
2026 Federal Low Income Housing Tax Credit Program for Virginia

Application For Reservation

Deadline for Submission

9% Competitive Credits

Applications and Fees Must Be Received

No Later Than **12:00 PM** Richmond, VA Time On **March 12, 2026**

Tax Exempt Bonds

Applications and Fees Must Be Received

No Later Than **12:00 PM** Richmond, VA Time for one of the available
4% credit rounds- **January 15, 2026, July 1, 2026** or **October 1, 2026**.

Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220-6500



INSTRUCTIONS FOR THE VIRGINIA 2026 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 365. 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 all credits:

Applicants should submit the application package via Procorem prior to the application deadline, which is **12:00 PM** Richmond Virginia time for each round. 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 via your specific Procorem workcenter.

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:

Virginia Housing only accepts files via our work center sites on Procorem. Contact TaxCreditApps@virginiahousing.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 Virginia Housing LIHTC Allocation Department staff.

Disclaimer:

Virginia Housing 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 Virginia Housing.

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. You may also use the drag function.
- ▶ 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 Virginia Housing LIHTC Allocation Department. Please note that we cannot release the copy protection password.

Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
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Hadia Ali	hadia.ali@virginiahousing.com	(804) 343-5873

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2026 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 Virginia Housing's point system of ranking applications, and may assist Virginia Housing in its determination of the appropriate amount of credits that may be reserved for the development.

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee (MANDATORY) - Invoice information will be provided in your Procorem Workcenter |
| <input type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input type="checkbox"/> | PDF Copy of the Signed Tax Credit Application with Attachments (Tabs A-AB) (MANDATORY) |
| <input type="checkbox"/> | Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab) |
| <input checked="" type="checkbox"/> | Electronic Copy of Unit by Unit Matrix and Scope of Work narrative (MANDATORY if Rehab) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Physical Needs Assessment (MANDATORY at reservation for a 4% rehab request) |
| <input checked="" type="checkbox"/> | Electronic Copy of Appraisal (MANDATORY if acquisition credits requested) |
| <input checked="" type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested) |
| <input type="checkbox"/> | Electronic Copy of Signed Previous Participation Agreement |
| <input checked="" type="checkbox"/> | |
| <input checked="" type="checkbox"/> | Tab A: Chart of ownership structure with percentage of interests (see manual for details) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab C: Syndicator's or Investor's Letter of Intent (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab D: <i>Any supporting documentation related to List of LIHTC Developments or Previous Participation Agreement</i> |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab F: Third Party RESNET Rater Certification and Sample HERS certificates (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion using Virginia Housing template (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab I: Nonprofit Questionnaire (MANDATORY for points or pool) |
| | The following documents need not be submitted unless requested by Virginia Housing: |
| | -Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status |
| | -Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable) |
| <input checked="" type="checkbox"/> | Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY if Rehab) |
| | Tab K: Documentation of Development Location: |
| <input checked="" type="checkbox"/> | K.1 Revitalization Area Certification |
| <input checked="" type="checkbox"/> | K.2 Surveyor's Certification of Proximity To Public Transportation using Virginia Housing template |
| <input checked="" type="checkbox"/> | Tab L: PHA / Section 8 Notification Letter |
| <input checked="" type="checkbox"/> | Tab M: <i>(left intentionally blank)</i> |
| <input checked="" type="checkbox"/> | Tab N: Homeownership Plan |
| <input checked="" type="checkbox"/> | Tab O: Plan of Development Certification Letter |
| <input checked="" type="checkbox"/> | Tab P: Zero Energy or Passive House documentation for prior allocation by this developer |
| <input checked="" type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Utility Allowance Calculation |
| <input checked="" type="checkbox"/> | Tab S: Supportive Housing Certification |
| <input checked="" type="checkbox"/> | Tab T: Funding Documentation |
| <input checked="" type="checkbox"/> | Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing |
| <input checked="" type="checkbox"/> | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal |
| <input checked="" type="checkbox"/> | Tab W: Internet Safety Plan and Resident Information Form |
| <input checked="" type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504 |
| <input checked="" type="checkbox"/> | Tab Y: Inducement Resolution for Tax Exempt Bonds |
| <input checked="" type="checkbox"/> | Tab Z: Documentation of team member's Veteran Owned Small Business certification |
| <input checked="" type="checkbox"/> | Tab AA: Priority Letter from Rural Development |
| <input checked="" type="checkbox"/> | Tab AB: Ownership's Veteran Owned Small Business Certification |

VHDA TRACKING NUMBER

2026-C-64

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2026

1. Development Name: Dunsmore Building Senior Apartments

2. Address (line 1): 912 W Beverley Street
 Address (line 2):
 City: Staunton State: VA Zip: 24401

3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000
 (Only necessary if street address or street intersections are not available.)

4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:
 City/County of Staunton City

5. The site overlaps one or more jurisdictional boundaries. FALSE
 If true, what other City/County is the site located in besides response to #4?

6. Development is located in the census tract of: 517900002.00

7. Development is located in a **Qualified Census Tract**. FALSE *Note regarding DDA and QCT*

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

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

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

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

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

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

13. Development is located in a medium or high-level economic development jurisdiction based on table. FALSE

14. Development is located on land owned by federally or Virginia recognized Tribal Nations. FALSE

Enter only Numeric Values below:

15. Congressional District: 6
 Planning District: 6
 State Senate District: 3
 State House District: 36

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

Adaptive reuse of the historic Dunsmore Building in downtown Staunton. Upon completion, the project will provide 15 affordable homes for the elderly.

VHDA TRACKING NUMBER

2026-C-64

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2026

17. 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: Leslie M. Beauregard
 Chief Executive Officer's Title: Chief Executive Officer Phone: (540) 332-3812
 Street Address: 116 W Beverly Street
 City: Staunton State: VA Zip: 24402

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

Local Housing Authority Pool

b. If requesting Tax Exempt Bond credits, select the round.

[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 (skip for TE Credits)

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, 2026.

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, 2026, 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 2026 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?

FALSE

5. Planned Combined 9% and 4% Developments

a. 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.

FALSE

If true, provide name of companion development:

[Redacted]

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

FALSE

b. List below the number of units planned for each allocation request. **This stated split of units 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: 50

Definition of selection:

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

7. Virginia Housing would like to encourage the efficiency of electronic payments. Indicate if developer commits to submitting any payments due the Authority, including reservation fees and monitoring fees, by electronic payment.

TRUE

Virginia Housing offers the Rental Housing Invoicing Portal to allow easy payments via secure ACH transactions. See Login at top right of our website An invoice for your application fee along with access information was provided in your development's assigned Procorem work center.

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 Virginia Housing 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:

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 Virginia Housing. 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 .
- 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: Stuart C. Armstrong

Address: 270 Sawmill Creek Dr

City: Nellysford St.: Virginia Zip: 22958

Contact Person: _____ Phone: (434) 260-2012

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%

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

► Indicate Veteran Owned Small Business designation (as defined in the manual) to each team member (if applicable). You can mark True for 3 members to receive the full 10 points.

ACTION: Provide copy of certification from Commonwealth of Virginia, if applicable - **TAB Z**

1. Tax Attorney:	Delphine Carnes	This is a Related Entity.	FALSE
Firm Name:	Delphine Carnes Law Group, PLC		
Address:	101 W. Main Street, Suite 440	Veteran Owned Small Bus?	FALSE
City, State, Zip	Norfolk, VA 23510		
Email:	dcarnes@delphinecarneslaw.com	Phone:	(757) 677-6092
2. Tax Accountant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
4. Management Entity:	Nehemias Velez	This is a Related Entity.	TRUE
Firm Name:	Staunton Redevelopment and Housing Auth		
Address:	900 Elizabeth Miller Gardens	Veteran Owned Small Bus?	FALSE
City, State, Zip	Staunton, VA 24401		
Email:	nvelez@stauntonrha.org	Phone:	(540) 886-3413
5. Contractor:	Caleb Slabach	This is a Related Entity.	FALSE
Firm Name:	Cornerstone General Contractors		
Address:	796 Park Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Christiansburg, VA 24073		
Email:	caleb@cscova.com	Phone:	(540) 392-8409
6. Architect:	Carter Green	This is a Related Entity.	FALSE
Firm Name:	Sharp 9 LLC		
Address:	320 Sherwood Ave	Veteran Owned Small Bus?	FALSE
City, State, Zip	Staunton, VA 22401		
Email:	sharp9llc@gmail.com	Phone:	(540) 487-0827

E. DEVELOPMENT TEAM INFORMATION

7.	Real Estate Attorney:	Delphine Carnes	This is a Related Entity.	FALSE
	Firm Name:	Delphine Carnes Law Group, PLC		
	Address:	101 W. Main Street, Suite 440	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Norfolk, VA 23510		
	Email:	dcarnes@delphinecarneslaw.com	Phone:	(757) 677-6092
8.	Mortgage Banker:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip			
	Email:		Phone:	
9.	Other 1:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
10.	Other 2:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
11.	Other 3:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
12.	Other 4:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
13.	Other 5:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	

F. REHAB INFORMATION

1. Acquisition Credit Information

a. Credits are being requested for existing buildings being acquired for development. FALSE

Action: If true, provide an electronic copy of the Existing Condition Questionnaire, Unit by Unit Matrix and Appraisal.

b. This development has received a previous allocation of credits FALSE
 If so, when was the most recent year that this development received credits?
 If this is a preservation deal,
 what date did this development enter its Extended Use Agreement period?

c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority? 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 Virginia Housing 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 Virginia Housing 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
- 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)

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section 1 must be completed in order to compete in the Non Profit tax credit pool.

All Applicants - Section 2 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)

FALSE There is nonprofit involvement in this development. (If false, skip to #3.)

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

B. Type of involvement:

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

or

FALSE Nonprofit meets eligibility requirements for nonprofit pool and points.

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is:

Name:

Contact Person:

Street Address:

City: State: Zip:

Phone: Contact Email:

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

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

G. NONPROFIT INVOLVEMENT

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

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

Action: Provide Option or Right of First Refusal in recordable form using Virginia Housing's template. **(TAB V)**
 Provide Nonprofit Questionnaire (if applicable) **(TAB I)**

Name of qualified nonprofit: _____

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

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

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

Action: Provide Homeownership Plan **(TAB N)** and contact Virginia Housing for a Pre-Application IV

NOTE: Applicant is required to waive the right to pursue a Qualified Contract.

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a.	Total number of all units in development	15	bedrooms	15
	Total number of rental units in development	15	bedrooms	15
	Number of low-income rental units	15	bedrooms	15
	Percentage of rental units designated low-income	100.00%		
b.	Number of new units:	0	bedrooms	0
	Number of adaptive reuse units:	15	bedrooms	15
	Number of rehab units:	0	bedrooms	0
c.	If any, indicate number of planned exempt units (included in total of all units in development)			0
d.	Total Floor Area For The Entire Development			14,046.00 <small>(Sq. ft.)</small>
e.	Unheated Floor Area (i.e. Breezeways, Balconies, Storage)			0.00 <small>(Sq. ft.)</small>
f.	Nonresidential Commercial Floor Area (Not eligible for funding)			0.00
g.	Total Usable Residential Heated Area			14,046.00 <small>(Sq. ft.)</small>
h.	Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i.	Exact area of site in acres	0.380		
j.	Locality has approved a final site plan or plan of development. If True , Provide required documentation (TAB O).		FALSE	
k.	Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l.	Development is eligible for Historic Rehab credits		TRUE	

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:**

LIHTC Units can not be greater than Total Rental Units

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	936.40	SF	15	15
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	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			15	15

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: 125 years
- c. Maximum Number of stories: 3

d. The development is a scattered site development. FALSE

e. Commercial Area Intended Use: N/A

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

- i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood) TRUE
- ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood) FALSE
- iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood) FALSE

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

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

h. Development contains an elevator(s). TRUE
 If true, # of Elevators. 1
 Elevator Type (if known) Hydraulic

H. STRUCTURE AND UNITS INFORMATION

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Community Room

m. Number of Proposed Parking Spaces 11
 Parking is shared with another entity FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing or proffered public bus stop. TRUE
 If **True**, Provide required documentation (**TAB K2**).

5. Plans and Specifications

a. Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):

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

b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.

- i. Phase I environmental assessment.
- ii. Physical needs assessment for any rehab only development.

c. **All Tax Exempt 4% Applications must submit plans and specifications complete at least through Design Development (DD) phase for all design disciplines.** Reference the separate Minimum Design and Construction Requirements document for a full list of submission requirements for New Construction and Rehabilitation projects.

NOTE: All developments must meet Virginia Housing'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.

J. ENHANCEMENTS

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

- a. **New Construction:** must obtain 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. The HERS report should be completed for the whole development and not an individual unit.

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

ACTION: Provide RESNET rater certification of Development Plans (**TAB F**)

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

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

- | | |
|----------------|--|
| TRUE | a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access rest to residents only. |
| 100.00% | b1. Percentage of brick covering the exterior walls. |
| 0.00% | b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations. |
| TRUE | c. All kitchen light fixtures are LED and meet MDCR lighting guidelines. |
| TRUE | d. Cooking surfaces are equipped with fire suppression features as defined in the manual. |
| TRUE | e. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS. |
| | or |
| FALSE | f. Full bath fans are equipped with a humidistat. |
| FALSE | g. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products. |
| FALSE | h. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband where it does not already exist. |
| TRUE | i. Each unit is provided free individual high-speed internet access.
<i>(Must have a minimum 20Mbps upload/100Mbps download speed per manual.)</i> |
| TRUE | j. Every kitchen, living room and bedroom contains, at minimum, one USB charging port. |
| FALSE | k. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system. |
| | or |
| TRUE | l. All Construction types: each unit is equipped with a permanent dehumidification system. |
| TRUE | m. All interior doors within units are solid core. |
| TRUE | n. Installation of a renewable energy electric system in accordance with manufacturer's specifications and applicable provisions of the National Electrical Code - Provide documentation at TAB F . |
| FALSE | o. 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:

- TRUE a. All cooking ranges have front controls.
- TRUE b. Bathrooms have an independent or supplemental heat source.
- TRUE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.
- TRUE d. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.

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:

- FALSE Earthcraft Gold or higher certification
- FALSE National Green Building Standard (NGBS) certification of Silver or higher.
- FALSE LEED Certification
- TRUE Enterprise Green Communities (EGC) Certification

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

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

- TRUE Zero Energy Ready Home Requirements
- FALSE Passive House Standards
- FALSE Applicant wishes to claim points from a prior allocation that has received certification for Zero Energy Ready or Passive House Standards. Provide certification at **Tab P.** See Manual for details and requirements.

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

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

No Market Units listed on Structure 1a.

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	21	0	0	0
Air Conditioning	0	5	0	0	0
Cooking	0	6	0	0	0
Lighting	0	24	0	0	0
Hot Water	0	13	0	0	0
Water	0	20	0	0	0
Sewer	0	27	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$116	\$0	\$0	\$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. TRUE Local PHA
- e. FALSE Other: _____

Warning: The Virginia Housing housing choice voucher program utility schedule shown on VirginiaHousing.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.


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

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

TRUE

Any development in which ten percent (10%) of the total 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 the application for credits.

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.

Special Housing Needs/Leasing Preference:

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

TRUE

Elderly (as defined by the United States Fair Housing Act.)

####

Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only

####

Supportive Housing (as described in the Tax Credit Manual)

####

If Supportive Housing is True: Will the supportive housing consist of units designated for tenants that are homeless or at risk of homelessness?

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

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

FALSE

(If **True**, Virginia Housing 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 as described

Action: Provide Relocation Plan, Budget and Unit Delivery Schedule (**Mandatory if tenants are displ**

K. SPECIAL HOUSING NEEDS

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: No

Organization which holds waiting list: Staunton Redevelopment and Housing Authority

Contact person: Nehemias Velez

Title: Executive Director

Phone Number: (540) 886-3413

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

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

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 0
% of total Low Income Units 0%

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

[Download Current CMA List from VirginiaHousing.com](https://www.virginiahousing.com)

Action: Provide documentation of tenant disclosure regarding Virginia Housing Rental Education (**Mandatory - Tab U**)

4. Target Population Leasing Preference

Unless prohibited by an applicable federal subsidy program, each applicant shall commit to provide a leasing preference to individuals (i) in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth, (ii) having a voucher or other binding commitment for rental assistance from the Commonwealth, and (iii) referred to the development by a referring agent approved by the Authority. The leasing preference shall not be applied to more than ten percent (10%) of the total units in the development at any given time. The applicant may not impose tenant selection criteria or leasing terms with respect to individuals receiving this preference that are more restrictive than the applicant’s tenant selection criteria or leasing terms applicable to prospective tenants in the development that do not receive this preference, the eligibility criteria for the rental assistance from the Commonwealth, or any eligibility criteria contained in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.

Primary Contact for Target Population leasing preference. The agency will contact as needed.

First Name: Nehemias

Last Name: Velez

Phone Number: (540) 886-3414 Email: nvelez@stauntonrha.org

K. SPECIAL HOUSING NEEDS

5. Rental Assistance

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

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

- FALSE** Rental Assistance Demonstration (RAD) or other PHA conversion to project based rental assistance.
- FALSE** Section 8 New Construction Substantial Rehabilitation
- FALSE** Section 8 Moderate Rehabilitation
- FALSE** Section 811 Certificates
- TRUE** Section 8 Project Based Assistance
- FALSE** RD 515 Rental Assistance
- FALSE** Section 8 Vouchers
*Administering Organization: _____
- FALSE** State Assistance
*Administering Organization: _____
- 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:

15

How many years in rental assistance contract?

20.00

Expiration date of contract:

There is an Option to Renew.

TRUE

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

6. Public Housing Revitalization

Is this development replacing or revitalizing Public Housing Units?

FALSE

If so, how many existing Public Housing units?

0

L. UNIT DETAILS

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

Note: In order to qualify for any tax credits, a development must meet one of three 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), (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), or (iii) 40% or more of the units are both rent-restricted and occupied by persons whose income does not exceed the imputed income limitation designated in 10% increments between 20% to 80% of the AMI, and the average of the imputed income limitations collectively does not exceed 60% of the AMI (this is called the Average Income Test (AIT)). All occupancy tests are described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
8	53.33%	50% Area Median
7	46.67%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
15	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
2	13.33%	40% Area Median
6	40.00%	50% Area Median
7	46.67%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
15	100.00%	Total


b. Indicate that you are electing to receive points for the following deeper targets shown in the chart above and those targets will be reflected in the set-aside requirements within the Extended Use Agreement.

20-30% Levels FALSE 40% Levels TRUE 50% levels TRUE

c. The development plans to utilize average income test FALSE

2. Unit Mix Grid 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	2	2	936.40	\$1,088.00	\$2,176
Mix 2	1 BR - 1 Bath	50% AMI	6		936.40	\$1,088.00	\$6,528
Mix 3	1 BR - 1 Bath	60% AMI	7		936.40	\$1,088.00	\$7,616
Mix 4							\$0
Mix 5							\$0
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0

L. UNIT DETAILS

Mix 68								\$0
Mix 69								\$0
Mix 70								\$0
Mix 71								\$0
Mix 72								\$0
Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			15	2				\$16,320

Total Units	15	Net Rentable SF:	TC Units	14,046.00
			MKT Units	0.00
			Total NR SF:	14,046.00

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$500
2. Office Salaries			\$0
3. Office Supplies			\$0
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$7,683
<u>4.22%</u> of EGI	<u>\$512.20</u>	Per Unit	
6. Manager Salaries			
7. Staff Unit (s)	(type _____)		\$20,000
8. Legal			\$100
9. Auditing			\$4,000
10. Bookkeeping/Accounting Fees			\$2,000
11. Telephone & Answering Service			\$500
12. Tax Credit Monitoring Fee			\$525
13. Miscellaneous Administrative			\$4,000
Total Administrative			\$39,308

Utilities

14. Fuel Oil			\$0
15. Electricity			\$2,000
16. Water			\$1,500
17. Gas			\$0
18. Sewer			\$300
Total Utility			\$3,800

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$0
21. Janitor/Cleaning Contract			\$500
22. Exterminating			\$0
23. Trash Removal			\$4,000
24. Security Payroll/Contract			\$1,000
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$3,000
28. Maintenance/Repairs Payroll			\$16,000
29. Repairs/Material			\$500
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$1,500
32. Heating/Cooling Repairs & Maintenance			\$1,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$500
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$2,000
Totals Operating & Maintenance			\$30,000

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes		\$8,000
39. Payroll Taxes		\$500
40. Miscellaneous Taxes/Licenses/Permits		\$250
41. Property & Liability Insurance	\$533 per unit	\$8,000
42. Fidelity Bond		\$50
43. Workman's Compensation		\$100
44. Health Insurance & Employee Benefits		\$1,200
45. Other Insurance		\$200
Total Taxes & Insurance		\$18,300

Total Operating Expense

\$91,408

Total Operating Expenses Per Unit

\$6,094

C. Total Operating

50.19%

Expenses as % of EGI

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

\$4,500

Total Expenses	\$95,908
-----------------------	-----------------

N. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
Must Use Whole Numbers Only!				
1. Contractor Cost				
a. Unit Structures (New)	3,765,888	0	0	3,765,888
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	3,765,888	0	0	3,765,888
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input type="checkbox"/> h. Renewable Energy	0	0	0	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	0	0	0	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	0	0	0	0
q. Hard Cost Contingency	0	0	0	0
Total Land Improvements	0	0	0	0
Total Structure and Land	3,765,888	0	0	3,765,888
r. General Requirements	225,953	0	0	225,953
s. Builder's Overhead (2.0% Contract)	75,318	0	0	75,318
t. Builder's Profit (6.0% Contract)	225,953	0	0	225,953
u. Bonds	0	0	0	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: <input type="checkbox"/>	0	0	0	0
z. Other 2: <input type="checkbox"/>	0	0	0	0
aa. Other 3: <input type="checkbox"/>	0	0	0	0
Contractor Costs	\$4,293,112	\$0	\$0	\$4,293,112

Construction cost per unit: \$286,207.47

MAXIMUM COMBINED GR, OVERHEAD & PROFIT = \$527,224

ACTUAL COMBINED GR, OVERHEAD & PROFIT = \$527,224

O. PROJECT BUDGET - OWNER COSTS

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

MUST USE WHOLE NUMBERS ONLY! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	15,000	0	0	15,000
b. Architecture/Engineering Design Fee \$12,667 /Unit)	190,000	0	0	190,000
c. Architecture Supervision Fee \$2,667 /Unit)	40,000	0	0	40,000
d. Tap Fees	75,000	0	0	75,000
e. Environmental	6,000	0	0	6,000
f. Soil Borings	10,000	0	0	10,000
g. Green Building (Earthcraft, LEED, etc.)	45,000	0	0	45,000
h. Appraisal	5,000	0	0	5,000
i. Market Study	8,000	0	0	8,000
j. Site Engineering / Survey	57,000	0	0	57,000
k. Construction/Development Mgt	135,000	0	0	135,000
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	30,000	0	0	30,000
n. Construction Interest (0.0% for 0 months)	350,000	0	0	300,000
o. Taxes During Construction	7,500	0	0	7,500
p. Insurance During Construction	15,000	0	0	15,000
q. Permanent Loan Fee (0.0%)	0			
r. Other Permanent Loan Fees	10,000			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	15,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	22,500	0	0	7,500
w. Legal Fees for Closing	120,000	0	0	40,000
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	18,500			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	25,000	0	0	25,000
ab. Organization Costs	5,000			
ac. Operating Reserve	90,031			
ad. Soft Costs Contingency	0			
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify:		0	0	0	0
(2) Other* specify:	Marketing	10,000	0	0	0
(3) Other* specify:	Lease up Reserves	30,010	0	0	0
(4) Other* specify:	Hard Cost Contingency	429,311	0	0	429,311
(5) Other* specify:	Soft Cost Contingency	25,000	0	0	25,000
(6) Other* specify:	SLR Review	15,000	0	0	0
(7) Other* specify:	Historical Approvals	35,000	0	0	35,000
(8) Other* specify:		0	0	0	0
(9) Other* specify:		0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))		\$1,838,852	\$0	\$0	\$1,500,311
Subtotal 1 + 2 (Owner + Contractor Costs)		\$6,131,964	\$0	\$0	\$5,793,423
3. Developer's Fees		750,000	0	0	750,000
4. Owner's Acquisition Costs					
Land		122,356			
Existing Improvements		227,644	227,644		
Subtotal 4:		\$350,000	\$227,644		
5. Total Development Costs					
Subtotal 1+2+3+4:		\$7,231,964	\$227,644	\$0	\$6,543,423

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:

\$807,836

Proposed Development's Cost per Sq Foot \$490 **Meets Limits**
 Applicable Cost Limit by Square Foot: \$556

Proposed Development's Cost per Unit \$458,798 **Meets Limits**
 Applicable Cost Limit per Unit: \$589,015

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	7,231,964	227,644	0	6,543,423

2. Reductions in Eligible Basis

a. Amount of federal grant(s) used to finance qualifying development costs	0	0	0
b. Amount of nonqualified, nonrecourse financing	0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)	0	0	0
d. Historic Tax Credit (residential portion)	0	0	1,303,685

3. Total Eligible Basis (1 - 2 above)

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	0	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	1,571,921
c. For Green Certification (Eligible Basis x 10%)		0
Total Adjusted Eligible basis	0	6,811,660

5. Applicable Fraction

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

7. Applicable Percentage

8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage)

(Must be same as BIN total and equal to or less than credit amount allowed)	\$9,106	\$0	\$613,049
	\$622,155 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.	TBD			\$5,000,000	
2.					
3.					
Total Construction Funding:				\$5,000,000	

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	Amount of Funds <i>(Whole Numbers only)</i>	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period <i>IN YEARS</i>	Term of Loan <i>(years)</i>
1.	DHCD VHTF/HOME/NHTF			\$850,000	\$4,279	0.50%	1000	1000
2.	Congressional Award		3/5/2026	\$500,000		0.00%	30	30
3.	VH Perm			\$1,200,000	\$68,333	3.95%	30	30
4.						0.00%		
5.	FHLBA AHP			\$0		0.00%	30	30
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
Total Permanent Funding:				\$2,550,000	\$72,612			

Q. SOURCES OF FUNDS

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	

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	Congressional Award	3/5/2026	\$500,000
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$500,000

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$1,200,000
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$850,000
k.	Other:	\$0
l.	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

Q. SOURCES OF FUNDS

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.

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

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

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

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

--

8. Other Subsidies

Action: Provide documentation (**Tab Q**)

- a. **TRUE** Real Estate Tax Abatement on the increase in the value of the development.
- b. **TRUE** **New** project based subsidy from HUD or Rural Development or any other binding federal project based subsidy

15	Number of New PBV Vouchers
----	----------------------------
- c. **FALSE** Other

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

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit

Amount of Federal historic credits	\$1,303,685	x Equity \$	\$0.800	=	\$1,042,948
Amount of Virginia historic credits	\$1,629,606	x Equity \$	\$0.800	=	\$1,303,685

b. Housing Opportunity Tax Credit Request (paired with 4% credit requests only)

i. Requested Annual HOTC Credits	\$0
ii. 10 Year HOTC Credit Amount	\$0
iii. Equity Dollars Per Credit	\$0.000
iv. Percent of ownership entity (repeated from 3b)	98.99000%
v. HOTC Credit Net	\$0

c. Equity that Sponsor will Fund:

i. Cash Investment	\$0
ii. Contributed Land/Building	\$0
iii. Deferred Developer Fee	\$335,334 (Note: Deferred Developer Fee cannot be negative.)
v. Other:	\$0

ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at **TAB A**.

Equity Total \$335,334

2. Equity Gap Calculation

a. Total Development Cost	\$7,231,964
b. Total of Permanent Funding, Grants and Equity	- \$5,231,967
c. Equity Gap	\$1,999,997
d. Developer Equity	- \$20,197
e. Equity gap to be funded with low-income tax credit proceeds	\$1,979,800

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	▶ Virginia Community Development Corporation (VCDC)		
Contact Person:	Steve Bleile	Phone:	(804) 343-1200
Street Address:	115 15th Street, Ste 501		
City:	Richmond	State:	Virginia
		Zip:	23219

b. Syndication Equity

i. Anticipated Annual Credits	\$250,000.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.800
iii. Percent of ownership entity (e.g., 99% or 99.9%)	98.99000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0
v. Net credit amount anticipated by user of credits	\$247,475
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$1,979,800

Action: Provide Syndicator's or Investor's signed Letter of Intent (Mandatory at Tab C)

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$1,979,800

5. Net Equity Factor

80.0000000000%

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

1. Total Development Costs		<u>\$7,231,964</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$5,231,967</u>
3. Equals Equity Gap		<u>\$1,999,997</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>80.0000000000%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$2,499,997</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$250,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$622,155</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$250,000</u>
Credit per LI Units	<u>\$16,666.6667</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$16,666.6667</u>	

9. **Action:** Provide Attorney’s Opinion using Virginia Housing template **(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	\$16,320
Plus Other Income Source (list): 	\$0
Equals Total Monthly Income:	\$16,320
Twelve Months	x12
Equals Annual Gross Potential Income	\$195,840
Less Vacancy Allowance 7.0%	\$13,709
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$182,131

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

Total Monthly Income for Market Rate Units:	\$0
Plus Other Income Source (list): 	\$0
Equals Total Monthly Income:	\$0
Twelve Months	x12
Equals Annual Gross Potential Income	\$0
Less Vacancy Allowance 7.0%	\$0
Equals Annual Effective Gross Income (EGI) - Market Rate Units	\$0

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$182,131
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$182,131
d. Total Expenses	\$95,908
e. Net Operating Income	\$86,223
f. Total Annual Debt Service	\$72,612
g. Cash Flow Available for Distribution	\$13,611

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	182,131	185,774	189,489	193,279	197,145
Less Oper. Expenses	95,908	98,785	101,749	104,801	107,945
Net Income	86,223	86,989	87,741	88,478	89,199
Less Debt Service	72,612	72,612	72,612	72,612	72,612
Cash Flow	13,611	14,377	15,129	15,866	16,587
Debt Coverage Ratio	1.19	1.20	1.21	1.22	1.23

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	201,088	205,109	209,211	213,396	217,664
Less Oper. Expenses	111,184	114,519	117,955	121,493	125,138
Net Income	89,904	90,590	91,257	91,902	92,525
Less Debt Service	72,612	72,612	72,612	72,612	72,612
Cash Flow	17,292	17,978	18,645	19,290	19,913
Debt Coverage Ratio	1.24	1.25	1.26	1.27	1.27

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	222,017	226,457	230,986	235,606	240,318
Less Oper. Expenses	128,892	132,759	136,742	140,844	145,069
Net Income	93,125	93,698	94,245	94,762	95,249
Less Debt Service	72,612	72,612	72,612	72,612	72,612
Cash Flow	20,513	21,086	21,633	22,150	22,637
Debt Coverage Ratio	1.28	1.29	1.30	1.31	1.31

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

U. Building-by-Building Information

Must Complete

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

Number of BINS: 1

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit				
		TAX CREDIT UNITS	MARKET RATE UNITS					Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	
		Street Address 1	Street Address 2	City	State	Zip														
1.		15		912 W Beverley Street		Staunton	VA	24401	\$227,644	12/31/27	4.00%	\$9,106				\$0	\$6,811,660	12/31/27	9.00%	\$613,049
2.												\$0				\$0				\$0
3.												\$0				\$0				\$0
4.												\$0				\$0				\$0
5.												\$0				\$0				\$0
6.												\$0				\$0				\$0
7.												\$0				\$0				\$0
8.												\$0				\$0				\$0
9.												\$0				\$0				\$0
10.												\$0				\$0				\$0
11.												\$0				\$0				\$0
12.												\$0				\$0				\$0
13.												\$0				\$0				\$0
14.												\$0				\$0				\$0
15.												\$0				\$0				\$0
16.												\$0				\$0				\$0
17.												\$0				\$0				\$0
18.												\$0				\$0				\$0
19.												\$0				\$0				\$0
20.												\$0				\$0				\$0
21.												\$0				\$0				\$0
22.												\$0				\$0				\$0
23.												\$0				\$0				\$0
24.												\$0				\$0				\$0
25.												\$0				\$0				\$0
26.												\$0				\$0				\$0
27.												\$0				\$0				\$0
28.												\$0				\$0				\$0
29.												\$0				\$0				\$0
30.												\$0				\$0				\$0
31.												\$0				\$0				\$0
32.												\$0				\$0				\$0
33.												\$0				\$0				\$0
34.												\$0				\$0				\$0
35.												\$0				\$0				\$0

15 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$227,644

\$0

\$6,811,660

\$9,106

\$0

\$613,049

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

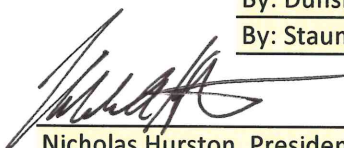
1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing'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 Virginia Housing 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 Virginia Housing 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 Virginia Housing 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, Virginia Housing 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 Virginia Housing 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 Virginia Housing 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 Virginia Housing 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 agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.
16. that undersigned waives the right to pursue a Qualified Contract on this development.
17. 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 Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, 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: Dunsmore Building, LLC
By: Dunsmore Building Management, LLC, Managing A
By: Staunton Housing Corp., Sole Member


By: 
 Its: Nicholas Hurston, President
 (Title)

V. STATEMENT OF ARCHITECT

The architect signing this document is certifying that the development plans and specifications incorporate all Virginia Housing 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:	Carter Green, AIA
Virginia License#:	0401 009451
Architecture Firm or Company:	Sharp 9 LLC

By:  _____

Its: Carter Green, Principal
(Title)

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

V. Previous Participation Certification

Development Name: Dunsmore Building Senior Apartments

Name of Applicant (entity): Dunsmore Building, LLC

The undersigned, being duly authorized to sign on behalf of the Applicant, provide this Certification with the understanding that Virginia Housing intends to rely upon the statements made herein for the purpose of awarding and allocating federal low-income housing tax credits.

The following terms shall be defined as follows *for the purpose of this Certification only* :

- “Principal” has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification, it excludes individuals and entities whose ownership interest is solely vested in limited partnership interests of the ownership entity.
- “Participant” means all Principals of the Owner who are required to be individually listed within **the organizational chart attached hereto**.

1. All the statements made within this Certification are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained within the organizational charts and any statements attached to this Certification, and I will immediately alert Virginia Housing should I become aware of any information prior to the application deadline which may render my statements herein false or misleading.

2. During any time within the past ten (10) years that any of the Participants were Principals in any multifamily rental property, no mortgagee of any such property declared a default under its mortgage loan or assigned it to the mortgage insurer (governmental or private); no such property was foreclosed upon or dispossessed pursuant to a deed-in-lieu of foreclosure; and no such property received mortgage relief from the mortgagee. For purposes of this statement, "declared a default" refers only to final notices of default issued after the exhaustion of all applicable notice and cure rights.

3. During any time within the last ten (10) years that any of the Participants were a Principal in an owner of multifamily rental property, no such owner was determined to have breached any agreement related to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership or limited liability company. For the purposes of this statement, "determined to have breached" refers only to determinations made by an independent third-party arbiter or court of law following the expiration of all applicable notice and cure periods and excludes default judgments that have been fully satisfied.

4. No Participant listed in this Certification has been required to turn control of a property over to an investor or been otherwise involuntarily removed as a general partner from the ownership of a multifamily rental property within the past ten (10) years.

5. There are no unresolved material findings of noncompliance resulting from any audits, management reviews, or other governmental investigations performed by (or on behalf of) any state or federal entity, concerning any multifamily rental property in which any of the Participants were Principals at the time of such finding. For the purposes of this statement, a finding is considered resolved if either (a) the state or federal entity issuing the finding has determined that no further action is required to remedy the finding; or (b) the Participant (or entity in which it is a Principal) has entered into a binding agreement with the applicable state or federal entity to address such finding(s) and the Applicant has included with this Certification a copy of such agreement accompanied by a written statement from the state or federal entity verifying that such agreement is not in default and is reasonably expected to be satisfied within (90) days. Any such statement must be addressed to Virginia Housing and dated no more than thirty (30) days prior to submission of the Application.

6. During the past ten (10) years, no Participants were Principals in any multifamily rental property for which payments under any state or federal assistance contract were suspended or terminated. For the purposes of this statement, suspensions and terminations do not include those caused solely by actions or inactions of the state or federal agency, like funding shortages, technical issues, or administrative delays, where the Principals were not at fault.

7. None of the Participants have been convicted of a felony and none are presently the subject of a complaint of 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. No Participant has been suspended, debarred, or otherwise restricted by any federal or state entity from participating in housing programs administered by such entity due to programmatic noncompliance on the part of either the Participant or an entity in which the Participant was a Principal.

9. During the past ten (10) years, (a) no Participant has been the subject of a claim under an employee fidelity bond; and (b) while any Participant was a Principal in an owner of multifamily rental property, no Participant or such related owner defaulted on any obligation secured by a letter of credit or surety or performance bond. For the purposes of this statement, "defaulted" refers only to events where funds were paid by the issuer of a letter of credit or surety or performance bond.

10. No Participant is a Virginia Housing employee or a member of the immediate household of any Virginia Housing employee.

11. No Participant currently holds an ownership interest in a multifamily rental property where construction has stopped for more than 20 consecutive days, unless the stoppage:

- (a) resulted from events beyond the reasonable control of the property owner that also caused similar delays in comparable projects in the surrounding area (e.g. natural disasters, labor strikes, pandemics, or government-imposed work stoppages); or
- (b) solely involves work neither contractually required as a condition of tax credit allocation nor required prior to placing in service all residential buildings within such project.

Additionally, no Participant currently holds an ownership interest in a multifamily rental property assisted by a federal or state governmental entity and that has been substantially complete for more than 90 days without the required closing documents (such as the final cost certification) being filed, unless the delay is solely attributable to the governmental entity and not to the property owner or its agents.

12. No court of competent jurisdiction or other federal or state governmental entity has found any Participant to be in violation of any applicable civil rights, fair housing, or equal employment opportunity laws or regulations.

13. During the past ten (10) years, no Participant was a Principal in any multifamily rental property found by a court of competent jurisdiction or other federal or state governmental entity to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended (this statement does not refer to 8823s deemed corrected by the issuing agency).

14. No Participants are 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. No Participant 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 and failure to certify, I have attached the following, which if not provided will automatically disqualify this Application from consideration:

- A. Supporting documentation sufficient to both outline the relevant facts and circumstances that necessitated each deletion and to explain why such deletion(s) should not result in disqualification; and
- B. A draft of Virginia Housing's form Right of First Refusal, which the Applicant commits to properly execute and record as a condition of any reservation or allocation of low-income housing tax credits made with regard to the Development named above.

Any material misrepresentations or omissions made on this form are grounds for rejection of this Application, forfeiture of any credits awarded with connection with this Application, and prohibition against the submission of future applications.



Signature

Nicholas Hurston

Printed Name

3/5/2026

3/12/2026

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

W.

LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

MANDATORY ITEMS:

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

1. READINESS:

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 to 10	0.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
or e. Location in a revitalization area with resolution or by locality	Y	0 or 15	15.00
or f. Location in a Opportunity Zone	N	0 or 15	0.00
g. Location in a Medium to High level Economic Development Jurisdiction	N	0 or 5	0.00
h. Location on land owned by Tribal Nation	N	0 or 15	0.00
Total:			15.00

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	N	0 or up to 5	0.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	6.91%	Up to 60	13.83
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
e. New project based rental subsidy) in Northern Virginia or New Construction pool	N	up to 40	0.00
f. Census tract with <12% poverty rate	0%	0, 20, 25 or 30	0.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
Total:			38.83

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			71.00
b. <removed for 2026>			0.00
c. HUD 504 accessibility for 10% of units	Y	0 or 20	20.00
d. Proximity to public transportation	Y10	0, 10 or 20	10.00
e. Development will be Green Certified	Y	0 or 10	10.00
f. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
g. Developments with less than 100 low income units	Y	up to 20	20.00
h. Historic Structure eligible for Historic Rehab Credits	Y	0 or 5	5.00
i. Meets Target Population Development Characteristics	N	0 or 10	0.00
Total:			136.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$94,400	\$78,100

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	0.00%	Up to 15	0.00
c. Units with rent and income 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)	13.33%	Up to 10	10.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	53.33%	Up to 50	50.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	53.33%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	53.33%	Up to 50	0.00
Total:			60.00

5. SPONSOR CHARACTERISTICS:

a. <QAP change - removed for 2026 cycle>	N		0.00
b. Veteran Small Business Principal owner 25% or greater	N	0 or 30	0.00
c. Developer experience - uncorrected life threatening hazard	N	0 or -50	0.00
d. Developer experience - noncompliance	N	0 or -15	0.00
e. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
f. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	0.00
g. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
h. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
i. Developer experience - more than 2 requests for Final Inspection	0	0 or -5 per item	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
Total:			0.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 100	99.70
Total:			99.70

7. BONUS POINTS:

a. Extended Use Restriction beyond 15 year compliance period	35	Years	40 or 70	70.00
or b. Nonprofit or LHA purchase option/ ROFR	N		0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N		0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N		10 or 15	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N		0 or 10	0.00
f. Team member with Veteran Owned Small Business Certification	N		up to 10	0.00
g. Commitment to electronic payment of fees	Y		0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N		0 or 20	0.00
Total:				75.00

300 Point Threshold - all 9% Tax Credits
 200 Point Threshold - Tax Exempt Bonds

TOTAL SCORE: **424.53**

Enhancements:

All units have:

	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	20.00
c. LED Kitchen Light Fixtures	2	2.00
d. Cooking surfaces equipped with fire suppression features	2	2.00
e. Bath Fan - Delayed timer or continuous exhaust	3	3.00
f. Baths equipped with humidistat	3	0.00
g. Watersense labeled faucets, toilets and showerheads (without Green Certification)	3	0.00
h. Rehab only: new infrastructure for high speed internet/broadband	5	0.00
i. Each unit provided free individual high speed internet access	15	15.00
j. USB in kitchen, living room and all bedrooms	1	1.00
k. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
l. Provides Permanently installed dehumidification system	5	5.00
m. All interior doors within units are solid core	3	3.00
n. Installation of Renewable Energy Electric system	10	10.00
o. New Construction: Balcony or patio	4	0.00

66.00

All elderly units have:

p. Front-control ranges	1	1.00
q. Independent/suppl. heat source	1	1.00
r. Two eye viewers	1	1.00
s. Shelf or Ledge at entrance within interior hallway	2	2.00
		<u>5.00</u>

Total amenities: 71.00

X.

Development Summary

Summary Information

2026 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Dunsmore Building Senior Apartments

Cycle Type: 9% Tax Credits
Allocation Type: Adaptive Reuse
Total Units: 15
Total LI Units: 15
Project Gross Sq Ft: 14,046.00
Green Certified?: TRUE

Requested Credit Amount: \$250,000
Jurisdiction: Staunton City
Population Target: Elderly

Owner Contact: Nehemias Velez

Total Score 424.53

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$2,550,000	\$170,000	\$182	\$72,612
Grants	\$0	\$0		
Subsidized Funding	\$500,000	\$33,333		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$3,765,888	\$251,059	\$268	52.07%
General Req/Overhead/Profit	\$527,224	\$35,148	\$38	7.29%
Other Contract Costs	\$0	\$0	\$0	0.00%
Owner Costs	\$1,838,852	\$122,590	\$131	25.43%
Acquisition	\$350,000	\$23,333	\$25	4.84%
Developer Fee	\$750,000	\$50,000	\$53	10.37%
Total Uses	\$7,231,964	\$482,131		

Total Development Costs	
Total Improvements	\$6,131,964
Land Acquisition	\$350,000
Developer Fee	\$750,000
Total Development Costs	\$7,231,964

Proposed Cost Limit/Sq Ft: \$490
Applicable Cost Limit/Sq Ft: \$556
Proposed Cost Limit/Unit: \$458,798
Applicable Cost Limit/Unit: \$589,015

Income		
Gross Potential Income - LI Units		\$195,840
Gross Potential Income - Mkt Units		\$0
Subtotal		\$195,840
Less Vacancy %	7.00%	\$13,709
Effective Gross Income		\$182,131

Unit Breakdown	
# of Eff	0
# of 1BR	15
# of 2BR	0
# of 3BR	0
# of 4+ BR	0
Total Units	15

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$39,308	\$2,621
Utilities	\$3,800	\$253
Operating & Maintenance	\$30,000	\$2,000
Taxes & Insurance	\$18,300	\$1,220
Total Operating Expenses	\$91,408	\$6,094
Replacement Reserves	\$4,500	\$300
Total Expenses	\$95,908	\$6,394

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	2
50% AMI	8	6
60% AMI	7	7
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$182,131
Total Expenses	\$95,908
Net Income	\$86,223
Debt Service	\$72,612
Debt Coverage Ratio (YR1):	1.19

Income Averaging? FALSE

Extended Use Restriction? 50

Y. Efficient Use of Resources

If the Combined Max Allowable Credits is \$500,000 and the annual credit requested is \$200,000, you are providing a 60% savings for the program. This deal would receive all 100 credit points.

For another example, the annual credit requested is \$300,000 or a 40% savings for the program. Using a sliding scale, the credit points would be calculated by the difference between your savings and the desired 60% savings. Your savings divided by the goal of 60% times the max points of 100. In this example, $(40\%/60\%) \times 100$ or 66.67 points.

Tax Exempt Deals are granted a starting point value greater than zero to allow for the nature of these deals.

Combined Max	\$622,155
Credit Requested	\$250,000
% of Savings	59.82%
Sliding Scale Points	99.7

Tab A:

Partnership or Operating Agreement, including
Org Chart with percentages of ownership interest

OPERATING AGREEMENT
OF
DUNSMORE BUILDING, LLC

This OPERATING AGREEMENT (this “*Agreement*”) of Dunsmore Building, LLC, a Virginia limited liability company (the “*Company*”) is made and entered into as of February 23, 2026, by Dunsmore Building Management, LLC, a Virginia limited liability company, as the managing member of the Company (the “*Managing Member*”) and Staunton Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia, as the initial investor member (the “*Initial Investor Member*”). The Managing Member and the Initial Investor Member are collectively referred to as the “*Members*”.

The Members desire to form the Company to acquire certain property located at 912 W. Beverley Street, in the City of Staunton, Virginia, more particularly described on Exhibit A attached hereto (the “Property”), and to acquire, own, construct, rehabilitate, operate, lease and manage thereon certain residential units and common areas collectively known as the Dunsmore Building (collectively, the “Project”), such Project qualifying for federal income tax credits under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”).

SECTION 1
ORGANIZATIONAL MATTERS

1.01 Formation. The Company was formed as a Virginia limited liability company under the Virginia Limited Liability Company Act (the “*Act*”) on February 23, 2026. The rights and obligations of the Members shall be as provided in the Act, except as otherwise expressly provided herein. In the event of any inconsistency between any terms and conditions contained in this Agreement and any non-mandatory provisions of the Act, the terms and conditions contained in this Agreement shall govern and in the event of any inconsistency between any items and conditions contained in this Agreement and any mandatory provisions of the Act, the terms and conditions of the Act shall govern.

1.02 Name. The name of the Company is Dunsmore Building, LLC.

1.03 Principal Office. The principal office of the Company is 900 Elizabeth Miller Gardens, Staunton, Virginia 24401, or such other place as the Members may from time to time designate. The Company may have other offices at any place or places as may be determined by the Members.

1.04 Purpose. The purposes of the Company are to acquire the Property, redevelop, construct, rehabilitate, finance the Project and own, mortgage, lease, exchange sell or otherwise transfer or dispose of the Project. The Company is empowered to do all things necessary to carry out the foregoing purposes and all business activities necessary or related thereto. The Members are directed and empowered to take such action on behalf of the Company as may be necessary or desirable to accomplish its purposes.

The Company is authorized to (a) engage in any activity, (b) enter into, perform and carry out contracts of any kind, and (c) do all things necessary and proper for the protection and benefit of the Company, including, without limiting the generality of the foregoing, borrowing whatever amounts may be required for the acquisition of the Property and the redevelopment, construction, rehabilitation and operation of the Project.

The Company, by its Members, is authorized to execute notes and mortgages to secure an acquisition and construction/rehabilitation loan and a permanent loan, to the extent such loans may be necessary or desirable, and to execute any and all documents, agreements, mortgages, security agreements and certificates required in connection with such loans and the acquisition, construction, rehabilitation, development, improvement, maintenance and operation of the Project and all other property owned by the Company in connection with the Project.

1.05 Articles of Organization; Filing. The Company executed and filed Articles of Organization with the Virginia State Corporation Commission as required by the Act. The Members may execute and file any amendments to the Articles of Organization from time to time in a form prescribed by the Act. The Members also shall cause to be made, on behalf of the Company, such additional filings and recordings as the Members shall deem necessary or advisable.

1.06 Fictitious Business Name Statements; Qualification in Other States. Following the execution of this Agreement, fictitious business name statements and qualifications in various states may be filed and published as deemed necessary by the Members.

1.07 Registered Agent. The Company shall continuously maintain a registered office and a designated and duly qualified agent for service of process on the Company in the Commonwealth of Virginia. As of the date of this Agreement, the address of the registered office is 101 W. Main Street, Suite 440, Norfolk, VA 23510, and its registered agent is Delphine G. Carnes. The registered office and registered agent may be changed from time to time by action of the Members.

1.08 Term. The Company commenced on February 23, 2026 and shall continue until terminated pursuant to this Agreement.

SECTION 2

MEMBERS AND MANAGEMENT

2.01 Original Members. As of the date of this Agreement, the Managing Member owns .01% of the membership interests in the Company and the Initial Investor Member owns 99.99% of the membership interests in the Company.

2.02 Management

(a) Authority; Powers and Duties of the Managing Member. The Managing Member shall have exclusive and complete authority and discretion to manage the operations and affairs of the Company and to make all decisions regarding the business of the Company. Any action taken by the Managing Member shall constitute the act of and serve to bind the Company.

Persons dealing with the Company are entitled to rely conclusively on the power and authority of the Managing Member as set forth in this Agreement.

(b) Election of Officers; Delegation of Authority. The Members may, from time to time, designate one or more officers with such titles as may be designated by the Members to act in the name of the Company with such authority as may be delegated to such officers by the Members (each such designated person, an “*Officer*”). Any such Officer shall act pursuant to such delegated authority until such Officer is removed by the Members. Any action taken by an Officer designated by the Members pursuant to authority delegated to such Officer shall constitute the act of and serve to bind the Company. Persons dealing with the Company are entitled to rely conclusively on the power and authority of any Officer set forth in this Agreement and any instrument designating such Officer and the authority delegated to him or her.

SECTION 3

LIABILITY OF MEMBERS AND INDEMNIFICATION

3.01 Liability of Members. Except as otherwise provided in the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort, or otherwise, are solely the debts, obligations, and liabilities of the Company. The Members are not personally liable for a debt, obligation, or liability of the Company solely by reason of being or acting as a member.

3.02 Indemnification of Members and Officers. The Members and the Officers shall be entitled to indemnification and advancement of expenses from the Company for and against any loss, damage, claim, or expense (including attorneys’ fees) whatsoever incurred by the Members or Officers to the fullest extent a corporation would be permitted to indemnify the directors of a Virginia corporation under the Virginia Stock Corporation Act; *provided*, however, that any indemnity under this Section 3.02 shall be provided out of and to the extent of Company assets only, and neither the Members nor any other person shall have any personal liability on account thereof. Any determination required regarding whether indemnification is proper under the circumstances or whether an individual has met the applicable standard of conduct shall be made by either (a) the Members or (ii) if requested by the Members, independent legal counsel, chosen by the Members, in a written opinion.

SECTION 4

CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS

4.01 Members’ Capital Contributions.

(a) Initial Capital Contribution. The Members shall make an initial capital contribution as determined by the Members.

(b) Additional Capital Contributions. The Members shall not be required to make any further capital contributions beyond that set forth in Section 4.01(a).

(c) Loans. The Members may endeavor to obtain a loan or loans to the Company, including from the Members, from time to time, for necessary capital on reasonable terms, in order to finance the ownership and operation of the business of the Company.

4.02 Distributions. Distributions shall be made to the Members at the times and in the amounts determined by the Members.

SECTION 5 TAX MATTERS

It is intended that the Company be treated as a partnership entity within the meaning of the Income Tax Regulations promulgated under the Internal Revenue Code of 1986, as such may be amended, and, accordingly, disregarded as a separate entity for tax purposes.

SECTION 6 DISSOLUTION AND TERMINATION

6.01 Events of Dissolution. The Company shall be dissolved upon the occurrence of any of the following events:

- (a) The determination in writing of the Members.
- (b) The sale, transfer, or assignment of substantially all the assets of the Company.
- (c) The adjudication of the Company as insolvent in either bankruptcy or equity proceedings, or the filing of an involuntary petition in bankruptcy against the Company (which is not dismissed within ninety days), or the filing against the Company of a petition for reorganization under the federal bankruptcy code or any state statute (which is not dismissed within ninety days), or a general assignment by the Company for the benefit of creditors, or the voluntary claim (by the Company) that it is insolvent under any provisions of the federal bankruptcy code (or any state insolvency statutes), or the appointment for the Company of a temporary or permanent receiver, trustee, custodian, or sequestrator, and such receiver, trustee, custodian, or sequestrator is not dismissed within ninety days.
- (d) As otherwise required by Virginia law.

6.02 Liquidation. Upon the dissolution of the Company, it shall wind up its affairs by either or a combination of the following methods as the Members shall in the Members' sole discretion determine:

- (a) Selling the Company's assets and, after paying the Company's liabilities or reserving sufficient funds for such liabilities, distributing the net proceeds to the Members in satisfaction of the Members' interest in the Company.
- (b) Distributing the Company's assets to the Members in kind with the Members accepting the Company's assets, subject to its liabilities, in satisfaction of the Members' interest in the Company.

6.03 Articles of Cancellation. Upon completion of the liquidation of the Company and the distribution of all the Company's assets, the Company shall terminate, and the Members shall execute and record Articles of Cancellation, as well as all other documents required to effectuate

the dissolution and termination of the Company, which shall have the effect provided for in the Act.

SECTION 7
MISCELLANEOUS PROVISIONS

7.01 Bank Accounts. The Company shall maintain such bank accounts as the Members may determine to be appropriate from time to time.

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

7.03 Amendments. This Agreement may be amended only by the Members in writing, but may be so amended at any time.

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

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

7.06 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company. The specific intent of the undersigned is that there shall be no third-party beneficiaries of this Agreement.

7.07 Entire Agreement. This Agreement sets forth all the promises, agreements, conditions, and understandings of the Members respecting the subject matter hereof.


{signature page follows}

IN WITNESS WHEREOF, the undersigned has executed this Agreement to be effective as of the date first above written.

MANAGING MEMBER:

DUNSMORE BUILDING MANAGEMENT, LLC,
a Virginia limited liability company

By: Staunton Housing Corp.,
a Virginia corporation,
its Sole Member

By: 
Name: Nicholas Hurston
Title: President

INITIAL INVESTOR MEMBER:

STAUNTON REDEVELOPMENT AND HOUSING
AUTHORITY,
a political subdivision of the Commonwealth of Virginia

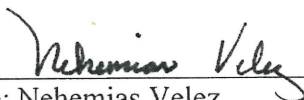
By: 
Name: Nehemias Velez
Title: Executive Director

EXHIBIT A

ALL THAT certain lot or parcel of land, with all improvements thereon and appurtenances thereto belonging, situate in the City of , Virginia, on the south side of West Beverley Street, formerly known as the Bodley Auditorium and previously occupied by Dunsmore Business College, and more fully described as follows: Beginning at a point on the south side of West Beverley Street and 9 feet from the western wall of the building, thence in a southerly direction parallel to the wall, by a straight line, to the point of intersection of such line with the north margin of Anderson Street, thence following the lines of Auditorium lot along the north boundary of Anderson Street to the corner with the Peterfish lot, thence along the line of Peterfish lot to West Beverley Street, and westerly along West Beverley Street to the point of beginning, the lot having a frontage of 82.75 feet on West Beverley Street, and being known by present house numbering as 912 West Beverley Street AND all of those two portions of 920 West Beverley Street containing 0.036 and 0.053 acres more fully described on plat entitled PLAT SHOWING A BOUNDARY LINE ADJUSTMENT BETWEEN THE LANDS OF STAUNTON CHURCH OF CHRIST AND STAUNTON DEVELOPMENT SOLUTIONS, LLC, CITY OF STAUNTON, VIRGINIA, dated August 29, 2007, made by Barry E. Lotts, Land Surveyor, attached to a deed dated January 29, 2008 between Rufus Hayes, Trustee of the Staunton Church of Christ, of record in the Circuit Court Clerk's Office as Instrument 080000499 and being all of that portion of 920 West Beverley Street lying within the bounds of Lot 1 as shown on the aforesaid plat.

Ownership Chart for Dunsmore

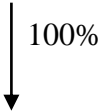
Staunton Redevelopment and Housing Authority

Ground Lessor



0.01%

99.99%



National Park Service Evidence of Historic Places

WEST BEVERLEY STREET (South Side) (Continued)
NPS Form 10-900-a
(7-81)

**United States Department of the Interior
National Park Service**

**National Register of Historic Places
Inventory—Nomination Form**

For NPS use only
received
date entered

Continuation sheet #64 Newtown Historic District Item number 7 Page 12

908: Frame (asbestos shingles added); 2 stories; hip roof; 2 bays; 1-story porch across front with Tuscan columns and dentils in cornice. Vernacular. Ca. 1905. Entrance with transom and sidelights in east bay. 1/1 lights. 2 corbelled interior chimneys.

912 (Formerly the Dunsmore Business College): Brick with limestone foundation; 1 story with 2 basements; hip roof; 9 bays; no porch. Romanesque Revival characteristics. Ca. 1901. Entrance in central bay recessed into large round-arched opening. Round-headed openings with decorative brickwork. 1/1 lights. Tall, corbelled endwall chimneys. Designed by architect T. J. Collins for the Dunsmore Business College. Now used as the Valley Rescue Mission.

Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Dunsmore Building Management, LLC is duly organized as a Limited Liability Company under the law of the Commonwealth of Virginia;

That the Limited Liability Company was formed on February 23, 2026; and

That the Limited Liability Company is in existence 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 10, 2026

A handwritten signature in cursive script, reading "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Dunsmore Building, LLC is duly organized as a Limited Liability Company under the law of the Commonwealth of Virginia;

That the Limited Liability Company was formed on February 23, 2026; and

That the Limited Liability Company is in existence 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 10, 2026

A handwritten signature in cursive script, reading "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Limited Liability Company - Articles of Organization

Entity Information

Entity Name: Dunsmore Building Management, LLC Entity Type: Limited Liability Company

Business Type

Industry Code: 0 - General

Duration

Perpetual(forever)

Registered Agent Information

RA Type: An Individual who is a resident of Virginia Locality: NORFOLK CITY

RA Qualification: Member of the Virginia State Bar

Name: Delphine G Carnes Email Address: N/A

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

Registered Office Address: 101 W Main St Ste 440,
NORFOLK, VA, 23510 -
1630, USA Contact Number: N/A

Principal Office Address

Address: 900 Elizabeth Miller Gdns, Staunton, Staunton, VA, 24401 - 3897, USA

Principal Information

Management Structure: Member-Managed

Signature Information

Date Signed: 02/23/2026

Executed in the name of the limited liability company by:

Printed Name	Signature	Title
Delphine G Carnes	Delphine G. Carnes	Organizer

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

AT RICHMOND, FEBRUARY 23, 2026

The State Corporation Commission has found the accompanying articles of organization submitted on behalf of

Dunsmore Building Management, LLC

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF ORGANIZATION

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective February 23, 2026.

The limited liability company is granted the authority conferred on it by law in accordance with the articles of organization, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By

A handwritten signature in black ink, appearing to read "Samuel T. Towell", written in a cursive style.

Samuel T. Towell
Commissioner

Commonwealth OF Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all business entity documents on file in the Office of the Clerk of the Commission related to Dunsmore Building Management, LLC, a Virginia limited liability company.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

February 23, 2026

A handwritten signature in cursive script, reading "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Limited Liability Company - Articles of Organization

Entity Information

Entity Name: Dunsmore Building, LLC Entity Type: Limited Liability Company

Business Type

Industry Code: 0 - General

Duration

Perpetual(forever)

Registered Agent Information

RA Type: An Individual who is a resident of Virginia Locality: NORFOLK CITY

RA Qualification: Member of the Virginia State Bar

Name: Delphine G Carnes Email Address: N/A

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

Registered Office Address: 101 W Main St Ste 440,
NORFOLK, VA, 23510 - 1630, USA Contact Number: N/A

Principal Office Address

Address: 900 Elizabeth Miller Gdns, Staunton, VA, 24401 - 3897, USA

Principal Information

Management Structure: Member-Managed

Signature Information

Date Signed: 02/23/2026

Executed in the name of the limited liability company by:

Printed Name	Signature	Title
Delphine G Carnes	Delphine G Carnes	Organizer

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

AT RICHMOND, FEBRUARY 23, 2026

The State Corporation Commission has found the accompanying articles of organization submitted on behalf of

Dunsmore Building, LLC

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF ORGANIZATION

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective February 23, 2026.

The limited liability company is granted the authority conferred on it by law in accordance with the articles of organization, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By

A handwritten signature in black ink, appearing to read "Samuel T. Towell", with a long horizontal flourish extending to the right.

Samuel T. Towell
Commissioner

Commonwealth OF Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all business entity documents on file in the Office of the Clerk of the Commission related to Dunsmore Building, LLC, a Virginia limited liability company.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

February 23, 2026

A handwritten signature in cursive script, reading 'Bernard J. Logan'.

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, February 23, 2026

This is to certify that the certificate of organization of

Dunsmore Building Management, LLC

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

Effective date: February 23, 2026



STATE CORPORATION COMMISSION

Attest:

A handwritten signature in cursive script, appearing to read "Bernard J. St. John".

Clerk of the Commission

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, February 23, 2026

This is to certify that the certificate of organization of

Dunsmore Building, LLC

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

Effective date: February 23, 2026



STATE CORPORATION COMMISSION

Attest:

A handwritten signature in cursive script, appearing to read "Bernard J. St. John".

Clerk of the Commission

Tab C:

Syndicator's or Investor's Letter of Intent
(MANDATORY)



Vibrant Communities Drive Change

March 6, 2026

Nehemias Velez
Dunsmore Building, LLC
c/o Staunton Housing Corporation
900 Elizabeth Miller Gardens, Staunton VA, 24401

RE: Dunsmore Building Senior
Apartments
Dunsmore Building, LLC
Investor Letter of Intent

Dear Mr. Velez,

VCDC, through one of its subsidiary entities, is interested in providing an investment for the Low-Income Housing Tax Credits to be generated by the development of Dunsmore Building Senior Apartments. Subject to the usual and customary due diligence and investor committee approval, and fund formation, VCDC is interested in purchasing the Investor Member interests in Dunsmore Building, LLC on behalf of an equity fund created for the purpose of promoting the development of affordable housing.

Based on our analysis of the information provided to date, the Investor Member is interested in making a total equity investment of \$1,979,800 to Dunsmore Building, LLC. This investment is based on the Investor Member's 98.99% share of the projected annual Low Income Housing Tax Credit of \$250,000 at \$.80 per credit dollar, and other tax benefits.

Please feel free to contact me if you have any questions. We look forward to working with you again.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Bleile".

Steve Bleile
Vice President of Community Investments

115 S 15th Street
Suite 501
Richmond VA 23219
804.343.1200
vibrantcommunities.us



Tab E:

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

PURCHASE OPTION AGREEMENT

THIS PURCHASE OPTION AGREEMENT (“Option”) is made this 5th day of March, 2026, by and between STUART C. ARMSTRONG, hereinafter called “Seller” (“Grantor” for indexing purposes, and STAUNTON REDEVELOPMENT AND HOUSING AUTHORITY, hereinafter called “Buyer” (“Grantee” for indexing purposes), with an address of 900 Elizabeth Miller Gardens. Staunton, Virginia 24401.

WITNESSETH THAT:

WHEREAS, Seller holds fee simple title to certain real estate and the improvements located thereon located in the City of Staunton, Virginia, as more particularly described on Exhibit A attached hereto and made a part hereof (the “Property”); and

WHEREAS, Buyer desires an option to purchase the Property and Seller is willing to grant the option for the price and on the terms hereafter set forth; and

WHEREAS, Seller and Buyer enter into this Option to provide the Buyer with the right to purchase the Property for the agreed price of Three Hundred Fifty Thousand and no/100 Dollars (\$350,000.00) (the “Purchase Price”).

NOW, THEREFORE, for and in consideration of the sum of One Hundred Dollars (\$100.00), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller hereby grants to Buyer the option and right to purchase the Property.

1. **Duration of Option:** This Option creates a binding contract requiring Seller to convey the Property to Buyer in the event Buyer exercises the option during the period commencing on the date hereof and ending on January 15, 2028 (the “Option Period”). In the event the Buyer shall not

have exercised the Option by January 15, 2028, this Option shall on that date then terminate.

2. **Exercise of Option:** This Option may be exercised by Buyer's delivering to Seller a written notice expressly exercising the Option before the expiration of the Option Period. Upon receipt of such notice, Seller will prepare and present to Buyer a Contract so as to have such contract fully executed by both parties. The Option will expire if the notice of exercise is not delivered to Seller before the end of the Option Period. If the option is exercised, the consideration for the Property shall be the payment of the Purchase Price by Buyer to Seller. If the option is exercised, Buyer will acquire the Property no later than November 30, 2028.

3. **Payment of Purchase Price:** Buyer shall pay the Seller the sum of \$100,000 either (i) on or before March 31, 2028 or (ii) when a contract is executed by and between the Buyer and a general contractor, related specifically to the Property, whichever occurs first. The balance of the Purchase Price shall be due on or before November 30, 2028.

4. **Seller's Right During Option Period.** Anything herein to the contrary notwithstanding, during the Option Period the Seller shall have the right to use the Property, or permit any other person or entity to use the Property, for any purpose, and to lease the Property. Seller covenants and agrees that, except for the leases and licenses that may be granted pursuant to the preceding sentence, Seller will not sell or convey the Property or any part thereof, unless expressly subject and subordinate to this Option.

5. **Notices:** Any notice, demand or request by either party hereto to the other shall be deemed to be given if and when posted in the U.S. Mails by registered mail, postage prepaid, addressed as follows:

If to Seller:

Stuart C. Armstrong
270 Sawmill Creek Drive
Nellysford, VA 22958

If to Buyer:

Staunton Redevelopment and Housing Authority
900 Elizabeth Miller Gardens
Staunton, Virginia 24401
Attn: Nehemias Velez

6. **Assignment of Option:** This Option is not freely assignable. Buyer may assign the Contract only to a subsidiary or affiliate of Buyer, and then only a) upon giving written notice to the Seller, b) upon obtaining Seller's written consent to the assignment, and c) provided that Assignee shall retain underlying responsibility for performing the obligations of the Buyer.

7. **Recordation of Option:** This Option may be recorded by the Seller or the Buyer in the land records of the City of Staunton, Virginia.

8. **Applicable Law:** The interpretation and enforcement of this Option and any similar contracts entered into between Buyer and Seller shall be governed by the laws of the Commonwealth of Virginia.

[Remainder of Page Intentionally Left Blank. Signatures on Next pages]

WITNESS the following signatures and seals on the day and year first above written.

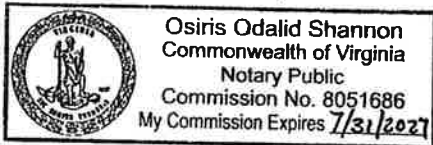
SELLER:

By [Signature]
Name: Stuart C. Armstrong

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Nelson, to-wit:

I, Osiris O. Shannon, a Notary Public in and for the City/County aforesaid, in the Commonwealth of Virginia, whose commission expires on the 31st day of July, 2027, do hereby certify that Stuart C. Armstrong, whose name is signed as such to the foregoing writing bearing date of the 5th day of March, 2026, has acknowledged the same before me in my City and State.

Given under my hand this 5th day of March, 2026.

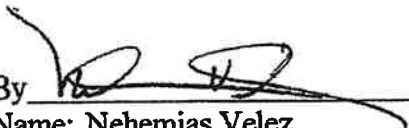


[Signature]
Notary Public

Notary ID: 8051686

BUYER:

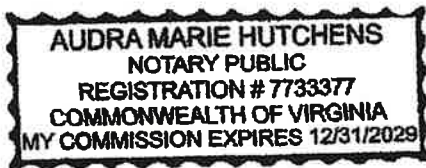
STAUNTON REDEVELOPMENT AND HOUSING
AUTHORITY,
a political subdivision of the Commonwealth of
Virginia

By 
Name: Nehemias Velez
Title: Executive Director

COMMONWEALTH OF VIRGINIA
CITY OF STAUNTON, to-wit:

I, Audra Marie Hutchens, a Notary Public in and for the City/County
aforesaid, in the Commonwealth of Virginia, whose commission expires on the 31st day of
December, 2026, do hereby certify that. Nehemias Velez, Executive Director of Staunton
Redevelopment and Housing Authority, whose name is signed as such to the foregoing writing
bearing date of the 5th day of March, 2026, has acknowledged the same before me
in my City and State.

Given under my hand this 4th day of March, 2026.




Notary Public

Notary ID: 7733377

EXHIBIT A
Legal Description

PARCEL ONE

ALL THAT certain lot or parcel of land, with all improvements thereon and appurtenances thereto belonging, situate in the City of Staunton, Virginia, on the south side of West Beverley Street, formerly known as the Bodley Auditorium and previously occupied by Dunsmore Business College, and more fully described as follows: Beginning at a point on the south side of West Beverley Street and 9 feet from the western wall of the building, thence in a southerly direction parallel to the wall, by a straight line, to the point of intersection of such line with the north margin of Anderson Street, thence following the lines of Auditorium lot along the north boundary of Anderson Street to the corner with the Peterfish lot, thence along the line of Peterfish lot to West Beverley Street, and westerly along West Beverley Street to the point of beginning, the lot having a frontage of 82.75 feet on West Beverley Street, and being known by present house numbering as 912 West Beverley Street AND all of those two portions of 920 West Beverley Street containing 0.036 and 0.053 acres more fully described on plat entitled PLAT SHOWING A BOUNDARY LINE ADJUSTMENT BETWEEN THE LANDS OF STAUNTON CHURCH OF CHRIST AND STAUNTON DEVELOPMENT SOLUTIONS, LLC, CITY OF STAUNTON, VIRGINIA, dated August 29, 2007, made by Barry E. Lotts, Land Surveyor, attached to a deed dated January 29, 2008 between Rufus Hayes, Trustee of the Staunton Church of Christ, of record in the Circuit Court Clerk's Office as Instrument 080000499 and being all of that portion of 920 West Beverley Street lying within the bounds of Lot 1 as shown on the aforesaid plat.

PARCEL TWO

All those certain parcels of land as shown on Schedule I attached and each designated as New Pkg. Lot.

LEASE OPTION AGREEMENT

THIS LEASE OPTION AGREEMENT (“Option”), made this 4th day of March, 2026, between **STAUNTON REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia, hereinafter called “Lessor,” and **DUNSMORE BUILDING, LLC**, a Virginia limited liability company, hereinafter called “Lessee,”

WITNESSETH THAT:

WHEREAS, Lessor holds fee simple title to certain real estate located in the City of , Virginia, more particularly described on Exhibit A attached hereto and made a part hereof (the “Property”); and

WHEREAS, Lessee desires an option to ground lease from Lessor the Property and Lessor is willing to grant the option for the price and on the terms hereafter set forth; and

WHEREAS, Lessor and Lessee enter into this Option to provide the Lessee with the right to ground lease the Property.

NOW, THEREFORE, for and in consideration of the sum of One Hundred Dollars (\$100.00), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor hereby grants to Lessee the exclusive option and right to ground lease the Property, upon the following terms:

1. **Duration of Option:** This Option creates a binding contract requiring Lessor to ground lease the Property to Lessee in the event Lessee exercises the option during the period commencing on the date hereof and ending on December 31, 2026 (the “Option Period”). In the event the Lessee shall not have exercised the Option by December 31, 2026, this Option shall on that date then terminate.
2. **Exercise of Option:** This Option may be exercised by Lessee’s delivering to Lessor a written notice expressly exercising the Option before the expiration of the Option Period. Upon receipt of such notice, Lessor will prepare and present to Lessee a ground lease (the “Ground Lease”), so as to have such contract fully executed by both parties. The Ground Lease will have a term of at least fifty (50) years. The Option is irrevocable for the duration of the Option Period. The Option will expire if the notice of exercise is not delivered to Lessor before the end of the Option Period. If the option is exercised, the consideration for the lease of the Property shall be the payment of rent under a ground lease to be agreed upon by Lessee and Lessor, as applicable.
3. **Option Payment:** Lessee has paid Lessor the sum of \$100.00 as the price of this Option. Upon execution of a Ground Lease, the \$100.00 option money will be credited against the Lessee’s earnest money obligation at the time of contract signing. The option money shall be returned to Lessee if the failure to enter into a Ground Lease is not the choice or fault of the Lessee.

4. **Lessor's right during Option Period.** Anything herein to the contrary notwithstanding, during the Option Period the Lessor shall have the right to use the Property, or permit any other person or entity to use the Property, for any purpose. Lessor covenants and agrees that, until the expiration of the Option Period, Lessor will not lease, sell or convey the Property or any part thereof to any other party, unless expressly subject and subordinate to this Option, it being understood that Lessee shall have the exclusive rights to lease the Property from Lessor until the expiration of the Option Period or the Lessee's exercise of this Option.

5. **Restrictive Covenants:** It is hereby specified that, as a part of the consideration for the Ground Lease of the subject property, the land will be ground leased expressly subject to certain covenants, restrictions, limitations and conditions, which will at the time of Ground Lease be imposed as covenants running with and binding upon the land, and which will provide generally as follows:

- a. The Property shall not be used for commercial or industrial purposes but shall be used for residential purposes only.
- b. There shall not be effected or executed any agreement, lease, covenant, conveyance or other instrument whereby the sale, lease or occupancy of the Property is restricted upon the basis of race, creed, color, religion, sex, national origin, disability or familial status.
- c. The Lessee will comply with all State and local laws, in effect from time to time, prohibiting discrimination or segregation by reason of race, creed, color, religion, sex, national origin, disability or familial status in the sale, lease, or occupancy of the Property.
- d. The Lessee agrees on behalf of itself, its successors and assigns, not to discriminate upon the basis of race, creed, color, religion, sex, national origin, disability or familial status in the sale, lease, rental, use or occupancy of the Property or any improvements thereon. This covenant being given for the benefit of the public, the United States is expressly recognized as a beneficiary thereof and is entitled to enforce it for its own benefit or that of the public.
- e. Unless prevented by Act of God or war, or some other unforeseen cause wholly beyond control, within thirty (30) days after settlement there shall be begun, and within twenty-four (24) months after settlement there shall be completed on said Property, certain improvements, with appropriate landscaping.
- f. No sign or fence shall be permitted on or within the perimeter of the

Property without first obtaining the written permission of the Lessor.

- g. Coal shall not be used for heating or developing fuel or for any other operation on the Property.
- h. The land area not occupied by structures, hard-surfacing or vehicular driveways, shall be kept planted with grass, trees and plants or shrubbery and maintained in a healthy condition and neat appearance. Upon default in such planting or in its maintenance, Lessee, and its successors and assigns, agrees that the necessary planting and work may be done by Lessor at the expense of Lessee, or his successors and assigns, from time to time and in keeping with this covenant.
- i. Parking areas, driveways and other vehicular accessways will be hard-surfaced with material of concrete, bituminous or similar composition.
- j. The Lessee agrees, on behalf of itself, its successors and assigns, that all buildings located on the Property and their appurtenant premises will be maintained in a sound condition and neat appearance. Necessary repairs, maintenance and upkeep will be performed so as to preserve the attractive appearance, the physical integrity and the sanitary and safe condition of the buildings. Upon default in such repairs, maintenance or upkeep, Lessee, and its successors and assigns, agree that the necessary repairs, maintenance and upkeep may be done by Lessor at the expense of Lessee, or its successors and assigns, from time to time and in keeping with this covenant.
- k. Gas, electric and other utility services shall be underground to the buildings from the main distribution. No utility line or connection to any utility line at or above ground level shall be permitted.
- l. Any service area, facility or equipment located on that side of a building or building site which is adjacent to a public right-of-way is to be enclosed or otherwise screened from view.
- m. Provision for off-street parking space for motor vehicles shall be in accordance with the zoning ordinances of the City of Staunton.
- n. All exterior walls shall be constructed of permanent materials impervious to deterioration in appearance, such as stone, exposed aggregates, brick or glass. All roof structures and appurtenances in

excess of six (6) inches in diameter and twelve (12) inches in height shall be shielded or screened from observation from the same elevation. Such shielding or screening shall be with materials compatible and in harmony with the roof and/or side walls.

- o. No landscaping, improvements or structures, whether temporary or permanent in nature, shall be constructed, commenced or erected on the Property unless and until the plans, working drawings, specifications and materials therefor have been approved in writing by the Lessor.
- p. Covenants a, e, f, g, h, i, j, k, l, m, n and o above shall expire forty (40) years after the date of the Ground Lease.

6. **Notices:** Any notice, demand or request by either party hereto to the other shall be deemed to be given if and when posted in the U.S. Mails by registered mail, postage prepaid, addressed as follows:

If to Lessor:

Redevelopment and Housing Authority
900 Elizabeth Miller Gardens
, Virginia 24401
Attn: Nehemias Velez

If to Lessee:

Dunsmore Building, LLC
c/o Redevelopment and Housing Authority
900 Elizabeth Miller Gardens
, Virginia 24401
Attn: Nehemias Velez

7. **Assignment of Option:** This Option is not freely assignable. Lessee may assign the Option only to a subsidiary or affiliate of Lessee, and then only **a)** upon giving written notice to the Lessor, **b)** upon obtaining Lessor's written consent to the assignment, **and c)** provided that Assignee shall retain underlying responsibility for performing the obligations of the Lessee.

8. **Recordation of Option:** This Option may be recorded by the Lessor or the Lessee in the land records of the City of

9. **Applicable Law:** The interpretation and enforcement of this Option and any similar contracts entered into between Lessee and Lessor shall be governed by the laws of the

Commonwealth of Virginia.

WITNESS the following signatures and seals on the day and year first above written.

LESSOR:

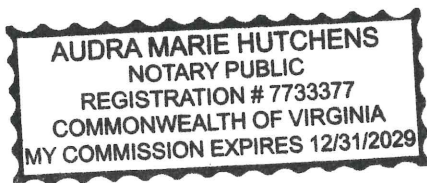
**REDEVELOPMENT
AND HOUSING AUTHORITY,**
a political subdivision of the Commonwealth
of Virginia

By Nehemias Velez
Name: Nehemias Velez
Title: Executive Director

**COMMONWEALTH OF VIRGINIA
CITY OF , to-wit:**

I, Audra Marie Hutchens, a Notary Public in and for the City aforesaid, in
the State of Virginia, whose commission expires on the 31st day of December, 2029,
do hereby certify that Nehemias Velez, Executive Director of Redevelopment and Housing
Authority, whose name is signed as such to the foregoing writing bearing date of the 4th day of
March, 2026, has acknowledged the same before me in my City and State.

Given under my hand this 4th day of March, 2026.



[Signature]
Notary Public

LESSEE:

DUNSMORE BUILDING, LLC
a Virginia limited liability company

By: Dunsmore Building Management, LLC,
a Virginia limited liability company,
its Managing Member

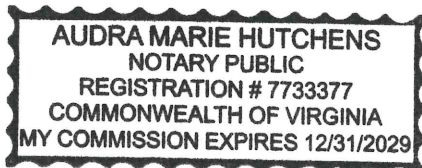
By: Housing Corp.,
a Virginia corporation
its Sole Member

By: 
Name: Nicholas Hurston
Title: President

COMMONWEALTH OF VIRGINIA
CITY OF ; to-wit:

I, Audra Marie Hutchens, a Notary Public in and for the City aforesaid, in the State of Virginia, whose commission expires on the 31st day of December, 2029, do hereby certify that Nicholas Hurston, President of Housing Corp., a Virginia corporation, Sole Member of Dunsmore Building Management, LLC, a Virginia limited liability company, Managing Member of Dunsmore Building, LLC, a Virginia limited liability company, whose name is signed as such to the foregoing writing bearing date of the 5th day of March, 2026, has acknowledged the same before me in my City and State.

Given under my hand this 5th day of March, 2026.





Notary Public

EXHIBIT A

Legal Description

ALL THAT certain lot or parcel of land, with all improvements thereon and appurtenances thereto belonging, situate in the City of Staunton, Virginia, on the south side of West Beverley Street, formerly known as the Bodley Auditorium and previously occupied by Dunsmore Business College, and more fully described as follows: Beginning at a point on the south side of West Beverley Street and 9 feet from the western wall of the building, thence in a southerly direction parallel to the wall, by a straight line, to the point of intersection of such line with the north margin of Anderson Street, thence following the lines of Auditorium lot along the north boundary of Anderson Street to the corner with the Peterfish lot, thence along the line of Peterfish lot to West Beverley Street, and westerly along West Beverley Street to the point of beginning, the lot having a frontage of 82.75 feet on West Beverley Street, and being known by present house numbering as 912 West Beverley Street AND all of those two portions of 920 West Beverley Street containing 0.036 and 0.053 acres more fully described on plat entitled PLAT SHOWING A BOUNDARY LINE ADJUSTMENT BETWEEN THE LANDS OF STAUNTON CHURCH OF CHRIST AND STAUNTON DEVELOPMENT SOLUTIONS, LLC, CITY OF STAUNTON, VIRGINIA, dated August 29, 2007, made by Barry E. Lotts, Land Surveyor, attached to a deed dated January 29, 2008 between Rufus Hayes, Trustee of the Staunton Church of Christ, of record in the Circuit Court Clerk's Office as Instrument 080000499 and being all of that portion of 920 West Beverley Street lying within the bounds of Lot 1 as shown on the aforesaid plat.

912 W BEVERLEY ST

Location 912 W BEVERLEY ST

Acct# 9168

Owner ARMSTRONG STUART C

Assessment \$108,700

PID 9168

Building Count 1

Legal Description LOT 1 ON PLAT SHOWING-
BOUNDARY LINE ADJUSTMENT

Historic Dist 15 NWT

Zoning R4

Map Number 374

Subdivision STAFFORD PLAT

Current Value

Assessment			
Valuation Year	Improvements	Land	Total
2025	\$70,700	\$38,000	\$108,700

Owner of Record

Owner ARMSTRONG STUART C
Co-Owner
Address 270 SAWMILL CREEK DR
NELLYSFORD, VA 22958

Sale Price \$0
Certificate
Book & Page 200003439/0
Sale Date 12/09/2020
Instrument 02

Ownership History

Ownership History					
Owner	Sale Price	Certificate	Book & Page	Instrument	Sale Date
ARMSTRONG STUART C	\$0		200003439/0	02	12/09/2020
STAUNTON DEVELOPMENT SOLUTIONS	\$0		080000499/0	01	02/25/2008
STAUNTON DEVELOPMENT SOLUTIONS	\$95,000		050003618/0	01	08/18/2005
VAYVADA MICHAEL J	\$51,000		030000547/0	11	02/13/2003
VIRGINIA HISTORIC PROPERTIES	\$21,000		0287/0455	01	08/01/1988

Building Information

Building 1 : Section 1

Year Built: 1901

Living Area: 14,136

Replacement Cost

Less Depreciation: \$70,680

Building Attributes

Field	Description
Style:	Commercial
Model	Comm/Ind
Grade	Typical
Stories:	2
SF Bsmt	1767.00
Exterior Wall 1	Brick Veneer
Exterior Wall 2	
Roof Structure	N/A
Roof Cover	Metal
Interior Wall 1	Plaster
Adjustment	.26
Interior Floor 1	Hardwood
Occupancy	
Heating Fuel	Gas
Heating Type	Hot Water
AC Type	None
Foundation	Brick
Bldg Use	General Commercial
Total Rooms	0
Total Bedrms	0
Total Baths	0
Half Baths	1
Bsmt Type	Partial
1st Floor Use:	
Attic Type	N/A
Frame Type	Wood Frame
Attic SF	0
Ceiling/Wall	
Rooms/Prtns	
Wall Height	0.00
% Comn Wall	

Building Photo



(https://images.vgsi.com/photos/StauntonVAphotos/\00\00\67\45.JPG)

Building Layout



(ParcelSketch.ashx?pid=9168&bid=9168)

Building Sub-Areas (sq ft)			Legend
Code	Description	Gross Area	Living Area
BAS	First Floor	7,068	7,068
FUS	Finished Upper Story	7,068	7,068
BSM	Basement	1,767	0
		15,903	14,136

Extra Features

Extra Features	Legend
No Data for Extra Features	

Land

Land Use

Use Code 216
Description General Commercial
Zone R4
Neighborhood WEST END
Alt Land Appr No
Category

Land Line Valuation

Size (Acres) 0.38
Frontage
Depth
Assessed Value \$38,000

Outbuildings

Outbuildings	<u>Legend</u>
No Data for Outbuildings	

Valuation History

Assessment			
Valuation Year	Improvements	Land	Total
2025	\$70,700	\$38,000	\$108,700
2024	\$70,700	\$38,000	\$108,700
2023	\$70,700	\$38,000	\$108,700

Tab F:

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).

If the plans and specifications do not include requirements to meet the QAP baseline energy performance, those requirements still must be met, even though the application is accepted for credits.

***Please note that this may make the Application 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, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.
- Rehabilitation** – 30% performance increase over existing, based on HERS index.
Or, it must provide evidence of a HERS Index of 80 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.
- Adaptive Reuse** – Must provide evidence of a HERS index of 95 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

Additional Optional Certification

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

- Earthcraft Certification** - The development's design meets the criteria to obtain Earthcraft Multifamily program gold certification or higher.
- LEED Certification** - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.
- National Green Building Standard (NGBS)** - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification
- Enterprise Green Communities**—The development's design meets the requirements stated in the Enterprise Green Communities Criteria for this development's construction type to obtain certification.

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

Stacey Smith
Signed by Stacey Smith
Reason: I am the author of this document
Date: 2026.03.06 15:56:28 -05'00'
PDFgear 2.21

Stacey Smith

3/5/2026

RESNET Rater Signature

Printed Name

Date

Building Performance Solutions, LLC

John A. Hensley

RESNET Provider Agency

Provider Contact Name

John A. Hensley Jr.
Digitally signed by John A. Hensley Jr.
Date: 2026.03.06 15:56:28 -05'00'

admin@bpsprovider.com

(877) 831-5061

Contact Signature

Email

Phone

Dunsmore Building Senior Apartments

Development Name

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-02-02

Registry ID:

Ekotrope ID: dqb1o1jv

HERS® Index Score:

95

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$721

*Relative to an average U.S. home

Home:

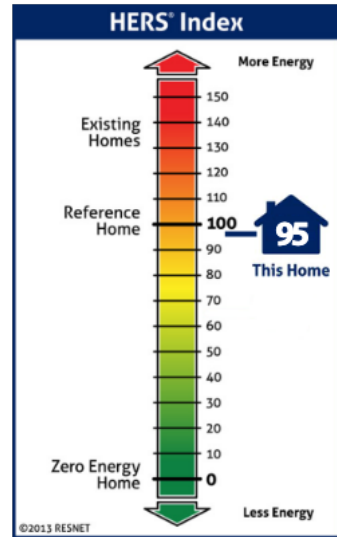
912 W. Beverly St Apt 12
Staunton, VA 24401

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	13.0	\$583
Cooling	4.1	\$188
Hot Water	4.2	\$190
Lights/Appliances	9.0	\$407
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	30.4	\$1,458

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Apt 12
Community:	N/A
Conditioned Floor Area:	715 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9.8 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 16.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.95 UEF
House Tightness:	0.4 CFM50 / s.f. Shell Area (Adjusted Infiltration: 7.08 ACH50)
Ventilation:	90 CFM • 10.8 Watts • Supply Only
Duct Leakage to Outside:	2.8 CFM25 / 100 ft ²
Above Grade Walls:	R-0
Ceiling:	Vented Attic, R-49
Window Type:	U-Value: 0.47, SHGC: 0.54
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Stacey Smith

RESNET ID: 2279319

Rating Company: LinkedEfficiency (Submit to BPS)

Rating Provider: Building Performance Solutions
1934 Old Gallows Road Ste 350 Vienna VA 22182
877-831-5061


Stacey Smith, Certified Energy Rater
Digitally signed: 3/6/26 at 7:04 PM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-02-02

Registry ID:

Ekotrope ID: 2RJ797Y2

HERS® Index Score:

94

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$745

*Relative to an average U.S. home

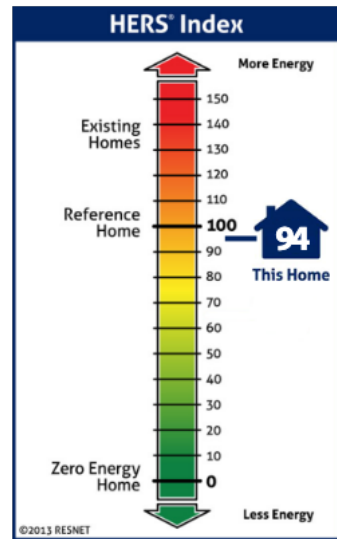
Home:
912 W. Beverly St Apt 1
Staunton, VA 24401

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	13.8	\$615
Cooling	3.0	\$138
Hot Water	4.1	\$184
Lights/Appliances	9.3	\$419
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	30.2	\$1,447

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Apt 1
Community:	N/A
Conditioned Floor Area:	763 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 10.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 19.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.95 UEF
House Tightness:	0.4 CFM50 / s.f. Shell Area (Adjusted Infiltration: 7.24 ACH50)
Ventilation:	90 CFM • 10.8 Watts • Supply Only
Duct Leakage to Outside:	2.8 CFM25 / 100 ft ²
Above Grade Walls:	R-0
Ceiling:	Adiabatic, R-38
Window Type:	U-Value: 0.47, SHGC: 0.54
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

Rating Company: LinkedEfficiency (Submit to BPS)

Rating Provider: Building Performance Solutions
1934 Old Gallows Road Ste 350 Vienna VA 22182
877-831-5061

Stacey Smith, Certified Energy Rater
Digitally signed: 3/6/26 at 7:04 PM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-02-02

Registry ID:

Ekotrope ID: LXg3qo02

HERS® Index Score:

95

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit www.hersindex.com

Annual Savings

\$713

*Relative to an average U.S. home

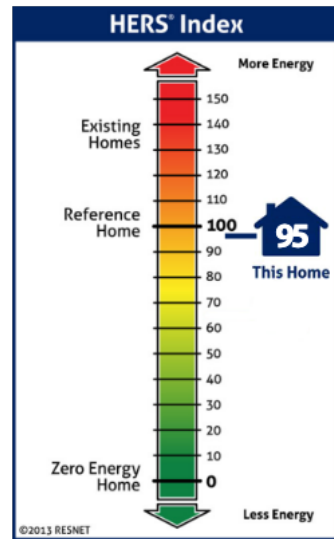
Home:
912 W. Beverly St Apt 4
Staunton, VA 24401

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	13.6	\$607
Cooling	2.9	\$130
Hot Water	3.9	\$176
Lights/Appliances	8.9	\$403
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	29.3	\$1,407

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Apt 4
Community:	N/A
Conditioned Floor Area:	677 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 10.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 19.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.95 UEF
House Tightness:	0.4 CFM50 / s.f. Shell Area (Adjusted Infiltration: 7.68 ACH50)
Ventilation:	90 CFM • 10.8 Watts • Supply Only
Duct Leakage to Outside:	2.8 CFM25 / 100 ft ²
Above Grade Walls:	R-0
Ceiling:	Adiabatic, R-38
Window Type:	U-Value: 0.47, SHGC: 0.54
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Stacey Smith
RESNET ID: 2279319

Rating Company: LinkedEfficiency (Submit to BPS)

Rating Provider: Building Performance Solutions
1934 Old Gallows Road Ste 350 Vienna VA 22182
877-831-5061


Stacey Smith, Certified Energy Rater
Digitally signed: 3/6/26 at 7:04 PM



Preliminary Energy Modeling Results

Staunton RHA will be renovating an existing historic building in Staunton, VA. The project team for the Dunsmore Building project has engaged LinkedEfficiency to provide an initial review of the project’s ability to meet Virginia Housing funding requirements, as well as the programmatic requirements for Enterprise Green Communities certification.

As part of that service, LinkedEfficiency has done preliminary energy modeling to determine if the established energy efficiency thresholds can be met with the current planned scope and, if not, propose changes that will assist with meeting them.

Virginia Housing requires that adaptive reuse projects obtain a HERS of 95 or less.

Three units were modeled – a smaller ground floor unit, a mid-size top floor unit, and a larger size ground floor unit. The table summarizes the HERS Index for each modeled unit type and the required targets. The initial specifications were updated in order to bring all unit types into compliance with both programs.

Unit Type	Quantity	HERS	Target HERS
Small 1 bedroom	5	95	95
Medium 1 bedroom	7	95	95
Large 1 bedroom	3	94	95

The updated inputs used in the models are as follows.

Building Envelope

- Ground floor units: R-19 grade II insulation over an unconditioned basement or crawlspace
- Top floor units: R-49 grade I blown in insulation
- Walls: triple wythe brick with a layer of plaster
- Windows: existing wood windows with a standard clear exterior storm window estimated to have a U-value of .47 and SHGC of .54.

Mechanicals

- First floor: 1 ton 19.9 SEER2, 10.3 HSPF2 ducted HVAC system
- Top floor: 1.5 ton 16.2 SEER2, 9.8 HSPF2 ducted HVAC system
- Duct leakage to outside: no more than 2.8%
- Fresh air supply ventilation of 90 cfm using a standalone supply fan. Broan FIN-180B as the BOD. Fractional run time sufficient to meet ASHRAE 62.2-2010.
- Sante Fe Ultra 70 dehumidifier
- Programmable thermostat
- 30 gallon .94 UEF electric water heater
- 100% of hot water piping insulated to R-3

Lights and Appliances

- 100% LED lighting
- Low flow water fixtures
- No ceiling fans
- 379 kWh/year fridge
- ENERGY STAR dishwasher
- Electric stove
- Dryer with a CEF of 3.73
- ENERGY STAR washer

Infiltration

- .4 cfm50/sfbc

Tab G:

Zoning Certification Letter (MANDATORY)



Zoning Certification

NOTE TO DEVELOPER: You are strongly encouraged to submit this certification to the appropriate local official **at least three weeks in advance of the application deadline** to ensure adequate time for review and approval

General Instructions:

1. The Local Certification section **must** be completed by the appropriate local official or Civil Engineer.
2. The Engineer **must** be registered in the Commonwealth of Virginia.
3. 'Development Description' should be provided by the Owner.
4. 'Development Address' should correspond to I.A.2 on page 1 of the application.
5. 'Legal Description' should correspond to the site control document in the application.
6. 'Proposed Improvements' should correspond with I.B & D and III.A of the application.
7. 'Other Descriptive Information' should correspond with the information in the application.
8. Any change in this Certification may result in disqualification of the application.

If you have any questions, please contact the Tax Credit Allocation Department at:

taxcreditapps@virginiahousing.com

Zoning Certification

DATE: February 23, 2026

TO: Virginia Housing
601 South Belvidere Street
Richmond, VA 23220

RE: ZONING CERTIFICATION

Name of Development: Dunsmore Building Senior Apartments
Name of Owner/Applicant: Staunton Redevelopment an Housing Authority; Staunton Housing Corporation
Name of Seller/Current Owner: Stuart Armstrong

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 to confirm proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely to determine whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credit.

DEVELOPMENT DESCRIPTION:

Development Address:

The proposed project is the adaptive reuse of a historic school building providing 15 affordable one bedroom apartments to seniors.
912 West Beverly Street, Staunton, VA 24401

Legal Description:

See attached legal description

Proposed Improvements:

Construction

New Construction:	# Units	_____	# Buildings	_____	Total Floor Area	_____
Adaptive Reuse	# Units	<u>15</u>	# Buildings	<u>1</u>	Total Floor Area	<u>14,048</u>
Rehabilitation:	# Units	_____	# Buildings	_____	Total Floor Area	_____

Zoning Certification, cont'd

Current Zoning: B-5, Mixed Use Business District Conditional allowing a density of _____ units per acre, and the following other applicable conditions: Off-street parking for residential use shall be one space per one and one-half dwelling units.

Other Descriptive Information:

LOCAL CERTIFICATION:


Check one of the following a 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 approved for non-conforming use. To the best of my knowledge, there are no zoning violations outstanding on this property, and no further zoning approvals and/or special use permits are required.



Signature
Leslie M. Beauregard

Printed Name
City Manager

Title of Local Official or Civil Engineer
540. 332. 3812

Phone
02. 23. 2026

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 contact the Tax Credit Allocation Department at

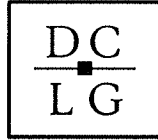
taxcreditapps@virginiahousing.com.

LEGAL DESCRIPTION: 912 W Beverley Street

ALL THAT certain lot or parcel of land, with all improvements thereon and appurtenances thereto belonging, situate in the City of Staunton, Virginia, on the south side of West Beverley Street, formerly known as the Bodley Auditorium and previously occupied by Dunsmore Business Collage, and more fully described as follows: Beginning at a point on the south side of West Beverley Street and 9 feet from the western wall of the building, thence in a southerly direction parallel to the wall, by a straight line, to the point of intersection of such line with the north margin of Anderson Street, thence following the lines of Auditorium lot along the north boundary of Anderson Street to the corner with the Peterfish lot, thence along the line of Peterfish lot to West Beverley Street, and westerly along West Beverley Street to the point of beginning, the lot having a frontage of 82.75 feet on West Beverley Street, and being known by present house numbering as 912 West Beverley Street AND all of those two portions of 920 West Beverley Street containing 0.036 and 0.053 acres more fully described on plat entitled PLAT SHOWING A BOUNDARY LINE ADJUSTMENT BETWEEN THE LANDS OF CHARLOTTESVILLE CHURCH OF CHRIST AND STAUNON DEVELOPMENT SOLUTIONS, LLC, CITY OF STAUNTON, VIRGINIA, dated August 29, 2007, made by Barry E. Lotts, Land Surveyor, attached to a deed dated January 29, 2008 between Rufus Hayes, Trustee of the Charlottesville Church of Christ, of record in the Staunton Circuit Court Clerk's Office as Instrument 080000499 and being all of that portion of 920 West Beverley Street lying within the bounds of Lot 1 as shown on the aforesaid plat.

Tab H:

Attorney's Opinion (MANDATORY)



Delphine Carnes Law Group, PLC
Affordable Housing ■ Project Finance

March 12, 2026

Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2026: 9% Tax Credit Reservation Request (competitive 70% present value credits)
Name of Development: Dunsmore Building Senior Apartments
Name of Owner: Dunsmore Building, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 12, 2026 (of which this opinion is a part) (the “Application”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“Credits”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “Regulations”).

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary in order to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section 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. Based solely upon my review of (i) the Applicant's operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (none of which are attached to this Opinion), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

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 ("Virginia Housing") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by Virginia Housing 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.

DELPHINE CARNES LAW GROUP, PLC

By: D. Carner

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

Based solely upon my review of (i) the Applicant's operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion or included within this Exhibit*), the individuals identified below are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

	NAME	TITLE
1	Nicholas Hurston	President of Sole Member of Managing Member of Owner
2		
3		
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10		
11		
12		
13		
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16		
17		
18		
19		
20		

Attorney's Opinion Letter

(This Form Must Be Included With Application)

~~This Opinion Must Be Submitted Under Law Firm's Letterhead - Any changes to the form of opinion other than filing in blanks or making the appropriate selections in bracketed language must be accompanied by a black-lined version indicating all additional changes to the opinion. Altered opinions will still be subject to acceptance by the Authority.~~

Date _____ (Must be on or after the application date below)

To _____

March 12, 2026

Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 20 2026: 9% Tax Credit Reservation Request (competitive 70% present
_____ value credits)

Name of Development _____: Dunsmore Building Senior Apartments

_____ Name of Owner _____: Dunsmore Building, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated _____ March 12, 2026 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary in order to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or _____ portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies

with all applicable requirements of the Code and Regulations.

2. ~~[Select One]~~

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.

OR

~~Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), 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. ~~[Select One]~~

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.

OR

~~The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by 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. Based solely upon my review of (i) the Applicant's ~~[operating agreement / partnership agreement]~~; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (none of which are attached to this Opinion), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

~~7. [Delete if inapplicable] 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.~~

~~8. [Delete if inapplicable] The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.~~

~~9. [Delete if inapplicable] It is more likely than not that the representations made under the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.~~

~~10. [Delete if inapplicable] After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code 42(d)(2)(B) are not correct.~~

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

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority (“Virginia Housing”) to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by Virginia Housing 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.

Firm Name _____

DELPHINE CARNES LAW GROUP, PLC

By _____

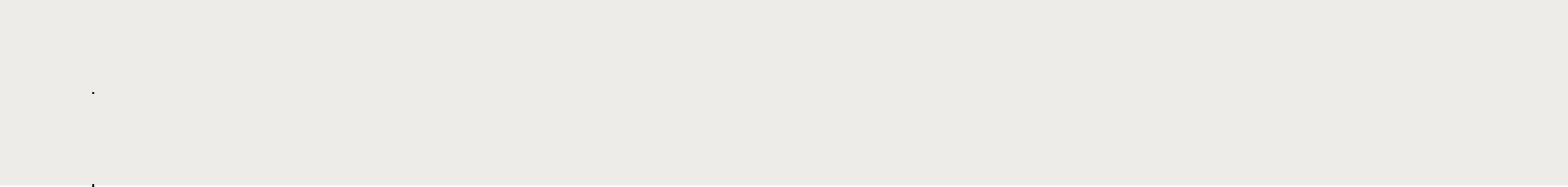
Its _____

Title: _____

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

Based solely upon my review of (i) the Applicant's ~~operating agreement~~ ~~/partnership agreement~~; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion or included within this Exhibit*), the individuals identified below are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

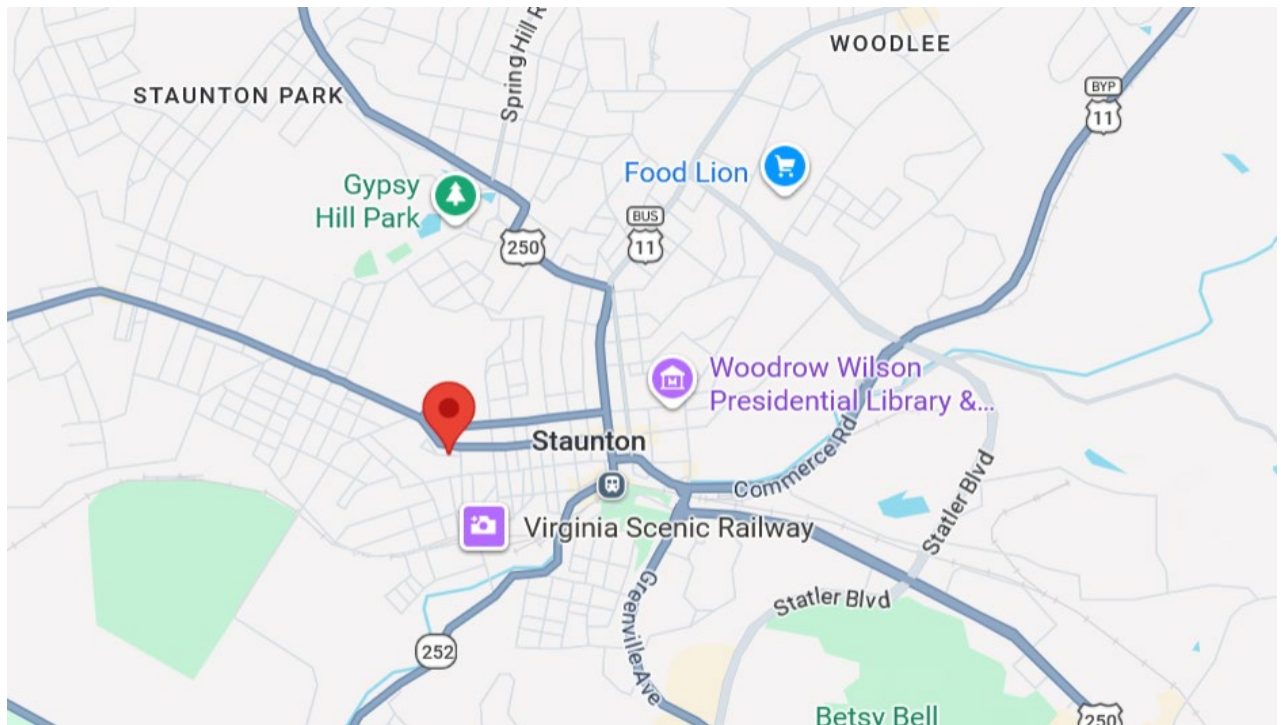
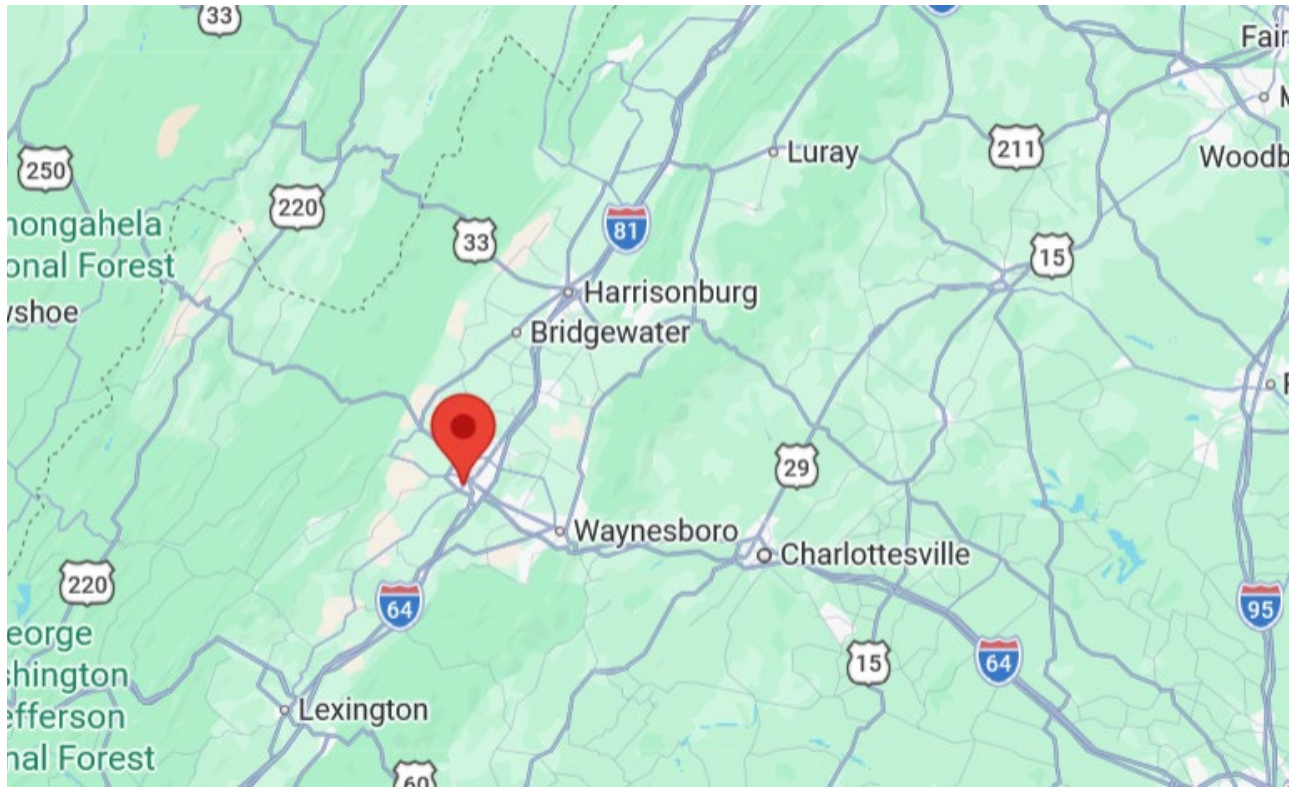
	NAME	TITLE
1	Nicholas Hurston	President of Sole Member of Managing Member of Owner
2		
3		
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Tab K:

Documentation of Development Location:



Tab K.1

Revitalization Area Certification



Community Revitalization Plan Form Letter

13 VAC 180-60(E)(2)(c)(6)

General Instructions:

1. The Community Revitalization Plan Form should be signed by any of the following individuals or authorized officers of any of the following offices within the jurisdiction where the Development will be located:
 - City Manager/County Executive
 - Office of Housing
 - Office of Planning
 - Office of Zoning
 - Economic Development Authority
 - Local Housing Authority
 - Other official or office deemed acceptable by Virginia Housing
2. Owner/Applicant should fill in all requested information on the form letter, except for the signature page:
 - 'Development Address' should correspond to I.A.2 on page 1 of the application and Zoning Certification.
 - 'Proposed Improvements' should correspond with I.B & D and III.A of the application and Zoning Certification.
3. Authorized signer should complete and execute the signature page.

If you have any questions, please contact the Tax Credit Allocation Department at: taxcreditapps@virginiahousing.com

Community Revitalization Plan Form Letter
13 VAC 180-60(E)(2)(c)(6)

DATE: February 23, 2026

TO: Virginia Housing
601 South Belvidere Street
Richmond, VA 23220

RE: Community Revitalization Plan Form

Name of Development: Dunsmore Building Senior Apartments

Name of Owner/Applicant: Staunton Redevelopment and Housing Authority; Staunton Hosuing Corporation

Name of Seller/Current Owner: Stuart Armstrong

DEVELOPMENT DESCRIPTION:

Development Address: 912 West Beverly Street, Staunton, VA 24401

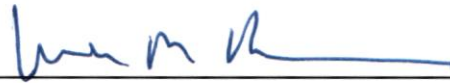
The proposed project is the adaptive reuse of a historic school building providing 15 affordable one bedroom apartments to seniors.

Proposed Improvements:

New Construction:	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area	<u> </u>
Adaptive Reuse	# Units	<u> 15 </u>	# Buildings	<u> 1 </u>	Total Floor Area	<u> 14,048 sqft </u>
Rehabilitation:	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area	<u> </u>

The Owner/Applicant listed above has asked this office to complete this form letter regarding the proposed Development described herein. This form letter will be used by Virginia Housing Development Authority for the sole purpose of determining whether the Development qualifies for points available under Virginia Housing's Qualified Allocation Plan for housing tax credits.

Accordingly, as indicated by my signature below, it is my opinion that the Development described above, as proposed to be constructed or rehabilitated, will utilize new or existing housing that conforms with the community's revitalization plan.



Signature

Leslie M. Beauregard

Printed Name

City Manager

Title

540.332.3812

Phone

02.23.2020

Date

NOTES TO LOCALITY:

1. Return this form letter to the Owner/Applicant 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 contact the Tax Credit Allocation Department at

taxcreditapps@virginiahousing.com.

Tab K.2

Surveyor's Certification of Proximity to
Public Transportation using Virginia
Housing template



Surveyor's Certification of Proximity to Transportation

General Instructions

1. This form must be included with the Application.
2. Any change in this form may result in a reduction of points under the scoring system.
3. If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

Date: March 5, 2026

TO: Virginia Housing
 601 South Belvidere Street
 Richmond, Virginia 23220 2025 Tax Credit Reservation Request
 Name of Development Dunsmore Building Senior Apartments
 Name of Owner Dunsmore Building, LLC

RE:
 Dunsmore Building Senior Apartments
 Dunsmore Building, LLC

Ladies and 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 or a public bus stop to be built in accordance with existing proffers. If the public bus stop is proffered, include copy of executed proffers with this form.

Firm Name Perkins & Orrison, Inc.
 By Gavin G. Worley, PE
 Its Principal

Title

Lexington

Russ Orrison, PE, LS
Pierson Hotchkiss, LS
Gavin Worley, PE



Lynchburg

Norm Walton, PE
Aaron Dooley, LS

March 5, 2026

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

Re: 2025 Tax Credit Reservation Request
Name of Development: Dunsmore Building Senior Apartments
Name of Owner: Dunsmore Building, LLC

Ladies and 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:

1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.

Perkins & Orrison, Inc

A handwritten signature in blue ink, appearing to read 'G. G. Worley', is written over the printed name of Gavin G. Worley.

Gavin G. Worley, PE
Principal

February 3, 2026

Virginia Housing
Main Street Centre
600 East Main Street, Suite 300
Richmond, VA 23219



Re: Transportation Support – Dunsmore Project (LIHTC Application, Section K.2)

To Whom It May Concern:

The Central Shenandoah Planning District Commission (CSPDC), operator of the BRITE Bus transit system, is pleased to provide this letter in support of the **Dunsmore Project**, a proposed affordable housing development located at **912 West Beverley Street, Staunton, Virginia**.

BRITE Bus recognizes the importance of convenient access to public transportation for residential developments, particularly those serving elderly residents. The development site is currently served by two BRITE Bus routes: the Staunton Downtown Trolley, with the nearest stop located 0.15 miles from the proposed site, and the West/North Loops, with the nearest stop located 0.50 miles from the site. The site is also served by ADA Paratransit services providing access to individuals with mobility challenges.

In coordination with the Staunton Housing Corporation, the Staunton Redevelopment and Housing Authority, and the City of Staunton, BRITE Bus is committed to supporting resident mobility and access to existing public transit services. BRITE will coordinate and consider additional transit access near the Dunsmore Project, subject to standard service planning review, available funding, and applicable approval processes.

This letter is provided in support of the Dunsmore Project’s application for Low-Income Housing Tax Credits through Virginia Housing and demonstrates BRITE Bus’s willingness to collaborate on transportation access improvements in the project area. This letter does not constitute a binding commitment and is subject to applicable policies and procedures.

Sincerely,

A handwritten signature in cursive script that reads 'Ann W. Cundy'.

Ann Cundy
Executive Director
Central Shenandoah Planning District Commission
BRITE Bus Transit System
(540) 885-5174
ann@cspdc.org

Tab Q:

Documentation of Rental Assistance, Tax Abatement
and/or existing RD or HUD Property

COOPERATION AGREEMENT

This Agreement is entered into this 27th day of February, 2026, by and between Staunton Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia ("SRHA") and the City of Staunton, Virginia, a municipal corporation of the Commonwealth of Virginia (the "City").

WITNESSETH:

In consideration of the mutual covenants hereinafter set forth, the parties hereto do agree as follows:

1. Whenever used in this Agreement:

(a) The term "Project" shall mean any tax-exempt affordable housing hereafter developed and/or operated as an entity by or through SRHA with federal, state or local financial assistance, including but not limited to, financial assistance through the United States Department of Housing and Urban Development ("HUD") and/or any other comparable or successor organizations. Project shall include, but not be limited to, any housing development receiving project-based rental assistance by or through SRHA pursuant to an Annual Contributions Contract between HUD and SRHA ("ACC") or a Housing Assistance Payment ("HAP") Contract, and shall include Low-Income Public Housing ("LIPH") units under Section 9 of the Housing Act of 1937, as amended, and housing units receiving assistance under Section 8 of the Housing Act of 1937, as amended, as part of the Project-Based Voucher ("PBV") program or the Project-Based Rental Assistance ("PBRA") program, or other similar programs that provide ongoing project-based rental assistance for affordable housing. A "Project" must be owned either (1) by SRHA or the Staunton Housing Corporation, or (2) by an entity of which SRHA or the Staunton Housing Corporation is a member or partner, subject to review by the Staunton City Manager, in consultation with the Staunton City Attorney, to determine that the entity meets the definition of "indirectly owned" by SRHA pursuant to Article X, Section 6 of the Constitution of Virginia.

(b) The term "Taxing Body" shall mean the State or any political subdivision taxing unit thereof in which a Project is situated and which would have authority to assess or levy real or personal property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation.

(c) The term "Shelter Rent" shall mean the total of all charges to all tenants of a Project for dwelling rents and non-dwelling rents (excluding all other income of such Project), less the cost to SRHA of all dwelling and non-dwelling utilities.

2. SRHA shall endeavor (a) to secure or facilitate the procurement of loans, annual contributions, project-based rental assistance and/or other financing through contracts with HUD, including but not limited to ACC and HAP contracts, or other affordable housing financing sources (collectively, "Subsidy Contracts") covering one or more Projects (regardless of the ownership of such Projects) and (b) to develop and administer, or oversee the development and administration of, such Project or Projects, each of which shall be located within the corporate limits of the City. The obligations of the parties hereto shall apply to each such Project.

3.
 - (a) With respect to any Project so long as either (i) the ongoing rental subsidy for such Project is provided by or through a public body or governmental agency (regardless of the ownership of the Project) and is used for affordable housing purposes, or (ii) any Subsidy Contract in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to HUD, or any other lender under a Subsidy Contract, in connection with such Project remain unpaid, whichever period is the longest, the City agrees that it will not levy or impose any real or personal property taxes or special assessments upon such Project or upon SRHA with respect thereto. During such period, SRHA shall make annual payments (herein called "Payments in Lieu of Taxes") in lieu of taxes and special assessments and in payment for the public services and facilities furnished from time to time by the City without other cost or charge for or with respect to such Project.

 - (b) The City may waive all or part of the Payments in Lieu of Taxes at any time for the purpose of permitting SRHA to use such payment for activities which are approved by the City Council and directly related to one or more Project. The City Council's waiver of the Payments in Lieu of Taxes shall be by a majority vote of the members of the Staunton City Council.

 - (c) If required, each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project, and shall be in an amount equal to either (i) ten percent (10%) of the Shelter Rent charged by SRHA or the entity that owns the Project in respect to such Project during such fiscal year, (ii) the amount permitted to be paid by applicable state law in effect on the date each payment is made, or (iii) an amount determined and approved by City Council, whichever amount is the lower.

 - (d) The City shall distribute the Payment in Lieu of Taxes among the Taxing Bodies in the proportion which the real property taxes which would have been paid to each Taxing Body for such year if the Project were not exempt from taxation bears to the total real property taxes which would have been paid to all of the Taxing Bodies for such year if the Project were not exempt from taxation; provided, however, that no payment for any year shall be made to any Taxing Body in excess of the amount of the real property taxes which would have been paid to such Taxing Body for such year if the Project were not exempt from taxation.

(e) Upon failure of SRHA to make any Payment in Lieu of Taxes, no lien against any Project or assets of SRHA shall attach, nor shall any interest or penalties accrue or attach on account thereof.

4. So long as either (i) a Project is owned and/or receives project-based rental assistance by or through a public body or governmental agency and is used for affordable housing purposes, or (ii) any Subsidy Contract in connection with a Project remains in force and effect, or (iii) any bonds issued in connection with a Project or any monies due to HUD, or any other lender under a Subsidy Contract, in connection with such Project remain unpaid, whichever period is the longest, the City, without cost or charge to SRHA, the Project or the tenants of such Project (other than the Payments in Lieu of Taxes) shall:

(a) Furnish or cause to be furnished to SRHA, the Project and/or the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants in the City;

(b) Insofar as the City may lawfully do so, vacate such streets, roads and alleys within the area of such Project as may be necessary in the development thereof, and convey without charge to SRHA or the Project such interest as the City may have in such vacated areas; and, insofar as it is lawfully able to do so without cost or expense to SRHA or to the City, cause to be removed from such vacated areas, insofar as it may be necessary, all public or private utility lines and equipment;

(c) Insofar as the City may lawfully do so, grant such waivers of the building code of the City as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project, and make such changes in any zoning of the site and surrounding territory of such Project as are reasonable and necessary for the development and protection thereof;

(d) Insofar as the City may lawfully do so, accept grants of easements necessary for the development of such Project; and

(e) Cooperate with SRHA and/or the Project by such other lawful action or ways as the City and SRHA may find necessary in connection with the development and administration of such Project.

5. With respect to any Project, the City further agrees that within a reasonable time after receipt of a written request therefor from SRHA:

(a) It will accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project, together with all storm and sanitary sewer mains in such dedicated areas, after SRHA, at its own expense, has completed the grading, improvement, paving, and installation thereof in accordance with specifications acceptable to the City;

(b) It will accept necessary dedications of land for, and will, subject to appropriation by the City Council, grade, improve, pave, and provide sidewalks for, all streets bounding such Project or necessary to provide adequate access thereto (in consideration whereof the City shall pay to SRHA such amount as would be assessed against the Project site for such work if such site were privately owned); and

(c) It will, consistent with City policies and ordinances, provide, or cause to be provided, water mains and storm and sanitary sewer mains, leading to such Project and serving the bounding streets thereof (in consideration whereof SRHA shall pay to the City such amount as would be assessed against the Project site for such work if such site were privately owned).

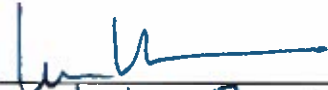
6. If by reason of the City's failure or refusal to furnish or cause to be furnished any public services or facilities which it has agreed hereunder to furnish or cause to be furnished to SRHA, to any Project or to the tenants of any Project, SRHA incurs any expense to obtain such services or facilities, then SRHA may deduct the amount of such expense from any Payments in Lieu of Taxes due or to become due to the City with respect to any such Project (regardless of the ownership of the Project).
7. No Cooperation Agreement heretofore entered into between the City and SRHA shall be construed to apply to any Project covered by this Agreement.
8. The privileges and obligations of the City hereunder shall remain in full force and effect with respect to each Project so long as each such Project is owned, operated or financed by or through SRHA or any other public body or governmental agency, including HUD, authorized by law to engage in the development or administration of affordable housing projects.

[Signatures Appear on Next Page]

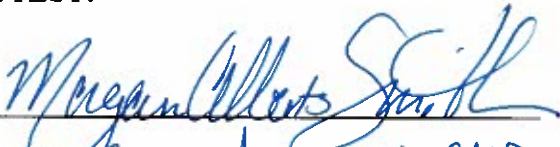
IN WITNESS WHEREOF, the City and SRHA have respectively signed this agreement and caused their seals to be affixed and attested as of the day and year first above written.

CITY OF STAUNTON,
a municipal corporation of the Commonwealth
of Virginia

(SEAL)

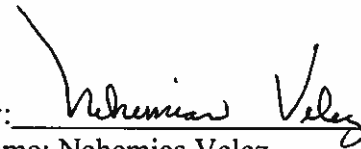
By: 
Name: Leslie Beargard
Title: City Manager

ATTEST:



Title: Exec. Assistant CMO

**STAUNTON REDEVELOPMENT AND
HOUSING AUTHORITY,**
a Political Subdivision of The
Commonwealth of Virginia

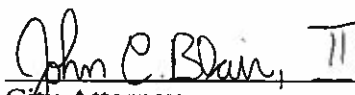
(SEAL)

By: 
Name: Nehemias Velez
Title: Executive Director

ATTEST:


Title: Intern - CMA

**APPROVED AS TO FORM AND
CORRECTNESS:**


City Attorney

Tab R:

Documentation of Utility Allowance calculation

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S Department of Housing and Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169

exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA	Unit Type	Date (mm/dd/yyyy)
Staunton RHA - Dominion Power	Flat/Garden/High Rise Apt - Dominion	01/01/2026

Utility or Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR	9 BR
Heating - Natural Gas	37	43	50	57	64	71	0	0	0	0
Heating - Bottle Gas	48	57	66	75	84	93	0	0	0	0
Heating - Electric	20	23	31	37	44	51	0	0	0	0
Heating - Electric Heat Pump	17	21	24	26	28	31	0	0	0	0
Cooking - Natural Gas	5	5	8	10	13	15	0	0	0	0
Cooking - Bottle Gas	6	7	10	14	17	20	0	0	0	0
Cooking - Electric	5	6	9	12	15	17	0	0	0	0
Other Electric	20	24	33	42	52	61	0	0	0	0
Air Conditioning	4	5	7	9	12	14	0	0	0	0
Water Heating - Natural Gas	11	13	19	25	30	36	0	0	0	0
Water Heating - Bottle Gas	14	17	25	32	40	47	0	0	0	0
Water Heating - Electric	14	16	20	25	29	33	0	0	0	0
Water Heating - Electric Heat Pump	11	13	18	23	27	31	0	0	0	0
Water - City	18	20	33	52	72	91	0	0	0	0
Water - County	30	33	49	74	98	123	0	0	0	0
Sewer - City	24	27	45	72	99	126	0	0	0	0
Sewer - County	13	13	16	20	24	29	0	0	0	0
Trash Collection	51	51	51	51	51	51	0	0	0	0
Range	10	10	10	10	10	10	0	0	0	0
Refrigerator	10	10	10	10	10	10	0	0	0	0
Other Customer Charge - Electric	8	8	8	8	8	8	0	0	0	0
Other Customer Charge - Natural Gas	22	22	22	22	22	22	0	0	0	0
Other Customer Charge - Bottle Gas	14	14	14	14	14	14	0	0	0	0

Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
	Heating	
Head of Household Name	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	

	Other	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Total	

PHAs must maintain a completed HUD Form-52667 Utility Allowance Schedule for each unit type that is typical in the PHA’s jurisdiction. The utility allowance schedule is based on the typical cost of utilities and services paid by energy-conservation households that occupy housing of similar size and type in the same locality. In developing the schedule, the PHA must use normal patterns of consumption for the community as a whole and current utility rates.

This form includes the utilities that the PHA must consider: heating (space), cooking, other electric (e.g. lights, appliances, general usage), air conditioning (if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for tenant-installed air conditioners), water heating, water, sewer, trash, the cost to provide a range, and the cost to provide a refrigerator. This form includes several fuel types, however, the PHA is not required to have a utility allowance for every fuel type listed on the form. The PHA is only required to have an allowance for the fuel types that are typical in the PHA’s jurisdiction.

Electric resistance vs. electric heat pump: The most recent update to the HUD-52667 includes “Electric Heat Pump” as a fuel type under “Heating” and “Water Heating”. PHAs may choose to provide an allowance on the schedule for electric (resistance), electric heat pump, or both. Heat pumps are more efficient and are associated with lower consumption. By adding this to the form, HUD is not requiring PHAs to consider both. This is up to the PHA, however, the [HUD Utility Schedule Model](#) tool available on HUDUser.gov provides an allowance for both electric resistance and electric heat pump.

Determining Allowances: In general, PHAs use local sources of information on the cost of utilities and services, such as:

1. Electric utility suppliers
2. Natural gas utility suppliers
3. Water and sewer suppliers
4. Fuel oil and bottled gas suppliers
5. Public service commissions
6. Real estate and property management firms
7. State and local agencies
8. Appliance sales and leasing firms

PHAs may use the HUD Utility Schedule Model (HUSM) available on HUDuser.org to determine their Utility Allowance Schedules. The tool uses geographic-specific utility consumption rates combined with user entered data on utility rates to determine the overall monthly allowance.

OMB Burden Statement: The public reporting burden for this information collection is estimated to be up to 0.25 hours, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The information collected is required to determine the amount of utility allowance necessary to calculate the family’s tenant portion. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

Privacy Notice: The Department of Housing and Urban Development (HUD) is authorized to collect the information required on this form by Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f). The information collected specifies which utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied to the tenant. The Personally Identifiable Information (PII) data collected on this form are not stored or retrieved within a system of record.

Tab T:

Funding Documentation

Dunsmore Building Senior Apartments
Congressionally Directed Spending Funds

On February 13, 2026, FY2026 Congressionally Directed Spending funds were announced through the offices of Senator Mark R. Warner and Senator Tim Kaine. The Staunton Redevelopment and Housing Authority was awarded \$500,000 through the U.S. Department of Housing and Urban Development, Office of Economic Development.

The Staunton Redevelopment and Housing Authority intends to apply these funds to the Dunsmore Building Senior Apartments through the owner entity, Dunsmore Building LLC, in order to support the construction of fifteen (15) affordable housing dwellings for seniors.

The following documentation is attached as evidence of the funding award and committed funding to the project.

FY2026 CONGRESSIONALLY DIRECTED SPENDING FUNDS AGREEMENT

This agreement, entered into this the 5th day of March, 2026 by and between the **Staunton Redevelopment and Housing Authority**, a public body and political subdivision of the Commonwealth of Virginia (the "Recipient"), and **Dunsmore Building, LLC**, a Virginia limited liability company (the "Project Sponsor").

WHEREAS, the Recipient has been awarded FY2026 Congressionally Directed Spending Funds through the Department of Housing and Urban Development Office of Economic Development in the amount of \$500,000 (the "Award") to build new units of affordable housing in the Staunton area; and

WHEREAS, the Project Sponsor is actively engaged in the pre-development of a 15-unit, adaptive reuse of the former Dunsmore Business College into an affordable housing property for seniors, to be located at 912 W. Beverley Street, Staunton, VA 24401 (the "Project"); and

WHEREAS, the Project Sponsor represents, warrants, and covenants that the Project (i) is actively engaged in pre-development processes; (ii) is competing for an award of 9% Low Income Housing Tax Credits (LIHTC) from Virginia Housing in 2026; (iii) all Project housing units shall be leased by older adults earning 60% or less of the Area Median Income; (iv) the maximum rent and utility allowance for each housing unit shall not exceed the limitations set forth by LIHTC program requirements, nor those in the application submitted to Virginia Housing by the Project Sponsor; (v) a tenant's income shall be determined annually in compliance with LIHTC program requirements; and (vi) the funds will only be applied to eligible costs associated with the construction and execution of the Project in accordance with applicable federal requirements; and

WHEREAS, the parties acknowledge that the Award constitutes federal financial assistance subject to all applicable federal requirements, including but not limited to the National Environmental Policy Act (NEPA) and HUD's implementing regulations at 24 CFR Part 58, Build America Buy America, Section 3 of the Housing and Urban Development Act of 1968, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200; and

WHEREAS, the parties acknowledge that the federalization date of the Award is **February 3, 2026**, the date of enactment of the FY2026 appropriations act, and that no costs incurred prior to that date are eligible for reimbursement under the Award; and

WHEREAS, the Recipient maintains an active registration and Unique Entity Identifier (UEI) in SAM.gov, as required for receipt of federal financial assistance;

NOW, THEREFORE, the parties hereby agree, effective as of the date hereof, that Recipient hereby commits, and Project Sponsor hereby accepts from Recipient, the Award in the amount of \$500,000 for the financing of the Project, subject to the following conditions and limitations:



The Award shall be applied to eligible development costs, including administrative costs, planning costs, and soft costs consistent with the purpose of the Project. **Notwithstanding any other provision of this Agreement, no Award funds shall be applied to construction, rehabilitation, demolition, ground disturbance, acquisition, or any other choice-limiting action as defined under 24 CFR 58.22 until the Recipient has completed an environmental review of the Project in accordance with 24 CFR Part 58 and received HUD's approval thereof, and until a grant agreement between the Recipient and HUD has been fully executed.** Any costs incurred between February 3, 2026 and the execution of a HUD grant agreement must comply with all applicable federal requirements in order to be eligible for reimbursement.

FURTHERMORE:

1. No amendment, waiver, modification, termination or cancellation of this Agreement shall be effective unless made in writing and signed by each of the parties hereto.
2. The Project Sponsor shall cooperate fully with the Recipient in connection with all federal compliance requirements applicable to the Award, including NEPA environmental review, Section 3 reporting, Build America Buy America certification, and audit requirements under 2 CFR Part 200.
3. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.
4. This Agreement shall for all purposes be governed by the laws of the Commonwealth of Virginia, without regard to choice of law or conflicts of law principles. This Agreement constitutes the entire understanding among the parties hereto with respect to the subject matter hereof and supersedes any prior agreements, written or oral, with respect thereto.

RECIPIENT:

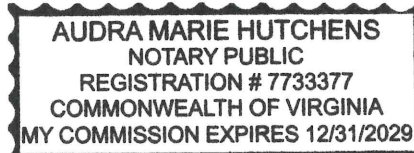
STAUNTON REDEVELOPMENT AND HOUSING AUTHORITY, a public body and political subdivision of the Commonwealth of Virginia

By: Nehemias Velez Nehemias Velez, Executive Director

STATE OF VIRGINIA
CITY/COUNTY OF Staunton, to wit:

The foregoing instrument was acknowledged before me this 5th day of March, 2026, by Nehemias Velez, Executive Director of the Staunton Redevelopment and Housing Authority, on behalf of said authority.

[Signature]
Notary Public



My commission expires: 12/31/29
Registration No.: 7733377

PROJECT SPONSOR:

DUNSMORE BUILDING LLC, a Virginia limited liability company By: STAUNTON HOUSING CORPORATION, Sole Member

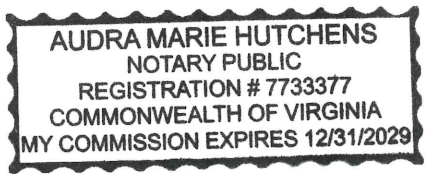
By: [Signature] Nicholas Hurston, President

STATE OF VIRGINIA
CITY/COUNTY OF Staunton, to wit:

The foregoing instrument was acknowledged before me this 5th day of March, 2026, by Nicholas Hurston, President of Staunton Housing Corporation, Sole Member of Dunsmore Building LLC, on behalf of said company.

[Signature]
Notary Public

My commission expires: 12/31/2029
Registration No.: 7733377



Congressionally Directed Spending in FY2026 Government Funding Bill

Shenandoah Valley and the Highlands



U.S. Senators Mark R. Warner and Tim Kaine

The senators successfully secured:

- **\$2,912,000** for the **Town of Clifton Forge** to create an all-inclusive and adaptive park and playground.
- **\$2,500,000** for the **City of Lexington** to coordinate with the **City of Buena Vista** and **Rockbridge County** to construct a health facility to serve Virginians in the region.
- **\$2,000,000** for the **Harrisonburg** Redevelopment & Housing Authority to preserve permanent supportive housing units.
- **\$1,500,000** for Randolph College in **Lynchburg** to expand its Science, Technology, Engineering, and Mathematics (STEM) education programs.
- **\$1,423,000** for Young Men's Christian Association of Central Virginia to improve accessibility under the *American with Disabilities Act* at YMCA facilities for individuals living in the **Lynchburg area**.
- **\$1,390,000** for Eastern Mennonite University in **Harrisonburg** to expand its STEM education programs.
- **\$943,000** for The Advancement Foundation to fund a business accelerator in Virginia's underserved rural communities, focusing on training and immersive practicums and leveraging higher education, business, and technology.
- **\$500,000** for **Staunton** Redevelopment and Housing Authority to build new units of affordable housing.
- **\$490,000** for the Dr. Terry Sinclair Health Clinic in **Winchester** to renovate exam rooms and expand laboratory capacity.
- **\$289,000** for **Bath** Community Hospital to purchase a new ambulance and support access to emergency medical services in rural communities.

From: [Approps \(Warner\)](#)
To: [Approps \(Warner\)](#); [Approps, Kaine \(Kaine\)](#)
Subject: Regarding your Fiscal Year 2026 Congressionally Directed Spending Request
Date: Tuesday, February 3, 2026 5:41:31 PM

Good afternoon,

Thank you again for submitting a request for congressionally directed spending (CDS) in the *Transportation, Housing and Urban Development, and Related Agencies bill* for Fiscal Year 2026. Senators Warner and Kaine are pleased to inform you that your project was included in the final Fiscal Year 2026 *Transportation, Housing and Urban Development, and Related Agencies bill*. Disbursement of the funds is the responsibility of the relevant federal executive branch agency. If you have not heard from that agency by May 31, 2026, please let us know by responding to this email.

All CDS projects included in the *Transportation, Housing and Urban Development, and Related Agencies bill* can be found here: <https://appropriations.house.gov/sites/evo-subsites/repUBLICANS-appropriations.house.gov/files/evo-media-document/thud-fy26-cpf-table.pdf>.

Sincerely,

Offices of Senator Mark R. Warner & Senator Tim Kaine

From: [Approps \(Warner\)](#)
To: [Approps \(Warner\)](#); [Approps, Kaine \(Kaine\)](#)
Subject: Guidance on your FY2026 HUD Congressionally Directed Spending Request
Date: Friday, February 13, 2026 10:47:09 AM

Good morning,

Please see below for the latest guidance from the Senate Appropriations Committee regarding implementation of your FY26 Congressionally Directed Spending funding through the Department of Housing and Urban Development's Office of Economic Development.

HUD EDI CPF/CDS will be managed by HUD's Field Offices and supported by HUD's Office of Economic Development, Congressional Grants Division at Headquarters. The field offices will conduct grants management including local customer service and grant agreement execution and headquarters will support national policy, standards, system, and congressional inquiries.

In the next 60-90 days, HUD will provide its first communication to grantees that will include early onboarding instructions, such as user access to HUD systems, information about upcoming webinars, and Office of Community Planning and Development (CPD) contacts to work with. HUD will use the point of contact information that you provided to THUD.

Grantees should be prepared to submit a project narrative and project budget to HUD that is consistent with the purpose of the project listed in the FY 2026 JES and have a Unique Entity Identifier (UEI) from SAM.gov.

All EDI grants are subject to Federal requirements, including the National Environmental Policy Act (NEPA), HUD's NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, all appropriate federal environmental and historic preservation laws, regulations, and Executive Orders, Build America Buy America, Section 3, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200. **The date EDI projects become federalized (AKA federal requirements begin to apply) is the date of enactment of the FY26 appropriations act, which was February 3, 2026.** This means that upon the bill being signed into law, grantees should **not** engage in choice limiting actions such as acquisition, leasing, rehabilitation, demolition, new construction, ground disturbance work such as clearing, grading or grubbing, and entering into contracts for these activities without first completing a federal environmental review process. However, grantees may perform administrative, planning, and other soft costs that are consistent with the project purpose. Any costs incurred by a grantee must comply with all applicable Federal requirements in order to be eligible for reimbursement for costs incurred between enactment and once a grant agreement is signed. No expenses incurred prior to the date of enactment of the FY26 appropriations act can be reimbursed. HUD's prohibition on choice limiting actions can be found at 24 CFR 58.22. Basic orientation materials to the HUD environmental review process can be found here:

<https://www.hudexchange.info/programs/environmental-review/orientation-to-environmental-reviews/#overview>

HUD's EDI landing page for FY22-24 projects can be found here:

https://www.hud.gov/program_offices/comm_planning/edi-grants. We anticipate it will be updated for the FY26 cohort. We recommend your office and new grantees review this resource as we anticipate the FY26 information to be similar to FY24.

Sincerely,

Offices of Senator Mark R. Warner & Senator Tim Kaine

Tab U:

Acknowledgement by Tenant of the availability of Renter
Education provided by Virginia Housing

Virginia Housing Renter Education Program

Whether it's a house, apartment, duplex or townhouse, renting can have its advantages over purchasing. Here are some resources to help you understand and explore your options for finding affordable rental housing in Virginia. As a renter, you have certain rights that protect you and your interests, but you also have responsibilities. Become familiar with what you need to know.

Virginia Housing provides Renters the opportunity to complete free courses and access other resources at their website. Renters are encouraged but not required to access this information.

To begin, Renters need to create an account on the VHDA website that is included in the links below. The eBook is a comprehensive resource that covers financial readiness, credit, searching for rentals, the application, the lease agreement, security deposit, tenant rights & responsibilities, housekeeping, and maintenance & repairs.

The online course is available in both English and Spanish. It is comprised of nine (9) standalone modules/chapters and is available 24 hours a day. A Certificate of Completion is made available at the completion of each chapter. Renters can download the certificate, print, save, and share by email if desired.

Links for Assistance to Renters Before Taking the Renter Education Program:

<https://www.virginiahousing.com/renters>

<https://www.virginiahousingsearch.com/Resources.html>

<https://www.virginiahousing.com/renters/education>

Acknowledgment of Renter of Dunsmore Building Senior Apartments:

Signature: _____ Dated: _____

Printed: _____

Tab W:

Internet Safety Plan and Resident Information Form



Internet Security Plan & Wi-Fi Use Guidelines

Dunsmore Building Senior Apartments

912 West Beverley Street
Staunton, Virginia

Adopted by:

Staunton Redevelopment and Housing Authority (SRHA)

900 Elizabeth Miller Gardens
Staunton, VA 24401

Purpose

Dunsmore Building Senior Apartments provides Wi-Fi internet access in the community space and within individual residential units as a resident service. This service is intended to support digital access for elderly households, including access to telehealth services, public benefits portals, communication with family and caregivers, and other online resources that promote housing stability and quality of life.

Wi-Fi service is provided free of charge to residents as an optional amenity.

Acceptable Use Guidelines

To ensure safe and reliable access for all residents, users of the Wi-Fi network must comply with the following:

1. **Legal Compliance**

Users must comply with all applicable federal, state, and local laws. Use of the Wi-Fi network for unlawful activity, including but not limited to fraud, harassment, identity theft, distribution of malware, or other criminal conduct, is strictly prohibited and may be reported to appropriate authorities.

2. **Network Integrity**

Residents may not use the Wi-Fi service in a manner that interferes with, disrupts, or degrades network performance for other residents.

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TTY/TDD VA Relay Center | 711 or 1-800-828-1120





3. **Unauthorized Access**

Wi-Fi access is provided exclusively to residents of Dunsmore Building Senior Apartments. Residents may not share passwords, grant access to nonresidents, or attempt to access restricted portions of the network.

4. **User Responsibility**

Residents are responsible for all activity conducted under their Wi-Fi access credentials.

5. **Household Supervision**

Residents are responsible for supervising any household members or guests who use the Wi-Fi service under their access.

Infrastructure and Security

- The Wi-Fi system infrastructure is maintained by SRHA or its authorized service provider.
- Network equipment is secured in restricted locations.
- Appropriate firewall protections and commercially reasonable security measures are maintained to help prevent unauthorized access.

SRHA provides support for network infrastructure only. SRHA does not provide technical support for residents' personal devices.

Service Disclaimer and Limitation of Liability

Wi-Fi service is provided as a convenience and optional amenity. SRHA does not guarantee uninterrupted service, specific internet speeds, or protection from cyber threats.

Residents assume responsibility for safeguarding their personal information and securing their electronic devices. SRHA is not responsible for:

- Data loss
- Identity theft
- Malware or cyber intrusion
- Service interruptions
- Damage to personal equipment
- Any loss resulting from use of the Wi-Fi network

Use of the network is at the resident's own risk.

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TTY/TDD VA Relay Center | 711 or 1-800-828-1120





Enforcement

Wi-Fi access is an optional amenity and not a condition of tenancy.

SRHA reserves the right to suspend or terminate Wi-Fi access for violations of these guidelines. Suspension of Wi-Fi privileges does not affect a resident's lease status unless the underlying conduct independently violates the lease agreement or applicable law.

Failure to comply with these guidelines may result in suspension of Wi-Fi privileges and, where appropriate, referral to law enforcement.

Resident Acknowledgment

By signing below, I acknowledge that I have reviewed and understand the Internet Security Plan and Wi-Fi Use Guidelines established by the Staunton Redevelopment and Housing Authority for Dunsmore Building Senior Apartments. I agree to comply with these guidelines.

Resident Signature

Resident Name (Printed)

Date: _____

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TTY/TDD VA Relay Center | 711 or 1-800-828-1120



Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504



Dunsmore Building, LLC

Dunsmore Building Senior Apartments

Section 504 Accessible Unit Marketing Plan

Adopted by:
Staunton Redevelopment and Housing Authority (SRHA)
900 Elizabeth Miller Gardens
Staunton, Virginia

I. Overview

Dunsmore Building Senior Apartments is a 15-unit elderly LIHTC development located in Staunton, Virginia.

In accordance with HUD Section 504 of the Rehabilitation Act of 1973 (24 CFR Part 8), the property will include:

- **One (1) mobility-accessible unit, and**
- **One (1) sensory-accessible unit**

These units will be constructed in compliance with the Uniform Federal Accessibility Standards (UFAS) or other HUD-approved accessibility standards applicable at the time of construction.

These accessible units will be affirmatively marketed to individuals with disabilities in accordance with HUD and Virginia Housing requirements.

II. Priority and Occupancy Procedures

When an accessible unit becomes available, the following priority sequence will apply:

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1. **First Priority – Current Residents**

The unit will be offered to a current resident of the property who has a disability and requires the accessibility features of the unit.

2. **Second Priority – Qualified Applicants with Disabilities**

If no current resident requires the unit, the accessible unit will be offered to the next eligible qualified applicant with a disability on the waiting list who requires the accessible features of the unit.

3. **Third Step – General Occupancy**

If no qualified household with a disability is available after documented good-faith outreach and marketing efforts, the unit may be offered to another income-qualified applicant.

Any non-disabled household occupying an accessible unit will acknowledge in writing that they may be required to transfer to a comparable non-accessible unit if a household with a disability subsequently requires the accessible features.

All applicants must meet applicable LIHTC income limits and property screening criteria for the designated unit.

III. Affirmative Marketing and Outreach

SRHA will conduct targeted outreach to ensure individuals with disabilities are informed of accessible unit availability. Outreach efforts will include, but are not limited to:

- **Access Virginia** – Coordination to identify service agencies assisting individuals with disabilities.
- **VirginiaHousingSearch.com** – Listing of the property with clear identification of accessible units.
- **National Accessible Apartment Clearinghouse** – Registration of accessible units in the national database.
- **Virginia Department of Medical Assistance Services (DMAS)** – Referral source outreach.
- **Virginia Department of Behavioral Health and Developmental Services (DBHDS)** – Referral coordination.
- **Valley Program for Aging Services (VPAS)** – Outreach to elderly households with disabilities.
- **Augusta Health** – Referral outreach to individuals who may require accessible housing.

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Marketing materials will identify the availability of accessible units and include the Equal Housing Opportunity logo and appropriate accessibility statements.

IV. Marketing Timeline and Vacancy Management

When an accessible unit becomes available, SRHA will:

- Immediately initiate outreach to identified referral partners.
- Notify qualified applicants with disabilities on the waiting list.
- Document all outreach efforts and responses.

Good-faith outreach efforts will be conducted for a reasonable marketing period consistent with HUD guidance. Units will not be held vacant beyond what is financially prudent and compliant with HUD requirements. Documentation of outreach efforts will be maintained to demonstrate compliance.

V. Documentation and Recordkeeping

SRHA will maintain records sufficient to demonstrate compliance with Section 504 and Virginia Housing requirements, including:

- Outreach logs (date-stamped)
- Copies of advertisements and listings
- Waiting list documentation identifying applicants requesting accessible features
- Records of unit offers and applicant responses
- Transfer acknowledgments for non-disabled households occupying accessible units

Documentation will be retained in accordance with LIHTC compliance and HUD recordkeeping requirements.

VI. Compliance Commitment

Dunsmore Building Senior Apartments is committed to full compliance with:

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- Section 504 of the Rehabilitation Act of 1973
- The Fair Housing Act
- HUD implementing regulations (24 CFR Part 8)
- Virginia Housing accessibility requirements

This Accessible Unit Marketing Plan is incorporated into the property's ongoing compliance procedures and will remain in effect throughout the LIHTC compliance period.

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