application is submitted to VHDA within that thirty-day period. **Failure to provide such notification will cause the Owner to be subject to a penalty of \$100 per day for each day after the notification deadline.**

---

\*Note: If you are also receiving a "regular" allocation of Credits for buildings which were placed in service this year (including Credits for the acquisition of buildings for which the rehab expenditures are getting a Carryforward Allocation), you will receive such allocations in the form of an IRS Form 8609 for each such building, all under cover of a separate letter.



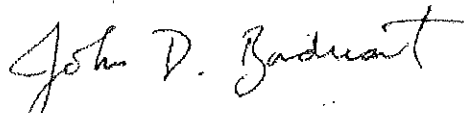
Carryforward Allocation Letter  
December 6, 2019  
Page 2

A completed IRS Form 8609 Application must be filed to VHDA no later than six months following the date a building (or last building in a multiple building project) is placed in service. However, in no event shall an application be submitted after April 30th of the year following the year of the last building placed in service date. **Applications received after that date will be subject to a \$100 per day penalty for late submission.** (Other fines and penalties may apply for extended delays.) Your IRS Form 8609 Application must provide such information as VHDA may require in order to make the feasibility determination required by § 42(m)(2)(C)(i)(III) of the Code. It is acknowledged by the Owner (a) that such aforementioned subsection requires VHDA to determine, not only as of the time of the making of this Carryforward Allocation, but also as of the date of placement in service of each building in the Development, the amount of Credits necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the Credit period (the "Feasibility Amount") and limits the amount of Credits to be allocated to the Development to no more than such Feasibility Amount and (b) that (if there are material changes - e.g., in the Development's Qualified Basis - between the time of the VHDA's determination of the Feasibility Amount as of the date of this Carryover Allocation and its determination of the Feasibility Amount as of the date each building is subsequently placed in service), such requirement may result in a decrease in the amount of the Carryover Allocation.

In any event, once the Form 8609s are issued after you place the buildings in service, you will have to complete Part II and Schedule A thereof and file this form (and any others than the IRS may require by that time) along with a copy of the Carryover Allocation with your tax return when you begin claiming the Credits.

We will let you know if we become aware of any other changes in the IRS's requirements with respect to this allocation. Please note your assigned Allocation Officer for this project is Stephanie Flanders and she can be reached at (804) 343-5939. Please do not hesitate to call if you have any questions concerning the enclosures.

Sincerely,



John D. Bondurant  
Authorized Officer

Enclosures

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

2019 Low-Income Housing Tax Credit  
Carryforward Allocation Agreement

Pursuant to § 42(h)(1)(E) of the  
Internal Revenue Code

THIS CARRYFORWARD ALLOCATION is an allocation of Low-Income Housing Tax Credit ("Tax Credit") authority made pursuant to § 42(h)(1)(E) of the Internal Revenue Code (the "Code"). This allocation is subject to the terms and conditions stated herein, including Exhibit A, and the Reservation Agreement, Contract to Enforce Representations, and Extended Use Regulatory Agreement and Declaration of Restrictive Covenants (the "Agreements"), each of which has been entered into between the Virginia Housing Development Authority and the Owner identified in paragraph 2 below.

1. Identification of the Project (the "Project"): Woodlawn School Apartments
  - (i) Number of buildings in Project: 1
  - (ii) Located in Carroll County. The address of the building(s) in the Project, or if none exists, a specific description of their location (see Exhibit A).
2. The name, address and Federal taxpayer identification number of the Project owner (the "Owner") to which this allocation is made is:

Name: Woodlawn School Apartments, LLC  
Address: 406 E 4th Street, Winston-Salem, NC 27101  
Identification Number: 83-2259331
3. The name and address of the Tax Credit housing agency (the "Agency") making this allocation are:

Agency Name: Virginia Housing Development Authority  
Address: 601 South Belvidere Street, Richmond, VA 23220
4. The taxpayer identification number of the Agency is: 54-0921892
5. The date of this Carryforward Allocation is December 6, 2019.

Based on representations made by the Owner to the Agency:

6. The housing credit dollar amount allocated to the Project is: \$635,000.00
  - (i) Pursuant to § 42(h)(1)(F) of the Code, this allocation of credit is made on a project basis, and not later than the close of the calendar year in which the building is placed in service, the Agency shall determine the portion of this allocation which is allocated to the buildings listed in Exhibit A.
  - (ii) This allocation is expressly conditioned upon satisfaction of the requirements of § 42(h)(1)(E) of the Code and upon the terms and conditions set forth in this Carryforward Allocation.
7. The Owner's total reasonably expected basis in the Project is: \$ 9,266,058.00
8. The Owner's actual basis in the Project, and the percentage such basis bears to the total reasonably expected basis in the Project (from paragraph 7 above) are:
  - (i) The Owner's actual basis as of the date of this Carryforward Allocation is: \$ 710.36
  - (ii) Percentage of (i) to the total reasonably expected basis in the Project is: 0.010%
  - (iii) If the percentage in (ii) above is less than or equal to ten percent (10%), the Owner has not fully met the requirements of § 42(h)(1)(E)(ii) by the date of this Carryforward Allocation, and the conditions of paragraph 11, below, apply.
9. The expected dates on which the Project building(s) will be placed in service are as shown in Exhibit A (must be on or before December 31, 2021).
10. The building identification number ("B.I.N.") for the Project building(s) to which an allocation is being made are as shown in Exhibit A.

11. In addition to all other terms and conditions of this allocation, if, by the date of this Carryforward Allocation, the Owner's basis in the Project is not more than ten percent (10%) of the reasonably expected basis in the Project, this allocation is further subject for the Owner's demonstration to the Agency, in a manner sufficient to the Agency's determination, that more than ten percent (10%) of the reasonably expected basis in such project has been achieved not later than twelve months from the date of this Agreement. Owner acknowledges that the Agency's determination as to satisfaction of the ten percent (10%) requirement is not binding upon the Internal Revenue Service and does not constitute a representation by the Agency to the Owner or any other party to that effect.

12. Pursuant to § 42(b)(1), the Owner and the Agency may enter into an agreement as to the housing credit amount allocated to such Project.

13. The Owner has made no election pursuant to §42(b)(1)(ii)(I) of the Code, and accordingly, the applicable percentage for a building shall be that for the month in which the particular building is placed in service.

14. Owner acknowledges that all the terms, conditions, obligations and deadlines set forth herein and in the Agreements constitute conditions precedent to this allocation and that the Project's failure to comply with all such terms and conditions will entitle the Agency, in its discretion, to deem this allocation to be canceled by mutual consent. After any such cancellation, Owner acknowledges that neither it nor the Project will have any right to claim credits pursuant to this allocation. The Agency reserves the right, in its discretion, to modify and/or waive any such failed condition precedent.

15. Upon notification by the Owner that a building has been placed in service, the Agency will issue an IRS Form 8609 to such building to the extent required by, and in accordance with, applicable Federal law then governing allocation of Tax Credits under § 42 of the Code. The total dollar amount of Tax Credit allocation reflected on such Form 8609 will not exceed the housing Tax Credit dollar amount allocated to the building(s) in paragraph 6 above.

16. In issuing this Tax Credit allocation, the Agency has relied upon information provided and representations made by the Owner or the Owner's designee in connection with this allocation, and this allocation does not in any way constitute a representation, warranty, guaranty, advice or suggestion by the Agency as to the qualification of the Project for the Tax Credits or the feasibility or viability of the Project and may not be relied on as such by any owner, developer, investor, tenant, lender or other person, for any reason. In addition, the Agency's acceptance of the Owner's certification as to satisfaction of the ten percent (10%) requirement does not constitute a representation as to the satisfaction of the requirements under § 42(b)(1)(E) as binding on the part of the Internal Revenue Service.

The Owner hereby agrees and acknowledges that whether the ten percent (10%) requirement has been met and whether the Owner has provided sufficient evidence thereof may be subject to future determination by the Agency or the Internal Revenue Service.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY  
(AGENCY)

BY: John D. Badruat

DATE: December 6, 2019

ACKNOWLEDGED, AGREED AND ACCEPTED:

WOODLAWN SCHOOL APARTMENTS, LLC  
(OWNER)

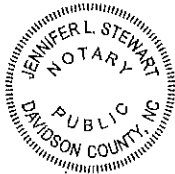
BY: Samuel J. Sam

DATE: 12/23/2019

STATE OF NC  
CITY/COUNTY OF Forsyth, To-Wit:

The foregoing instrument was acknowledged before me this 23 day of December, 2019, by Samuel J. Sam, the Vice President of Landmark Asset Services, Inc., Managing Member, the Owner.

My commission expires: 7-11-24



[Signature]  
Notary Public

**Exhibit A**

to

**Carryforward Allocation of Low Income Housing Tax Credits**

VHDA Deal #            2434  
Deal Name:                Woodlawn School Apartments

Building Allocation Type: Adaptive Reuse  
Number of BINS:        1

Bldg#	NUMBER OF		BIN	Street Address 1	Address Line 2	City	Zip	Acq <sup>1</sup>	Rehab/ New Const	Present Value Credit
	Tax Credit Units	Market Units						Actual or Anticipated In-Service Date <sup>2</sup>	Actual or Anticipated In-Service Date <sup>2</sup>	Actual or Anticipated In-Service Date <sup>2</sup>
1.	51		0 VA1949001	745 Woodlawn Road		Woodlawn	24381			12/31/21
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										
11.										
12.										
13.										
14.										
15.										
16.										
17.										
18.										
19.										
20.										
21.										
22.										
23.										
24.										
25.										
26.										
27.										
28.										
29.										
30.										
31.										
32.										
33.										
34.										
35.										
36.										
37.										
38.										
39.										
40.										

<sup>1</sup>A Carryforward is available for Acquisition Credit only if there is also a Carryforward of the requisite amount of Rehab Credits which must be associated with it.

<sup>2</sup>There may be different placed in service dates for Acquisition and Rehab Credits. In fact, the placed in service date for an Acquisition Credit may even be an "Actual" rather than an "Anticipated" Date because the building may have been "Placed" (as contemplated by Sec 42 of the code) with respect to the Acquisition Credit this year but, because the Rehab Credit with which the Acquisition Credit must be linked will not be available until a subsequent year. The 8609s for the Acquisition Credit may not be issued until the Rehab 8609s are issued.

## Development Summary

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

**Deal Name:** Woodlawn School Apartments

Cycle Type: 9% Tax Credits      Allocation Credit Requested: \$635,000  
 Allocation Type: Carryforward Allocation      Jurisdiction: Carroll County  
 Total Units: 51      Population Target: General  
 Total LI Units: 51  
 Project Gross Sq Ft: 105,432.16      Owner Contact: Lisa Sari  
 Earth Craft/Leeds? TRUE

Source of Funds	Amount	Per Unit	Annual Debt Service	Per Sq Ft
Permanent Financing	\$1,000,000	\$19,808	\$50,269	\$9

Reservation Amt:	\$634,842
<b>Total Score:</b>	<b>549.33</b>

Uses of Funds - Actual Costs			
Type of Uses	Amount	Per Unit	Sq Ft
Improvements	\$6,180,600	\$121,188	\$59
General Req/Overhead/Profit	\$842,099	\$16,512	\$8
Other Contract Costs	\$0	\$0	\$0
Owner Costs	\$1,873,433	\$38,734	\$18
Acquisition	\$0	\$0	\$0
<b>Total Uses</b>	<b>\$8,896,132</b>	<b>\$174,434</b>	

**Total Development Costs**

Total Improvements	\$8,896,132
Land Acquisition	\$0
Developer Fee	\$1,000,000
<b>Total Development Costs</b>	<b>\$9,896,132</b>

Income	
Gross Potential Income - LI Units	\$339,864
Gross Potential Income - Mkt Units	\$0
Subtotal	\$339,864
Less Vacancy % (7.00%)	\$23,790
<b>Effective Gross Income</b>	<b>\$316,074</b>

Rental Assistance? FALSE

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	10
# of 2BR	26
# of 3BR	15
# of 4+ BR	0
<b>Total Units</b>	<b>51</b>

Expenses		
Category	Per Unit	Total
Administrative	\$1,246	\$63,525
Utilities	\$860	\$43,845
Operating & Maintenance	\$1,259	\$64,215
Taxes & Insurance	\$708	\$36,026
<b>Total Operating Expenses</b>	<b>\$4,071</b>	<b>\$207,611</b>
Replacement Reserves	\$300	\$15,300
<b>Total Expenses</b>	<b>\$4,371</b>	<b>\$222,911</b>

	Income Levels	Rent Levels
	# of Units	# of Units
40% AMI	6	0
50% AMI	0	20
60% AMI	45	25
Market	0	0

Extended Use Restriction? 30

Cash Flow	
EGI	\$316,074
Total Expenses	\$222,911
<b>Net Income</b>	<b>\$93,163</b>
Debt Service	\$50,269
<b>Debt Coverage Ratio (YR1):</b>	<b>1.85</b>

## EXHIBIT "F"

### Insurance Requirements

Immediately upon purchase of the Project, and throughout the term of this Agreement, Managing Member shall obtain, and maintain in full force and effect, the following policies of insurance:

- Commercial General Liability insurance, insuring for legal liability of the Company, and caused by bodily injury, property damage, personal injury or advertising injury, arising out of the ownership or management of the Project and including the costs to defend such actions brought against the Company. The policy shall include endorsements adding the Investor Member and Special Investor Member as additional insureds, and shall be primary coverage for the additional insureds, without contribution from other valid insurance policies which may be carried directly by the additional insureds. Limits of the policy shall be at least \$1 million per occurrence and \$2 million in the aggregate. If the policy is written on a blanket basis, and includes other properties, the aggregate limits must be written on a "per project basis."
- Automobile Liability insurance, insuring for legal liability of the Company, and caused by bodily injury, property damage, or personal injury arising out of the ownership or use of motor vehicles, including vehicles not owned by the Company, and including the costs to defend such actions brought against the Company. The policy shall include endorsements adding and as additional insureds, and shall be primary coverage for the additional insureds, without contribution from other valid insurance policies which may be carried directly by the additional insureds. Limits of the policy shall be at least \$1 million combined single limits per accident.
- Worker's Compensation insurance, insuring for occupational disease or injury and employer's liability, and covering the Company's full liability for statutory compensation to any person or persons who perform work for the Company or perform duties on the site of the Project, and liability to the dependents of such persons. The policy will be in a form which complies with the worker's compensation acts and safety laws of the state in which the Project is located. Worker's Compensation limits shall be statutory; Employer's Liability limits shall be at least \$500,000 per occurrence.
- Umbrella/Excess Liability insurance, with the Commercial General Liability, Automobile Liability and Employers Liability policies scheduled as underlying policies. Limits of the policy shall be at least \$5 million per occurrence and in the annual aggregate. If the policy is written on a blanket basis, and includes other properties, the aggregate limits must be written on a "per project basis."
- Rental Interruption insurance in amounts required by all lenders, but not less than the equivalent of six months' gross rental income.

- Other forms or types of insurance that the Investor Member may now or hereafter require, including without limitation, earthquake, flood and other special hazards.

Prior to the commencement of any construction of the Project, Managing Member shall obtain (or cause to be obtained by the Contractor) and keep in force until the Final Closing:

- Builder's Risk insurance, insuring for all risks of physical loss of or damage (excluding the perils of earthquake and flood, unless specifically required by the Investor Member) to the real property comprising or intended to comprise the Project construction, and personal property of the Company used to maintain or service the Project construction, whether located at the site or elsewhere, including while in-transit Coverage Policy shall provide for claims to be paid based upon replacement cost of the lost or damaged property without deduction for depreciation and for any additional architectural or engineering fees incurred as a result of an insured loss (and include a soft costs endorsement); loss payment shall be to the Company. Limits of policy will be at least the estimated replacement value of the completed Project. The policy shall have a deductible of no greater than \$10,000 per occurrence. The policy shall carry no coinsurance provisions. The policy shall include an endorsement naming the Investor Member and Special Investor Member as Loss Payees, as their interests may appear, and as additional insureds, and shall allow the Investor Member and Special Investor Member to be associated in the adjustment of any claim.
- Evidence from the Contractor of Worker's Compensation insurance, insuring for occupational disease or injury and employer's liability, and covering the Contractor's full liability for statutory compensation to any person or persons who perform work in, on, or about the Project construction, including the employees of sub-contractors of any tier, and liability to the dependents of such persons. The policy will be in a form which complies with the worker's compensation acts and safety laws of the state in which the Project is located. Worker's Compensation limits shall be statutory; Employer's Liability Limits shall be at least \$1 million per occurrence.
- Comprehensive General Liability and Property Damage Insurance (including limited contractual liability and completed operations) in the amount of not less than two million dollars (\$2,000,000.00) covering personal injury, bodily injury and property damage, and covering products and completed operations for a minimum of three years following completion of construction.
- Comprehensive Automobile Liability Insurance, including hired and non-owned vehicles, if any, in the amount of not less than one million dollars (\$1,000,000.00) covering personal injury, bodily injury and property damage.
- Pollution coverage insurance providing defense and indemnity coverage for bodily injury, property damage, and environmental investigation and clean-up costs for pollution conditions arising from the contractors operations.

Managing Member shall provide or cause to be provided by the architect for the renovation/construction of the Project, and keep in force until Final Closing:

- Architect's professional liability insurance in the amount of not less than one million dollars (\$1,000,000.00) (including contractual liability coverage with all coverage retroactive to the earlier of the date of this Agreement or the commencement of the Architects' services in relation to the Project) covering personal injury, bodily injury and property damages.
- Comprehensive General Liability Insurance (including limited contractual liability and completed operations) in the amount of not less than two million dollars (\$2,000,000.00) covering personal injury, bodily injury and property damage.
- Comprehensive Automobile Liability Insurance, including hired and non-owned vehicles, if any, in the amount of not less than one million dollars (\$1,000,000.00) covering personal injury, bodily injury and property damage.
- Workmen's Compensation Insurance in the amount of the statutory maximum with an employer's liability coverage of at least five hundred thousand dollars (\$500,000.00).

Prior to any occupancy of the Project, Managing Member shall obtain, and shall maintain in full force and effect throughout the term of this Agreement, the following policies of insurance:

- Property Damage insurance, insuring for all risks of physical loss of or damage (excluding the perils of earthquake and flood, unless specifically required by the Investor Member) to the real property comprising the Project, personal property of the Company used to maintain or service the Project, and new construction, additions, alterations and repairs to structures. Policy shall provide for claims to be paid based upon replacement cost of the lost or damaged property without deduction for depreciation; loss payment shall be to the Company. Limits of policy will be at least the replacement value of the Project (excluding from the value of the Project, site utilities, foundations and architectural and engineering expenses). The policy shall have a deductible of no greater than \$10,000 per occurrence. The policy shall carry no coinsurance provisions. Coverage and limits shall be extended to include the actual loss of rents sustained due to an insured loss, for a period of at least twelve months from the date of such loss. Coverage shall be further extended to include debris removal, outdoor trees, shrubs, plants and lawns, and Ordinance or Law coverage for the increased costs of construction caused by the enforcement of building, zoning or Project use law. The policy shall include an endorsement naming the Investor Member and Special Investor Member as Loss Payees, as their interests may appear, and as additional insureds, and shall allow the Investor Member and Special Investor Member to be associated in the adjustment of any claim.
- Evidence of Worker's Compensation insurance from any contractor performing work for the Company, insuring for occupational disease or injury and employer's liability, and covering the Contractor's full liability for statutory compensation to any person or persons who perform work in, on, or about the Project, including the employees of sub-contractors of any tier, and liability to the dependents of such persons. The policy will be in a form which complies with the worker's compensation acts and safety laws of the state in which



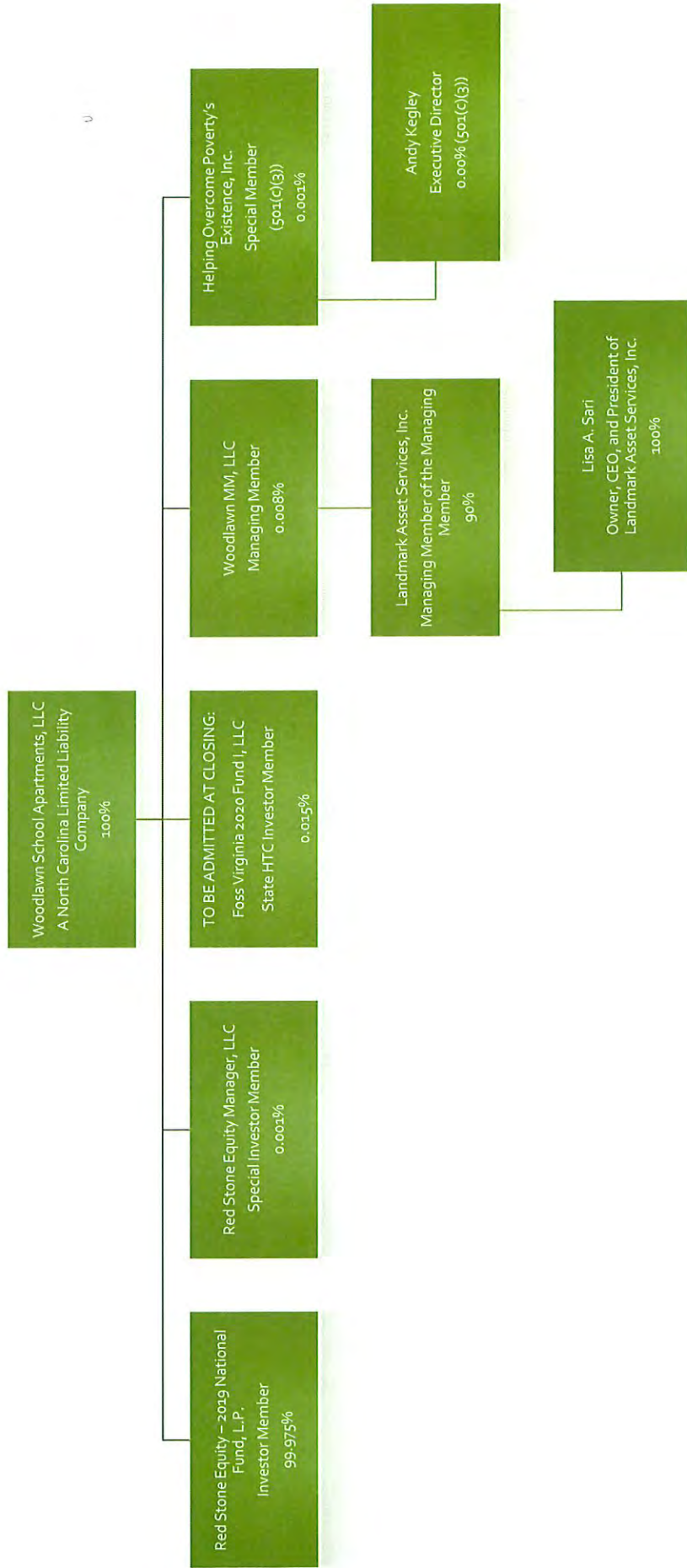
the Project is located. Worker's Compensation limits shall be statutory; Employer's Liability limits shall be at least \$1 million per occurrence.

- If applicable, boiler and machinery insurance written on a comprehensive form basis.

All such policies shall be underwritten by companies licensed to write such insurance in the state in which the Project is located, and shall be rated in the latest A.M. Best's Insurance Rating Guide with a rating of at least A-, and be in a financial category of at least X. The Managing Member shall furnish to the Investor Member and Special Investor Member a complete copy of each such policy of insurance. If the policy is not available prior to the Final Closing, then certificates of insurance detailing the policy terms and conditions as noted above shall be provided, but the policies must then be provided within sixty days. All such policies shall include endorsements requiring at least 30 days prior written notice to the Investor Member of any cancellation, termination or reduction of coverage therein. Notice of the renewal of any policy shall be made at least 10 days prior to the scheduled date of such renewal, and shall be in the form of endorsement to the policy. Notice to the Investor Member and Special Investor Member of any replacement of any policy shall be made at least 10 days prior to such replacement, and shall be in the form of a copy of the replacement policy, or by certificate, as noted above.

The Managing Member hereby releases and relieves the Investor Member and Special Investor Member for any and all liability, and waives its entire right of recovery against them, with respect to any loss or damage of property or for property damage, bodily injury or personal injury to third-parties arising out of or incident to any loss or peril insured against under any for the foregoing policies, and any other perils for which the Managing Member has arranged insurance.

# Woodlawn School Apartments, LLC Organizational Chart



## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (this "Agreement") is made and entered into effective as of September 4, 2018 between **WOODLAWN SCHOOL APARTMENTS, LLC**, a North Carolina limited liability company (the "Company") and **ARCHETYPES, LLC**, a North Carolina limited liability company (the "Developer").

### WITNESSETH:

WHEREAS, the Company has been formed to acquire, develop, finance, rehabilitate, own, maintain, operate and sell or otherwise dispose of a 51-unit multifamily apartment complex intended for rental to low-income individuals and families, to be known as Woodlawn School Apartments and to be located in Woodlawn, Virginia (the "Apartment Complex"); and

WHEREAS, the Company desires to appoint the Developer to provide certain services for the Company with respect to overseeing the development of the Apartment Complex until all development work is completed.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

**Section 1. Appointment.** The Company hereby appoints the Developer to render services for the Company and to supervise and oversee the development of the Apartment Complex as herein contemplated.

**Section 2. Authority.** The Developer shall have the authority and the obligation to:

(a) act on behalf of the Company in its relation with any governmental agency or authority and any construction and/or permanent loan lender with respect to all matters relating to the construction and development of the Apartment Complex;

(b) coordinate the preparation of the plans and specifications (the "Plans and Specs") with the architect ("Architect") and recommend alternative solutions whenever design details affect construction feasibility or schedules;

(c) ensure that the Plans and Specs are in compliance with all applicable codes, laws, ordinances, rules and regulations;

(d) negotiate all necessary contracts and subcontracts (other than the construction contract) for the construction of the Apartment Complex;

(e) choose the products and materials necessary to equip the Apartment Complex in a manner which satisfies all requirements of the permanent loans and the Plans and Specs;

(f) monitor disbursement and payment of amounts owed the Architect and the subcontractors;

(g) insure that the Apartment Complex is constructed free and clear of all mechanics' and materialmen's liens;

(h) obtain an Architect's certificate that the work on the Apartment Complex is substantially complete, and inspect the Architect's work;

(i) secure all building code approvals and obtain certificates of occupancy for all of the residential units of the Apartment Complex;

(j) cause the Apartment Complex to be completed in a prompt and expeditious manner, consistent with good workmanship, and in compliance with the following:

(i) the Plans and Specs as they may be amended by the agreement of the parties hereto and with the consent of the mortgagees under the construction and permanent loans; and

(ii) any and all obligations of the Company under the construction and permanent loans.

(k) cause to be performed in a diligent and efficient manner the following:

(i) construction of the Apartment Complex pursuant to the Plans and Specs, including any required off-site work; and

(ii) general administration and supervision of construction of the Apartment Complex, including but not limited to activities of subcontractors and their employees and agents, and others employed as to the Apartment Complex in a manner which complies in all respects with the construction and permanent loans and the Plans and Specs.

(l) keep, or cause to be kept, accounts and cost records as to the construction of the Apartment Complex;

(m) maintain, or cause to be maintained, at its expense, all office and accounting facilities and equipment necessary to adequately perform the foregoing functions;

(n) make available to the Company, during normal business hours and upon the Company's written request, copies of all material contracts and subcontracts;

(o) deliver to the Company a dimensioned as-built survey of the real property (locating only buildings) and as-built drawings of the Apartment Complex construction;

(p) provide, and periodically update Apartment Complex construction time schedule which coordinates and integrates Architect's services with construction schedules;

(q) investigate and recommend a schedule for purchase by the Company of all materials and equipment requiring long lead time procurement, coordinate the schedule with Architect and expedite and coordinate delivery of such purchases;

(r) prepare prequalification criteria for bidders interested in the Apartment Complex, establish bidding schedules and conduct pre-bid conferences to familiarize bidders with the bidding documents and management techniques with any special systems, materials or methods;

(s) receive bids, prepare bid analyses and make recommendations to the Company for award of contracts or rejection of bids;

(t) coordinate the work of Architect to complete the Apartment Complex in accordance with the objectives as to cost, time and quality, and provide sufficient personnel at the Apartment Complex with authority to achieve such objectives;

(u) provide a detailed schedule of realistic activity sequences and durations, allocation of labor and materials and processing of shop drawings and samples;

(v) provide regular monitoring of the schedule as construction progresses, identify potential variances between scheduled and probable completion dates, review the schedule for work not started or incomplete, recommend to the Company adjustments in the schedule to meet the probable completion date, provide summary reports of such monitoring, and document all changes in the schedule;

(w) recommend courses of action to the Company when requirements of subcontracts are not being fulfilled;

(x) revise and refine the approved estimate of construction cost, incorporate changes as they occur, and develop cash flow reports and forecasts as needed;

(y) provide regular monitoring of the approved estimate of construction cost, show actual costs for activities in process and estimates for uncompleted tasks, identify variances between actual and budgeted or estimated costs and advise the Company whenever projected costs exceed budgets or estimates;

(z) develop and implement a system for review and processing of change orders as to construction of the Apartment Complex;

(aa) develop and implement a procedure for the review and processing of applications by subcontractors for progress and final payments;

(bb) in collaboration with Architect, establish and implement procedures for expediting the processing and approval of shop drawings and samples; and

(cc) record the progress of the Apartment Complex and submitting written progress reports to the Company and Architect, including the percentage of completion and the number and amounts of change orders.

The Developer shall not be responsible for and shall take no actions which pertain to the acquisition of an interest in the land upon which the Apartment Complex is located, the admission of an equity investor to the Company, or obtaining the construction and permanent loans for the financing of the Apartment Complex.

**Section 3. Development Fee.**

(a) For services performed and to be performed under Sections 1 and 2 of this Agreement, the Company agrees to pay the Developer a development fee (the "Development Fee") in the amount of \$1,000,000.00, of which \$200,000.00 shall have been earned by December 31, 2018. Payment of such fee shall be payable by the Company to the Developer from capital contributions made by an equity investor, construction loan proceeds, permanent loan proceeds, or net cash flow, as and when permitted by the equity investor and, if applicable, the lenders.

(b) The Development Fee must be paid in its entirety by December 31, 2030.

**Section 4. Assignment of Fees.** The Developer shall not assign, pledge or otherwise encumber, for security or otherwise, the Development Fee set forth above to be made by the Company, or any portion(s) thereof or any right(s) of the Developer thereto, without prior consent of the Company.

**Section 5. Successors and Assigns, Termination.** This Agreement shall be binding on the parties hereto, their heirs, successors, and assigns. However, this Agreement may not be assigned by any party hereto without the consent of any equity investor, nor may it be terminated without the consent of any equity investor, which consent shall not be unreasonably withheld.

**Section 6. Separability of Provisions.** Each provision of this Agreement shall be considered separable and if for any reason any provision which is not essential to the effectuation of the basic purposes of this Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement which are valid.

**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.

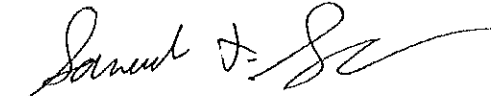
**Section 8. No Continuing Waiver.** The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

**Section 9. Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

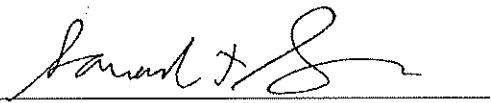
IN WITNESS WHEREOF, the parties have caused this Development Agreement to be duly executed as of the date first written above.

WOODLAWN SCHOOL APARTMENTS, LLC

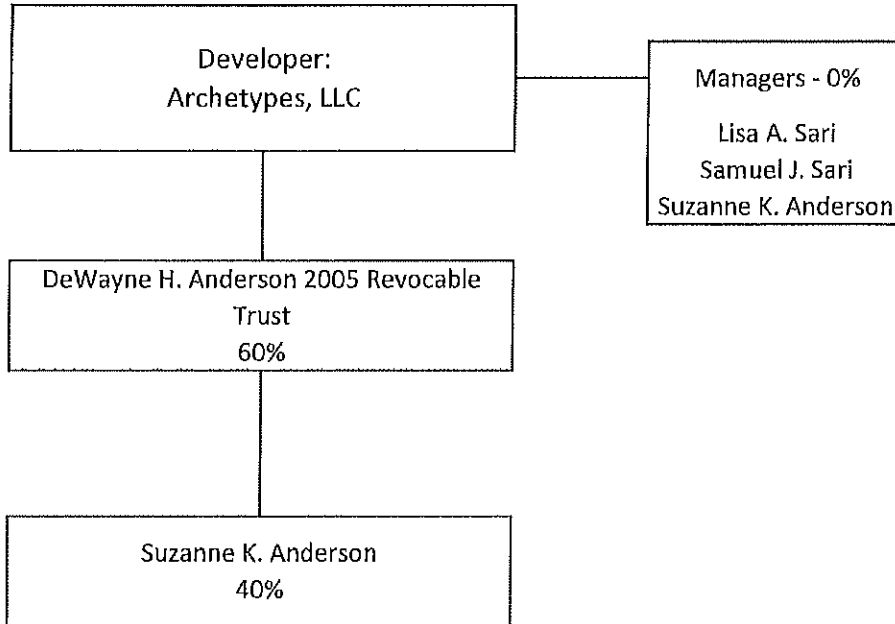
By: Landmark Asset Services, Inc.,  
Managing Member

By:   
Samuel J. Sari, Vice President

ARCHETYPES, LLC

By:   
Samuel J. Sari, Manager

# Developer Organization Chart





B

Virginia State Corporation  
Commission Certification  
(MANDATORY)

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, February 23, 2018*

*This certificate of registration to transact business in Virginia is this day issued for*

**Woodlawn School Apartments, LLC**

*a limited liability company organized under the laws of NORTH CAROLINA and the said company is authorized to transact business in Virginia, subject to all Virginia laws applicable to the company and its business.*



*State Corporation Commission*

*Attest:*

*Joel H. Beck*  
Clerk of the Commission

# Commonwealth of Virginia



## State Corporation Commission

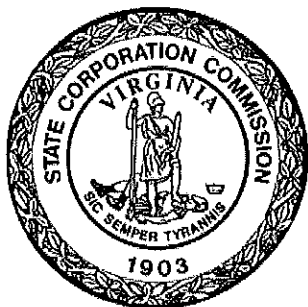
### CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Woodlawn School Apartments, LLC, a limited liability company formed under the law of NORTH CAROLINA, obtained a certificate of registration to transact business in Virginia from the Commission on February 23, 2018; and

That the limited liability company is registered to transact business in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.

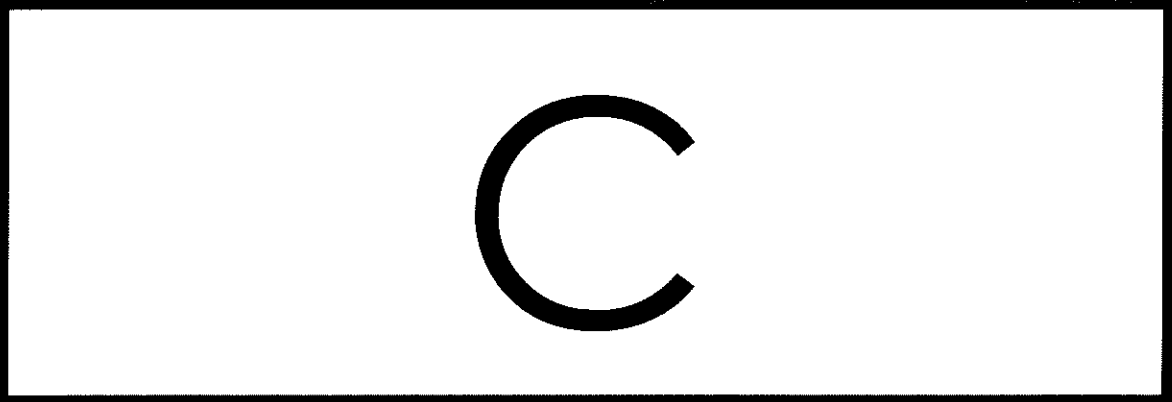


Signed and Sealed at Richmond on this Date:

March 9, 2020

*Joel H. Peck*

Joel H. Peck, Clerk of the Commission



C

Principal's Previous  
Participation Certification  
(MANDATORY)



## Previous Participation Certification

Development Name: Woodlawn School Apartments  
Name of Applicant (entity): Woodlawn School Apartments, LLC  
Landmark Asset Services, Inc.

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

**Lisa A. Sari**  
\_\_\_\_\_  
Printed Name

**3/1/2020**  
\_\_\_\_\_  
Date (no more than 30 days prior to submission of the Application)



## Previous Participation Certification

Development Name: Woodlawn School Apartments  
Name of Applicant (entity): Woodlawn School Apartments, LLC  
HOPE, INC.

I hereby certify that:

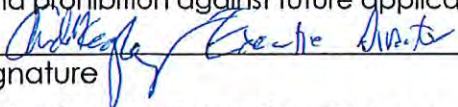
1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily 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

**Andy Kegley, Executive Director**

\_\_\_\_\_  
Printed Name

**3/1/2020**

\_\_\_\_\_  
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: Woodlawn School Apartments  
 Name of Applicant: Woodlawn School Apartments, LLC

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Lisa A. Sari 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	Albermarle School Apartments Albermarle, NC	Albermarle Central School, LLC 336.722.9871	Y	53	53	8/1/2016	7/27/2017	N
2	Asheboro Mill Lofts Asheboro, NC	Asheboro Mill, LLC 336.722.9871	Y	70	70	2/1/2013	1/9/2014	N
3	Beaumont Downtown Lofts Beaumont, TX	Beaumont Downtown Lofts, LLC 336.722.9871	Y	36	36	10/9/2008	4/27/2011	N
4	Berea Heights Villas Greenville, SC	Berea Heights Villas, LLC 336.722.9871	Y	72	72	8/29/2005	1/13/2006	N
5	Central School Apartments Bessemer City, NC	Central School Apartments, LLC 336.722.9871	N	33	33	10/24/2008	4/23/2009	N
6	Cherokee Mill Lofts Calhoun, GA	Cherokee Mill Lofts, LLC 336.722.9871	N	60	60	8/28/2014	4/9/2015	N
7	Cleveland School Apts Clayton, NC	Cleveland School Seniors, LLC 336.722.9871	Y	25	25	12/28/2005	1/10/2008	N
8	Coil Village Apartments Florence, SC	Coil Village, LLC 336.722.9871	Y	60	60	12/5/2008	2/18/2009	N
9	Cotton Mill Lofts Hawkinsville, GA	Cotton Mill Lofts, LLC 336.722.9871	N	32	32	12/18/2012	6/7/2013	N
10	Courtyard at Highland Park Rock Hill, SC	Highland Park Mill, LLC 336.722.9871	Y	116	116	12/30/2004	3/17/2006	N
11	Darlington Downtown Lofts Darlington, SC	Darlington Downtown Revitalization, LLC 336.722.9871	Y	28	28	12/7/2007	2/26/2008	N
12	Douglas School Apts Bristol, VA	Douglas School Apts, LLC 336.722.9871	Y	41	41	8/3/2006	4/26/2007	N
13	East Broad Crossing Statesville, NC	East Broad Crossing, LLC 336.722.9871	Y	50	50	9/6/2006	11/27/2007	N
14	East Harper Street Apts Lenoir, NC	East Harper Street Apts, LLC 336.722.9871	Y	46	46	8/17/2006	9/4/2008	N
15	Friar Woods Apts Kernersville, NC	Friar Woods, LLC 336.722.9871	Y	84	84	7/1/2016	6/15/2017	N
16	Garfield Park Milwaukee, WI	Garfield Park, LLC 336.722.9871	N	69	69	12/22/2011	8/8/2012	N
17	Geo. Washington School Apts Kingsport, TN	Geo. Washington School, LLC 336.722.9871	Y	54	54	11/14/2007	9/8/2009	N
18	Globe Tobacco Lofts Mt. Airy, NC	Globe Tobacco Lofts, LLC 336.722.9871	Y	43	34	12/31/2007	10/8/2008	N
19	Grainger Place Apts Kinston, NC	Grainger HS LP 336.722.9871	Y	57	57	11/6/2019	TBI	N
20	Greenview Village Powell, TN	Greenview Village, LLC 336.722.9871	Y	44	44	12/22/2010	2/2/2011	N
21	Groom School Apartments South Hill, VA	Groom School Apartments, LLC 336.722.9871	Y	55	55	12/20/2019	TBI	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: 1,128 1,119

LIHTC as % of  
 99% Total Units

Previous Participation Certification continued

	Development Name/Location	Name of Ownership Entity and Phone Number	Controlling General Partner? (Y/N)	Total Units	Low Income Units	Placed In Service Date	8609 Date	Non-compliance Found? Y/N (Explain Yes)
22	Hanover Ridge Apts Antioch, TN	Hanover Ridge, LP 336.722.9871	Y	72	44	3/26/2009	4/15/2010	N
23	Hartsville Garden Hartsville, SC	Hartsville Garden, LLC 336.722.9871	N	72	72	1/6/2011	2/24/2011	N
24	Heron Crossing Apts Ridgeland, SC	Heron Crossing, LLC 336.722.9871	Y	40	32	12/6/2007	2/26/2008	N
25	Highland Memorial Gastonia, NC	Highland Memorial, LLC 336.722.9871	Y	75	75	4/30/2013	4/9/2014	N
26	Historic Lofts of Waco High Waco, TX	Historic Lofts of Waco High, LLC 336.722.9871	N	104	104	12/16/2009	6/27/2011	N
27	Hunter Bay York, SC	Hunter Bay, LLC 336.722.9871	Y	40	40	12/7/2009	12/29/2009	N
28	Johnson Lakes Apts Pensacola, FL	Johnson Lakes Escambia, LP 336.722.9871	Y	160	160	2/29/2008	6/12/2009	N
29	Kemper Lofts Lynchburg, VA	Kemper Lofts, LLC 336.722.9871	Y	41	41	12/14/2009	10/6/2010	N
30	Kinston Hotel Kinston, NC	Kinston Hotel, LLC 336.722.9871	Y	38	38	12/28/2006	2/19/2008	N
31	Klot's Mill Lofts Cumberland, MD	Klot's Mill Lofts, LLC 336.722.9871	Y	50	50	11/22/2011	3/20/2013	N
32	Lakota Crossing Apts Florence, SC	Lakota Crossing, LLC 336.722.9871	Y	72	72	6/24/2004	2/23/2005	N
33	Lassiter Square Madison, NC	Lassiter Square, LLC 336.722.9871	Y	36	36	11/30/2005	1/29/2007	N
34	LHS Apartments Lenoir, NC	LHS Apartments, LLC 336.722.9871	Y	44	44	11/21/2019	TBI	N
35	Lynn Street Lofts Danville, VA	Lynn Street Lofts, LLC 336.722.9871	Y	37	37	5/28/2008	12/18/2008	N
36	Martinsville Lofts Martinsville, VA	Martinsville Lofts, LLC 336.722.9871	Y	60	60	7/29/2011	3/20/2012	N
37	Mayworth School Apts Cramerton, NC	Mayworth School Apts, LLC 336.722.9871	Y	40	40	12/31/2008	11/11/2009	N
38	Mebane Mill Lofts Mebane, NC	Mebane Mill Lofts, LLC 336.722.9871	N	75	75	12/21/2011	8/2/2012	N
39	Moore Grocery Lofts Tyler, TX	Moore Grocery Lofts, LLC 336.722.9871	Y	88	88	12/31/2008	8/11/2011	N
40	Mulberry School Apts Statesville, NC	Mulberry School Apts, LLC 336.722.9871	Y	31	31	12/31/2007	10/3/2008	N
41	Nantucket Lofts Kinston, NC	Nantucket Lofts, LLC 336.722.9871	Y	28	28	12/31/2004	10/12/2006	N
42	Nathaniel Village Greenville, NC	Nathaniel Village, LLC 336.722.9871	Y	48	48	12/29/2009	Exchange	N
43	Newberry Senior Housing Newberry, SC	Newberry Hospital, LLC 336.722.9871	Y	35	35	7/1/2004	2/23/2005	N
44	Noland Green Apartments Newport News, VA	Noland Green, LLC 336.722.9871	Y	60	54	8/31/2011	3/5/2012	N
45	Orchard View Apts McMinnville, TN	Orchard View, LP 336.722.9871	Y	64	64	12/1/2008	2/26/2010	N
46	Pecan Grove Darlington, SC	Pecan Grove Apts, LLC 336.722.9871	Y	32	32	5/2/2007	2/26/2008	N
47	Pine Valley Apartments Beaufort, NC	Pine Valley, LLC 336.722.9871	Y	72	72	8/1/2017	2/26/2018	N
48	Randleman School Commons Randleman, NC	Randleman School Commons, LLC 336.722.9871	Y	30	30	12/29/2004	10/12/2006	N
49	Ridgecrest Apartments Bristol, VA	Ridgecrest Apartments, LLC 336.722.9871	Y	72	72	1/2/2008	9/5/2008	N
50	Rowan Pointe Mocksville, NC	Rowan Pointe, LLC 336.722.9871	Y	60	60	5/5/2010	10/21/2011	N
51	Royce Gardens Oak Ridge, TN	Royce Hill, LP 336.722.9871	Y	72	72	11/18/2008	2/26/2010	N
52	Southerland Village Apts Wallace, NC	Southerland Village, LLC 336.722.9871	Y	48	48	5/1/2014	9/30/2014	N
53	Spaulding Woods II Apts Marion, NC	Spaulding Woods II, LLC 336.722.9871	Y	34	34	8/2/2006	11/19/2007	N
54	Summerville Garden Summerville, SC	Summerville Garden, LLC 336.722.9871	Y	72	72	12/21/2012	11/27/2013	N
55	Taylor Lofts South Boston, VA	Taylor Lofts, LLC 336.722.9871	Y	47	47	9/8/2008	4/13/2009	Y
56	Weldon Downtown Apts Weldon, NC	Weldon Small Town Development, LLC 336.722.9871	Y	24	24	4/4/2006	11/21/2007	N
57	West Yard Lofts North Charleston, SC	West Yard Lofts, LLC 336.722.9871	N	60	60	12/9/2010	2/24/2011	N
58	Westmoreland and Schoolfield Senior Apts Danville, VA	Westmoreland and Schoolfield Senior Apts, LLC 336.722.9871	Y	65	65	9/5/2010	7/7/2011	N

2nd PAGE TOTAL: 2,098 2,056

GRAND TOTAL: 3,226 3,175

LIHTC as % of  
98% Total Unit

**Tab D – List of LIHTC Developments (Schedule A)**

**Uncorrected 8823's Explanation**

**Taylor Lofts – The property sustained a casualty loss as a result of damage sustained from Hurricane Michael. No units were placed out of service. Repairs have been completed and Landmark Property Management Company is working with VHDA to have 8823s showing repairs were completed submitted to the IRS.**

# List of LIHTC Developments (Schedule A)



Development Name: Woodlawn School Apartments  
 Name of Applicant: Woodlawn School Apartments, LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2004 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Helping Overcome Poverty's Existence, Inc. - Andy Kegley, Executive Director

Controlling GP (CGP) or 'Named' Managing Member of Proposed property? N  
 Y or N

Principal's Name:

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Southridge, Wytheville, VA	Southridge LP 276-228-6515	N	20	20	12/1/2000	12/27/2000	N
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

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

1st PAGE  
 TOTAL: 20 20

LIHTC as % of  
 100% Total Units

E

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

## DONATION AGREEMENT

THIS DONATION AGREEMENT (this "Agreement"), dated March 15th, 2018, by and between THE INDUSTRIAL DEVELOPMENT AUTHORITY OF CARROLL COUNTY, VIRGINIA, a Political Subdivision of the Commonwealth of Virginia ("Donor"), and LANDMARK ASSET SERVICES, INC., a North Carolina corporation ("Donee").

### WITNESSETH:

That for and in consideration of Donee's agreement to develop the historic school located at 745 Woodlawn Road, Woodlawn, Virginia, and more commonly known as The Woodlawn School (the "School") into affordable housing and the funds it is spending in connection therewith, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual promises and conditions expressed below, Donor hereby agrees to donate to Donee, subject to the terms, conditions and provisions hereinafter stated, that certain real property located in the City of Woodlawn, County of Carroll, State of Virginia more particularly described on **Exhibit A** attached hereto and incorporated herein (the "Property"), upon which the School is located.

NOW, THEREFORE, the parties hereto agree each with the other as follows:

1. Term. The term of this Agreement shall commence on the date hereof and shall continue through and until August 31, 2019; provided, however, if Donee receives a reservation or allocation of low-income housing tax credits from the Virginia Housing Development Authority for the School on or before such date, then the term of this Agreement shall automatically extend to December 31st, 2020 (as may be extended, the "Term").

2. Inspections. Donee shall have the right to enter upon and inspect the Property, at Donee's expense, at any reasonable time and for any purpose, at any time prior to the Closing (defined below). In connection therewith, Donee, its agents, employees or other representatives shall have the right to enter upon the Property for the purpose of making such surveys, engineering, topographical, grading, geological, environmental and other tests and measurements including, but not limited to, topographical and boundary surveys, title searches, soil tests, percolation tests and subsoil tests (collectively, "Studies"), as Donee deems necessary or advisable, without cost to Donor. Donee agrees to indemnify against and hold Donor harmless from any claims, demands, damages, losses, liabilities, suits, actions, costs and expenses, including, without limitation, reasonable attorney's fees, arising out of or in connection with or related to any entry upon the Property by Donee, or any agents, contractors, or employees of Donee. If Closing does not occur, Donee, at its own expense, shall promptly repair any damage to the Property caused by any of its Studies. Donor agrees to provide reasonable cooperation and assistance to Donee in connection with any such inspections. If the results of any such inspection shall be unsatisfactory to Donee, in Donee's reasonable discretion, then Donee shall give written notice to Donor of such objections, and, within fifteen (15) business days of Donor's receipt of such notice, Donor shall deliver to Donee written notice of Donor's intention to either (i) remediate such objectionable conditions to Donee's reasonable satisfaction or (ii) refuse to

remediate such objectionable conditions. In the event that the Donor refuses to remediate such objectionable conditions or, after notifying Donee of its intention to do so, fails to timely and satisfactorily remediate such conditions, then Donee, in its sole discretion, shall have the option of terminating this Agreement at any time prior to Closing by giving written notice to Donor.

3. Donor's Representations and Warranties. Donor makes the following representations and warranties which are limited to the best of its knowledge (including only the direct knowledge of the undersigned) and true as of this date and, except as caused by any act or omission of Donee, shall remain true at Closing:

(a) There are no parties presently in possession of any portion of the Property, and at Closing, possession of the Property will be delivered to Donee free and clear of any rights of any parties in possession;

(b) There is no pending, nor to the best knowledge of Donor, threatened, litigation or administrative proceeding by or against Donor which could adversely affect title to the Property or any part thereof, or the ability of Donor to perform any of its obligations hereunder;

(c) No consent or approval of any person, entity, agency or authority is required with respect to the execution and delivery of this Agreement by Donor or the consummation by Donor of the transactions contemplated hereby or the performance by Donor of its obligations hereunder other than consents or approvals already obtained;

(d) Donor has received no written notice of any pending action by any governmental authority or agency having the power of eminent domain, which might result in any part of the Property being taken by condemnation or conveyed in lieu thereof. Donor shall, promptly upon receiving any such notice, give Donee written notice thereof;

(e) Donor has received no written notice of any action, suit or proceeding pending or threatened in writing against, by or affecting Donor's right to transfer the Property or the title of the Property;

(f) At Closing, Donor shall terminate, and be responsible for any payments due with respect thereto, all its contracts affecting the Property, unless Donee agrees to assume any such contracts; and

(g) There are no unwritten or unrecorded leases, easements, licenses, or agreements of any kind or nature which grant any rights whatsoever to any individual(s) or entity(ies) with respect to the Property.

4. Donation. Donee, subject to (a) completion of and satisfactory results from such inspections relating to the Property as it deems necessary in its full and absolute discretion, (b) receipt of a reservation or allocation of low-income housing tax credits from the Virginia Housing Development Authority for the School, (c) receipt of a Part 1 approval for the School and a Part 2 approval for the rehabilitation of the School from the National Park Service, subject only to conditions satisfactory to Donee in its sole discretion, and (d) receipt of such financing as Donee deems sufficient, in its sole



discretion, to finance the rehabilitation of the School (collectively, the "Donation Conditions"), agrees to accept the donation of the Property from Donor on the terms and conditions set forth herein. Notwithstanding anything to the contrary herein, in no event shall any attempted donation of the Property to Donee be effective unless and until all of the Donation Conditions have been satisfied to Donee's satisfaction, in its sole discretion, or such Donation Conditions have been waived by Donee, and Donee has expressly consented in writing its acceptance of the donation of the Property, which consent must be included within the Deed to Donee prior to recordation. If Donee accepts the donation of the Property, the condition of the Property shall be conveyed to Donee as-is, where-is and with all faults.

5. Closing Date. Closing (the "Closing") on the donation of the Property shall be on the business date selected by Donee, not more than sixty (60) days following the end of the Term.

6. Title. Donor shall deliver to Donee at Closing a special warranty deed in recordable form with all required excise stamps affixed conveying marketable, fee simple title, free and clear of all liens and encumbrances, save and except only easements and restrictions of record. Except as consented to by Donee, Donor shall do nothing hereafter which impairs such title to the Property.

7. Closing Costs. At Closing, Donee shall pay all closing costs relating to the donation of the Property to Donee, other than the cost of the deed preparation, any costs associated with clearing the title to the Property of any liens, and any counsel fees for counsel employed or retained by Donor. Donee shall pay for the title examination, title insurance policy, survey, recording fees, for any counsel fees Donee incurs in the transaction, and for any other due diligence desired by Donee. General and special real estate taxes, assessments and other state, county or city taxes affecting the Property shall be prorated as of the date of Closing based upon the amount of the most recent ascertainable taxes for the Property.

8. Closing Documents. At Closing, Donor will execute, acknowledge and deliver to Donee a special warranty deed with applicable tax exemptions noted thereon conveying title as hereinbefore required, and will deliver a lien and possession affidavit in form and content satisfactory to Donee's title insurance company, evidence satisfactory to Donee's title insurance company of the authorization of the donation by the Donor and the authority and power of the individual(s) executing the deed on behalf of Donor, and such other papers and documents as may be reasonably requested by Donee or its title insurance company in connection with the completion of the Closing, including any evidence of the status and capacity of the Donor and the authority of the person or persons who are executing the various documents on behalf of the Donor in connection with the sale of the Property. Donee and Donor will execute at closing a lease or license agreement permitting Donor to continue to use the gymnasium located on the Property for public recreational and school activities for a term of no less than 30 years.

9. Possession. Possession of the Property shall be delivered to Donee at Closing.

10. Notices. Any notice or other communications hereunder shall be in writing and shall be deemed to have been given (unless otherwise set forth herein), if

delivered in person, deposited with an overnight express agency, fees prepaid, or mailed by United States express, certified or registered mail, postage prepaid, return receipt requested, to the other party at the following addresses, or to such other address as shall be later provided in writing by one party to the other:

*As to Donor:*

605-1 Pine Street  
Hillsville, Virginia 24343  
*With a copy to:*

*Stephen V. Durbin*  
*Sands Anderson PC*  
*P.O. Box 2009*  
*Christiansburg, VA 24068*  
*540-260-9011*

*As to Donee:*

Landmark Asset Services, Inc.  
406 E. Fourth Street  
Winston-Salem, NC 27101  
Attn: Samuel J. Sari

*With a copy to:*

Blanco Tackabery & Matamoros, P.A.  
110 South Stratford Road  
Suite 500  
Winston-Salem, NC 27104  
Attn: Deborah L. McKenney

11. Entire Agreement. This Agreement contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed in writing. All changes, additions or deletions hereto must be in writing and signed by all the parties. Any and all references herein to the Donor or Donee shall be deemed to include their respective successors or permitted assigns.

12. Assignment. The rights of Donee hereunder may be assigned at any time by Donee to a single-purpose entity which has Donee as its managing member. The rights of Donor may not be assigned without the prior written consent of Donee.

13. Authority. Donor represents and warrants that Donor has full power and authority to enter into this Agreement and to perform all of its obligations hereunder, and that its acts hereunder and as contemplated have been duly authorized by all requisite municipal action.

14. Governing Law. This Agreement shall be governed in all respects by and construed under the laws of the Commonwealth of Virginia.

15. Failure to Close. In the event Donor wrongfully fails to consummate the Closing and donate the Property as provided herein, Donee shall be entitled to seek enforcement of this Agreement by specific performance.

16. Miscellaneous. No term or condition of this Agreement will be deemed to have been waived or amended unless expressed in writing, and the waiver of any condition or the breach of any term will not be a waiver of any subsequent breach of the same or any other term or condition. This Agreement constitutes the entire agreement of the parties which incorporates and supersedes all prior written and oral understandings. This Agreement shall be binding upon, and inure to the benefit of, the parties, their heirs, executors, personal representatives, nominees, successors or assigns.

17. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument.

***[SEPARATE SIGNATURE PAGE FOLLOWS]***

IN WITNESS WHEREOF, Donor and Donee, intending to be legally bound, have executed this Agreement as of the day and year first above written.

**DONOR:**

CARROLL COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY

By: SB Turitt  
Name: Steven B. Turitt  
Title: Executive Director

**DONEE:**

LANDMARK ASSET SERVICES, INC.

By: Lisa A. Sam  
Name: Lisa A. Sam  
Title: President

EXHIBIT A

Property containing approximately 6.432 acres consisting of all of the parcel with tax map number 81-A-113 and a portion of the parcel with tax map number 81-A-133.

Please see attached drawing for reference.



**ASSIGNMENT OF  
DONATION AGREEMENT**

FOR VALUE RECEIVED, effective March 16, 2018, Landmark Asset Services, Inc., a North Carolina corporation ("Assignor") hereby assigns to Woodlawn School Apartments, LLC, a North Carolina limited liability company ("Assignee") all of its right, title, and interest in and to that certain Donation Agreement dated March 15, 2018 (the "Donation Agreement"), by and between The Industrial Development Authority of Carroll County, Virginia, as donor, and Assignor, as donee. Assignee accepts the assignment of the Donation Agreement as of the effective date hereof.

**ASSIGNOR:**

LANDMARK ASSET SERVICES, INC.

By: Samuel J. Sari  
Samuel J. Sari, Vice President

**ASSIGNEE:**

WOODLAWN SCHOOL APARTMENTS, LLC

By: Landmark Asset Services, Inc.,  
Managing Member

By: Samuel J. Sari  
Samuel J. Sari, Vice President

81 A 12 CARROLL COUNTY INDUSTRIAL 745 WOODLAWN RD

ADMINISTRATIVE INFORMATION

PARCEL NUMBER 81 A 133

Parent Parcel Number

Property Address 745 WOODLAWN RD

Neighborhood

400 58 CORRIDOR-PUBLIC UTILITIES

Property Class

74 74-Local Government

TAXING DISTRICT INFORMATION

Jurisdiction 01B

Area 001

District 04

OWNERSHIP

CARROLL COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY 605-1 PINE ST HILLSVILLE, VA 24343-0000 RD 872

Ta. 23132

TRANSFER OF OWNERSHIP

Date

03/08/2018 CARROLL COUNTY BOARD OF SUPERVISORS Bk/Pg: 1081, 836

11/14/2013 CARROLL COUNTY SCHOOL BOARD Bk/Pg: 980, 915

Printed 03/15/2019 Card No. 1

EXEMPT

VALUATION RECORD

Assessment Year	01/01/1998	01/01/2004	01/01/2008	01/01/2013	01/01/2014	01/01/2017
Reason for Change	20	Reassessment	Reassessment	2013	2013	Combine
VALUATION	L 120000	205000	285000	285000	315500	315500
0	B 4591900	6279700	7253000	23000	5994600	6000700
	T 4711900	6484700	7538000	308000	6279600	6316200

Site Description

Topography:

Level

Public Utilities:

Electric

Street or Road:

Paved

Neighborhood:

Static

Zoning:

Legal Acres:

21.0330

LAND DATA AND CALCULATIONS

Rating Measured Table Prod. Factor  
 Soil ID Acreage -or- Depth Factor  
 Actual Effective Effective -or-  
 Frontage Frontage Depth Square Feet

Land Type	1.00	15000.00	15000.00	15000.00	315500	315500
1 11 Primary Comm/Indust Land	21.0330	15000.00	15000.00	15000.00	315500	315500

COM1: 81 - (A) -133  
 MG13: MERGE PARCELS 2013  
 MERGE 81-A-131 AND 132 BY SURVEY  
 TR13: TRANSFER 2013  
 TR18: TRANSFER 2018

Supplemental Cards  
 TRUE TAX VALUE 315500

Supplemental Cards  
 TOTAL LAND VALUE 315500





ADMINISTRATIVE INFORMATION

OWNERSHIP

Tax 23132

Printed 03/15/2019 Card No. 2

0

TRANSFER OF OWNERSHIP

Date

VALUATION RECORD

Assessment Year

Reason for Change

VALUATION

Site Description

LAND DATA AND CALCULATIONS

Rating	Measured	Table	Prod. Factor	Land Type	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value
Soil ID	Acreage		-or-						
Actual	Effective	Effective	Depth						
Frontage	Frontage	Depth	Square Feet						

Supplemental Cards  
TOTAL LAND VALUE



ADMINISTRATIVE INFORMATION

OWNERSHIP

Tax No. 23132

Printed 03/15/2019 Card No. 3

TRANSFER OF OWNERSHIP

Date

VALUATION RECORD

Assessment Year

Reason for Change

VALUATION

Site Description

LAND DATA AND CALCULATIONS

Rating	Measured	Table	Prod. Factor	Land Type	Adjusted	Extended	Influence
Soil ID	Acreage				Rate	Value	Factor
-or-	-or-						
Actual	Effective	Effective	Depth Factor	Base			
Frontage	Frontage	Depth	Square Feet	Rate			

Supplemental Cards  
TOTAL LAND VALUE

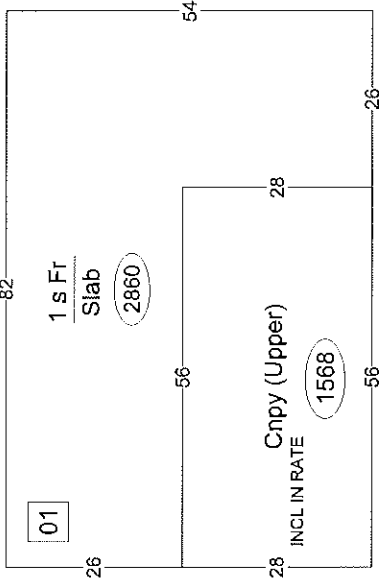
**IMPROV T DATA**

Item Description	Units	Cost	Total
------------------	-------	------	-------

**PHYSICAL CHARACTERISTICS**

Category	Code	QTY	SF	FO	FD
ROOFING					
Shingle					
WALLS					
Frame	B	1	2		U
Brick					
Metal					
Guard					
FRAMING					
	B	1	2		U
FINISH					
UF		936			
FO		0			
FD		0			
Total		936	0	0	0
HEATING AND AIR CONDITIONING					
Heat	B	1	2		U
		0	936		0

Total Exterior Features Value  
Total Before Adjustments  
Neighborhood Adjustment  
TOTAL VALUE



**INCL IN RATE**

**SPECIAL FEATURES**

Description	Value
C RESTROOM	0.00
01 FORWARDSE	0.00

**SUMMARY OF IMPROVEMENTS**

ID	Use	Stry Hgt	Const	Year Eff	Const Year	Base Rate	Feat- ured	Adj Rate	Size or Area	Computed Value	PhysObsol	Market %	Depr	Adj	Comp	Value
C	RESTROOM	0.00	D	1975	1975	F	0.00	N	0.00	2860	0	NV	0	100	100	0
01	FORWARDSE	0.00	D	1975	1975	F	25.00	N	25.00	2808	70200	30	SV	100	100	44200

(LCM: 100.00)

Data Collector/Date	Appraiser/Date	Neighborhood	Supplemental Cards
CPG 01/18/2012	MC 11/01/2012	Neigh 400 AV	TOTAL IMPROVEMENT VALUE
			44200

Printed 03/15/2019 Card No. 4

TRANSFER OF OWNERSHIP

OWNERSHIP

ADMINISTRATIVE INFORMATION

Tax 23132

Date

VALUATION RECORD

Assessment Year

Reason for Change

VALUATION

Site Description

LAND DATA AND CALCULATIONS

Rating	Measured	Table	Prod. Factor	Land Type	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value
Soil ID	Acres		-or-						
Actual Frontage	Effective Frontage	Effective Depth	Depth Factor						
-or-	-or-		Square Feet						

Supplemental Cards  
TOTAL LAND VALUE

PHYSICAL CHARACTERISTICS

IMPROV T DATA

81 A 133 Property Class: 74  
745 WOODLAWN RD

Item Description Units Cost Total

01 METAL ELEVATED WATER TANK

02

(LCM: 100.00)

SPECIAL FEATURES

SUMMARY OF IMPROVEMENTS

ID	Description	Value	Use	Stry Hgt	Const Year	Base Rate	Feat- 1960	Adj Rate	Size of Area	Computed Value	PhysObsol	Market %
01	WATERTAN	0.00	1	0.00	F	0.00	N	0.00	1	0	0	100
										SV	100	100
												5000

Data Collector/Date  
CPG 01/26/2012

Appraiser/Date  
CPG 01/26/2012

Neighborhood  
Neigh 400 AV

Supplemental Cards  
TOTAL IMPROVEMENT VALUE

6000

ADMINISTRATIVE INFORMATION

OWNERSHIP  
CARROLL COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY  
605-1 PINE ST  
HILLSVILLE, VA 24343-0000  
RDS 872 & 917  
Lot

TRANSFER OF OWNERSHIP  
Date  
03/08/2018 CARROLL COUNTY BOARD OF SUPERVISORS Bk/Pg: 1081, 836 \$0  
11/14/2013 CARROLL COUNTY SCHOOL BOARD Bk/Pg: 980, 919 \$0  
01/01/2000 Bk/Pg: 055, 0288 \$0

Tax 22968  
Printed 03/15/2019 Card No. 1 of 1

EXEMPT

VALUATION RECORD

Assessment Year	01/01/1998	01/01/2004	01/01/2008	01/01/2013	01/01/2017
Reason for Change	20	Reassessment	Reassessment	2013	2017
VALUATION	L 5000	14000	20000	20000	20000
0	B 3500	5000	5300	5300	2800
	T 8500	19000	25300	25300	22800

Site Description

Topography: Rolling  
Public Utilities: Electric  
Street or Road: Paved  
Neighborhood: Static  
Zoning: 1.11 Primary Comm/Indust Land  
Legal Acres: 0.8920

LAND DATA AND CALCULATIONS

Rating	Measured	Table	Prod. Factor	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value
Soil ID	Acres	Depth	Square Feet	Rate	Rate	Value		
11	0.8920	0.00	20000.00	20000.00	20000.00	20000	SV	20000

COM1: 81 -(A)-113  
LAND: FRONTAGE ON CANTERBURY LANE AND WOODLAWN ROAD  
TR13: TRANSFER 2013  
TR18: TRANSFER 2018

Supplemental Cards  
TRUE TAX VALUE 20000

Supplemental Cards  
TOTAL LAND VALUE 20000



PHYSICAL CHARACTERISTICS

IMPROVEMENT DATA

81 A 113 Property Class: 74  
787 WOODLAWN RD

Item Description Units Cost Total

02

PARKING LOT, GAS REFILL STATION

PAVEMENT

01

SPECIAL FEATURES

Description	Value	ID	Use	Stry Hgt	Const Type	Year Const	Year Eff	Const Year	Cond	Rate	Rate	Feet-Adj	Size or Area	Computed Value	Phys Obsol	Market %	
SHED	0	01	PAVING	0.00	6	1975	1975	P	0.00	N	0.00	0	0	0	0	0	100
																	2500

SUMMARY OF IMPROVEMENTS

Value	Area	Depr	Adj	Comp	Value
0	0	0	0	0	2500

(LCM: 100.00)

Data Collector/Date

WC 08/20/2016

Appraiser/Date

WC 08/20/2016

Neighborhood

Neigh 400 AV

Supplemental Cards

TOTAL IMPROVEMENT VALUE 2500

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.

**Rehabilitation -30% performance increase over existing, based on HERS Index**  
Or Must evidence a HERS Index of 80 or better  
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

**Adaptive Reuse - Must evidence a HERS Index of 95 or better.**  
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

Additional Optional Certifications

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

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

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

**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: *Matt Waring*

Date: 2/28/20

Printed Name: Matt Waring

RESNET Rater

Resnet Provider Agency  
Viridian

Signature *[Signature]*

Provider Contact and Phone/Email [sean.evansen-shanley@viridian.org](mailto:sean.evansen-shanley@viridian.org) (804) 225-9843

# Home Energy Rating Certificate Projected Report

Rating Date:  
Registry ID: Unregistered  
Ekotrope ID: gdqQqOWd

## 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](http://www.hersindex.com)

# 93

## Annual Savings

# \$451

\*Relative to an average U.S. home

**Home:**  
745 Woodlawn Road  
Woodlawn, VA 24381  
**Builder:**

## Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	20.2
Cooling	0.8
Hot Water	5.0
Lights/Appliances	10.9
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>37.0</b>

**This home meets or exceeds the criteria of the following:**



## Home Feature Summary:

Home Type:	Apartment, end unit
Model:	unit 122
Community:	N/A
Conditioned Floor Area:	837 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 12.2 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 21.5 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	25 CFM • 23 Watts
Duct Leakage to Outside:	37.87 CFM @ 25Pa (5 / 100 s.f.)
Above Grade Walls:	R-0
Ceiling:	Vaulted Roof, R-30
Window Type:	U-Value: 0.29, SHGC: 0.37
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: 2/28/20 at 10:42 AM



Ekotrope RATER - Version 3.2.2.2374  
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.  
This report does not constitute any warranty or guarantee.



G

Zoning Certification Letter  
(MANDATORY)



# Carroll County Board of Supervisors

605-1 Pine Street  
Hillsville, VA 24343  
Telephone (276) 730-3001  
Fax (276) 730-3004

Rex L. Hill, Chair  
Joe Webb, Vice Chair  
Dr. Tom Littrell  
Tracy D. Moore  
Phillip McCraw  
Robbie McCraw

DATE: March 1, 2020

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

RE: ZONING CERTIFICATION

Name of Development: Woodlawn School Apartments  
Name of Owner/Applicant: Woodlawn School Apartments, LLC  
Name of Seller/Current Owner: Carroll County Industrial Development Authority

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credits.

### DEVELOPMENT DESCRIPTION:

Development Address:  
745 Woodlawn Road, Woodlawn, VA, 24831

Legal Description:  
See attached.

### Proposed Improvements:

<input type="checkbox"/> New Construction:	_____ # Units	_____ # Buildings	_____ Approx. Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Adaptive Reuse:	<u>51</u> # Units	<u>1</u> # Buildings	<u>106,718.24</u> Approx. Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	_____ # Units	_____ # Buildings	_____ Approx. Total Floor Area Sq. Ft.

## Zoning Certification, cont'd

Current Zoning: Carroll County does not have zoning allowing a density of  
N/A units per acre, and the following other applicable conditions: N/A

---

Other Descriptive Information:  
Project is approved by Carroll County as designed.

---

---

### 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.

Ronald L Newman  
Signature

Ronald Newman  
Printed Name

Land Use and Planning Coordinator  
Title of Local Official or Civil Engineer

(276) 730-3008  
Phone:

3/1/2020  
Date:

### NOTES TO LOCALITY:

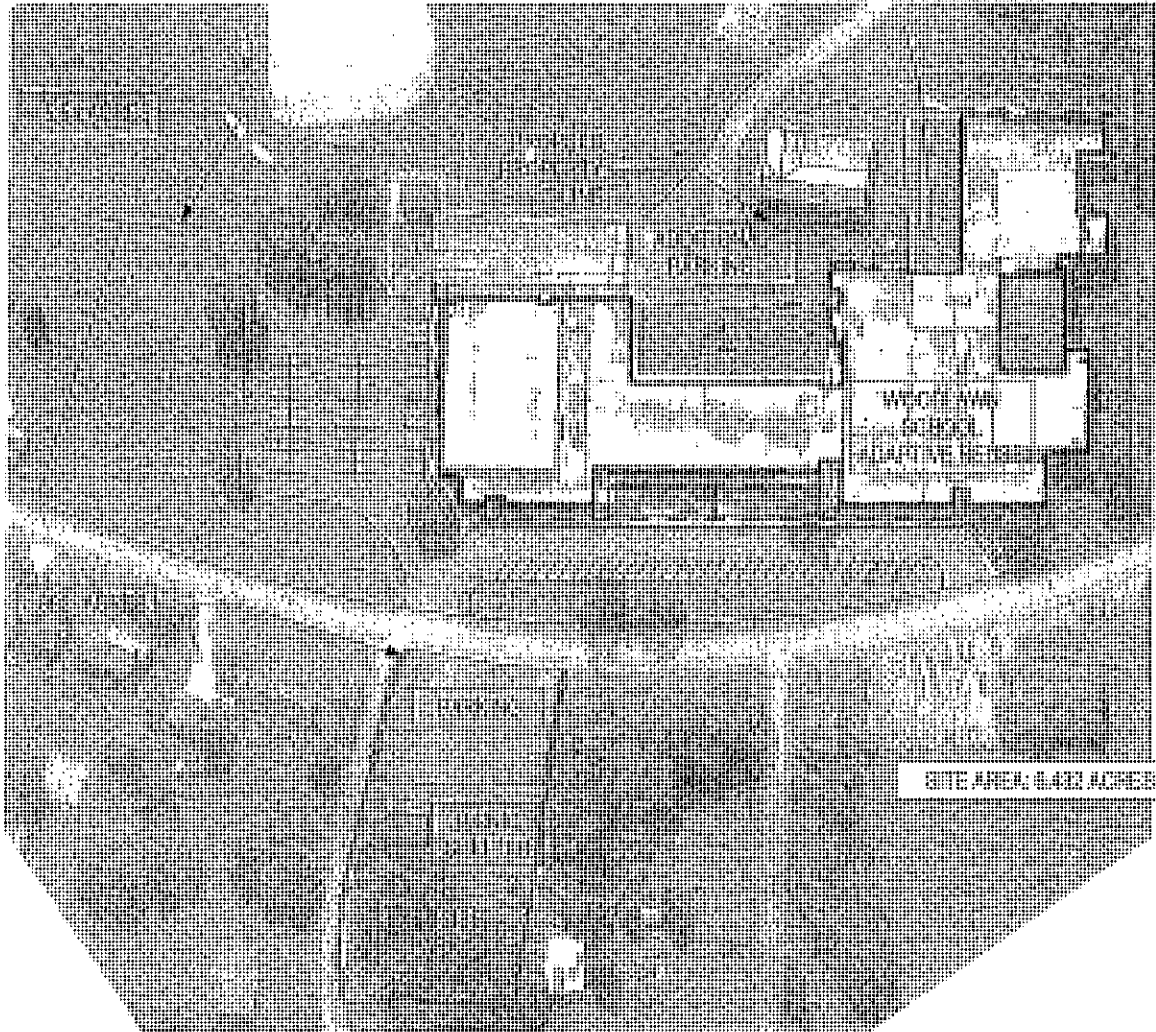
1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.

EXHIBIT A

Property containing approximately 6.432 acres consisting of all of the parcel with tax map number 81-A-113 and a portion of the parcel with tax map number 81-A-133.

Please see attached drawing for reference.





Site

1

SCALE: 1/128" = 1'-0"

H

Attorney's Opinion  
(MANDATORY)



**BLANCO TACKABERY**  
Attorneys and Counsellors at Law

P.O. Drawer 25008  
Winston-Salem, NC 27114-5008  
110 South Stratford Road, Suite 500  
Winston-Salem, NC 27104-4299  
phone 336.293.9000  
fax 336.293.9030  
www.blancoiaw.com

March 12, 2020

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

RE: 2020 Tax Credit Reservation Request  
Name of Development: Woodlawn School Apartments  
Owner: Woodlawn School Apartments, LLC

Gentlemen:

The undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 11, 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 Hard Costs and Owner Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.

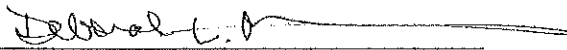
4. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for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

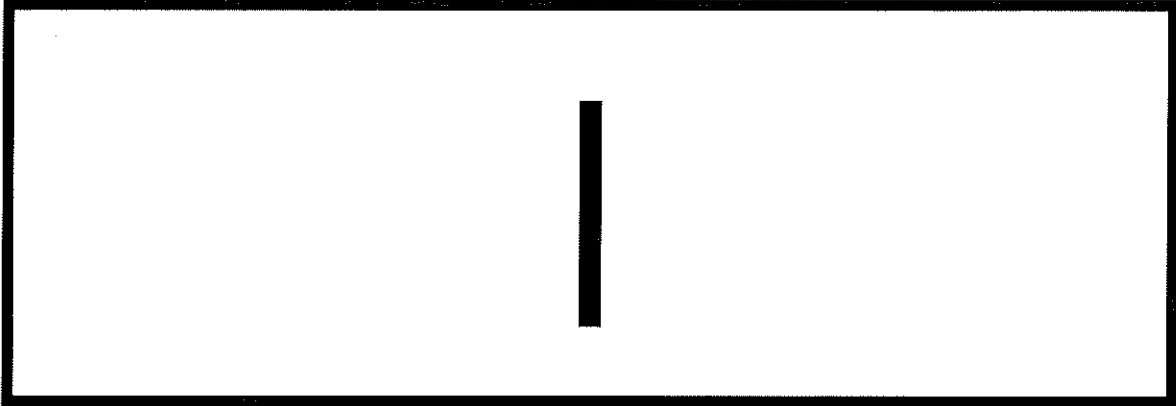
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions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

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

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

BLANCO TACKABERY & MATAMOROS, P.A.

By:   
Deborah L. McKenney, Vice President



# Nonprofit Questionnaire

(MANDATORY for points or pool)



## Non-profit Questionnaire

Part II, 13VAC10-180-60, of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority") for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended (the "Code") establishes certain requirements for receiving credits from the non-profit pool established under the Plan and assigning points for participation of a non-profit organization in the development of qualified low-income housing.

Answers to the following questions will be used by the Authority in its evaluation of whether or not an applicant meets such requirements. **Attach additional sheets as necessary to complete each question.**

### 1. General Information

- a. Name of development: Woodlawn School Apartments
- b. Name of owner/applicant: Woodlawn School Apartments, LLC
- c. Name of non-profit entity: Helping Overcome Poverty's Existence, Inc. (HOPE)
- d. Address of principal place of business of non-profit entity:  
680 W Main Street, Wytheville, VA, 24382

Indicate funding sources and amount used to pay for office space:

Each of the programs operated by HOPE pays for a pro-rata share of office space from their own funding sources.

- e. Tax exempt status:  501(c)(3)  501(c)(4)  501(a)
- f. Date of legal formation of non-profit (must be prior to application deadline): 4-27-1992  
evidenced by the following documentation: Certificate of Incorporation issued by the Virginia State Corporation Commission
- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):  
1/4/2008
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):  
\*This corporation is organized for the purpose of providing safe, decent and affordable housing for low and moderate income households and special needs populations of Wythe, Carroll, and Bland counties and the city of Galax.\*
- i. Expected life (in years) of non-profit:  
Perpetual

## Non-profit Questionnaire, cont'd

j. Explain the anticipated future activities of the non-profit over the next five years:  
Continued development of small, 4-BR group homes with Mt Rogers Community Services Board for IDD population;  
continued single family development of homes for first time homebuyers; development of mixed income town houses in Wythe;  
development of food security projects including a pay what you can restaurant.

k. How many full time, paid staff members does the non-profit and, if applicable, any other non-profit organization(s) ("related non-profit(s)") of which the non-profit is a subsidiary or to which the non-profit is otherwise related have (i.e. by shared directors, staff, etc.)?  
6 How many part time, paid staff members? 1

Describe the duties of all staff members:

Ex Dlr.--admin and board responsibilities, grant writing, developar of new projects; Deputy Director--bookkeeping, personnel;

Lead housing counselor--responsible for homeless shelter programs, rapid rehousing, data management and reporting; Housing

counselor for prevention and permanent supportive housing programs; Intake--gathering client data and assessment, referrals;

Food Security--in charge of all aspects of soup kitchen and weekly supplemental backpack program for schools.

l. Does the non-profit share staff with any other entity besides a related non-profit described above?

Yes  No If yes, explain in detail: \_\_\_\_\_

m. How many volunteers does the non-profit and, if applicable, any related non-profit have?  
650+ in our food security programs.

n. What are the sources and manner of funding of the non-profit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development  
Please see attached supplement.

o. List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:  
Please see attached supplement.

## 2. Non-profit Formation

a. Explain in detail the genesis of the formation of the non-profit:

HOPE was originally founded as Mountain Shelter, Inc., in 1991-2 by local individuals interested in accessing new HOME funds

made available to CHDOs. HOPE's board has been certified as a CHDO since formation. There was also an initial interest in

providing more housing for special needs populations, particularly with Intellectual and Developmental Disabilities. (cont.)

## Non-profit Questionnaire, cont'd

- b. Is the non-profit, or has it ever been, affiliated with or controlled by a for-profit entity or local housing authority?

Yes  No If yes, explain in detail:

---

---

---

- c. Has any for profit organization or local housing authority (including the Owner of the Development, joint venture partner, or any individual or entity directly or indirectly related to such Owner) appointed any directors to the governing board of the non-profit?

Yes  No If yes, explain:

---

---

---

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

Yes  No If yes, explain:

---

---

- e. Does any for profit organization or local housing authority have any other affiliation with the non-profit or have any other relationship with the non-profit in which it exercises or has the right to exercise any other type of control?

Yes  No, If yes, explain:

---

---

- f. Was the non-profit formed by any individual(s) or for profit entity for the principal purpose of being included in the non-profit Pool or receiving points for non-profit participation under the Plan?

Yes  No

- g. Explain in detail the past experience of the non-profit including, if applicable, the past experience of any other related non-profit of which the non-profit is a subsidiary or to which the non-profit is otherwise related (by shared directors, staff, etc.):

HOPE's experience is outlined in 2 a, continues the development mission launched by our Mountain Shelter, Inc., with whom

HOPE merged in 2007. There are no other related non-profits or subsidiaries.

- h. If you included in your answer to the previous question information concerning any related non-profit, describe the date of legal formation thereof, the date of IRS 501(c)(3) or 501(c)(4) status, its expected life, its charitable purposes and its relationship to the non-profit.

Mountain Shelter, Inc. merged with HOPE, in 2007, keeping the federal tax identity of Mountain Shelter, with an amended

articles of merger, but doing business under the new name. HOPE's original c3 status was in March, 1993, and legal date of formation was 9-2-1994.

The IRS acknowledged acceptance of the merger with a new 501 c3letter dated Jan. 4, 2008.

### 3. Non-profit Involvement



## Non-profit Questionnaire, cont'd

- a. Is the non-profit assured of owning an interest in the Development (either directly or through a wholly owned subsidiary) throughout the Compliance Period (as defined in §42(i)(1) of the Code)?

Yes  No

- (i) Will the non-profit own at least 10% of the general partnership/owning entity?

Yes  No

- (ii) Will the non-profit own 100% of the general partnership interest/owning entity?

Yes  No

If no to either 3a.i or 3a.ii above, specifically describe the non-profit's ownership interest:  
HOPE is a member of Woodlawn School Apartments, LLC. with 10% of the general partnership/owning percentage.

---

- b. (i) Will the non-profit be the managing member or managing general partner?  
 Yes  No If yes, where in the partnership/operating agreement is this provision specifically referenced?
- 

- (ii) Will the non-profit be the managing member or own more than 50% of the general partnership interest?  Yes  No

- c. Will the non-profit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity?

Yes  No If yes, where in the partnership/operating agreement is this provision specifically referenced?

Please see Right of First Refusal.

---

Recordable agreement attached to the Tax Credit Application as TAB V

If no at the end of the compliance period explain how the disposition of the assets will be structured:

---

- d. Is the non-profit materially participating (regular, continuous, and substantial participation) in the construction or rehabilitation and operation or management of the proposed Development?

Yes  No If yes,

- (i) Describe the nature and extent of the non-profit's proposed involvement in the construction or rehabilitation of the Development:
- 
- 

- (ii) Describe the nature and extent of the non-profit's involvement in the operation or

**Non-profit Questionnaire, cont'd**

management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):

---

---

---

(iii) Will the non-profit invest in its overall interaction with the development more than 500 hours annually to this venture?  Yes  No If yes, subdivide the annual hours by activity and staff responsible and explain in detail:

---

---

---

e. Explain how the idea for the proposed development was conceived. For example, was it in response to a need identified by a local neighborhood group? Local government? Board member? Housing needs study? Third party consultant? Other?

HOPE had been in discussions with the Carroll County Administrator about possibly redeveloping the Woodlawn school since at least 2014, after an earlier attempt to convert a closed Wythe County school in Austinville into elderly housing failed. When Carroll approached VHDA and others about plans to convert the Woodlawn school, HOPE's name emerged as a local non profit developer with some experience. HOPE matched up with Landmark Asset Services, Inc of Winston-Salem and concluded (cont. in supplement)

---

f. List all general partners/managing members of the Owner of the Development (one must be the non-profit) and the relative percentages of their interests:

Landmark Asset Services, Inc. 90%  
Helping Overcome Poverty's Existence, Inc. (HOPE) 10%

---

---

g. If this is a joint venture, (i.e. the non-profit is not the sole general partner/managing member), explain the nature and extent of the joint venture partner's involvement in the construction or rehabilitation and operation or management of the proposed development.

HOPE's participation is limited to the right of first refusal.

---

---

h. Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development?  Yes  No If yes, (i) explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

---

---

---

(ii) Explain how this relationship was established. For example, did the non-profit solicit proposals from several for-profits? Did the for-profit contact the non-profit and offer the services?

Landmark reached out to HOPE following an introduction by both the Carroll County Administrator, and VHDA staff.

i. Will the non-profit or the Owner (as identified in the application) pay a joint venture partner

## Non-profit Questionnaire, cont'd

or consultant fee for providing development services?  Yes  No If yes, explain the amount and source of the funds for such payments.

---

---

---

- j. Will any portion of the developer's fee which the non-profit expects to collect from its participation in the development be used to pay any consultant fee or any other fee to a third party entity or joint venture partner?  Yes  No If yes, explain in detail the amount and timing of such payments.

---

---

---

- k. Will the joint venture partner or for-profit consultant be compensated (receive income) in any other manner, such as builder's profit, architectural and engineering fees, or cash flow?  Yes  No If yes, explain:

---

---

---

- l. Will any member of the board of directors, officer, or staff member of the non-profit participate in the development and/or operation of the proposed development in any for-profit capacity?  Yes  No If yes, explain:

---

---

---

- m. Disclose any business or personal (including family) relationships that any of the staff members, directors or other principals involved in the formation or operation of the non-profit have, either directly or indirectly, with any persons or entities involved or to be involved in the Development on a for-profit basis including, but not limited to the Owner of the Development, any of its for-profit general partners, employees, limited partners or any other parties directly or indirectly related to such Owner:  
No personal relationships, relative to this project, exist.

---

---

---

- n. Is the non-profit involving any local, community based non-profit organizations in the development, role and operation, or provision of services for the development?  Yes  No If yes, explain in detail, including the compensation for the other non-profits:

---

---

---

## Non-profit Questionnaire, cont'd

### 4. Virginia and Community Activity

- a. Has the Virginia State Corporation Commission authorized the non-profit to do business in Virginia?  Yes  No

- b. Define the non-profit's geographic target area or population to be served:  
Counties of Wythe, Bland, Carroll, Grayson, Smyth and the city of Galax, in Virginia.
- 
- 

- c. Does the non-profit or, if applicable, related non-profit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)?  
 Yes  No If yes, or no, explain nature, extent and duration of any service:

HOPE, inc. has over 25 years experience serving the Carroll, Galax, Grayson, Wythe, Bland and Smyth service area with a wide variety of housing programs, from homelessness prevention, to development of new single family homeownership in 3 different subdivisions, as well as multi-family development in Hillsville, and 4, 4 BR group homes in Galax and Wytheville. In addition, since 2012, (cont)

---

---

- d. Does the non-profit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the non-profit on design, location of sites, development and management of affordable housing?  Yes  No If yes, explain:

Within HOPE's bylaws, under Article II, because of our CHDO status, is language calling for whenever feasible, low income beneficiaries will advise the organization in all stages of the program design process.

---

---

- e. Has the Virginia Department of Agriculture and Consumer Services (Division of Consumer Affairs) authorized the non-profit to solicit contributions/donations in the target community?

Yes  No

- f. Does the non-profit have demonstrated support (preferably financial) from established organizations, institutions, businesses and individuals in the target community?

Yes  No If yes, explain:

HOPE has raised \$112,495 as of 2-24-2020 from individuals, businesses and churches within our target community, which is 56% of the budgeted amount for the current fiscal year.

---

---

- g. Has the non-profit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input?  Yes  No If yes, describe the meeting dates, meeting locations, number of attendees and general discussion points:
- 
- 

- h. Are at least 33% of the members of the board of directors representatives of the community being served?  Yes  No If yes,

(i) low-income residents of the community?  Yes  No

**Non-profit Questionnaire, cont'd**

(ii) elected representatives of low-income neighborhood organizations?  Yes  No

i. Are no more than 33% of the members of the board of directors representatives of the public sector (i.e. public officials or employees or those appointed to the board by public officials)?  Yes  No

j. Does the board of directors hold regular meetings which are well attended and accessible to the target community?  Yes  No If yes, explain the meeting schedule:  
Board meets every other month. With 14 members at present, meetings have been attended by better than 2/3 members.

k. Has the non-profit received a Community Housing Development Organization (CHDO) designation, as defined by the U. S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction?  Yes  No

l. Has the non-profit been awarded state or local funds for the purpose of supporting overhead and operating expenses?  Yes  No If yes, explain in detail:  
HOPE has been awarded capacity building grant funds of \$60,000 from VHDA for the last 3 years. This grant has been used for board development, and strategic planning, IT upgrades, and for a capital campaign. In 2017, HOPE was accepted into the (cont)

m. Has the non-profit been formally designated by the local government as the principal community-based non-profit housing development organization for the selected target area?  Yes  No If yes, explain:

n. Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity?  Yes  No If yes, note each such application including: the development name and location, the date of application, the non-profit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).  
In 2013, HOPE was approached by GEM for partnering in the development of Harmony House in Gatax, but did not sign any agreements.

o. Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member?  Yes  No If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).  
In 1999, HOPE's predecessor, Mountain Shelter, Inc. applied for and received credits for the Southridge project in Wytheville.  
This project was a partnership with Wytheville Redevelopment Housing Authority.

p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before?  Yes  No If yes, explain:  
This project received tax credits in 2018. This 2020 application is for up to an additional 10% in LIHTC credits.

**Non-profit Questionnaire, cont'd**

- q. Has the non-profit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the VHDA Housing Funds?  Yes  No If yes, explain:

HOPE has received VHDA funding for the Hillcrest apartments in Hillsville, Va., which closed in 2013. In 2017-18, HOPE received a commitment from VHDA for funding for three new 4-BR group homes in Wythe and Galax. In 2005, HOPE's predecessor, MSI closed on financing from VHDA and HOME for a 4-BR group home in Wytheville.

- r. Has the non-profit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources?  Yes  No If yes, explain the need identified:

In 2015-16, HOPE's board completed a strategic review which focused its future development on elderly and special needs housing opportunities, as well as identifying new strategic partners with whom we might collaborate.

- s. Has the non-profit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community?  Yes  No If yes, explain the plan:

**5. Attachments**

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

The undersigned Owner and non-profit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for non-profit participation contained in the Plan or Section 42 of the Internal Revenue Code.

3/1/2020

Date

Woodlawn School Apartments, LLC

Owner/Applicant

By: Lisa A. Sari

Its: President of Landmark Asset Services, Inc., Managing Member

Title

3/1/2020

Date

Helping Overcome Poverty's Existence, Inc.

Non-profit

By: [Signature]

Board Chairman

Non-profit Questionnaire, cont'd

By: Andrew K. Kelly *E. D. W.*  
Executive Director *3-9-20*

J

# Relocation Plan

(MANDATORY, if tenants are displaced)



**This Section is not  
Applicable**

K

Documentation of  
Development Location

**K.1**

Revitalization Area  
Certification



Ralph J. "Bob" Martin  
Chairman

Robbie McCraw  
Vice-Chairman

Joshua A. Hendrick

Phil D. McCraw

Rex Hill

Dr. Thomas W. Littrell

Resolution

WHEREAS, pursuant to Section 36-55.30:2 A of the Code of Virginia of 1950, as amended, the Board of Supervisors of Carroll County, Virginia, desires to designate the area (the "Area") described on Exhibit A attached hereto as a revitalization area;

NOW, THEREFORE, BE IT HEREBY DETERMINED AS FOLLOWS:

(1) the Area is blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other facilities in the Area are subject to one or more of the following conditions: dilapidation; obsolescence; overcrowding; inadequate ventilation, light or sanitation; excessive land coverage; deleterious land use; or faulty or inadequate design, quality or condition; and

(2) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in the Area and will induce other persons and families to live within the Area and thereby create a desirable economic mix of residents in the Area.

NOW, THEREFORE, BE IT HEREBY RESOLVED that pursuant to Section 36-55.30:2 A of the Code of Virginia of 1950, as amended, the Area is hereby designated as a revitalization area.

APPROVED:

By: Ralph J. Bob Martin Jr.  
Ralph J. "Bob" Martin, Chairman, Carroll County Board of Supervisors

Attest: SB Trullitt  
Steven B. Trullitt, Clerk, Carroll County Board of Supervisors

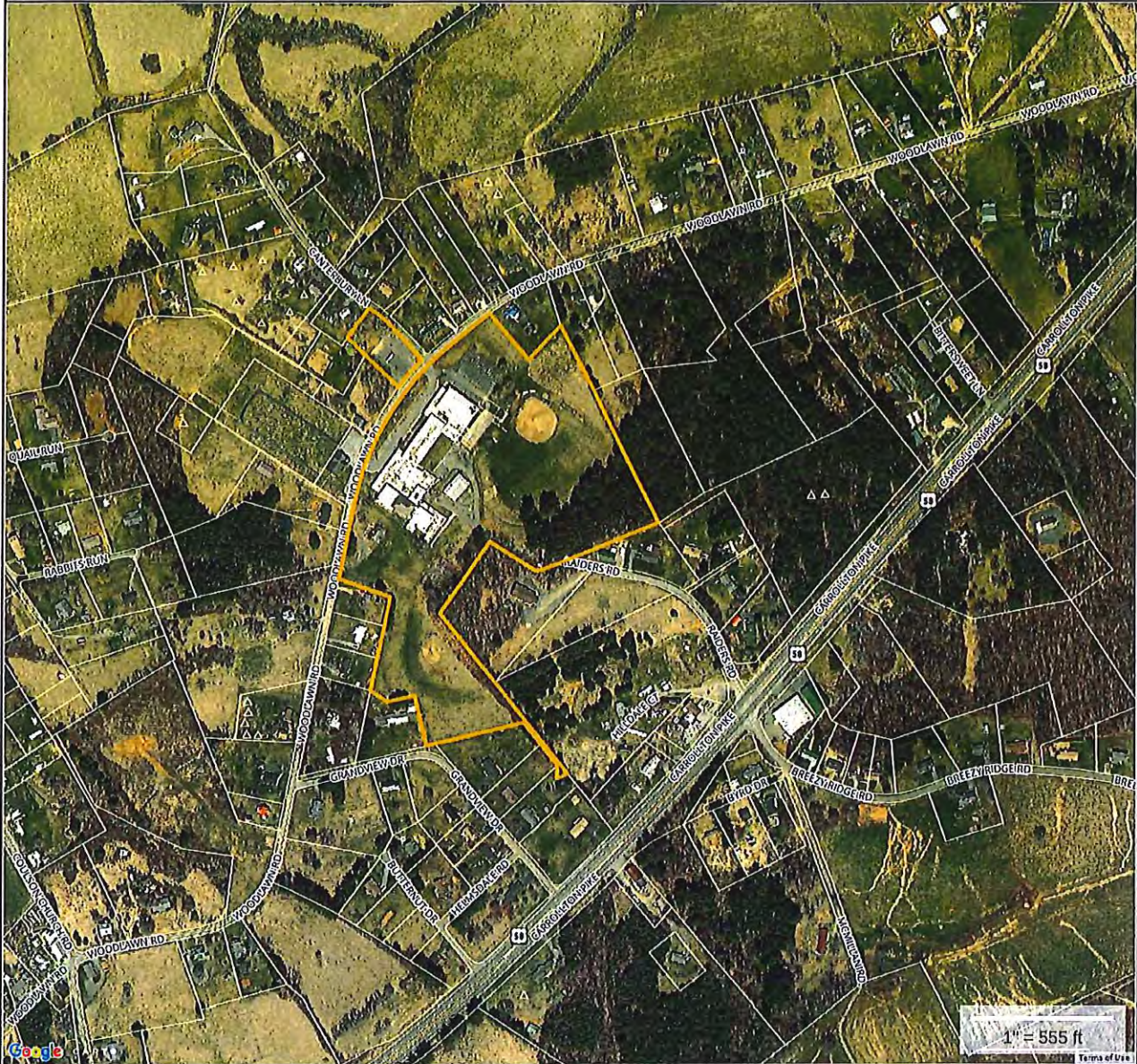
Date: 10-16-17

(276) 730.3001

(276) 730.3004 fax

CarrollAdmin@CarrollCountyVA.org  
CarrollCountyVA.org

Appendix A -- Woodlawn School Revitalization Agreement



**Property Information**

Property ID 81-A-133 & 81-A-113  
Location  
Owner Carroll County Industrial Development Authority



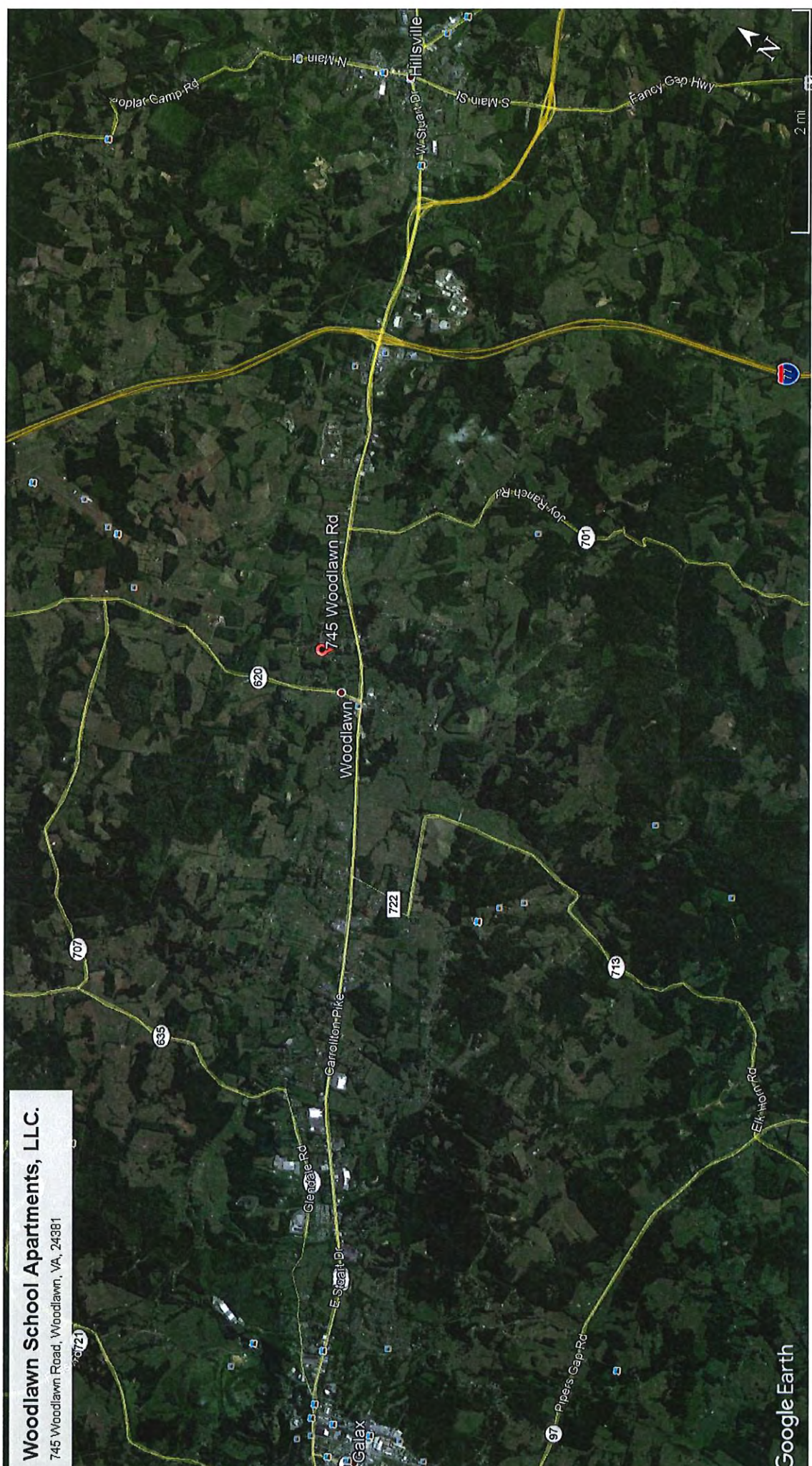
**MAP FOR REFERENCE ONLY  
NOT A LEGAL DOCUMENT**

Carroll County, VA makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Parcels updated 1/1/2018  
Properties updated 1/1/2018

K.2

Location Map



**Woodlawn School Apartments, LLC.**  
745 Woodlawn Road, Woodlawn, VA, 24381







# K.3

Surveyor's Certification of  
Proximity to Public  
Transportation



**Armentrout  
Surveying & Mapping**

*Gregory B. Armentrout, PLS.*  
P.O. Box 870  
Hillsville, Virginia 24343

**Surveyor's Certification of Proximity to Transportation**

DATE: 3/5/2020

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

RE: 2020 Tax Credit Reservation Request

Name of Development: Woodlawn School Apartments

Name of Owner: Woodlawn School Apartments, LLC

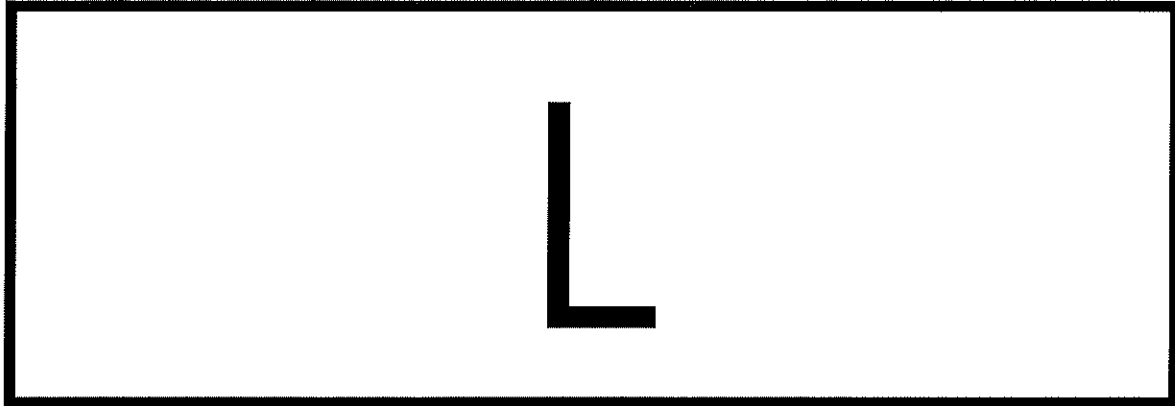
Gentlemen:

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

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

- 2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.

Armentrout Surveying & Mapping  
 Firm Name  
 GREGORY B. ARMENTROUT  
 Lic. No. 001991  
 Its: President  
 Title  
 3/9/20  
 COMMONWEALTH OF VIRGINIA  
 LAND SURVEYOR



PHA/Section 8 Notification  
Letter

# PHA or Section 8 Notification Letter

**DATE:** 3/4/2020

**TO:** VHDA, ATTN: Anton Shaw  
601 S. Belvidere Street  
Richmond, VA, 23220

**RE:** PROPOSED AFFORDABLE HOUSING DEVELOPMENT

Name of Development: Woodlawn School Apartments

Name of Owner: Woodlawn School Apartments, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from the Virginia Housing Development Authority (VHDA). We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on 7/31/2022 (date).

The following is a brief description of the proposed development:

Development Address:  
745 Woodlawn Road, Virginia, 24381

Proposed Improvements:

<input type="checkbox"/> New Constr.:	_____	# units	_____	# Bldgs
<input checked="" type="checkbox"/> Adaptive Reuse:	51	# units	1	# Bldgs
<input type="checkbox"/> Rehabilitation:	_____	# units	_____	# Bldgs

Proposed Rents:

<input type="checkbox"/> Efficiencies:	\$ _____	/ month
<input checked="" type="checkbox"/> 1 Bedroom Units:	\$ 396/510/545	/ month
<input checked="" type="checkbox"/> 2 Bedroom Units:	\$ 476/595/614	/ month
<input checked="" type="checkbox"/> 3 Bedroom Units:	\$ 549/679/710	/ month
<input type="checkbox"/> 4 Bedroom Units:	\$ _____	/ month

Other Descriptive Information:

Woodlawn School Apartments is the proposed development of the historic Woodlawn School into 51 affordable units.

## PHA or Section 8 Notification Letter

---

---

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at  
(336) 714 - 8910.

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

Sincerely yours,

Lisa A. Sari

Name

Managing Member

Title

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

Seen and Acknowledged By: 

Printed Name: Aston K. Shaw

Title: HCVP Director

Phone: 804-343-5611

Date: 3/5/20

M

Locality CEO Response  
Letter



## Carroll County Board of Supervisors

605-1 Pine Street  
Hillsville, VA 24343  
Telephone (276) 730-3001  
Fax (276) 730-3004

Rex L. Hill, Chair  
Joe Webb, Vice Chair  
Dr. Tom Littrell  
Tracy D. Moore  
Phillip McCraw  
Robbie McCraw

3-1-2020

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

VHDA Tracking Number	2020-C-71
Development Name:	Woodlawn School Apartments
Name of Owner/Applicant:	Woodlawn School Apartment, LLC

Dear Mr. Bondurant:

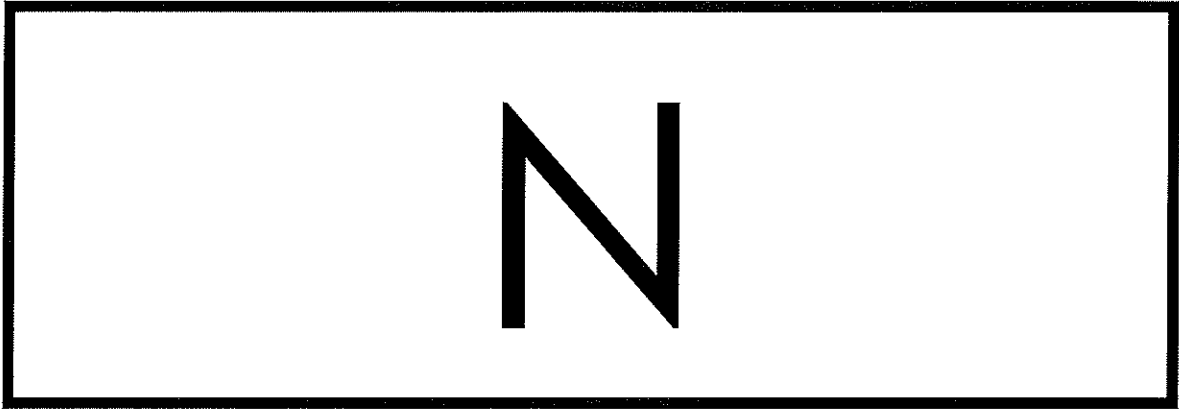
The construction or rehabilitation of the above-named development and the allocation of federal housing tax credits available under IRC Section 42 for said development will help to meet the housing needs and priorities of Carroll County. Accordingly, Carroll County supports the allocation of federal housing tax credits requested by Woodlawn School Apartments, LLC for this development.

Yours truly,

Signature

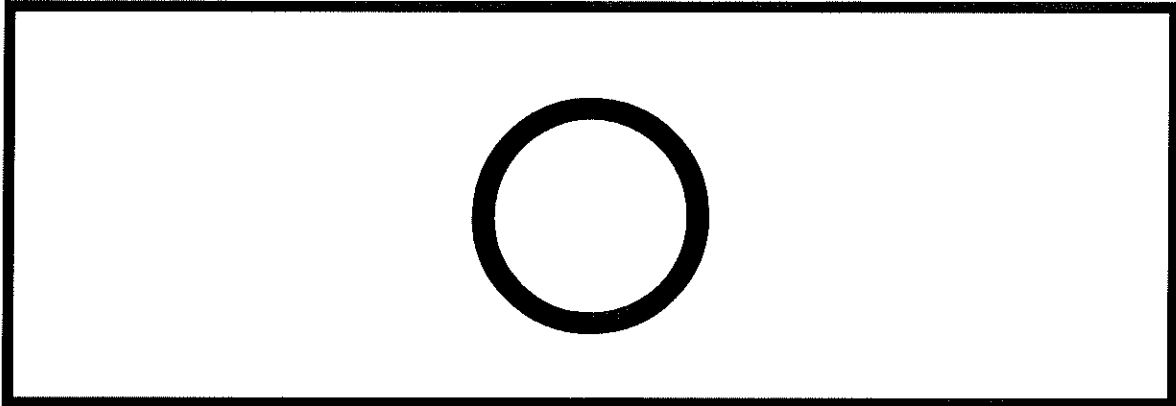
Cellell Dalton  
County Administrator





# Homeownership Plan

**This Section is not  
Applicable**



Plan of Development  
Certification Letter

**This Section is not  
Applicable**

P

Copies of 8609s to  
Certify Developer  
Experience and  
Partnership agreements

## VHDA Experienced LIHTC Developers

### Notes:

Updated: 1/30/2020

1 Listed if 'named' Controlling General Partner or Managing Member (as confirmed by supporting documentation)

1 Listed if documentation supported at least 6 LIHTC developments

1 Listed if a principal who has developed at least 3 LIHTC deals and has at least \$500,000 in liquid assets

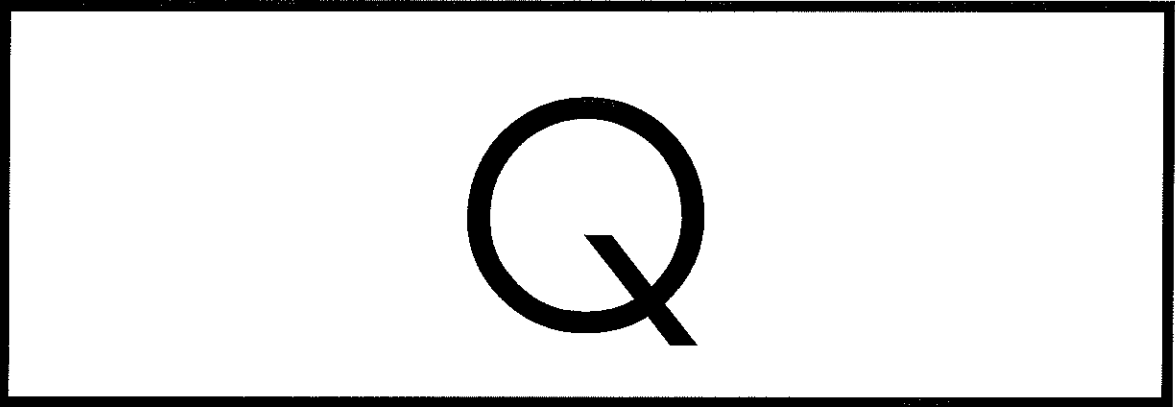
See LIHTC Manual for instructions on being added to this list

### INDIVIDUALS

1 Alexander, Randall P.	28 Fore, Richard L.	55 Mirmelstein, George
2 Asarch, Chad	29 Franklin, Wendell C.	56 Nelson, IV, John M.
3 Arista, Roberto	30 Friedman, Mitchell M.	57 Orth, Kevin
4 Barnhart, Richard K.	31 Gardner, Mark E.	58 Page, David
5 Baron, Richard	32 Gunderman, Timothy L.	59 Parent, Brian
6 Bennett, Vincent R.	33 Haskins, Robert G.	60 Park, Richard A.
7 Burns, Laura P.	34 Heatwole, F. Andrew	61 Park, William N.
8 Chapman, Tim	35 Honeycutt, Thomas W.	62 Pasquesi, R.J.
9 Cohen, Howard Earl	36 Hunt, Michael C.	63 Pedigo, Gerald K.
10 Connelly, T. Kevin	37 Iglesias, Adrian	64 Poulin, Brian M.
11 Connors, Cathy	38 Jester, M. David	65 Queener, Brad
12 Copeland, M. Scott	39 Johnston, Thomas M.	66 Ripley, F. Scott
13 Copeland, Robert O.	40 Jones Kirkland, Janice	67 Ripley, Ronald C.
14 Copeland, Todd A.	41 Kirkland, Milton L.	68 Ross, Stephen M.
15 Cordingley, Bruce A.	42 Kittle, Jeffery L.	69 Salazar, Tony
16 Counselman, Richard	43 Koogler, David M.	70 Sari, Lisa A.
17 Crosland, Jr., John	44 Koogler, David Mark	71 Sinito, Frank T.
18 Curtis, Lawrence H.	45 Lancaster, Dale	72 Stockmaster, Adam J.
19 Daigle, Marc	46 Lawson, Phillip O.	73 Stoffregen, Phillip J.
20 Dambly, Mark H.	47 Lawson, Steve	74 Surber, Jen
21 Deutch, David O.	48 Leon, Miles B.	75 Valey, Ernst
22 Dischinger, Chris	49 Lewis, David R.	76 Uram, David
23 Douglas, David D.	50 Margolis, Robert B.	77 Wilson, Stephen
24 Edmondson, Jim	51 McCormack, Kevin	78 Woda, Jeffrey J.
25 Ellis, Gary D.	52 McNamara, Michael L.	79 Wohl, Michael D.
26 Fekas, William L.	53 Melton, Melvin B.	80 Wolfson, III, Louis
27 Fitch, Hollis M.	54 Midura, Ronald J.	

### NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

1 AHC, Inc.
2 Alexandria RHA
3 Arlington Partnership for Affordable Housing (APAH)
4 Atlantic Housing Foundation, Inc.
5 Better Housing Coalition
6 Buckeye Community Hope Foundation
7 Community Housing Partners
8 Community Housing, Inc.
9 ElderHomes (dba Project: Homes)
10 Enterprise Homes, Inc
11 Fairfax County RHA
12 Homes for America, Inc.
13 Humanities Foundation, Inc.
14 Huntington Housing, Inc.
15 Newport News RHA
16 NHT Communities
17 Norfolk Redevelopment Housing Authority
18 People Incorporated
19 Piedmont Housing Alliance
20 Preserving US, Inc.
21 Portsmouth RHA
22 RHA/Housing, Inc.
23 Rush Homes
24 The Community Builders
25 Virginia Supportive Housing
26 Virginia United Methodist Housing Development Corporation
27 Wesley Housing Development Corporation
28 LEDIC Realty Company, LLC



Q

# Documentation of Rental Assistance

**RESOLUTION OF SUPPORT FOR LOW INCOME AND HISTORIC RENOVATION  
HOUSING PROJECT AT WOODLAWN SCHOOL**

**WHEREAS**, the Carroll County Industrial Development Authority (IDA) recognizes that rural affordable housing needs provide challenges that differ greatly from those faced in urban areas – the residents of Carroll face very different demographic, social, and housing challenges than their urban counterparts;

**WHEREAS**, many residents of Carroll County have experienced widespread and persistent economic challenges that have been made worse by the economic downturn and accompanying job losses and a further decline in the availability of resources from which we have yet to fully recover;

**WHEREAS**, affordable housing in Carroll County can sometimes mean substandard housing where many live without adequate access to plumbing and electricity; or in small and/or aging manufactured homes greatly isolated from neighbors; and limited access to rental housing stock of any kind;

**WHEREAS**, Carroll County is experiencing a growing demand for rental housing; flat or declining incomes and an increasing population of both seniors and single parents;

**WHEREAS**, the proposed project to development the Woodlawn School Apartment project through the rehabilitation and redeployment of the Woodlawn School in Woodlawn, currently owned by the IDA in partnership with Woodlawn School Apartments, LLC and Landmark Developers; and

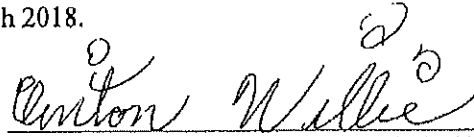
**WHEREAS**, Landmark Developers have committed to securing historic status for the Woodlawn School property and using tax credits afforded by such status to ensure that the Woodlawn School Apartments are an attractive and safe place to live;

**NOW THEREFORE, BE IT RESOLVED** by the Industrial Development Authority of Carroll County does register its complete support both for the development of affordable housing in Carroll County generally, but in particular for the successful implantation of the Woodlawn School Apartment.

Be it also resolved that to facilitate this project the Industrial Development Authority does authorize its Executive Director to execute a donation agreement giving the main Woodlawn School building an approximately 6,5 acres of the Woodlawn school property to Landmark Asset Services, Inc, and/or Assigns. In addition, the Industrial Development Authority authorized the refunding of up to three years of real estate taxes on the property, as authorized by the Code of Virginia 58.1-3219, and to the extent permitted by Federal and state laws as well as applicable building permit and water/sewer connection fees, and regulations, to support the renovation and reconstruction efforts required to complete the project.



ADOPTED THIS 14th DAY OF March 2018.

  
\_\_\_\_\_  
CHAIRMAN, INDUSTRIAL DEVELOPMENT  
AUTHORITY OF CARROLL COUNTY

CERTIFICATION OF ADOPTION OF RESOLUTION The Undersigned Clerk of the Industrial Development Authority of Carroll County hereby certifies that the Resolution set forth above was adopted on February 6, by the Authority with the following votes:

Aye: Willie, Jackson, Chambers, Wilson, Sowers, Edwards, Collins

Nay: None

Abstentions: None

Absences: None

SIGNED THIS 14th DAY OF MARCH 2018.

By:   
\_\_\_\_\_  
Executive Director ✓

R

Documentation of  
Operating Budget



March 9, 2020

John Stiltner  
 Landmark Asset Services Inc  
 406 E Fourth St  
 Winston-Salem, NC 27101  
 johnstiltner@landmarkdevelopment.biz

RE: Preliminary Utility Allowance for Woodlawn School Apartments

Dear Mr. Stiltner ,

Please see the following Preliminary Utility Allowance (UA) for Woodlawn School Apartments located in Woodlawn School Apartments, Virginia. Projections were generated with the applicable rates, fees, and taxes of following providers:

Electricity:	Appalachian Power	Gas:	N/A
Water:	Carroll County	Trash:	N/A
Sewer:	Carroll County		

The utility rates used to produce this UA are no older than the rates in place 60 days prior to the date of this letter. Below is a table depicting the highest monthly UA by each bedroom type. Should you have any questions do not hesitate to contact me.

EARTHCRAFT PRELIMINARY UA*			ALLOWANCES BY BEDROOM SIZE				
Utilities	Utility Type	Paid by	Studio	1-bdr	2-bdr	3-bdr	4-bdr
Heating	Electric	Tenant	N/A	\$ 13	\$ 16	\$ 18	N/A
Air Conditioning	Electric	Tenant	N/A	\$ 6	\$ 7	\$ 9	N/A
Cooking	Electric	Tenant	N/A	\$ 5	\$ 6	\$ 7	N/A
Lighting	Electric	Tenant	N/A	\$ 21	\$ 25	\$ 29	N/A
Hot Water	Electric	Tenant	N/A	\$ 13	\$ 15	\$ 18	N/A
Water	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Sewer	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Trash	-	Owner	N/A	\$ -	\$ -	\$ -	N/A
Total UA for costs paid by tenant			N/A	\$ 58	\$ 69	\$ 81	N/A

*\*Allowances only for Woodlawn School Apartments as an ENERGY STAR and EarthCraft Gold project. The water and sewer projections were produced using water fixtures with flow rates of 1.28 gpf toilets, 2.0 gpm showerheads, 2.2 gpm kitchen faucets, and 1.5 gpm lavatory faucets.*

Sincerely,

Rob McRaney  
 Business Relations Manager

S

Supportive Housing  
Certification

**This Section is not  
Applicable**

T

Funding Documentation

**RESOLUTION OF SUPPORT FOR LOW INCOME AND HISTORIC RENOVATION  
HOUSING PROJECT AT WOODLAWN SCHOOL**

**WHEREAS**, the Carroll County Industrial Development Authority (IDA) recognizes that rural affordable housing needs provide challenges that differ greatly from those faced in urban areas – the residents of Carroll face very different demographic, social, and housing challenges than their urban counterparts;

**WHEREAS**, many residents of Carroll County have experienced widespread and persistent economic challenges that have been made worse by the economic downturn and accompanying job losses and a further decline in the availability of resources from which we have yet to fully recover;

**WHEREAS**, affordable housing in Carroll County can sometimes mean substandard housing where many live without adequate access to plumbing and electricity; or in small and/or aging manufactured homes greatly isolated from neighbors; and limited access to rental housing stock of any kind;

**WHEREAS**, Carroll County is experiencing a growing demand for rental housing; flat or declining incomes and an increasing population of both seniors and single parents;

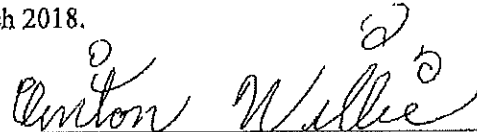
**WHEREAS**, the proposed project to develop the Woodlawn School Apartment project through the rehabilitation and redeployment of the Woodlawn School in Woodlawn, currently owned by the IDA in partnership with Woodlawn School Apartments, LLC and Landmark Developers; and

**WHEREAS**, Landmark Developers have committed to securing historic status for the Woodlawn School property and using tax credits afforded by such status to ensure that the Woodlawn School Apartments are an attractive and safe place to live;

**NOW THEREFORE, BE IT RESOLVED** by the Industrial Development Authority of Carroll County does register its complete support both for the development of affordable housing in Carroll County generally, but in particular for the successful implantation of the Woodlawn School Apartment.

Be it also resolved that to facilitate this project the Industrial Development Authority does authorize its Executive Director to execute a donation agreement giving the main Woodlawn School building an approximately 6,5 acres of the Woodlawn school property to Landmark Asset Services, Inc, and/or Assigns. In addition, the Industrial Development Authority authorized the refunding of up to three years of real estate taxes on the property, as authorized by the Code of Virginia 58.1-3219, and to the extent permitted by Federal and state laws as well as applicable building permit and water/sewer connection fees, and regulations, to support the renovation and reconstruction efforts required to complete the project.

ADOPTED THIS 14th DAY OF March 2018.

  
\_\_\_\_\_  
CHAIRMAN, INDUSTRIAL DEVELOPMENT  
AUTHORITY OF CARROLL COUNTY

CERTIFICATION OF ADOPTION OF RESOLUTION The Undersigned Clerk of the Industrial Development Authority of Carroll County hereby certifies that the Resolution set forth above was adopted on February 6, by the Authority with the following votes:

Aye: Willie, Jackson, Chambers, Wilson, Sowers, Edwards, Collins

Nay: None

Abstentions: None

Absences: None

SIGNED THIS 14th DAY OF MARCH 2018.

By:   
\_\_\_\_\_  
Executive Director



Cellell Dalton

Ricky Thomas



## Carroll County Economic Development Authority

605-1 Pine St.  
Hillsville, VA 24343

March 1, 2020

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

VHDA Tracking Number: 2020-c-71  
Development Name: Woodlawn School Apartments  
Name of Owner/Applicant: Woodlawn School Apartments, LLC  
Dear Mr. Bondurant:

In support of the proposed development, the Carroll County Economic Development Authority, in partnership with the Carroll County Board of Supervisors, has agreed to donate the Historic Woodlawn School building and some of the surrounding land totaling approximately 6.15 acres.

The VHDA LIHTC Manual and QAP state that the value of the donated land will be based on the most recent locality tax assessment, which in this case is 2017. Based on the 2017 assessment and calculation, the value of our donation is \$6,102,700.

Please feel free to reach out to me directly if you have any questions.

Respectfully,

Ricky Thomas  
Chair, Carroll County EDA

Joe N. Webb  
Chair, Board of Supervisors  
Carroll County

Woodlawn School Donation Value Based on Most Recent Assessment (01/01/2017)			
---	--	--	--

Parcel 81-A-133	Per Acre	Acerage	Total
Land Value (portion of Parcel)	\$15,000.00	5.280	\$79,200.00
Building value			\$6,000,700.00

<b>Parcel 81-A-133</b>	
<b>Total</b>	<b>\$6,079,900.00</b>

Parcel 81-A-113	Total
Lot Value (Entire Parcel)	\$22,800.00
(Land and Improvements)	

<b>TOTAL VALUE OF DONATION</b>	<b>\$6,102,700.00</b>
--------------------------------	-----------------------



## Carroll County Board of Supervisors

605-1 Pine Street  
Hillsville, VA 24343  
Telephone (276) 730-3001  
Fax (276) 730-3004

Rex L. Hill, Chair  
Joe Webb, Vice Chair  
Dr. Tom Littrell  
Tracy D. Moore  
Phillip McCraw  
Robbie McCraw

March 1st, 2020

Lisa A. Sari  
Landmark Asset Services, Inc.  
406 E 4<sup>th</sup> Street  
Winston Salem, NC, 27101

**VHDA Tracking Number:** 2020-C-71  
**Development Name:** Woodlawn School Apartments  
**Name of Owner/Applicant:** Woodlawn School Apartments, LLC

Dear Ms. Sari

Please let this letter serve as proof that Carroll County has agreed to waive all Building Permit fees on the Woodlawn School Apartments project.

Sincerely,

Cellel Dalton  
County Administrator

Cellell Dalton  
Executive Director

Larry Chambers

Kaye Carter

Ronnie Collins



Ricky Thomas  
Chairman

Larry Edwards

Mandi McCraw

Richard Sowers

## Carroll County Economic Development Authority

605-1 Pine St.  
Hillsville, VA 24343

March 1st, 2020

Lisa A. Sari  
Landmark Asset Services, Inc.  
406 E 4<sup>th</sup> Street  
Winston Salem, NC, 27101

**VHDA Tracking Number:** 2020-C-71  
**Development Name:** Woodlawn School Apartments  
**Name of Owner/Applicant:** Woodlawn School Apartments, LLC

Dear Ms. Sari

Please let this letter serve as proof that Carroll County EDA has also committed to donate all of the Woodlawn School Building(s), and a portion of the land surrounding the school, as more specifically spelled out in the Donation Agreement between Carroll County Economic Development Authority and Landmark Asset Services. The County has also agreed to waive all building permit fees.

Please also let this letter serve as proof that Carroll County Board of Supervisors has committed to lease the Woodlawn School Gymnasium Commercial Space from Landmark Asset Services, Inc, and/or assigns, if the Development is awarded LIHTC credits through VHDA. The lease shall be for a period of 30 years after the placed in-service date (to coincide with the extended use period) and shall be rented for One Hundred Dollars (\$100) and no cents a year. We are excited to continue our use of the gymnasium space to provide recreational activities for our community and your future residents.

We look forward to working with you and wish you luck with your LIHTC application.

Sincerely,

Ricky Thomas  
Chairman, Carroll County EDA

Cellell Dalton  
County Administrator

U

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

## Letters from 2018 Application

Waiver Previously Granted as part of 2018 Application



Robbie McCraw  
Chairman

Rex Hill  
Vice-Chairman

Ralph J. "Bob" Martin

Dr. Thomas W. Littrell

Joe Webb

Phillip McCraw

## Office of the Administrator

605-1 Pine Street  
Hillsville, VA 24343

March 2nd, 2018

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

**VHDA Tracking Number:** 2018-C-64  
**Development Name:** Woodlawn School Apartments  
**Name of Owner/Applicant:** Woodlawn School Apartments, LLC

Dear Mr. Bondurant:

As a follow up to my prior letter of support, please let me emphasize again that the rehabilitation of the Woodlawn School is a vital element of our plans to improve access to quality, affordable housing in Carroll County. Currently our existing housing supply, and the supply of rental housing, does not meet the needs of our community. We have fewer than 200 apartments in Carroll County that are considered affordable housing for lower income families. These units are nearly always full and demand would support many additional units.

Rental housing in general in Carroll County can be difficult to find, whether it is considered affordable or not. Market rate apartments and privately-owned homes offered for rent often do not ever become listed as available. More commonly, you need to "know someone" to find a suitable, available rental home.

Our stock of available units is also aging. The majority were built 20 years ago or more. Most rental units in Carroll require some levels of repair and rehabilitation to be fully livable.

The median *household* income in Carroll County is around \$35,000, well below that of the entire state of Virginia where it is nearly twice that amount. Most of the county is identified as a Virginia Enterprise Zone. Our population is aging (over 30% over age 55) and we have a like number of people who could benefit from proper handicapped accessible housing as other communities.

(276) 730.3001

(276) 730.3004 fax

[CarrollAdmin@CarrollCountyVA.org](mailto:CarrollAdmin@CarrollCountyVA.org)  
CarrollCountyVA.org

Unfortunately, normal market forces are not providing sufficient incentives to developers to build enough of this type of specialized housing, because of the level of income in our area.

The Woodlawn school project is not just a low-income housing project, as important as that is. It also represents the rehabilitation of a historically significant structure and are of our County. Woodlawn school was the first public secondary school in the nation to offer agricultural and vocational classes funded by and developed because of the Smith Hughes Act. Scores of our citizens graduated from the school (at higher rates due at least in part to the availability of vo-ag education).

Today, the school property and nearby areas suffer from blight and deterioration. Because of its significance to our citizens, our Board of Supervisors has designated the Woodlawn School and surroundings a revitalization area. Further, the land around the school continues to be used as a recreation area.

We intend to lease the gymnasium of the school as commercial space from the applicant to house a recreation area to be used by both the residents and the community. In addition, the land surrounding the school building has two baseball fields, a soccer field, a tennis court, bathrooms, and a concession area. While these amenities have deteriorated somewhat since the school has closed, it is our intention to restore at least some, if not these amenities as part of this project. There has even been some talk of partnering with HOPE, INC, a local nonprofit with experience in building affordable single-family homes through various homeownership programs on the remaining vacant land after the successful completion of this project.

Our goal is to form effective partnerships that will help turn the Woodlawn School into its own revitalized and vibrant community. I am hard pressed to think of another community like what we are envisioning in the Twin Counties area or even in Southwest Virginia. The Woodlawn School Apartments Development will be one of the first steps in transforming this historically significant school into a modern community in our county.

For all these reasons and more, I ask that full consideration be given to granting or project federal housing tax credits under IRC Section 42. The allocation of these credits to the Woodlawn School Apartments project will support a key revitalization of our county's history and a foundation for its future. With your help, Woodlawn School Apartments will become a great place for people to live, work and play.

Thank you for your consideration and please call if I can provide more information.

Sincerely,



Steven B. Truitt

County Administrator, Carroll County, VA

(276) 730.3001

(276) 730.3004 fax

[CarrollAdmin@CarrollCountyVA.org](mailto:CarrollAdmin@CarrollCountyVA.org)  
[CarrollCountyVA.org](http://CarrollCountyVA.org)





March 13, 2018

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

**VHDA Tracking Number:** 2018-C-064  
**Development Name:** Woodlawn School Apartments  
**Name of Owner/Applicant:** Woodlawn School Apartments, LLC

Dear Mr. Bondurant:

Helping Overcome Poverty's Existence, Inc. (HOPE) is a proud partner in the proposed ownership and rehabilitation of the Woodlawn School and the allocation of federal housing tax credits available under IRC Section 42. Through this program, the goal is to convert the existing structure into a multifamily dwelling much needed to meet the unique housing needs and priorities of Carroll County and more specifically the Town of Woodlawn, Virginia.

In 2007, Mountain Shelter, Inc. (MSI) merged with HOPE. MSI's primary mission was to enable lower income and disadvantaged families achieve solutions for sustaining affordable housing and this goal continues today through HOPE's overall mission. HOPE has a strong history of working diligently to improve the lives of the residents it serves. It has done this through financial assistance to reduce homelessness as well as to develop affordable, energy-efficient homes.

Due to a lack of LIHTC communities in Woodlawn and the immediate surrounding communities there is a strong need for quality, affordable housing that is not currently being met. There are currently no low income housing communities in Woodlawn and there are no properties under construction or proposed at the current time. The cost of development, along with the low incomes of area renters, make most potential developments unfeasible. Additionally, it is a proven trend that income growth in southwest Virginia is not keeping up with the increased cost of rental housing. In Carroll County between 2000 and 2015, the area median income increased by only 14% compared to an increase in median rent of 45%. This represents a 31% increase. Woodlawn School will help to counteract this trend based on the maximum rent requirements of the LIHTC program. This will help to make more affordable housing available to those renters who need the housing the most.

This project is also significant as it will rehabilitate and restore a significant piece of Woodlawn's history as well as the overall history of Vocational Agricultural Education in the United States. The school's location is also part of a designated revitalization area. The social and community benefits of restoring the school are significant. It will not only provide safe and quality housing in a familiar and comfortable

**Helping Overcome Poverty's Existence, Inc.**  
680 West Main Street | PO Box 743 | Wytheville, VA 24382  
Phone (276) 228-6280 | Fax (276) 228-0508  
[www.wythehope.org](http://www.wythehope.org)



environment for the residents, it will also bring back fond memories for residents and others who attended the school.

Given these reasons among others, we feel as though there is a strong need for new affordable housing in the area that is not and cannot be met from the existing housing stock and therefore an exemption should be granted.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andy Kegley", with a long horizontal flourish extending to the right.

Andy Kegley  
Executive Director  
Helping Overcome Poverty's Existence, Inc.

# Income growth isn't keeping up with rent increases.

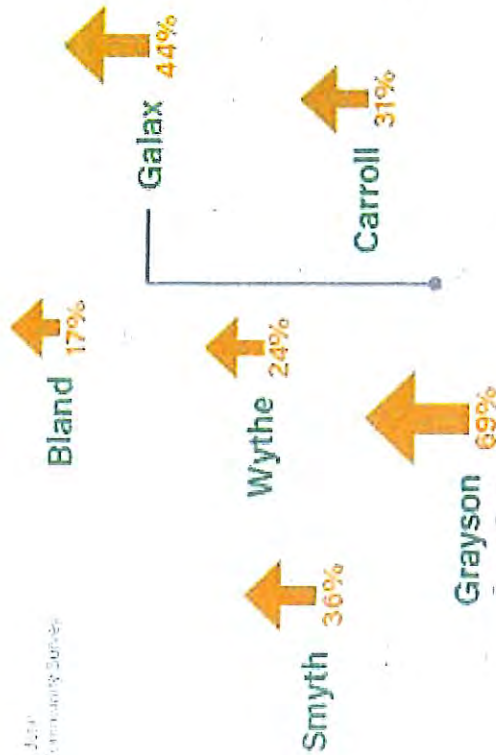
Between 2000 and 2015, the cost to rent a home in southwest Virginia increased much more than the average wages earned by families.

For example, in **Grayson County**, the median incomes grew by only 4%, while rents rose 73%.

How much have average rents gone up more than average incomes? (2000-2015)

2000 US Census SF5 data  
2015 2014 American Community Survey

From 2000 to 2015:	Increase in median income	Increase in median rent	How much rents have outpaced income
Bland County	49%	66%	17%
Carroll County	14%	45%	31%
Grayson County	4%	73%	69%
Smyth County	26%	62%	36%
Wythe County	28%	52%	24%
Galax City	8%	52%	44%





V

Nonprofit or LHA Purchase  
Option or Right of First  
Refusal

Prepared by:

Tax ID # 81-A-113 + 81-A-133

*Blanco Tackabery & Matamoros, P.A.*  
*P.O. Drawer 25008*  
*Winston-Salem, NC 27114-50078*

### RIGHT OF FIRST REFUSAL AGREEMENT

THIS RIGHT OF FIRST REFUSAL AGREEMENT made as of the 8<sup>th</sup> day of March, 2018, by and among **WOODLAWN SCHOOL APARTMENTS, LLC**, a Virginia limited liability company ("Owner") and **HELPING OVERCOME POVERTY'S EXISTENCE, INC.**, a Virginia non-stock corporation ("HOPE").

WHEREAS, HOPE is a qualified 501(c)(3) entity for tax purposes, providing a variety of services in the Southwestern Virginia area, including low income housing assistance services to residents of Carroll County, Virginia; and

WHEREAS, HOPE owns a minority membership interest in the Owner, and Landmark Asset Services, Inc. owns the remaining majority membership interest in the Owner; and

WHEREAS, Owner intends to acquire a parcel of real estate located at 745 Woodlawn Road in Woodlawn, Carroll County, Virginia, and more particularly described on Exhibit A hereto (hereinafter the "Property"); and

WHEREAS, Owner shall cause the former Woodlawn School, located on the Property, to be renovated into a \_\_\_\_\_-unit residential apartment development (hereinafter the Property and improvements together referred to as the "Development"); and

WHEREAS, the cost to acquire and construct the Development is expected to be financed through the Low-Income Housing Tax Credit Program of the Virginia Housing Development Authority ("VHDA"; such program, the "VHDA Program"); and

WHEREAS, Owner and VHDA have agreed that the Development will remain owned by the Owner for a minimum period of fifteen (15) years after the residential units are placed in service (hereinafter the "Compliance Period"); and

WHEREAS, Owner desires to grant to HOPE a right of first refusal to purchase the Property once the Compliance Period has expired.

NOW, THEREFORE, that for and in consideration of Ten Dollars (\$10.00), cash in hand paid by HOPE to Owner, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by Owner, Owner does hereby grant and convey to HOPE the following:

Right of First Refusal. Upon the expiration of the Compliance Period, and thereafter for a period of one (1) year, so long as HOPE is a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Internal Revenue Code, HOPE shall have a right of first refusal to purchase the Development at a price equal to the sum of (i) the outstanding debt of the Owner; plus (ii) the exit taxes of the Owner's remaining members. During the term of this Agreement, upon the execution of a purchase contract to sell the Development, which shall be subject to HOPE's right of first refusal, Owner, or its successor in interest, shall immediately deliver a written copy of the purchase contract to HOPE. HOPE shall have thirty (30) days from receipt of the written contract within which to notify Owner, or its successor in interest, in writing of HOPE's intent to exercise its right of first refusal. If HOPE fails to notify Owner, or its successor in interest, within the thirty (30) day period, then said right of first refusal expires as to such purchase contract and Owner, or its successor in interest, is free to sell the Development to the purchaser, but only pursuant to the terms of the written purchase contract presented to HOPE. If HOPE gives Owner, or its successor in interest, written notice of HOPE's intent to exercise its right of first refusal within the thirty (30) day period, then HOPE shall be obligated to purchase, and Owner, or its successor in interest, obligated to sell, the Development to HOPE on the same terms as set forth in the purchase contract presented to HOPE, except in no event shall HOPE be obligated to close on the purchase of the Development sooner than ninety (90) days from the date that HOPE notifies Owner, or its successor in interest, of its intent to exercise its option. Nothing herein shall obligate HOPE to exercise its right of first refusal.

[SEPARATE SIGNATURE PAGES FOLLOW]

WITNESSETH the following signatures and seals made as of the date of this document:

OWNER:

WOODLAWN SCHOOL APARTMENTS, LLC

By: Landmark Asset Services, Inc., managing member

By: Lisa A Sari  
Lisa A. Sari, President

STATE OF NORTH CAROLINA

COUNTY OF Surry

I, Tammy R Simmons, a Notary Public of the County and State aforesaid, certify that Lisa A. Sari, either being personally known to me or proven by satisfactory evidence, personally appeared before me this day and acknowledged that she is the President of Landmark Asset Services, Inc., the managing member of Woodlawn School Apartments, LLC, a North Carolina limited liability company, and that she, as President of the managing member, being authorized to do so, voluntarily executed the foregoing on behalf of the limited liability company for the purposes stated therein.

WITNESS my hand and official stamp or seal, this 14<sup>th</sup> day of March, 2018.

Tammy R Simmons  
Notary Public

My Commission expires: 10/23/2021

[Notarial Seal/Stamp]

Tammy R Simmons  
Notary Public  
Surry County, NC  
My Commission Expires 10/23/2021

**HOPE:**

HELPING OVERCOME POVERTY'S  
EXISTENCE, INC.

By: Andy Kealey  
Name: Andy Kealey  
Title: Executive Director

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF Wythe

I, Leah Joy Storms, a Notary Public of the County and State aforesaid, certify that Andy Kealey, either being personally known to me or proven by satisfactory evidence, personally appeared before me this day and acknowledged that (s)he is Executive Director of Helping Overcome Poverty's Existence, Inc., a Virginia non-stock corporation, and that (s)he, as Executive Director, being authorized to do so, voluntarily executed the foregoing on behalf of the corporation for the purposes stated therein.

WITNESS my hand and official stamp or seal, this 8<sup>th</sup> day of March, 2018.

Leah Joy Storms  
Notary Public

My Commission expires: 2-28-2022

[Notarial Seal/Stamp]

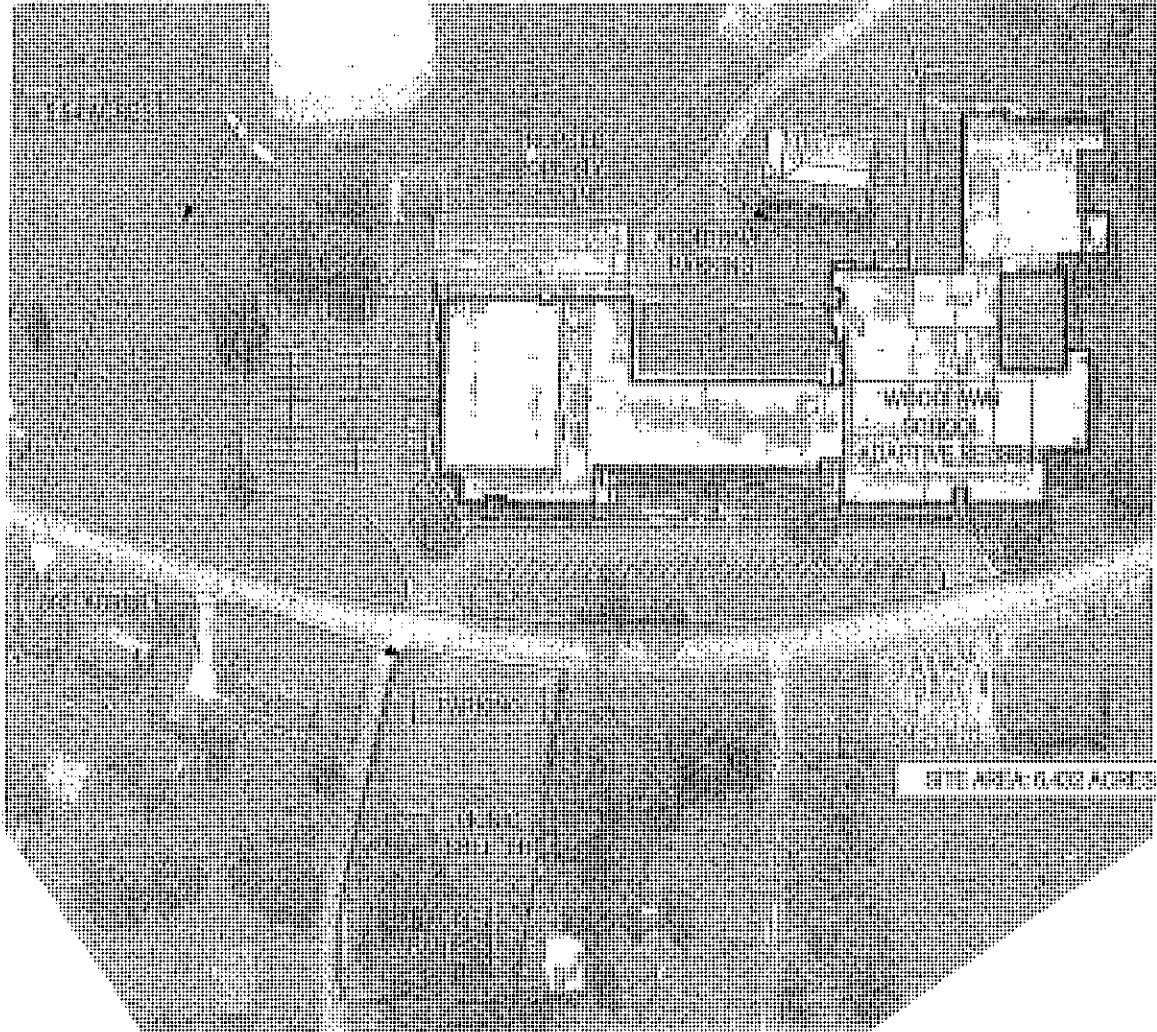




EXHIBIT A

Property containing approximately 6.432 acres consisting of all of the parcel with tax map number 81-A-113 and a portion of the parcel with tax map number 81-A-133.

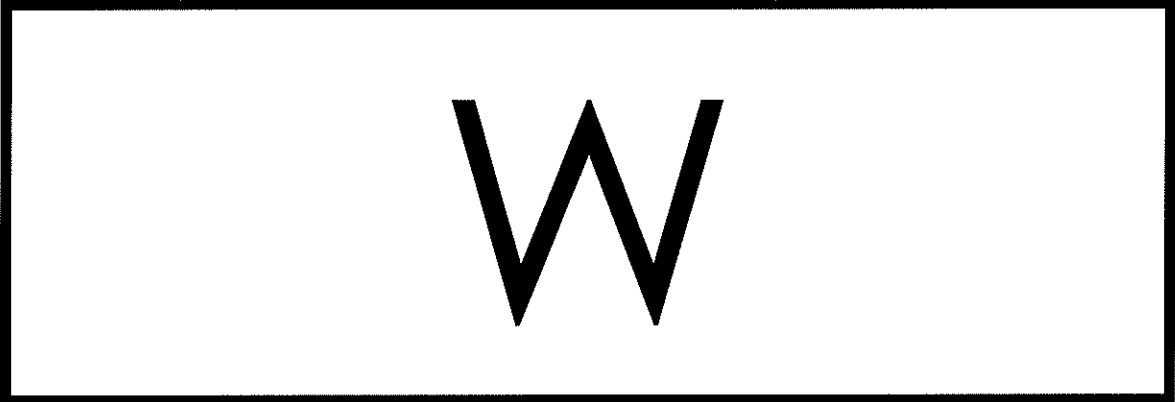
Please see attached drawing for reference.



Site

SCALE: 1/128" = 1'-0"

1



W

(Reserved)



Landmark Property Management Company

## Resident Internet Policy Acknowledgement Form

I, \_\_\_\_\_ acknowledge that I have received the Landmark Property Management Wireless Access Policy (“Policy”) and the Office of the Attorney General Internet Safety Information Package. I agree to abide by the rules and procedures outlined in the policy and in my lease agreement.

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Date

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3275 (voice) or (202) 720-6382 (TDD).” USDA is an equal opportunity provider and employer.”



Landmark Property Management Co. provides an Equal Housing Opportunity and is an Equal Opportunity Employer.





# Internet Safety

Playing it safe while playing online



Hi there kids! I am Charlie Cardinal and this is Speedy the Crime Fighting Hamster. We are here to introduce you to the basics of Internet Safety and some of the villains you need to watch out for. There are some bad characters out there, so you have to protect

yourself. Your parents won't always be there to watch out for you, so stay sharp, learn all you can, and stay safe!



# Privacy & Personal Information



Privacy is being able to keep things secret or hidden from others.

Personal Information is information about you or your family such as your address, a social security number, your parent's bank account, or how much money they have.

Criminals love to get people's personal information because they can pretend to be you, or use your money to buy things.

They can also make money off of your information by selling it to others. Companies or other criminals will use your info to send you junk mail or spam emails.

Criminals learning your address can be very bad. They may break in and steal from you. Protect your safety and your belongings, by keeping your information a secret.

These bad people may even use your personal information to trick someone else in your circle of friends and family. People sometimes tell criminals things that they shouldn't if they think that they are communicating with someone they know.



Think before you click



Do you know who sent that email?



# Passwords

One of the most important things you need to learn is how to create strong password. A password is a code you type in to let the computer know it is really you.

Having an easy to guess password could allow someone to snoop around in your private information.

The way to make your password strong is to never use your name or your birthday. Use something hard to guess, but easy for you to remember. Make your password at least 8 characters long, and mixing numbers, symbols, and upper and lower case letters makes the password strong just like Speedy. Avoid using the same password over and over. That way if they do figure out your password, they only gain access to one account. And never leave your passwords written down where someone can find it.



A great tool online that creates kid friendly passwords is the website, [www.kidspass.com](http://www.kidspass.com)



# Spam



Spam is basically email that you receive from different companies or strangers that you did not sign up for. Most times it isn't from real companies and usually the sender is up to no good.

Spam emails can sometimes be a phishing scam. Phishing emails are emails that look like it is from some trusted source. A place like your bank, the IRS where taxes are collected, or some other business you shop with often. They make their email look like it is the real thing with logos, and they put links in the email baiting you to click them. Once you click the link, you could be launching a program that can damage your computer in some way or collect your personal information.

Spam emails can also use winning a sweepstakes or some other type prize to trick you into trusting the email source. After they hook you in, they inform you that to collect your prize, you must give them your credit card number.



How do you know it is spam?

Spam emails typically have a bunch of spelling and grammar errors or a mention of someone you don't know in the subject line. Don't Open It! Delete those emails right away.



# Malware

Malware is a program written with the intent to harm your computer in some way.

Programs such as this, may be waiting for you to do something (a trigger), so that it can run. This could be the clicking of the link or opening an email attachment.

When searching for free downloads online, be very careful. There are a lot of sites out there trying to trick you. They will pay to make their site get returned at the top of the list of search results. Then when you access the page, they use blinking buttons to trick you to click. The result of clicking usually ends up being your computer loaded up with malware.

Once your machine is infected, it can change browser settings, create unusual popup ads on your computer and then pass the malware on to someone else.



# Spyware

Spyware is a program that gets onto your computer through a download or a virus and it gathers information about you and sends this back to its creator.

Some of the types of information spyware might send back to home base is email addresses of you or your contacts, passwords, account numbers, and credit card numbers.

Some spyware out there records how you use your computer and what you search for online.

# Adware

Adware is software that you are allowed to use by the author because of the advertisements that pop up occasionally during the game. Many of these type games you will find in the form of apps on your phone or devices.

Through the addition of advertisements, the developer gains some income that may supplement a discount to the user, sometimes making the software free.

Often after using the product with the ads, a consumer will purchase the software to get rid of the ads.

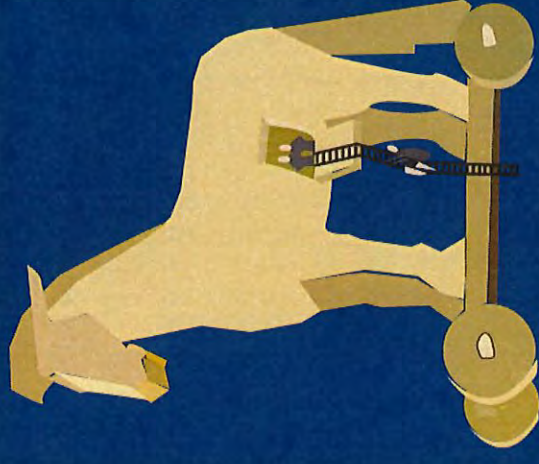


# Trojan Horse

The name for the Trojan Horse virus was derived from tale of the Trojan Horse constructed by the Greeks to gain access to the city of Troy. The wooden horse was left at the gates as an offering to Athena. The horse was then wheeled into the city and out came Greek fighters hiding inside.

A Trojan horse virus is a form of malware that is dressed up as something interesting or software from a source we are familiar with. The purpose is to trick the person into installing it. This allows the creator of the Trojan to do damage to data or software on your computer. They also will set up a 'back door' or access point that allows them to access your system.

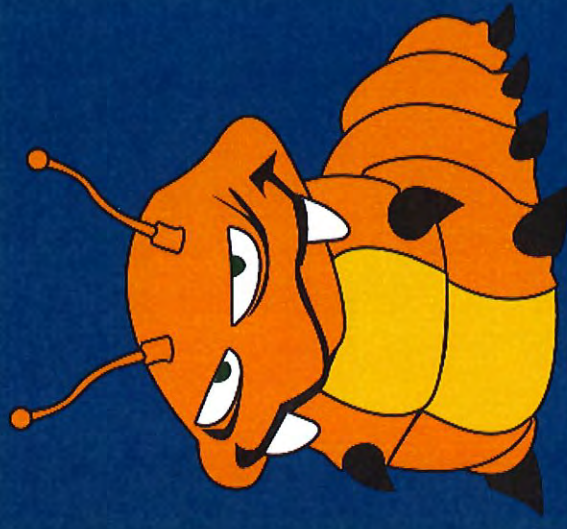
Trojan viruses don't spread by infecting other files and they cannot duplicate themselves.

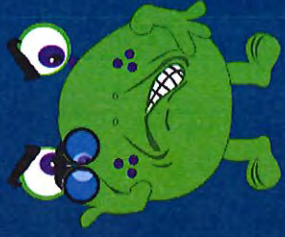


# Worms

Worms are malware that can duplicate itself and spread to other computers. Worms always do something bad, even if it is just slowing things down.

Worms will frequently set up the ability for computers to be taken over by the worm's author by creating backdoors on the host computer. These computers are then called a "zombie computer". "Zombie computers" can be used to send out spam or as a shield to hide the web address of people who want to do bad things.





# Virus

A virus is a small program that is created to spread from one computer to the next and to mess up the way your computer works.

Many times viruses hop from computer to computer via email attachments or messages. They can also hide in funny pictures(memes), e-cards, or other desirable file attachments. It can also be sent through an instant message.

A virus can corrupt your data, or worse, delete it. It can also email copies of itself to your friends.

Keeping your anti-virus software up to date is key to protecting against the latest viruses and other security threats.

# Social Media

Privacy settings on social media accounts are set up as public when you first get one. Unless you want everyone to be able to look at all of your photos and other private stuff, you must go into your account settings and change this.



Something to remember is whatever you post and say on your page can be shared by your friends. Think about what you post online, BEFORE you do it. What you post, could be seen by anyone at any time depending on your settings and the friends you keep. Because we can take pictures of our screens, there is really no setting that can protect you. Think twice about what you are sharing with others, so there are no regrets later.

Make sure you know the people that you accept friend requests from. Sometimes people try to friend you to hack your Facebook account or access your contacts. Once you are hacked they will send out strange messages or friend requests to your contacts. Protect your friends and yourself by being cautious with friends and creating strong passwords for your social media accounts.



# Geotagging



Geotagging is the bit of data that your electronic device packages with your picture that has information about where the picture was taken. This is something that can be turned on and off in your device and typically comes turned on until you change the setting.

When your photo is geotagged, this gives people information about your location. Letting outsiders know where you are, can allow them to plan to steal your belongings or vandalize your home.

Consider if you post a photo every Wednesday in your outfit ready to walk to ball practice and geotagging is turned on. This shows you have a routine and gives a rough area you will be in. A predator could come and take you away.

Another issue with allowing the geotagging to occur is you don't have control of your own privacy. Everyone does not need to know where you are all of the time, keep this information private.



# Be Careful of What You Say!



**Defamation:** Defamation is the blanket word used for all types of untrue statements made about others.

**Slander:** When someone orally tells one or more people an untruth about someone, which will harm the reputation of the person it is about. It is not slander if the untruth is in writing of some sort or if it is broadcast through television or radio.

**Libel:** This is where someone publishes to print (including pictures), written word, online posts, blogs, articles, or broadcast through radio, television, or film, an untruth about another which will do harm to the person's reputation.



# Be Careful of What You Say!



Much of the things people post online may get ignored, and you may get lucky and avoid legal action. But, when someone gets angry and files a lawsuit it can cause a major headache and possibly hit you hard in the wallet.

You might think you should have a right to openly complain about a company and their bad service or lousy product. Well when it comes to this, it is not always that simple. You can get sued for this and even if the judge agrees with you, you still have to pay for a defense attorney. Think twice and make sure that whatever you have to say is worth any headache you may have pop up later.

On social media, people get into the habit of letting their emotions get the better of them and they end up speaking their minds about others online. When that person feels that this damages their character, they may opt to sue the other person for defamation. Even if their case is not successful, the stress, money, and time that you spend defending yourself is not worth it. To read more about defamatory social media posts,

# Stranger Danger Online



When you think of being on your computer or other electronic device in your own home, you probably think you are safe. Your mom is in the next room, what could happen?

Well there are people online that are up to no good. They go in chat rooms and pop up on your instant messenger, looking for someone to “groom” .

What is grooming you say? Well, grooming is when a stranger (can be any age) finds someone they are interested in, usually a minor. They act really nice and maybe they pretend they are much younger than they really are, like they are a kid just like you. Then they try to get you to like them and to trust them. They may ask you not to tell anyone you are talking to them. This is not okay and is a warning sign of a possible groomer.

# How to Protect Yourself in Online Chats

- Choose chat sites designed for kids, such as [www.kidzworld.com](http://www.kidzworld.com). Kidzworld is moderated and its aim is to protect kids from unwanted requests and online bullying.
- Beware of people you don't know. If they are asking too many questions or being too friendly they may be up to no good.
- If someone asks you to send them a picture or sends you a picture or video that is inappropriate, tell an adult or report them to the site moderators.
- Don't give out personal information to strangers online
- Don't tell strangers where you live or give them your telephone number
- Don't send strangers pictures of you or others
- If you are being bullied or threatened online, tell an adult or someone you trust





# Cyberbullying

- Cyberbullying is the **willful and repeated harm** inflicted through the use of computers, cell phones, and other electronic devices.
- Using PhotoShop or other tools to create harassing images.
- Posting jokes about another person on the internet
- Using the internet to entice a group to physically harm another person.
- Making threats online using IM, email, social networking sites, or other electronic devices.



# Consequences of Cyberbullying

Anything that you write, pictures that you post, or videos that you upload can be used by your school to suspend you.

College students have been removed from their athletic teams and lost college funding for writing negative comments about their coach.

When applying to colleges, they will search online to see what kind of person you are. They can deny you access if they don't like what they find.

When businesses are looking at people to hire for a job they will many times use social media to see what kind of person they are. Mean or inappropriate type posts can prevent you from getting the job you desire.

Cyberbullying can also be considered a crime and participating in this type of behavior can land you in big trouble.

# Consequences of Cyberbullying

- § 18.2-152.7:1. Harassment by Computer; Penalty makes cyberbullying a crime.
- Carries a \$2500 fine and punishable by up to **12 months in prison.**

There are many websites designed to inform and decrease the number of bullying cases we see each year.

The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - [www.stopbullying.gov](http://www.stopbullying.gov)

If you experience cyberbullying or witness it, tell someone such as a school counselor, teacher, or a parent.







# The Effects of Cyberbullying

- Victims feel depressed, sad, angry, and frustrated.
- Victims become afraid and/or embarrassed to attend school.
- Can lead to low self-worth, family problems, academic problems, school violence, and bad behavior.
- Victims can also develop thoughts of killing themselves and possibly act on these feelings.
- There are no positive effects of cyberbullying, only pain and suffering for the victims.
- The affects of being bullied can affect the victim into adulthood and prevent them from being all they can be in the future.



# Dealing with Cyberbullying

- Never do the same thing back, 2 wrongs don't make a right
- Tell them to stop
- Block their access to you
- Report it to the site you are on such as Facebook or Twitter
- NEVER pass along messages from cyberbullies, stop the spread of this behavior
- Set up privacy controls and keep the bully out of your friends list
- Don't be a cyberbully yourself
- If you witness someone getting bullied, tell someone so it can be stopped. Many times the person being bullied won't tell out of fear.
- Spread the word that bullying is not cool
- Don't laugh or encourage the bully, it is not funny and it can lead to major trouble for the person doing the bullying.



# About Sexting



“Sexting” is when someone sends or receives sexually explicit or non-PG Rated pictures or video electronically, mainly via cell phones or tablets.

The numbers on how many teens say that they have sent/posted nude or semi-nude pictures or videos of themselves is upsetting.

20% of teens between 13 to 19 years of age have engaged in sexting.

22% of teen girls

18% of teen boys

11% of teen girls between 13 to 16 years of age have engaged in sexting.

Did you know that if you forward a picture of a sexual or nude photo of someone underage, you are as responsible for the image as the original sender?? You can be charged with a crime.

Many teens don't realize that if you send a picture of yourself that is inappropriate and that picture ends up online, it could be there forever. You can never fully delete things that end up on the web.



# About Sexting

There is no age minimum that protects young people from getting charged with a sexual offense.

Something that you think is okay or just a joke, might land you in a ton of trouble. For example, you might take a picture of your friend naked to embarrass them, but if they are under the age of 18, this is considered production of child pornography.

If you are sent something inappropriate, do not share it and don't delete it. Tell an adult immediately. You may feel like you are getting your friend into trouble, but you are protecting yourself and you are protecting them. They may not be thinking about the consequences or the effect this behavior can have on their future.

Anyone that gets convicted of a sex offense, will have to register as a sex offender. Sex offenders have to keep their address updated and keep a current photo with the police. The information goes on the sex offender registry where anyone can go and see your picture and where you live online.

**REMEMBER:** You can't control what other people do with your photos. Even if you think you are sending it to someone you can trust, they may end up surprising you. You can't trust anyone with something as private as that. Don't Do It!

# Legal Consequences of Sexting

- The Virginia Department of Education has an excellent resource with real life examples of the consequences of sexting that can be found [here](#).
- The Attorney General's Virginia Rules website is designed to give Virginia Youth information on all the laws in the state. [Virginia Rules](#) has extensive information on sexting and other internet security risks.
- This article in The Virginian-Pilot tells a story of five Virginia teens getting charged with felonies for sexting and being in possession of sexually explicit photos of a minor, read more about it [here](#).



Information Provided By:  
Office of the Attorney

General

202 North Ninth Street  
Richmond, Virginia 23219

(804) 786-2071

[www.ag.virginia.gov](http://www.ag.virginia.gov)



X

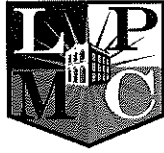
# Marketing Plan

For units meeting accessibility requirements of HUD section

504

Woodlawn School Apartments LLC  
Woodlawn, VA

Presented By:



Landmark Property Management Company

For The Purposes Of:

Low-Income Housing Tax Credit Application for Reservation

And

Meeting the VHDA Accessibility Requirements for Section 504 of the Rehabilitation Act

## MARKETING PLAN FOR ACCESSIBLE UNITS

### **OVERVIEW:**

We propose the adaptive reuse of Woodlawn School in Woodlawn, Virginia, comprising 51 Multifamily and disabled units of which six (10%) of the units will meet the following:

### **SELECTED MANAGEMENT AGENT:**

Landmark Property Management Company, referred to herein as LPMC, has been contracted to serve as the management agent for this development.

### **OWNER'S INTENT (to be executed by Management Agent):**

Woodlawn School Apartments intends to include six (6) accessible units for prospects in need of rental housing with accessibility. First preference will be given to person(s) with a developmental disability. LPMC will commit to no annual minimum income requirement that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by residents receiving rental assistance. Any unit which is designated as a unit for people with disabilities that conforms to Section 504 of the Rehabilitation Act will be held vacant for sixty days (60). LPMC will document its marketing efforts to find households with qualified disabilities during this time period. If no qualified tenant is found, the marketing evidence will be submitted to VHDA's Program Compliance Officer along with a request to rent the unit to any income-qualified household. If the request is approved, the lease contains a provision stating that the household must agree to move to another vacant unit if a household including a person with a disability applies for the unit. The move will be paid for by the owner.

LPMC as was directed by the Owner will also be providing a first preference on its waiting list for persons with an intellectual or developmental disability (ID/DD) for six (6) units.



## **IMPLEMENTATION OF OWNER'S INTENT:**

LPMC will rent accessible units only to those qualified households. If a qualified tenant cannot be found during the sixty (60) day marketing effort, concentrated marketing efforts will occur in addition to standard marketing strategies, to insure qualified individuals are aware of the availability of accessible units.

## **CONCENTRATED MARKETING EFFORTS:**

**Virginia HousingSearch.com** – LPMC does post Woodlawn School Apartments on the VirginiaHousingSearch.com website. We will communicate the fact that the development has accessible units.

**Virginia Department of Medical Assistance Services (DMAS) or Virginia Department of Behavioral Health and Development Services (DBHDS)** – LPMC will obtain referrals from Virginia Department of Medical Assistance Services (DMAS) or Virginia Department of Behavioral Health and Developmental Services (DBHDS) during the initial lease-up process. LPMC will notify DMAS 120 days ahead of anticipated receipt of certificates of occupancy to allow DMAS referral prospects ample time to tour and apply to live at the community.

**Local physical therapy offices** – LPMC will contact local physical therapy offices throughout the region to communicate the availability of accessible units at Woodlawn School Apartments.

**Local hospitals** – LPMC will partner with discharge departments at local hospitals to communicate the availability of accessible units at Woodlawn School Apartments.

**Endeppendence Center Inc.** – LPMC is committed to establishing a relationship with this entity to insure the common area of the community is in compliance with ADA laws. We plan to have discussions with their housing specialists to assist them in identifying prospective tenants who may have a desire to live at Woodlawn School Apartments and need ADA compliant living.

**The Community Services Board** – LPMC, throughout its' history has communicated with The Community Services Board of several cities to identify housing needs and inform them of availability of accessible units. We will continue to communicate with them to identify units available at Woodlawn School Apartments.

**Local Social Services Departments** – LPMC will communicate with the local municipalities' social services departments to inform them of the availability of accessible units at Woodlawn School Apartments.

**Neighboring Housing Authorities' Housing Choice Voucher Departments** – LPMC will communicate with the Neighboring Housing Authorities that Woodlawn School Apartments accepts Housing Choice Vouchers for their accessible units. The property may also be available for qualified households on the Housing Choice Voucher waiting lists.

**Orthopedic and Prosthetic Offices** – LPMC will market to orthopedic and prosthetic offices to communicate the availability of accessible units at Woodlawn School Apartments.

**AccessVA.org. and other supportive non-profit organizations** – LPMC will communicate with accessibility-minded organizations to inform them of the availability of accessible units at Woodlawn School Apartments.

**VHDA** – Insure VHDA representatives charged with accessible unit outreach are aware of the availability of these units at our property.

**Inter-Portfolio Advertising** – LPMC welcomes applicants which were referred to our communities via word of mouth of those residents living successfully at other LPMC communities throughout our portfolio. With 10 communities across the State of Virginia and over 3500 total units encompassing 8 states, LPMC will be able to effectively notify the management within our portfolio of the availability of accessible units at the Woodlawn Apartments as the need may arise.

**SPECIFIC MARKETING DEVICES:**

**Industry Specialized Advertising** – LPMC routinely markets properties in the Apartment Guide. Additionally, listings on Apartments.Com and For Rent in the Woodlawn region when marketing conditions necessitate the expenditure have been enacted. These ILS agents reach a vast number of individuals interested in apartment living. We will identify the fact that Woodlawn School Apartments has accessible units available at the community.

**Residents Newsletters** – Woodlawn School Apartments will continue to send out periodic newsletters via LPMC's 3<sup>rd</sup> party newsletter production partner to the residents of the community. In future publications LPMC will communicate the presence of accessible units at the community.

**SPECIFIC LOCALE REFERENCES FOR MARKETING PURPOSES:**

Mount Rogers Mental Health  
3545 Carrollton Pike  
Woodlawn, VA 24381

Department of Social Services  
210 First Street, SW  
Roanoke, VA 24011

Mental Health Center  
6999 Carrollton Pike  
Galax, VA 24333

Mount Rogers Community Services  
494 Industrial Park Drive  
Hillsville, VA 24343

Wytheville Redevelopment and Housing Authority  
170 Hedgefield Lane  
Wytheville, VA 24382

**PLAN SYNOPSIS:**

LPMC will not be restricted solely to the marketing means identified above, but will continue to explore other marketing means ensuring that there is a significant imprint exhibited by Woodlawn School Apartments and the fact that the community does possess units with ample, ADA compliant accessibility.

LPMC will run newspaper ads and internet advertisements at least annually or as needed to assure the property identifies the availability of the accessible units.